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Date: Wednesday, 13 June 2012

Overview and Scrutiny
Town Hall
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Dear Member

OVERVIEW AND SCRUTINY BOARD - WEDNESDAY, 20 JUNE 2012

I am now able to enclose, for consideration at the Wednesday, 20 June 2012 meeting of the Overview and Scrutiny Board, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
7.	Revenue Budget Outturn 2011/2012	(Pages 19 - 29)
8.	Capital Plan Budget Outturn 2011/2012	(Pages 30 - 44)

Yours sincerely

Kate Spencer
Clerk

Agenda Item 7



Title: **Revenue Outturn 2011/12 – Subject to Audit**

Public Item: **Yes**

Wards Affected: **All Wards in Torbay**

To: **Overview and Scrutiny Council** On: **20 June 2012**
On: **12 July 2012**

Key Decision: **No**

Change to Budget: **Yes** Change to Policy Framework: **No**

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1. What we are trying to achieve and the impact on our customers

- 1.1. The revenue outturn report shows the results of the Council's expenditure throughout the financial year 2011/12 and makes recommendations with respect to the declared surplus. It gives confidence that the Council has managed its resources well in delivering its stated objectives.
- 1.2 A separate report will be presented to Members of the final capital outturn position.

2. Recommendations for decision

- 2.1 **That the revenue outturn position for 2011/12 be noted.**
- 2.2 **That the Overview and Scrutiny Board be asked to report directly to Council on any recommendation it may have following its review of the outturn position.**
- 2.3 **That it be recommended to the Council that:**
 - (i) **a sum of £0.305m is earmarked to be transferred to an Employment Fund Reserve (paragraph A3.8);**
 - (ii) **the transfer of £0.136m of the revenue underspend to the Comprehensive Spending Review Reserve (paragraph 3.9) be approved;**

(iii) **Members to note that the transfers above in 2.3 (i) and (ii) are subject to the final audit of the Council's accounts.**

(iv) **To amalgamate reserves as proposed in paragraph 3.8.**

3. Key Points and reasons for recommendation

3.1 The Council continues to be faced with an extremely challenging future due to the expected reduction in government grant over the next two years of the current Comprehensive Spending Review (CSR) and the likely further reductions required in the following CSR. In addition, the Council is impacted by the political and economic uncertainty within Europe and the impact this may have upon the public finances of the country and future grant support for local government.

3.2 2011/12 was a challenging year financially for the Council due to significant pressures within Children's Services, Adult Social Care and Spatial Planning. However, despite these pressures, the Council has been able to contain spending and is in the position whereby income received has exceeded expenditure in 2011/12. A summary of how the net surplus was achieved and how it is recommended to be used is shown below:

	Council Budget	Council Outturn	Over/(under)spend
Council Expenditure	124,832	125,346	514
Unallocated Grants	955	0	(955)
Surplus achieved	125,787	125,346	(441)
Allocated to:			
- Employment Fund Reserve			305
- CSR Reserve			136
Balance			0

3.3 The Council was able to achieve this small surplus due to the successful implementation of strict financial control including a moratorium on non-essential expenditure, a vacancy freeze for all non-front line posts (using redeployment for vacancies in preference to redundancies where possible), and the non committal of unringfenced grants. These actions meant that the Council could declare an overall underspend. This situation comprises a number of over and underspends in different services at the end of the financial year (the detail is summarised below in section A3). These measures were supported by careful monitoring of budgets and performance by the Mayor, Executive Leads, Overview and Scrutiny Board and the Senior Leadership Team

3.4 The actions taken have ensured that services have continued to be provided to those most in need. Savings have mostly been achieved in discretionary areas. Whilst in the short term the impact on services has been minimal, there will be consequences from the freeze on expenditure which, in some cases, only defers

spend or, if continued in the longer term, could have an adverse consequence of increasing expenditure e.g. repairs and maintenance.

