

## PROVISIONAL CAPITAL OUTTURN 2009/10

**EXECUTIVE MEMBER:** Councillor Elaine Woodburn  
**LEAD OFFICER:** Alison Clark, Accountancy Service Manager & Acting S151 Officer  
**REPORT AUTHOR:** Ann Treble – Capital & Project Accountant

**WHY HAS THIS REPORT COME TO THE EXECUTIVE?**  
(eg Key Decision, Policy recommendation for Full Council, at request of Council,etc.)

To inform Executive of the provisional capital outturn for 2009/10

### **RECOMMENDATION:**

That Executive;

- (i) Confirm the revised gross capital budget of £7,722,783 (paragraph 2.2)
- (ii) Approve virements (paragraph 3.10.2) from Public Buildings backlog to Chapel Street car park and Ginns, and from Home Repair Assistance to Disabled Facilities Grants (paragraph 3.14.4).
- (iii) Note the provisional outturn net under spend as at 31 March 2010 of £1,068,229.
- (iv) Consider and agree the carry forward requests of £1,565,312, of which £681,102 relates to the housing programme and was fully committed in 2009/10 (Table 2).
- (v) Consider and confirm level of additional revenue funding to be made available to meet demand for Public Building and Energy Efficiencies projects, that cannot be funded through capital (paragraph 3.10.2 & 3.10.3)

## **1. INTRODUCTION**

- 1.1 This report provides Executive with the provisional outturn position at the year-end 31<sup>st</sup> March 2010 for the 2009/10 Capital Programme for both Housing and Non-Housing.
- 1.2 The revised capital programme approved as at 31<sup>st</sup> December 2009 was £7,488,015. As detailed in paragraph 2.2 and in Table 1 (page 3), this report seeks Executive's approval to revise the approved 2009/10 capital programme to £7,722,783.
- 1.3 The provisional gross expenditure outturn position for the capital budget, is £6,145,824. The provisional gross underspend against the expenditure budget is therefore £1,576,959.

## PROVISIONAL CAPITAL OUTTURN 2009/10

			BUDGET			OUTTURN			VARIANCE		
			Gross Expenditure	Gross External Income	Net Expenditure / Income (-)	Gross Expenditure	Gross External Income (-)	Net Expenditure / Income (-)	Variance (Outturn to Budgeted Total Capital Programme) (Over / Under(-))		
			2009/10 Total Revised Capital Programme £	2009/10 Total Revised Capital Programme £(-)	2009/10 Total Revised Capital Programme £	Total Gross Expenditure for 2009/10 £	Total Gross Income for 2009/10 £(-)	Total Net Position for 2009/10 £	Gross Expenditure £	Gross Income £	Net £
<b>OTHER (CORPORATE)</b>											
<b>Corporate Department:</b>											
<b>Management Information Systems</b>											
	New Financial Mgmt System	J Crellin 07020	29,865	-	29,865	29,865	-	29,865	-	-	-
	E-Market Place	C Lloyd 07072	14,500	-	14,500	13,365	-	13,365	(1,135)	-	(1,135)
	New CRM	J Salt 07032	51,469	-	51,469	27,289	-	27,289	(24,180)	-	(24,180)
	Website Development	J Salt 07031	25,848	-	25,848	20,939	-	20,939	(4,909)	-	(4,909)
	GIS Upgrade	H Mitchell 07061	10,000	-	10,000	-	-	-	(10,000)	-	(10,000)
	Regeneration Software	P Graham 07037	136,377	-	136,377	80,890	-	80,890	(55,487)	-	(55,487)
	Mosaic	J Betteridge 07049	11,610	-	11,610	5,610	-	5,610	(6,000)	-	(6,000)
	GIS aerial imagery	P Graham 07067	5,310	-	5,310	5,236	-	5,236	(74)	-	(74)
	Data Capture	P Graham 07066	13,600	-	13,600	-	-	-	(13,600)	-	(13,600)
	Revs and bens	J Salt	83,275	-	83,275	83,275	-	83,275	(0)	-	(0)
<b>Management Information Systems - Total</b>			381,854	-	381,854	266,469	-	266,469	(115,385)	-	(115,385)
<b>Public Buildings</b>											
	Phoenix Court Upgrading	C Lloyd 07241	871,093	(871,093)	-	868,254	(873,754)	(5,500)	(2,839)	(2,661)	(5,500)
	Public Buildings Condition Survey Backlog	C Lloyd 07120	299,043	-	299,043	270,007	-	270,007	(29,036)	-	(29,036)
	Energy Efficiency Measures	C Lloyd 07063	38,000	-	38,000	31,589	-	31,589	(6,411)	-	(6,411)
	Land purchase for Millom Cemetery Extension	C Lloyd 07058	5,000	-	5,000	784	-	784	(4,216)	-	(4,216)
	NCL Capital Improvements Work	C Lloyd 07254	15,000	-	15,000	14,813	-	14,813	(187)	-	(187)
<b>Public Buildings - Total</b>			1,228,136	(871,093)	357,043	1,185,447	(873,754)	311,693	(42,689)	(2,661)	(45,350)
<b>Property</b>											
	New cremators, Distington Crematorium	C Lloyd 07059	42,000	(42,000)	-	38,607	(38,607)	-	(3,393)	3,393	-
	Chapel Street car park mineshaft phase 3	C Lloyd 07400	275,153	-	275,153	263,201	-	263,201	(11,952)	-	(11,952)
	Grims Demolition	C Lloyd 07310	77,190	-	77,190	77,190	-	77,190	-	-	-
	Whitehaven TIC refit	C Lloyd 07270	44,385	(18,000)	26,385	44,385	(17,547)	26,838	-	453	453
	Milom Office Customer Service refit	P Graham 07064	16,916	(1,277)	15,639	16,916	(1,277)	15,639	-	-	-
<b>Property - Total</b>			455,644	(61,277)	394,367	440,299	(57,431)	382,868	(15,345)	3,846	(11,499)
<b>Leisure &amp; Environmental Services</b>											
	Enforcement Chipside System	T Magean 07133	2,428	-	2,428	-	-	-	(2,428)	-	(2,428)
	Gabion Baskets - Seascale	J O'Reilly 07760	8,200	-	8,200	6,858	-	6,858	(1,342)	-	(1,342)
	Mirehouse Flood Alleviation	J O'Reilly 07759	8,796	-	8,796	4,931	-	4,931	(3,865)	-	(3,865)
	Whitehaven Cemetery	T Magean 07077	13,209	-	13,209	5,758	-	5,758	(7,451)	-	(7,451)
	Kells Play Area	T Magean 07766	5,407	-	5,407	0	-	-	(5,407)	-	(5,407)
	NCL (Invest to save)	C Lloyd 07065	-	-	-	-	-	-	-	-	-
	Cemeteries and Children's Play Areas H&S Condition Report	T Magean 07057	51,500	-	51,500	35,046	-	35,046	(16,454)	-	(16,454)
	Cleator Moor Big Lottery	T Magean 07394	15,000	(15,000)	-	15,000	(15,000)	-	-	-	-
	Play Builder Money 2009	T Magean 07399	85,901	(85,901)	-	60,223	(60,223)	-	(25,678)	25,678	-
	Egremont Play Area expend	T Magean 07396	45,000	(45,000)	-	43,979	(43,979)	-	(1,021)	1,021	-
	Surveys Cleansing Repairs Adopt Drains	J O'Reilly 07762	50,000	-	50,000	28,090	-	28,090	(21,910)	-	(21,910)
	Seascale Wheeled Activity Area expend	T Magean 07398	50,000	(50,000)	-	50,000	(50,000)	-	-	-	-
<b>Leisure &amp; Environmental Services - Total</b>			335,441	(195,901)	139,540	249,885	(169,202)	80,683	(85,556)	26,699	(58,857)

