



Title: **Capital Budget Monitoring 2011/12 (1st Quarter)**

Public Agenda Item: **Yes**

Wards Affected: **All Wards in Torbay**

To: **Overview & Scrutiny Board Council** On: 28 July 2011
29 September 2011

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1. What we are trying to achieve

- 1.1 This report is an overview of the Council's approved Capital Programme for the quarter ending June 2011 incorporating capital project approvals from Council meeting on 13th July 2011. The report provides details of expenditure and funding of service and community assets within the Council's approved Capital Plan and is a key element of meeting the Council's aims and objectives.

2. Recommendation(s) for decision

Overview and Scrutiny Board

- 2.1 That Members note the latest position on the Capital Programme and make recommendations to Council as appropriate.

Council

- 2.2 That two un-ring-fenced capital grants of £778,000 be allocated to Disabled Facilities Grants and £77,000 be allocated to Short Breaks for Disabled Children in line with central government intentions.

3. Key points and reasons for recommendations

- 3.1 This report incorporates the 4-year Capital Plan Budget for 2011/12 – 2014/15 approved by Council in February 2011, adjusted for slippage arising in 2010/11 and amended by any further revision to both projects and timing.
- 3.2 This report includes £18 million of additional capital allocations approved by Council on 13th July 2011 – schemes approved for Solar Panels, increase in Council's contribution to the South Devon Link Road (SDLR) and initial feasibility works for Princess Promenade structural works. All three schemes to be funded from prudential borrowing unless alternative funding can be identified.

- 3.3 The Council has been notified of two grants in 2011/12 of £778,000 million for Disabled Facilities Grants and £76,000 for Short Breaks for Disabled Children. Both these grants are now unring fenced so allocation of these grants is a Council decision. It is recommended that these grants are allocated to services in line with the central government indicated intentions for the use of the grants.
- 3.4 The overall funding position of the 4-year Capital Plan Budget of £97.5 million, covering the period 2011/12 – 2014/15, is in balance but still relies upon the generation of £3.2 million of capital receipts before the end of the current Plan period. Of this sum £0.4 million was received before 2011/12. The balance of £2.8 million is due from –
- £0.4 million from the sale of other surplus (not specific) assets
 - £2.4 million from sale of sites currently earmarked for service use – such as Paignton Library and Brixham Town Centre car park.
- 3.5 Of the total £97.5 million of the 4 year programme, £35.0 million is currently scheduled to be spent in 2011/12.
- 3.6 It should be noted that slippage or re profiling can be the result of valid project management reasons such as scheme re engineering, further consultation and clarification with users or detailed tendering.
- 3.7 Project Managers have revised the allocation of “general” funding to a number of specific schemes particularly in relation to schools. In addition a number of new projects have been approved since the programme was originally approved and these have been included.
- 3.8 The movements in the estimate of expenditure on the capital plan in 2011/12 between the estimate as at quarter one 2011/12 and the approved budget for 2011/12 are as follows:

Scheme	Variation in 2011/12	Change £m	Reason
Estimate as at Budget Setting – February 2011		42.0	Capital Plan 2011/12 (Report 10/2011)
Schemes brought forward from 2010/11 to 2011/12		4.0	See 2010/11 Capital Outturn Report (Council 13 th July 2011)
Haldon Pier	Increase in budget	1.3	New Environment Agency grant
Solar Panels	New scheme	1.8	Funded from Unsupported Borrow
Childrens' projects	Slippage to future years	(3.9)	See table in para A2.3 of this report.
CCRP	Slippage to future years	(9.0)	Scheme being reviewed

Affordable Housing	Increase in budget	0.2	Additional Right to Buy capital receipts
Short Breaks Disabled Children	Increase in budget	0.1	Grant allocation
Disabled Facilities Grants	Increase in budget	0.8	Grant allocation
Princess Pier	Slippage to future years	(1.4)	Scheme start date to be confirmed
South Devon Link Road	Slippage to future years	(0.9)	Profile based on Council report 13 th July 2011
Estimate – Quarter One 2011/12		35.0	

For more detailed information on this proposal please refer to the supporting information attached.

**Paul Looby
Executive Head - Finance (S151 Officer)**

Appendices

Appendix 1 Supporting Information to Capital Budget Monitoring
Appendix 2 Capital Plan Budget 2011/12 - 2014/15 (July 2011)