Reserves

Financial Challenge Reserves

- 3.5 As part of a previous Council decision, reserves were created to assist in meeting the financial challenges it faced over the period of the Comprehensive Spending Review (CSR). Three reserves, and spending on those reserves (for one-off purposes), have been reported to Members throughout the year and the balance on each reserve as at 31 March 2012 are shown below:

Reserve	Working Balance £'m
Comprehensive Spending Review Reserve	2.890
Budget Pressures Reserve	0.443
Financial Strategy and Change Management Reserve	0.149
Balance at 31 March	3.482

- 3.6 The main reserve is the CSR reserve which was set up in 2010 to support the Council during the financial challenges it faced. The main call on this reserve has been the cost of redundancies of which costs amounted to £0.6m. This CSR reserve will be maintained to assist the Council in managing the impact of further structural changes.
- 3.7 The Council holds two other uncommitted reserves: a Budget Pressures Reserve and a Change Management and Financial Strategy Reserve. Members will also recall that the council had to account for sunk costs arising from the redesign of the office accommodation review. This has been confirmed as £0.5m and has been funded the Financial Strategy and Change Management Reserve.
- 3.8 Due to the ongoing financial pressures that will be faced by the Council, it is suggested that these reserves are merged into the CSR reserve, creating one reserve which will be used as considered appropriate by the Mayor in consultation with the Chief Finance Officer, the Chief Executive and the Executive Lead for Finance. Business Units will be expected to explore options to manage any budget pressures during the year before consideration is given to releasing resources from this reserve.
- 3.9 Mindful of the challenges that will have to be faced in the next few years, it is recommended that a contribution of £0.136m of the surplus is made to the Comprehensive Spending Review. If the proposals to agree to merge the reserves are approved, the CSR reserve will stand at £3.618m from 1 April 2012.

General Fund Balance

- 3.9 The net surplus achieved continues the good record of the Council not having to make a call on general fund balances since the Council became a unitary authority in 1998. The General Fund Balance currently stands at £4.0m. This represents some 3.2% of net budget. In these challenging financial times there has been media attention as to the level of reserves held by Council's. It should be recognised that the general fund balance is uncommitted (unlike other earmarked reserves) and provides funds that would only be used for any unforeseen or unexpected expenditure that could not be managed within services. With this in mind and in light of the difficult financial climate faced by the Council and reduction to the Council's net budget, I believe that a cash balance of £4m, is a prudent and sustainable level. In addition the Council's external auditors will have a view as to the level of the Council's General Fund Balance.
- 3.10 The Council has a statutory obligation to report on its financial position in each year which culminates in the production of the Council's statutory annual accounts. The accounts must be finalised and signed by the Chief Finance Officer before the end of June each year.
- 3.11 The Council needs to consider the reserves position before the compilation of the statutory annual accounts and the audit of those accounts. As set out in the Accounts and Audit Regulations, the statutory accounts will be presented to Members of the Audit Committee for formal approval in September 2012. This allows Members to consider and approve the accounts after the statutory audit has been completed and reported to Members in September 2012. For Members information, the external audit of the accounts will commence on 9 July 2012 and is expected to take approximately 2 months.
- 3.12 As in previous years there will be a review of all earmarked reserves. This will be undertaken as part of the budget preparation process and is reported to Members at least once a year usually in the autumn, as has been the practice in recent years.
- 3.13 Once this review has been completed, where applicable any surplus monies can be recycled as part of the budget setting process for the following year. Members will be aware that these reserves are earmarked for specific purposes with the exception of the General Fund Reserve which remains the only fund the Council holds to meet emergency costs. With media attention focusing in the level of Council reserves it should be noted that any release of monies from reserves should only be used for one off purposes and cannot be used to sustain ongoing expenditure. However, due to the expected challenges the Council will face with ongoing reductions to its grant, all earmarked reserves will be scrutinised.