## PROVISIONAL CAPITAL OUTTURN 2009/10

			BUDGET			OUTTURN			VARIANCE		
			Gross Expenditure	Gross External Income	Net Expenditure / Income (-)	Gross Expenditure	Gross External Income (-)	Net Expenditure / Income (-)	Variance (Outturn to Budgeted Total Capital Programme) (Over / Under(-))		
			2009/10 Total Revised Capital Programme £	2009/10 Total Revised Capital Programme £(-)	2009/10 Total Revised Capital Programme £	Total Gross Expenditure for 2009/10 £	Total Gross Income for 2009/10 £(-)	Total Net Position for 2009/10 £	Gross Expenditure £	Gross Income £	Net £
OTHER (CORPORATE)											
	Budget Manager	Cost Centre									
Regeneration											
	Coalfields CBC Capital D Ward	07083	9,319	-	9,319	-	-	-	(9,319)	-	(9,319)
	Albion Square Stage 1 P Graham	07052	630,000	(423,000)	207,000	507,588	(403,255)	104,333	(122,412)	19,745	(102,667)
	Pow Beck Sports Village Project expend J Betteridge	07275	103,233	(101,500)	1,733	103,233	(101,500)	1,733	-	-	-
	Pow Beck Valley Stadium project J Betteridge	07263	2,790	-	2,790	2,790	-	2,790	-	-	-
	Market Towns Regeneration - Capital Infrastructure J Betteridge	07128	30,000	-	30,000	25,513	-	25,513	(4,487)	-	(4,487)
	Coastal Fringe J Betteridge	07260	-	-	-	-	-	-	-	-	-
	Whitehaven Civic Quarter J Betteridge	07045	650,000	(590,000)	60,000	544,119	(521,252)	22,867	(105,881)	68,748	(37,133)
	Whitehaven Mount Pleasant J Betteridge	07046	499,743	(489,743)	10,000	112,682	(107,860)	4,822	(387,061)	381,883	(5,178)
	Milom TIC upgrading S Palmer	07280	-	-	-	-	-	-	-	-	-
	Egremont Historic Buildings Grant J Betteridge	07129	6,605	-	6,605	-	-	-	(6,605)	-	(6,605)
	Milom and Haverigg Lighthouse J Betteridge	07666	119,954	(119,954)	-	119,954	-	119,954	-	119,954	119,954
	Regeneration - Total		2,051,644	(1,724,197)	327,447	1,415,879	(1,133,867)	282,012	(635,765)	590,330	(45,435)
TOTAL CAPITAL PROGRAMME - OTHER			4,452,719	(2,852,468)	1,600,251	3,557,979	(2,234,254)	1,323,725	(894,740)	618,214	(276,526)
HOUSING											
Grants & Financial Assistance & Empty Properties:											
	Home Repair Assistance L Priebe	07601-0279	35,000	-	35,000	19,145	-	19,145	(15,855)	-	(15,855)
	Renovation Grants L Priebe	07601-2550	1,090,000	(728,381)	361,619	985,464	-	985,464	(104,536)	728,381	623,845
	Renewal Grants J Priebe	07601-0282	820,065	(388,424)	431,641	559,555	-	559,555	(260,510)	388,424	127,914
	Empty Properties J Priebe	07601-0280	19,438	(5,000)	14,438	3,713	(1,560,000)	(1,556,287)	(15,725)	(1,555,000)	(1,570,725)
	Disabled Facilities Grants L Priebe	07601-2601	882,799	(298,489)	584,310	598,323	-	598,323	(284,476)	298,489	14,013
			2,847,302	(1,420,294)	1,427,008	2,166,200	(1,560,000)	606,200	(681,102)	(139,706)	(820,808)
Other											
	Basket Road - Lead Design Consultancy J Betteridge	07602	2,127	-	2,127	14,380	-	14,380	12,253	-	12,253
	Basket Road - Capital Scheme Implementation (inc Kells) J Betteridge	07603	417,251	(449,600)	(32,349)	404,998	(419,378)	(14,380)	(12,253)	30,222	17,969
			419,378	(449,600)	(30,222)	419,378	(419,378)	-	-	30,222	30,222
Structural Remedial Works											
	Structural Remedial Works -Trusteel J Betteridge	07608	3,384	-	3,384	2,267	-	2,267	(1,117)	-	(1,117)
			3,384	-	3,384	2,267	-	2,267	(1,117)	-	(1,117)
TOTAL CAPITAL PROGRAMME - HOUSING			3,270,064	(1,869,894)	1,400,170	2,587,845	(1,979,378)	608,467	(682,219)	(109,484)	(791,703)
TOTAL CAPITAL PROGRAMME EXPENDITURE			7,722,783	(4,722,362)	3,000,421	6,145,824	(4,213,632)	1,932,192	(1,576,959)	508,730	(1,068,229)

Executive 29 June 2010

APPENDIX B (sheet 1 of 2)

AMENDED CAPITAL PROGRAMME BUDGET 10/11, 11/12, 12/13

	Expenditure						Funding						2011/12				2012/13				TOTAL 12/13 including slippage approved by Full Council 2 March 2010	OVERALL TOTAL 10/11-12/13 £'000	Manager		
	2010/11	2010/11				UCRR	Crem sinking fund	WNF	Preserved Rights To Buy Sales (post stock transfer)	Residual Rights To Buy	External	Existing borrowing	2011/12		TOTAL 11/12 including slippage approved by Full Council 2 March 2010	2012/13									
		Existing programme Feb 09 Council £'000	Slippage £'000 approval sought Exec Nov 09/Feb 10	Draft bids submitted Oct/Nov 09 £'000	Approved by Executive 13 April 2010 £'000								Amendment/ Slippage from provisional outturn	TOTAL 10/11		Existing programme Feb 09 Council £'000	Slippage £'000 approval sought Exec Nov 09/Feb 10	Draft bids submitted Oct 09/Nov 09 £'000	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09/Feb 09				Draft bids submitted Oct 09/Nov 09 £'000	
OTHER (CORPORATE)																									
Corporate Department:																									
Management Information Systems																									
Revenues and Benefits	-	-	188,225		(56,500)	131,725	131,725									-							-	131,725	J Salt
New Financial Mgmt System		15,000			(4,865)	10,135	10,135							15,000		15,000							-	25,135	A Clark
New CRM	-	93,000	-		24,180	117,180	117,180									-							-	117,180	J Salt
Website development		35,000			4,908	39,908	39,908									-							-	39,908	
GIS Upgrade					10,000	10,000	10,000									-							-	10,000	
Regeneration Software licences				80,000	55,487	135,487	135,487									-							-	135,487	P Graham
Virtualisation of Servers				30,000		30,000	30,000									-							-	30,000	
Corporate Firewall				17,080		17,080	17,080									-							-	17,080	
Mosaic		6,195			6,000	12,195			12,195						6,195	6,195							-	18,390	
Waste Route Optimisation using GIS	-	32,500				32,500	32,500									-						-	-	32,500	J Carroll
Data capture		20,400			13,600	34,000	34,000									-							-	34,000	
Management Information Systems - Total	-	202,095	315,305	-	52,810	570,210	558,015	-	12,195	-	-	-	-	-	15,000	6,195	21,195	-	-	-	-	-	-	591,405	
Public Buildings																									
Phoenix court phase 2 (retention only)		22,000			2,839	24,839						24,839				-							-	24,839	
Public Buildings Condition Survey Backlog	241,020		8,980		(16,966)	233,034	233,034							194,670	5,330	200,000			217,000			217,000	650,034	C Lloyd	
Energy Efficiency Measures	53,000	15,000	(200)		4,411	72,211	72,211							53,000	(200)	52,800			52,800			52,800	177,811	C Lloyd	
Land purchase for Millom Cemetery Extension	5,000				4,216	9,216	9,216							140,000		140,000							-	149,216	C Lloyd
Public Buildings - Total	299,020	37,000	8,780	-	(5,500)	339,300	314,461	-	-	-	-	24,839	-	387,670	-	5,130	392,800	-	-	269,800			269,800	1,001,900	
Property																									
New cremators, Distington Crematorium	470,850				3,393	474,243	250,300	168,550				55,393		13,150		13,150							-	487,393	C Lloyd
Chapel Street Car Park					11,952	11,952										-							-	11,952	
Haverigg Lighthouse (GRANT)			1,037,000		(119,954)	917,046	150,000		20,000			882,046				-							-	917,046	
Copeland reception			150,000			150,000	150,000									-							-	150,000	
Surveys Cleansing Repairs Adopt Drains		70,000			21,910	91,910	91,910								192,651	192,651							-	284,561	J O'Reilly
Property - Total	470,850	70,000	1,187,000	-	(82,699)	1,645,151	519,162	168,550	20,000	-	-	937,439	-	13,150	192,651	-	205,801	-	-	-	-	-	-	1,850,952	
Leisure & Environmental Services																									
Gabion Baskets					1,342	1,342	1,342									-							-	1,342	
Mirehouse Flood Alleviations					3,865	3,865	3,865									-							-	3,865	
Cemeteries and Children's Play Areas Condition Report	44,100	47,150			16,454	107,704	107,704									-							-	107,704	T Mageau
Rottingham Beck			90,000			90,000	90,000									-							-	90,000	
Play Builder Money 2010	-		90,000		25,678	115,678						115,678				-							-	115,678	
Egremont Play area (big lottery)					1,021	1,021						1,021				-							-	1,021	
Fleet communications/GPS tracking			20,000			20,000	14,000					6,000				-							-	20,000	J Carroll
Whitehaven cemetery		7,500			7,451	14,951	14,951									-							-	14,951	
Kells Play area					5,407	5,407	5,407									-							-	5,407	
Christmas Lights			62,000			62,000	62,000									-							-	62,000	
Whitehaven Market Lighting			32,000			32,000	32,000									-							-	32,000	
Copeland Pool			215,000			215,000						215,000				-							-	215,000	
North Shore				289,400		289,400	289,400									-							-	289,400	
Leisure & Environmental Services - Total	44,100	54,650	509,000	289,400	61,218	958,368	620,669	-	-	-	-	337,699	-	-	-	-	-	-	-	-	-	-	-	958,368	
Regeneration																									
Coalfields					9,319	9,319	9,319									-							-	9,319	
Albion Square					122,412	122,412	102,667					19,745				-							-	122,412	
Market Town regeneration					4,487	4,487	4,487									-							-	4,487	
Whitehaven Civic Quarter					105,881	105,881	36,489					69,392				-							-	105,881	
Whitehaven Mount Pleasant		439,743			(52,682)	387,061						387,061				-							-	387,061	
Regeneration - Total	-	439,743	-	-	189,417	629,160	152,962	-	-	-	-	476,198	-	-	-	-	-	-	-	-	-	-	-	629,160	
TOTAL CAPITAL PROGRAMME - OTHER	813,970	803,488	2,020,085	289,400	215,246	4,142,189	2,165,269	168,550	32,195	-	-	1,776,175	-	400,820	207,651	11,325	619,796	-	-	269,800			269,800	5,031,785	

AMENDED CAPITAL PROGRAMME BUDGET 10/11, 11/12, 12/13

						Funding																	
2010/11	2010/11					UCRR	Crem sinking fund	WNF	Preserved Rights To Buy Sales (post stock transfer)	Residual Rights To Buy	External	Existing borrowing	2011/12				2012/13				OVERALL TOTAL 10/11-12/13 £'000	Manager	
	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09/Feb 10	Draft bids submitted Oct 09 £'000	Approved by Executive 13 April 2010 £'000	Amendment/S lippage from provisional outturn								Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09 £'000	TOTAL 11/12 including slippage approved by Full Council 2 March 2010	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09 £'000	TOTAL 12/13 including slippage approved by Full Council 2 March 2010			
					TOTAL 10/11																		

TOTAL CAPITAL PROGRAMME - OTHER (from sheet 1)	813,970	803,488	2,020,085	289,400	215,246	4,142,189	2,165,269	168,550	32,195	-	-	1,776,175	-	400,820	207,651	11,325	619,796	-	-	269,800	269,800	5,031,785	
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HOUSING	2010/11	2010/11					UCRR	Crem sinking fund	WNF	Rights To Buy Sales (post stock	Residual Rights To Buy	External	Existing borrowing	2011/12				2012/13			TOTAL 12/13 including slippage	OVERALL TOTAL 10/11-12/13 £'000		Manager	
	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09/Feb 10	Draft bids submitted Oct 09 £'000	Approved by Executive 13 April 2010 £'000	Amendment/S lippage from provisional outturn	TOTAL 10/11 including slippage								Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09 £'000	TOTAL 11/12 including slippage	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09 £'000					
Grants & Financial Assistance & Empty Properties:																									
Home Repair Assistance						-								TBC			-	TBC						-	L Priebe
Renovation Grants						-								TBC		1,200,000	1,200,000	TBC			1,200,000	1,200,000	2,400,000		
Renewal Grants	504,000	642,205	596,000		18,983	1,761,188						534,000		TBC			-	TBC					-	1,761,188	L Priebe
Empty Properties						-	61,265			1,047,923				TBC			-	TBC					-	-	L Priebe
Disabled Facilities Grants	210,000					210,000						328,000		TBC		210,000	210,000	TBC			210,000	210,000	630,000		L Priebe
	714,000	642,205	596,000	-	18,983	1,971,188	61,265	-	-	1,047,923	-	862,000	-	TBC	-	-	1,410,000	1,410,000	-	-	1,410,000	1,410,000	4,791,188		
Basket Road (retention only)		10,400				10,400						10,400						-					-	10,400	
TOTAL CAPITAL PROGRAMME - HOUSING	714,000	652,605	596,000	-	18,983	1,981,588	61,265	-	-	1,047,923	-	872,400	-	-	-	-	1,410,000	1,410,000	-	-	1,410,000	1,410,000	4,801,588		