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

Paul Looby
Executive Head of Finance

Appendices Appendix 1 Write-Off's over £5,000 (Exempt Appendix).

Supporting information

A1. Introduction and history

- A1.1 The Council approved the 2011/12 budget at its meeting on 24 February 2011. Financial monitoring reports have been presented to the Overview and Scrutiny Board and Council during 2011/12. These reports summarised and identified the key spending pressures faced by Business Units within the Council and where appropriate, the action officers took to ensure the Council spent within the agreed budget set for the year. This process ensured that there was effective public monitoring and scrutiny of the revenue budget throughout the financial year.
- A1.2 This report compares the revised budget position for 2011/12 to the revenue outturn position as at the end of the financial year and explains key variances
- A1.3 The outturn position indicated in this report is the final position subject to the Council's external auditors – the Audit Commission - completing their annual audit of the accounts. As part of any audit review, there is the possibility that changes may be made to the overall outturn position for the Council. However, should any variations to the figures be necessary these are not expected to be materially significant.

A2. Carry Forwards

- A2.1 The Council's Financial Regulations states that, subject to the approval of Council when considering the end of the financial year position, any overall net underspend within a directly controllable revenue budget may be carried forward into the following financial year.
- A2.2 Under the terms of the Constitution, Directors and Executive Members discuss any proposed carry forwards and agreed those that should be recommended for approval.
- A2.3 As part of the 2011/12 outturn all adjustments i.e. carry forwards are for committed expenditure and do not require Council approval. No other carry forwards have been permitted.

Schools Service

- A2.4 A balanced budget position has been declared for Schools Block Activities after making a contribution to reserves of £0.012m. This position will be reported to the Schools Forum.
- A2.5 Schools will be carrying forward balances of £3.5m from 2011/12 to 2012/13 – these resources are earmarked for schools related expenditure. This is an increase against the previous year. It is important to note that although balances have increased in 2011/12 this is on a smaller base as schools that have converted to Academies over 2011/12 are no longer included in the figures.

A3. Net Expenditure

A3.1 Net expenditure for 2011/12 was £125.3m. This gives an overall Council surplus of £0.441m against the revised budget of £125.8m. The main variations are summarised in table 1.

Table 2

Net Revenue Expenditure 2011/12

Council Services	Revised Budget	Outturn	Net Over /(Under) spend
	£'000	£'000	£'000
Place and Environment			
Residents and Visitors	9,960	9,448	(512)
Waste	10,518	10,155	(363)
Spatial Planning	5,565	6,060	495
Torbay Development Agency	4,853	4,615	(238)
Harbours	0	0	0
Sub Total	30,896	30,278	(618)
Children, Schools & Families	21,123	23,259	2,136
Sub Total	21,123	23,259	2,136
Communities & Local Democracy			
Community Engagement			
Community Safety	1,427	1,278	(149)
	2,864	2,435	(429)
Sub Total	4,291	3,711	(580)
Adults and Operations			
Adult Social Care	41,937	43,382	1,445
Business Services	2,615	2,336	(279)
Finance	11,005	9,793	(1,212)
Information Technology	3,999	3,866	(133)
Commercial Services	2,586	2,522	(64)
Supporting People	6,380	6,199	(181)
Sub Total	68,522	68,098	(424)
Operational budget - Overspend	124,832	125,346	514
Unallocated Grants	955	0	(955)
Total	125,787	125,346	(441)

A3.2 A brief summary of the main variances and the principal reasons for any underspends or overspends within each directorate are explained below. Note that all directorates made savings from vacancy management and the moratorium on expenditure introduced part way through the year.

Place and Environment

A3.3 Overall underspend of £0.618m after the application of carry forwards.

Residents and Visitor Services - underspend of £0.512m. This was primarily due to additional car parking income which increased throughout the year. Members will be aware that parking revenue funds both parking and transport initiatives.

Waste and Cleaning - underspend of 0.363m. This was due to improvements in waste diversion and recycling which continue to deliver savings in landfill tax, landfill gate fees and transportation costs.