	2010/11	2010/11								Preserved Rights To Buy Sales (post stock transfer)				2011/12				2012/13				OVERALL TOTAL 10/11-12/13 £'000		
	Existing programme Feb 09 Council £'000	Slippage £'000 approval sought Exec Nov 09	Draft bids submitted Oct 09 £'000	Approved by Executive 13 April 2010 £'000	Amendment/S lippage from provisional outturn	TOTAL 10/11 including slippage								Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09	TOTAL 11/12 including slippage	Existing programme Feb 09 Council £'000	Slippage £'000 aproval sought Exec Nov 09	Draft bids submitted Oct 09 £000	TOTAL 12/13 including slippage			
																£'000								
Schemes under development							UCRR	Crem sinking fund	WNF		Residual Rights To Buy	External	Existing borrowing											
Albion Square			2,000,000			2,000,000							2,000,000					-				-	2,000,000	
TOTAL CAPITAL PROGRAMME - SCHEMES UNDER DEVELOPMENT	-	-	2,000,000	-	-	2,000,000	-	-	-	-	-	-	2,000,000	-	-	-	-	-	-	-	-	-	2,000,000	

TOTAL CAPITAL PROGRAMME EXPENDITURE	1,527,970	1,456,093	4,616,085	289,400	234,229	8,123,777	2,226,534	168,550	32,195	1,047,923	-	2,648,575	2,000,000	400,820	207,651	1,421,325	2,029,796	-	-	1,679,800	1,679,800	11,833,373
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Total New Annual Programme						8,123,777										2,029,796			1,679,800		11,833,373
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Funding summary	2010/11	2011/12	2012/13	Total	
UCRR	2,226,534	600,451	269,800		3,096,785
Crem sinking fund	168,550				168,550
WNF	32,195	6,195	-		38,390
Preserved Rights to Buy	1,047,923	50,391			1,098,314
Residual Rights to Buy	-	645,609	696,000		1,341,609
External Funding	2,648,575	727,150	714,000		4,089,725
Existing Borrowing	2,000,000				2,000,000
	8,123,777	2,029,796	1,679,800		11,833,373

Funding from - CAP receipts only	3,443,007	1,296,451	965,800		5,705,258
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- 1.4 Income received in relation to the 2009/10 capital programme totalled £4,213,632 against a revised budget of £4,722,362 a variance of £508,730.
- 1.5 The provisional net variance against budget, for the capital programme is, therefore an underspend of £1,068,229.
- 1.6 Managed commitment that moved from 2009/10 into 2010/11 has been reported during the year and as at Q3 totalled, £1,664k. This report details a further £1,565k in Table 2. The main areas in which this reprofiling is now requested are: Regeneration (Civic Quarter, Mount Pleasant, Albion Square) and Housing.
- 1.7 It should be noted that the information contained in this report is provisional prior to the formal audit process. The Statement of Accounts for 2009/10 will be presented to the Audit Committee on 28<sup>th</sup> June for approval on behalf of the Council, and this will be followed by the external audit process.
- 1.8 Capital spend of £89,434 took place outside of the approved capital programme during 2009/10. Millom Pool spend of £72k was fully funded externally and Electoral software purchased by Legal for £17k was funded through revenue.
- 1.9 The monitoring of the capital programme is undertaken monthly and a report is presented to Executive each quarter. The Executive received a report at its meeting of 10 February 2010 which set out the monitoring position at 31 December 2009. This report provides an update to that report, setting out the financial out-turn for the Council's Capital Programme. This report and the draft outturn figures as at 12 April, have been discussed at the Capital Control and Monitoring Group at its meetings in January and April.

## **2. CAPITAL PROGRAMME 2009/10**

- 2.1 Members will recall the various adjustments made to the original capital programme to bring the 2009/10 Capital Programme gross expenditure budget to £7,488,015, at 31 December 2009.
- 2.2 Since Quarter 3, a number of further adjustments to the 2009/10 programme have been identified. These have been set out in Table 1. Members are asked to approve these changes which have a total net effect of increasing the gross expenditure budget from its level as at Quarter 3 by £234,768. These changes consist of £256,566 of increases to the budget level as at Quarter 3 (these are fully funded either in this year by external funders or in 2010/11 by our own reserves and consequently these 2010/11 budgets will be reduced accordingly) and

reductions of £21,798, (see Table 1 for details). These adjustments bring the Capital Programme gross expenditure budget to £7,722,783.

- 2.3 The gross income budget has been increased from £4,544,631 to £4,722,362 (£178k) as a result of Big Lottery projects being overstated by £9k and £7k, additional income relating to Pow beck (£1.5k), Millom Customer Service refit income from CCC (£1.2k), Mount Pleasant (£71k) and Millom & Haverigg Lighthouse funding of (£120k). Members will be pleased to note that this £4,722,362 supports the capital programme by providing 61.14% of the funding requirement externally and this represents value for money in relation to the match funding of council resources.

**Table 1: Reconciliation of Capital Programme 2009/10 per quarter 3 2009/10 monitoring to year end provisional outturn**

	£	Notes
<b>Gross expenditure budget per Q3 09/10 monitoring report</b>	7,488,015	
<b>Changes for which approval is sought:</b>		
Revenue and Benefits	56,500	Project progressed faster than originally anticipated when budget profile set. Project forecast to be completed within budget.
FMS	4,865	Project progressed faster than originally anticipated when budget profile set. Project forecast to be completed within budget.
Millom and Haverigg Lighthouse	119,954	At Q3 it was anticipated the project would commence in 2010/11 but spend of £119,954 took place in Q4
Millom Customer Service refit	916	Fully funded by additional receipt from CCC para 3.10.5
Whitehaven TIC	98	Fully funded para 3.10.6
Pow Beck Sports Village	3,233	Fully funded para 3.13.8
Mount Pleasant Whitehaven	71,000	Additional funding secured for project notified to Executive on 16 February 2010 para 3.13.5 (income budget also increased)
Millom Tic upgrading – reduce budget or write vack as all rev?	(5,798)	Capital budget not required as all expenditure was revenue
Cleator moor Big Lottery	(9,000)	Budget overstated para 3.12.6 (income budget also reduced)
Egremont Play Area Big Lottery	(7,000)	Budget overstated para 3.12.6 (income budget also reduced)
<b>Gross expenditure budget at 31 March 2010</b>	<b>7,722,783</b>	

### 3 PROVISIONAL OUTTURN FIGURES

- 3.1 The forecast variance reported to Executive for Quarter 3 was an underspend against gross expenditure budget of £609,749, a forecast income position of £4,654,631 against a budget of £4,544,631 resulting in a net forecast spend of £719,749 under budget
- 3.2 This report sets out the financial implications arising from the out-turn including the impact on capital resources for 2009/10.
- 3.3 Executive is asked to note that the information contained in this report is provisional and subject to the formal audit process. Any significant changes required following the approval of the 2009/10 accounts will, if required, be reported to a future Executive meeting.
- 3.4 The provisional gross out-turn position for the 2009/10 capital programme, is shown in Table 2 below.
- 3.5 This shows a net variance of £1,576,959, as against £609,749 reported at quarter 3. The net variance shows carry forwards to 2009/10 of £1,565,312, of which £884,210 relates to non housing and £681,102 to housing. The provisional position for 2009/10 after all carry forwards have been taken into account, therefore, is an underspend of £11.6k, which represents a reduced call upon capital reserves in funding the 2009/10 programme.