Spatial Planning - overspend of £0.495m. This was mainly due to increased costs for Concessionary Fares, a reduction in planning fee income due to weaknesses within the national and local economy, the delay in the government's introduction of "full cost recovery" for planning fees and a delay in the charging for rubble at the civic amenity site.

Economic Development Company (Client side) - underspend of £0.238m. This was primarily due to savings within facilities management and the Council froze some repairs and maintenance expenditure on its contract.

As part of the outturn position agreed by Council in 2010/11 a carry forward was approved for the TDA in recognition of an expected shortfall in professional fee income during the year. This was transferred to the EDC in 2012/13. As part of this year's outturn it was established this carry forward was not required as the EDC's professional fee income was better than anticipated. This carry forward of £0.292m has been returned to the Council and earmarked in a Regeneration Reserve.

A3.4 **Communities and Local Democracy** Overall underspend of £0.580m.

Community Safety - underspend of £0.431m partly due to bringing forward the implementation of proposed savings for 2012/13 to generate savings in 2011/12.

Community Engagement - underspend of £0.149m partly due to savings within the Members allowances budget as a result of some Members undertaking more than one special responsibility allowance.

Children, Schools & Families

A3.5 Overall overspend of £2.136m. As reported during the year the overspend was within Safeguarding and Wellbeing due to the increased numbers (see note below) and costs for children in care and placements within the independent sector plus the continued use and costs associated with the appointment of

agency social workers within the Children in Need service. The overspend within Safeguarding and Wellbeing is partly offset by savings within Children's, Schools and Communities and Commissioning and Performance budgets.

A3.6 The number of looked after children at the end of March was 252, an increase of 32 since 31st March 2011 (220). The number of children on Child Protection Plans for the same period is 290.

Adults and Operations

A3.7 Overall underspend £0.424m. However, within this portfolio there were a number of significant variations which are summarised below:

<p>Adult Social Care – net overspend of £1.445m</p> <p>This included the application of additional resources from government for “winter pressures” and application of the section 256 NHS monies as set out in the Annual Strategic Agreement with the Torbay NHS Care Trust. It should be noted that without the application of the “winter pressures” monies the overspend would have been £1.654m</p>
<p>Learning Disability - as a result of the personalisation agenda costs have increased within this area without a corresponding decrease in traditional care services such as residential care. Underpinning the cost pressures are a number of factors such as transitional cases from children services, ordinary residency issues, older family carers and costs relating to clients at risk of offending.</p>
<p>Older People and Physical Disability – due to expenditure within non-residential services such as domiciliary and day care and personal budgets. Whilst costs have reduced in residential and nursing placements there has been a movement of clients and costs to domiciliary care. Underpinning this cost pressure is the demographic pressures of an ageing local population.</p>
<p>Mental Health - due to overspends on residential and domiciliary care.</p>
<p>The main variations for other services within this portfolio are summarised below:</p>
<p>Business Services - underspend of £0.279m due to a reduction in recruitment costs arising from the reduction in the number of posts advertised within the council and savings as a result of bringing forward a restructure of the service and additional income received from services provided to schools.</p>
<p>Commercial Services – underspend of £0.064m due to in year management.</p>
<p>Information Technology – underspend of £0.133m underspend due to reduced costs for IT licenses and by reducing the annual contribution to the IT renewals reserve.</p>
<p>Supporting People - underspend of £0.181m due to contractual negotiations with service providers and in year management.</p>

Finance - underspend of £1.212m primarily due to in year management and savings within treasury management due to higher than budgeted cash balances (linked to the profile of spend within the capital programme) combined with higher investment rates leading to better investment returns, lower audit and inspection fees, lower than expected discretionary pension costs and reduced staffing costs arising from vacancy management within the business unit.

Unringfenced Grants

A3.8 As reported throughout the year a number of uncommitted grants and budgets were held back as part of the Council's strategy to mitigate against the in year budget pressures. These resources grants remained uncommitted at year end i.e. the Council's contingency of £270,000, the New Homes Bonus (NHB) allocation of £305,000 and the Local Services Support Grant of £380,000. It is proposed to earmark the NHB to an employment reserve to be used on initiatives for economic regeneration and growth which is a key priority for the Council. The criteria for use of this reserve is under development and will be reported to Members when complete.

A4. Debtors Outturn

A4.1 The key issues with respect to debtors are:

Council Tax

A4.2 The 2011/12 targets for collection of Council Tax were:

- (i) collect 96.5% of the Council Tax due within the financial year ; and
- (ii) collect 50% of the arrears brought forward from previous years.

At the end of the financial year the Council collected £56.7m which is 95.8% of the Council Tax due in 2011/12. This is a reduction on the outturn position at the end of last year.

A4.3 The collection of arrears proved difficult due to the weakness of the local economy. The arrears outstanding at the end of the financial year were £3.9m.

A4.4 2012/13 will be the second year Torbay has frozen council tax. Changes in welfare benefit regulations will reduce many people's disposable income. This, combined with the continuing weakness of the local economy, will place pressure on collection performance during the next 12 months. The position will continue to be monitored and reported to Members on a quarterly basis.

A4.5 There are no Council Tax write-offs over £5,000 to report.

Non-Domestic Rates

A4.6 The targets for the collection of NNDR (business rates) were:

- (i) To collect 98.0% of the business rates due in the financial year; and
- (ii) To collect 50% of the arrears brought forward from previous years.

- A4.7 At the end of the fourth quarter, the Council collected £34.2m which is 97.5% of the business rates due in the year 2011/12. Performance was impacted due to the changes in the exemptions in respect of unoccupied properties.
- A4.8 The impact of the continued downturn within the local economy has meant it continues to be a difficult environment for the business sector and this has made it a challenging time with respect to the collection of income, reflecting the difficult trading conditions and a number of business failures due to the recession. The total arrears outstanding at the end of the year was £1.5m.

NNDR write- offs are set out at exempt Appendix 1.

A5. Conclusion

- A5.1 The regular budget monitoring reports to Members during the year identified the key variations which have been summarised in this outturn report. Despite significant budget pressures within Adults, Children's and Spatial Planning the Council was still able to declare a small surplus due to management action taken and the application of grants. The Council is already preparing for the ongoing financial challenges it faces in the future starting with a detailed service review of all activities within each Business Unit and is mindful of the significant ongoing pressures it faces including the Waste Agenda, increasing demands made upon Social Care for Adults and Children's as well as the volatility in income collection and continued likely reduction of government grant. This review is ongoing and will be completed before the end of the summer.
- A5.2 As part of the overall strategy of strict financial management and control, Members and officers must continue to manage their budgets robustly in 2012/13 to maintain expenditure within their approved allocation and continue to demonstrate value for money to ensure the Council is not in a position that it would have to implement draconian actions in order to achieve a balanced position at year end.
- A5.3 A key principal that must be adhered too is that any new proposals and service issues should not be considered or brought forward unless clear and achievable funding sources (or savings) are identified, and that these are priority projects for the Council and are not driven simply because some external funding has become available. In addition at the first indication of a variance against the approved budget, officers must identify the anticipated size of the variance, the cause of the variance and the remedial action to bring the budget back into balance. This will be supported through the regular budget monitoring to Executive Lead Members, Overview and Scrutiny and the Senior Leadership Team.
- A5.4 The Council continues to have some uncommitted reserves in 2012/13 to assist in addressing any unforeseen events and which will also assist the Council in managing a reduction in service provision over the next few years.