**Table 2 – Provisional Outturn Against the Capital Programme 2009/10**

Corporate Department	Revised Annual Budget	Provisional Outturn Expenditure	Variance		Virements	Adjusted variance	Carry forwards to 2010/11	To write back
	£	£	£		£	£	£	£
Management Information Systems	381,854	266,469	115,385			115,385	114,175	1,209
Public Buildings	1,241,479	1,185,447	56,032		(13,343)	42,689	42,500	189
Property (C&P and EH)	442,301	440,299	2,002		13,343	15,345	15,345	
Leisure and Environmental Services	335,441	249,885	85,556			85,556	83,128	2,428
Regeneration	2,051,644	1,415,879	635,765			635,765	629,062	6,703
<b>TOTAL NON-HOUSING CAPITAL PROGRAMME</b>	<b>4,452,719</b>	<b>3,557,979</b>	<b>894,740</b>		<b>0</b>	<b>894,740</b>	<b>884,210</b>	<b>10,530</b>
Housing	3,270,064	2,587,845	682,219			682,219	681,102	1,117
<b>TOTAL CAPITAL PROGRAMME</b>	<b>7,722,783</b>	<b>6,145,824</b>	<b>1,576,959</b>		<b>0</b>	<b>1,576,959</b>	<b>1,565,312</b>	<b>11,647</b>



- 3.6 The provisional outturn is set out in detail, project by project, in Appendix A.
- 3.7 Members are asked to note that whilst this reports seeks approval for a total of £1,565k slippage to be carried forward, details of individual schemes are only given if significant.
- 3.8 The gross expenditure is funded by a combination of external grants, contributions and the Council's capital reserves. This is set out in Table 3 in section 4.1.

### **3.9 KEY VARIANCES AND CARRY FORWARD REQUESTS**

#### **3.9.1 Management Information Systems (Services wide)**

- 3.9.2 The Management Information Systems capital programme projected outturn for 2009/10 is a gross spend of £266k against a gross expenditure budget of £381k giving a variance of £115k. The net variance for 2009/10 consists of £114k of work which has slipped into 2010/11 and projects completed at less than budget of £1k. The key variances are set out in paragraphs 3.9.3-3.9.9.
- 3.9.3 New FMS – this project has progressed faster than originally anticipated and spend originally budgeted to take place in 2010/11 has been incurred in 2009/10. This is reflected in the request to increase the gross expenditure budget for 2009/10 in Table 1 of this report. Quarter 1 monitoring for 2010/11 will reflect this movement of budget (reduction in 2010/11).
- 3.9.4 New CRM and Website Development - provisional out turn includes slippage of £24k and £5k respectively. Members will recall from quarter 3 reporting that additional work, investigating self service procurement options, delayed these projects. It had been the intention to carry out specific tasks on these projects independently from one another but the provider has since stated this would not be beneficial so the works originally planned have consequently been delayed slightly into the new financial year, resulting in the slippage.
- 3.9.5 GIS upgrade – this project did not take place in 2009/10 so the whole budget will be carried forward into 2010/11.
- 3.9.6 Regeneration software - the spend for the year is £81k against a budget of £136k resulting in slippage of £55k. The project has progressed well in the year but delays at the start of the year and a number of snagging issues have prevented it being nearer completion, which is now anticipated to be in quarter 2 of 2010/11.

- 3.9.7 Mosaic – The provisional out turn for the year is spend of £5.6k against a budget of £11.6k. The project has been delayed as it links in with the CRM project above in para 3.9.4.
- 3.9.8 Data Capture – Members will recall the quarter 3 report that stated ‘A timetable for the work on the Data Capture has now been established with an expected completion date of 30<sup>th</sup> June 2010.’ However this project did not commence in 2009/10, as anticipated, due to the inability to accommodate the personnel required. It is therefore necessary to carry forward £13.6k budget into 2010/11 where this work has commenced.
- 3.9.9 Revenues and Benefits - Members will recall the inclusion of £26,775 in the budget at quarter 3, being brought forward from the total scheme budget of £215,000, which up until Q3 was all in 2010/11 capital programme. The £26,775 was an estimate calculation based on Copeland’s 25.5% share of total capital costs applied to information provided by Allerdale to the Head of Customer Services. Copeland’s actual share of costs to 31 March 2010 was £83,275, and this is reflected in the request to increase the gross expenditure budget for 2009/10 in Table 1 of this report. Quarter 1 monitoring for 2010/11 will reflect this movement of budget (reduction in 2010/11).

### **3.10 Public Buildings (Contracts and Projects)**

- 3.10.1 The provisional outturn gross capital expenditure on Public Buildings is £1,185k (see figure (1) in the below table). This represents a variance of £56k (2) against the gross expenditure budget as reported at quarter 3 of £1,241k (3). However, members are asked to approve virement of £13k (11) of the Public Buildings condition survey expenditure budget (underspent by £42k (4) before any virement) to support projects within property (details of this are set out in the following paragraph and at 3.11.2 and 3.11.3). If this virement of budget is approved, this will result in a reduced underspend against public buildings condition survey of £29k (5) and of £43k (6) against public buildings overall. It will also increase the variance against the Property gross expenditure budget from and underspend of £2k (13) to an underspend of £15k (14) (see paras 3.11.2 and 3.11.3 for details of why the virement to property is required). The post virement variance against Public Buildings of £43k (6) for 2009/10 consists of £42.5k of work which has slipped into 2010/11 and projects completed at less than budget of £0.2k. The key variances are set out in paragraphs 3.10.2-3.10.6.
- 3.10.2 As noted in 3.10.1 above, Public buildings conditions survey capital spend is £270k (7) against a £312k (8) pre-virement budget, resulting in slippage of £42k (4). Members are asked to approve the virement of some of this slippage to Chapel Street Car Park (£11k) (9) and Ginns demolition project (£2k) (10), see para 3.11.2 and 3.11.3 respectively for

details. Subject to approval, the remaining slippage of £29k **(12)** is to be carried forward to complete works started in 2009/10. A review of works planned for 2010/11, has been carried out to ascertain if the intended works are of a capital nature. This review has identified £46k that is not eligible for capital funding which will see a reduced demand on useable Capital Receipts Reserve, this reduction is reflected in Appendix B – Amended Capital Programme Budget 10/11,11/12,12/13. However if the works are to be completed, there will be an increased demand for revenue spend which cannot be met from current budgets. Members are asked to confirm the level of revenue support.

**Table supporting 3.10.1 & 3.10.2: setting out impact of requested virement on the public buildings and property budget and provisional outturn figures:**

(n.b. the figures included in Appendix A assume the virement has taken place)

	Q3 (PRE Virement) Gross Expenditure Budget	Requested virement	POST Virement Gross Expenditure Budget  (as per Appendix A)	Provisional Outturn Actual Expenditure  (as per Appendix A)	Variance against PRE virement GROSS expenditure	Variance against POST virement GROSS expenditure  (as per Appendix A)	Variance against PRE virement NET budget	Variance against POST virement NET budget  (as per Appendix A)
	£	£	£	£	£	£	£	£
Public Buildings Condition Survey	312,386 <b>(8)</b>	(13,343) <b>(11)</b>	299,043	270,007 <b>(7)</b>	(42,379) <b>(4)</b>	(29,036) <b>(5)</b>	(42,379)	(29,036) <b>(12)</b>
<i>Other public buildings projects (see Appendix A for details)</i>	929,093	-	929,093	915,440	13,653	13,653	(16,314)	(16,314)
<b>Public Buildings - Total</b>	<b>1,241,479 (3)</b>	<b>(13,343)</b>	<b>1,228,136</b>	<b>1,185,447 (1)</b>	<b>(56,032) (2)</b>	<b>(42,689) (6)</b>	<b>(58,693)</b>	<b>(45,350)</b>
Chapel Street car park mineshaft phase 3	264,000	11,153 <b>(9)</b>	275,153	263,201	(799)	(11,952)	(799)	(11,952)
Ginns Demolition	75,000	2,190 <b>(10)</b>	77,190	77,190	2,190	-	2,190	-
<i>Other property projects (see Appendix A for details)</i>	103,301	-	103,301	99,908	(3,393)	(3,393)	453	453
<b>Property - Total</b>	<b>442,301</b>	<b>13,343</b>	<b>455,644</b>	<b>440,299</b>	<b>(2,002) (13)</b>	<b>(15,345) (14)</b>	<b>1,844</b>	<b>(11,499)</b>

3.10.3 The energy efficiencies project spent £32k against a budget of £38k, with the resulting slippage of £6k to be carried forward, subject to approval for works to take place in 2010/11. It should be noted that £7k of work of a revenue nature that had previously been charged to capital has been transferred in year. A review of works planned for 2010/11, has been carried out to ascertain if the intended works are of a capital nature. This review has identified £2k that is not eligible for capital funding which will see a reduced demand on useable Capital Receipts Reserve, this reduction is reflected in Appendix B – Amended Capital Programme Budget 10/11,11/12,12/13. However if the works are to be completed, there will be an increased demand for revenue spend which cannot be met from current budgets. Members are asked to confirm the level of revenue support.

- 3.10.4 The land purchase for Millom Cemetery extension was re profiled in year to reflect that the main expense would be the purchase of the land but that this could only come after searches were carried out to identify any suitable land. As a result, spend in 2009/10 was minimal at £784. The remainder of 2009/10 budget - £4,216 is requested to be carried forward for consolidation with the remainder of the budget. It should be noted that Capita are currently providing valuations on a number of pieces of land, with a view to them being investigated further to assess suitability. The costs involved in this work are not chargeable to capital (as they will not all result directly in the acquisition of an asset as we will only acquire one piece of land not several). The immediate cost of the works being carried out are not expected to be in excess of £1.5k and can be funded through existing revenue budgets. However further work required will need to be presented to Executive to secure funding before proceeding.
- 3.10.5 Table 1 shows a request for increase in budget of £916, on Millom Customer Service refit, which is fully funded by a receipt from Cumbria County Council, for works done at their request.
- 3.10.6 The expenditure budget for Whitehaven TIC project was £44k with budgeted income of £45k (£18k external and £27k from revenue and reserves). The project completed at £98 over the budgeted expenditure and the external income received was £453 less than budgeted. Due to the excess of revenue and reserve funding this additional expenditure and shortfall in external income do not represent an additional call on resources.

### 3.11 Property

- 3.11.1 The provisional outturn capital spend on Property is £440k **(A)** against the budget as reported at quarter 3 £442k **(B)**. As noted in para 3.10.1, members are asked to approve virement of £13k **(C)** of the Public Buildings condition survey expenditure budget (underspent by £42k **(D)** before any virement) to support projects within property as detailed below in 3.11.2 and 3.11.3. If approved, the impact of this virement is to increase the variance against the total Property gross expenditure budget from and underspend of £2k **(E)** to an underspend of £15k **(F)**, as well as decrease the underspend against the gross expenditure budget for public buildings from £56k **(G)** to £43k **(H)**.

**Table supporting 3.11.1 & 3.11.2; setting out impact of requested virement on the public buildings and property budget and provisional outturn figures:**

(n.b. the figures included in Appendix A assume the virement has taken place)

	Q3 (PRE Virement) Gross Expenditure Budget	Requested virement	POST Virement Gross Expenditure Budget	Provisional Outturn Actual Expenditure	Variance against PRE virement GROSS expenditure	Variance against POST virement GROSS expenditure	Variance against PRE virement NET budget	Variance against POST virement NET budget
	£	£	(as per Appendix A) £	(as per Appendix A) £	£	(as per Appendix A) £	£	(as per Appendix A) £
Public Buildings Condition Survey	312,386	(13,343) <b>(C)</b>	299,043	270,007	(42,379) <b>(D)</b>	(29,036)	(42,379) <b>(D)</b>	(29,036)
Other public buildings projects (see Appendix A for details)	929,093	-	929,093	915,440	13,653	13,653	(16,314)	(16,314)
<b>Public Buildings - Total</b>	<b>1,241,479</b>	<b>(13,343)</b>	<b>1,228,136</b>	<b>1,185,447</b>	<b>(56,032)</b> <b>(G)</b>	<b>(42,689)</b> <b>(H)</b>	<b>(58,693)</b>	<b>(45,350)</b>
Chapel Street car park mineshaft phase 3	264,000	11,153 <b>(J)</b>	275,153	263,201	(799)	(11,952) <b>(I)</b>	(799)	(11,952)
Binns Demolition	75,000 <b>(K)</b>	2,190 <b>(M)</b>	77,190	77,190 <b>(L)</b>	2,190	- <b>(N)</b>	2,190	- <b>(N)</b>
Other property projects (see Appendix A for details)	103,301	-	103,301	99,908	(3,393)	(3,393)	453	453
<b>Property - Total</b>	<b>442,301</b> <b>(B)</b>	<b>13,343</b>	<b>455,644</b>	<b>440,299</b> <b>(A)</b>	<b>(2,002)</b> <b>(E)</b>	<b>(15,345)</b> <b>(F)</b>	<b>1,844</b>	<b>(11,499)</b>

- 3.11.2 Chapel Street car park has fully spent against its remaining budget, but requires an additional £12k to pay the retainer during 2010/11. The project has overspent as a result of complications during the job, including revisions to the mineshaft treatment as a result of the further boreholes. This created an increase in the final reinstatement area, and a need to remove defective slag fill found below the existing tarmac and replace with new imported stone. The total extra cost for this work was £26,000 but has been offset by other savings. The remainder of the additional cost can be met, subject to member approval, by a virement of £11k **(J)** from the Public buildings slippage (as discussed in para 3.10.2 above) which results in an underspend in 2009/10 of £12k **(I)** against

Chapel Street which can be carried forward for use in 2010/11. Whilst this an additional cost it can be managed within the existing resources allocated to the capital programme and so does not represent an additional demand on capital reserves.

- 3.11.3 Ginns demolition originally had a budget of £80k, but £5k was written back to reserves in Q3, as it was anticipated that the project could be completed for £75k **(K)**. However the final spend was £77,190 **(L)**. Approval is therefore sought to vire £2,190 **(M)** from the public buildings budget to Ginns demolition as discussed in point 3.10.2 above. This virement would result in a £nil variance for 2009/10 **(N)**.

### **3.12 Leisure and Environmental Services**

- 3.12.1 Provisional out turn of £250k against a budget of £335k has resulted in an under spend of £2k due to projects being completed under budget and slippage of £83k.
- 3.12.2 Of the £83k slippage, £56k relates to various projects within Leisure namely; Playbuilder £26k, Kells playground £5.5k, Egremont play area £1k, Whitehaven cemetery £7.5k and cemeteries and playgrounds £16k. Members will recall being informed in quarter 3 that due to reductions in staff resources in Open Spaces there was a possibility some of these schemes will not be completed within this financial year, and this has come to fruition. It is expected that the majority of this slippage will be complete in Q1 of 2010/11 with the remainder in quarter 2.
- 3.12.3 The remainder of the slippage relates to projects managed by Environmental Health, with the bulk - £22k being on Survey Cleansing Repairs Drains project. As reported in quarter 3 the level of works able to be carried out during 2009/10 were lower than anticipated as the main contractor has been unavailable part of the year as they have given priority to demands on them as a result of the extreme weather experienced in year. The level of budget for 2010/11 onwards will be formally reviewed at end of Q2 in 2010/11, when the details relating to the Flood and Water Bill (and United Utilities obligations for drains under this bill) will be fully known.
- 3.12.4 The remainder of the Environmental Health slippage relates to Gabion Baskets £1k and Mirehouse Flooding Alleviation £4k, both of which are anticipated to be complete works started in 2009/10, in 2010/11.
- 3.12.5 The underspend to be written back to reserves relates to Enforcement Chipside – a Leisure project that essentially completed in 2008/09 with a carry forward into 2009/10 of £2k. This remains unspent at 31 March 2010, and will therefore be written back to reserves for use on future capital projects.

- 3.12.6 Big Lottery playground projects at Egremont and Cleator Moor were 100% externally funded, consisting of £45k Big Lottery and £9k community group funding and £15k Big Lottery and £7k community funding, respectively. The group funding however was never received by the Council as the groups dealt direct with the suppliers and as a consequence the gross expenditure budget and gross income budget were both overstated by £16k (£9k+£7k), this has been rectified in Table 1 (expenditure) and para 2.3 (income).

### **3.13 Regeneration**

- 3.13.1 The Regeneration capital programme provisional outturn is spend of £1,415k against a revised budget of £2,051k (a variance of £636k for the year ended 31<sup>st</sup> March 2010). The variance consists of; £629k slippage, see para 3.13.2-3.13.8 below for details on significant projects and £7k of funding to be written back as Egremont Historic Buildings project completed under budget.
- 3.13.2 The Haverigg and Millom Lighthouse project was due to commence in 2010/11 and as such was included in the capital programme approved by Council on 2 March, at £1.037m. However due to an external funder requiring cash to be defrayed in 2009/10, payments for work done were accelerated and approval is sought in Table 1 of this report, to increase the 2009/10 budget by this amount. The 2010/11 budget will be reduced accordingly.
- 3.13.3 Coalfields project has a brought forward of £9k from 2008/09 into 2009/10, as at 31 March 2010 this remained unspent. Subject to approval this will be carry forward into 2010/11 to be spent on contributing to two separate projects: Haig Colliery and Cleator Moor Square.
- 3.13.4 Due to the delay in planning application process, Albion Square stage 1 and 2 did not complete by 31 March 2010. Members will recall being notified of this possibility in the quarter 3 forecast report. Carry forward of £122k slippage is requested and spend is anticipated by quarter 2 of 2010/11.
- 3.13.5 Members will recall being informed in the Capital Programme report presented to Executive at its meeting of 10 February, that supplier lead times led to the delay in the substantial commencement of the Mount Pleasant 14 week project, which eventually commenced in March 2010. Members will also recall the report informed them that a further £71k of external funding had been secured and so Table 1 of this report requests confirmation that the gross expenditure budget be increased by the same value. This has resulted in a request to carry forward £387k to enable this project to be completed.

- 3.13.6 The Civic Quarter project has a proposed carry forward of £105k to allow completion in 2010/11.
- 3.13.7 Market Town Regeneration had a budget of £30k in 2009/10 of which £26k has been spent and the remaining £4k is requested to be cfwd for works in 2010/11.
- 3.13.8 Table 1 of this report shows a request to increase the budget of the Pow Beck project by £3,233. This increase is fully funded externally and the funding is reflected in the increase of the gross income budget in para 2.3.

### 3.14 Housing

- 3.14.1 The provisional variance against the expenditure budget of £3,270k is an underspend of £682k. All but £1k of this is requested to be carried forward into 2010/11 as it has been committed in 2009/10. Slippage has resulted as there is an inevitable delay between approval and expenditure, the majority of which is incurred at completion. The individual project's performance against budget are detailed below.

Project	Revised Budget	Provisional Outturn	Variance
Renovation Grants (old)	1,090,000	985,464	(104,536)
Renovation Grants (new)	820,065	559,555	(260,510)
Disabled Facilities Grants	882,799	598,323	(284,476)
Home Repair Assistance	35,000	19,145	(15,855)
Empty Properties	19,438	3,713	(15,725)
Basket Road	419,378	419,378	0
Trusteel	3,384	2,267	(1,117)
	3,270,064	2,587,845	(682,219)

- 3.14.2 Renovation grants old and new have not been expended as quickly as anticipated as the suppliers who the grant recipient engage to do the work, have been detained on works arising from the extreme weather conditions experienced during the year.
- 3.14.3 The same comment can be made in respect of the Disabled Facilities Grants (DFG) but there has also been a delay in the lead time on specialist equipment such as stair lifts etc which has resulted in monies not been expended as quickly as anticipated at Q3.
- 3.14.4 Home repair assistance – this project has essentially finished but housing are requesting confirmation from members to vire this to the DFG budget for 2010/11.



- 3.14.5 Empty properties - several properties have been identified where Copeland wish to intervene and indeed have commenced work with the owners, but due to the long process involved little spend occurred in 2009/10. Members are therefore requested to confirm this amount is carried over for use in 2010/11.
- 3.14.6 Trusteel structural remedial works - £1k; Members will recall in quarter 3 the return of a £55k underspend on this project to Useable Capital Receipts Reserve for use on future Council funded capital activity. A further £1k underspend has occurred now the project is completed in full.

#### 4 FINANCING OF CAPITAL PROGRAMME 2009/10

- 4.1 Utilisation of resources to fund the 2009/10 Capital Programme in the light of the provisional outturn is estimated as follows:

**Table 3 – Financing of the Capital Programme 2009/10**

Financing	Revised Annual Budget	Provisional Outturn	Capital Funding
	£	£	£
NON-HOUSING			
** Useable Capital Receipts	(1,557,381)	(1,170,235)	(1,170,235)
LABGI	(2,790)	(1,733)	(1,733)
WNF	(11,610)	(5,610)	(5,610)
Other External Funding	(2,811,840)	(2,314,956)	(2,314,956)
Other Reserves & contributions	(69,098)	(65,445)	(65,445)
<b>TOTAL NON-HOUSING</b>	<b>(4,452,719)</b>	<b>(3,557,979)</b>	<b>(3,557,979)</b>
HOUSING			
** Capital Receipts	(32,119)	(21,412)	(21,412)
** Capital Receipts - Preserved Right to buy	(1,217,945)	(587,055)	(587,055)
Other External Funding (inc Cap Grant Unapp)	(2,020,000)	(1,979,378)	(1,979,378)
<b>TOTAL HOUSING</b>	<b>(3,270,064)</b>	<b>(2,587,845)</b>	<b>(2,587,845)</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>(7,722,783)</b>	<b>(6,145,824)</b>	<b>(6,145,824)</b>

#### 5 CAPITAL RESOURCES

- 5.1 The following table shows the forecast position of the movement (i.e. use and new capital receipts) on usable capital receipts during the year which have been used to fund the capital programme. The provisional Useable Capital Receipts Reserve as at 31st March 2010 is £5,364,985. This does not take into account funding of expenditure which has slipped into 2010/11. The impact of this is set out in para 6.2.

**Table 4 – Movement on Usable Capital Receipts Reserve in 2009/10**

Useable Capital Receipts Reserve	Opening balance 1/04/09	Provisional Outturn Expenditure	Provisional Outturn Other	Provisional Outturn Income	Provisional Closing balance 31/03/10
	£	£	£	£	£
Capital receipts from sale of assets and repayment of 3rd party loans	(1,977,358)	1,190,905	(1,216)	(297,967)	(1,085,636)
Crematorium Sinking Fund	(168,550)				(168,550)
Preserved Right to Buy	(1,750,471)	587,055			(1,163,416)
Residual Right to Buy	(1,349,385)				(1,349,385)
VAT sharing receipt	(1,425,868)			(164,855)	(1,590,723)
Home loans repaid				(7,275)	(7,275)
<b>TOTAL Useable Capital Receipts Reserve</b>	<b>(6,671,632)</b>	<b>1,777,960</b>	<b>(1,216)</b>	<b>(470,097)</b>	<b>(5,364,985)</b>

- 5.2 The capital receipt figure of £1,216 above is the net impact of payments and receipts on the mortgage loans outstanding from the Council. This income was not included in previous quarterly monitoring reports.
- 5.3 A total of £7,275 has been received in connection with home loans/grants made by the council in the past. Again this income has not been included in previous quarterly monitoring reports.

## 6 REVISED CAPITAL PROGRAMME 2010/11

- 6.1 Appendix B to the report presents an amended Capital Programme for 2010/11. This takes account of the impact of the 2009/10 outturn.
- 6.2 The revised forecast balances on the useable capital receipts reserves for 2010/11 subject to agreement and audit of 09/10 slippage, would be as follows (see Table 4 para 5 for the 2009/10 provisional movements):

	£
<b>Provisional Usable Receipts Reserve as at 1st April '10</b>	<b>(5,364,985)</b>
Grants Receivable in relation to the 10/11 capital programme:	
Government: Disabled Facilities Grant	(210,000)
Government: Disabled Facilities Grant (additional 10/11 only)	(118,000)
Local Authority Housing Capital	(534,000)
Other Capital Grants	(1,665,000)
Expected receipts from sale of assets:	(2,106,500)
Expected receipts from VAT Share	(184,298)
Expected revenue to fund (Cameo and WNF)	(78,195)
Existing borrowing to fund	(2,000,000)
Slippage from 09/10	1,494,410
External funding relating to slippage from 09/10	(428,930)
Internal funding (other than UCRR) relating to slippage from 09/10	( 44,015)
	<b>1,021,465</b>
10/11 approved capital programme – adj for slippage double counted Housing and Mount Pleasant)	<u>7,026,737</u>
<b>Estimated Useable Receipts Reserve as at 31<sup>st</sup> March 2011</b>	<b><u>(4,212,776)</u></b>

### 6.3 Non-Housing

- 6.3.1 The non-housing capital programme for 2010/11 approved at 2 March 2010 Council meeting was £3,637,543. £1,784,605 to be funded from useable capital receipts (this includes £168,550 of receipts earmarked in 2008/09 for the Crematorium). The balance will be funded through £26,195 WNF and £1,826,743 of external grants.
- 6.3.2 On the 13 April 2010, Executive approved a further £289,400 to be funded from useable capital receipts, giving a non-housing approved budget of £3,926,943.

6.3.3 Table 1 of this report shows carry back of 2010/11 budget into 2009/10 as spend occurred quicker than anticipated. This has resulted in a reduction to the non-housing programme, for 2010/11 of £119,954, £56,500 and £4,865 for the Millom and Haverigg Lighthouse (external funding) and Revenues and Benefits (funded useable capital receipts) and FMS (funded useable capital receipts) respectively. Paragraphs 3.10.2 and 3.10.3 detail reductions in Public Buildings and Energy Efficiencies of £46,000 and £2,000 respectively, (both funded useable capital receipts reserve). These reductions bring the 2010/11 non-housing budget to £3,697,624. Slippage against non-housing capital projects in 2009/10 totalled £884,210 (note this included Mount Pleasant slippage which was already included in £3,926k above). So after adjusting for this the total non-housing budget is £4,142,189 funded £2,333,819 from useable capital receipts (includes £168,550 of earmarked receipts), £32,195 WNF and £1,776,175 external funding.

6.3.4 In addition to this Schemes under development with a budget of £2,000,000 to be funded from existing borrowings, were approved by Council on 2 March 2010.

## **6.4 Housing**

6.4.1 The housing capital budget for 2010/11 approved by Council on 2 March 2010 set a total budget of £1,962,605. This was to be funded £1,208,205 from useable capital receipts reserve (including PRTB) with the remaining £754,000 being met from external grants (including £10,400 received in advance Basket Road).

6.4.2 Since Council approved the housing capital programme a further external grant of £118,000 was notified of receipt from Disabled Facilities. RPWG of 21 April confirmed that this would not increase the original budget set by Council in March but would be applied to spend in priority to useable capital receipts. The split for funding was therefore revised to £1,090,205 useable capital receipts and £872,400 external grants.

6.4.3 After adjusting slippage (as some included in figure £1,962,605 above) the total housing budget for 2010/11 is £1,981,588, funded £61,265 useable capital receipts reserve, £1,047,923 Preserved Rights To Buy reserve and £872,400 by external grants.

## **6.5 Impact on capital resources of the 2010/11 capital programme (including slippage)**

6.5.1 Taking into account the amendments (including slippage) relating to the 2010/11 capital programme set out in this report and assuming forecast receipts from the sale of assets during 2010/11 of £2,106,500 and VAT share receipts of £184,298, capital resources as at 31<sup>st</sup> March 2011 are estimated to be as follows:

Useable Capital Receipts Reserve	Provisional Opening balance 1/04/10	Pre 10/11 Slippage	10/11 programme	10/11 budgeted capital receipts	Estimated Closing balance 31/03/11
	£	£	£	£	£
Capital receipts from sale of assets and repayment of 3rd party loans	(1,085,636)	396,545	1,829,989	(2,106,500)	(965,602)
Crematorium Sinking Fund	(168,550)		168,550		-
Preserved Right to Buy	(1,163,416)	624,923	423,000		(115,493)
Residual Right to Buy	(1,349,385)				(1,349,385)
VAT sharing receipt	(1,590,723)			(184,298)	(1,775,021)
Housing loans repaid	(7,275)				(7,275)
<b>TOTAL Useable Capital Receipts Reserve</b>	<b>(5,364,985)</b>	<b>1,021,468</b>	<b>2,421,539</b>	<b>(2,290,798)</b>	<b>(4,212,776)</b>

## **7 WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?**

- 7.1 The capital programme has been monitored and reported to members quarterly, throughout the year.

## **8. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?**

- 8.1 It is imperative that all budgets are monitored monthly with exceptions reported through Corporate Team and Executive so that management action can be taken to ensure the effective use of resources as planned by the Council.
- 8.2 The budget monitoring process is fully integrated into the planning process to ensure that Council objectives and priorities as outlined in the Corporate Plan are fully resourced as planned.

### **List of Appendices**

Appendix A – Detailed Provisional Outturn A  
Appendix B – Revised Capital Programme 2010/11-2012/13

### **List of Background Documents:**

Capital Programme 2010/11-2012/13 approved by Council 2 March 2010