A6. Risk assessment of preferred option

Outline of significant key risks

- A6.1 There is a risk that the Council will have insufficient reserves. The maintenance of the general fund balances of £4m and the CSR of £3.6m will assist in ensuring the Council's general fund reserves are sufficient to assist with its medium term financial planning and manage unforeseen events.
- A6.2 There is a risk that savings generated in the 2011/12 financial year will have resulted in pent-up demand. This issue was considered during the budget setting process for 2012/13 and is, to some extent, mitigated by carry forwards.

A7. Other Options

- A7.1 Members could propose alternative uses for the surplus.

A8 Summary of resource implications

- A8.1 The resources implications are outlined within the report.

A9. What impact will there be on equalities, environmental sustainability and crime and disorder?

- A9.1 The approval of the recommendations will assist all Council services in meeting their obligations with respect to equalities, environmental sustainability and crime and disorder.

A10. Consultation and Customer Focus

- A10.1 Directors and Executive Heads and their Executive Leads have discussed and agreed the outturn position.

A11. Are there any implications for other Business Units?

- A11.1 Implications for Business Units with respect to the outturn position.



Title: **Capital Investment Plan - Budget Monitoring 2011/12 - Quarter Four (Outturn - Subject to Audit)**

Public Item: Yes

Wards Affected: **All Wards in Torbay**

To: **Overview & Scrutiny Board Council** On: 20th June 2012
12th July 2012

Contact Officer: **Martin Phillips**

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1. What we are trying to achieve

- 1.1 The Council's capital investment plan with its investment in new and existing assets is a key part of delivering the Council's outcomes. This is the final Capital Monitoring report for 2011/12 under the Authority's agreed budget monitoring procedures. It provides high-level information on capital expenditure and income for the year (subject to Audit), compared with the latest budget position as at quarter three reported in February 2012.

2. Recommendation(s) for decision

Overview & Scrutiny Board

- 2.1 That Members note the outturn position for the Council's Capital expenditure and income for 2011/12 and make any recommendations to Council

Council

- 2.2 That Council note the outturn position for the Council's Capital expenditure and income for 2011/12
- 2.3 That Council note the action taken by the Chief Finance Officer, under the Officer Scheme of Delegation, to carry forward the unspent budgets for expenditure or work in progress (together with their funding) from 2011/12 to 2012/13.
- 2.4 That Council approves the funding of the capital investment plan for 2011/12 as outlined in paragraph C1.1 is approved.

3. Key points and reasons for recommendations

- 3.1 Members of the Overview and Scrutiny Board and Council have received regular budget monitoring reports on the Council's Capital Investment Plan throughout the year. Each quarter the four year capital investment plan is updated. This report is the monitoring report for the fourth quarter 2011/12 which is also the

financial year end. Variations reported in this report, including those shown in Appendix B, are those arising in this quarter.

- 3.2 Outturn expenditure for the year was £22.1 million compared with the budgeted spend as per the last monitoring position in February of £24.9 million. Reasons for this variation over a number of schemes are included in paragraph B2.8. In percentage terms, spend was 89% of the forecast in February. This compares with 93% for 2010/11.
- 3.3 The 2011/12 total capital spend of £22.1 million is less than 50% of the spend in 2010/11 and recent years. This is a combination of the impact of the coalition government's reduced public sector funding and the absence in the capital investment plan of the completion of a major scheme such as Torquay Community college rebuild or Brixham Regeneration.
- 3.4 2012/13 spend is expected to be at a lower level due to the ongoing impact of the reduction in capital funding and the Mayor's strategy to not use borrowing under the Prudential Code unless there is a strong business case.
- 3.5 A total of £22.1m was spent on a range of capital investment schemes in 2011/12 and a number of significant schemes such as Cockington Court craft centre and Parkfield Youth facility were completed.
- 3.6 The original capital budget approved by Council in February 2011 was £42.0 million. That was subsequently revised during 2011/12 for re profiling of expenditure from 2010/11, new schemes and re profiling spend to future years. All changes with reasons have been included in previous monitoring reports.
- 3.7 The most significant change in the four year capital investment plan in the year was the revision to the Office Rationalisation project which was reduced by £19m in the year. This was offset in part by the approvals by Council for a higher level of support, funded from borrowing under the prudential code, for the South Devon Link Road (£12m) and Princess Promenade (£3m)
- 3.8 The overall expenditure position by Directorate for 2011/12 is summarised in the table below:

Directorate	Original Budget 2011/12 April 11	Revised Budget 2011/12 Quarter 4	Outturn for 2011/12	Outturn less Revised Budget
	£m	£m	£m	£m
Place & Environment	12.6	10.1	9.2	(0.9)
Children, schools and families	18.4	10.5	9.5	(1.0)
Schools – Devolved Formula Capital	0.3	1.6	0.7	(0.9)
Communities and Local Democracy	0.9	1.0	0.6	(0.4)
Adults and Operations (inc. Corporate)	11.4	2.5	2.1	(0.4)
Total	43.6	25.7	22.1	(3.6)

- 3.9 Details of schemes completed and progressed during the year are included in the Supporting Information to this report along with a summary of the re profiling that occurred in the last quarter.
- 3.10 Capital budgets of £3.8m will be carried forward to 2012/13 to enable schemes not completed or progressed in 2011/12 to be continued in the current year along with the funding sources for the scheme. The Council in approving the 2012/13 Capital Investment Plan changed the management and approval process for Capital schemes with delegated powers given to the Chief Executive to approve schemes in consultation with the Mayor and others within the approved Plan totals.
- 3.11 The Council set its Prudential Indicators for 2011/12 and monitoring arrangements for “affordable borrowing” in February 2011. The detailed Outturn Indicators are provided as part of the Treasury Management Outturn Report to be presented to Council.

For more detailed information please refer to the supporting information attached.

Paul Looby
Chief Finance Officer

Appendices:

Appendix A

Background Information

Appendix B

Capital Investment Plan 2011/12 Quarter Four (Outturn) Summary

Appendix A – Background Information

A1. General

A1.1 Council approved the original 4-year Capital Investment Plan for the period 2011/12 - 2014/15 in February 2011. This Plan indicated spending of £42.0 million in 2011/12 out of the total 4-year Capital Plan Budget of £73.8 million. (This was before re profiling of expenditure from 2010/11 and any approval/revision of schemes during 2011/12).

A1.2 Quarterly budget monitoring reports have been presented to the Overview & Scrutiny Board during the year. New additions to the Plan and significant changes to approved budgets have been approved by Council and noted by the Board through this process.

A1.3 The Council produces a regular “capital success” leaflet which highlights the benefits of a number of schemes on the capital plan. The latest is “Spring 2012” and covers a number of projects that were completed in 2011/12. These can be accessed on the Council’s website on this link:

<http://www.torbay.gov.uk/index/yourcouncil/financialservices/capitalprogramme.htm>

A1.4 The expenditure predictions as at January 2012 were presented in Capital Monitoring Report to Council in February 2012. That Report noted anticipated expenditure of £24.9 million in 2011/12 out of a revised 4-year Capital Plan Budget of £78 million (prior to any further changes to the Plan approved by Council in February 2012).

A1.5 During the last quarter the Plan was revised for a small number of changes:

Scheme	Variation	Change £m	Reason
Estimate – Quarter Three 2012/13		24.9	
Integrated Transport Plan	Additional Funding	0.1	Additional Grant Funding 11/12
Office Rationalisation project	Additional to scheme	0.1	Relocation of CCTV control room
Provision for repayment of capital grant (see para A1.6)	New cost	0.5	Provision for repayment of grant due to DWP on closure of supported employment workshop
Other variations		0.1	
Estimate – Quarter Four 2011/12		25.7	

A1.6 Subsequent to the budget decisions in relation to the supported employment service the Economic Development Company presented a proposal to Council on May 16th 2012 to utilise this site in an exchange of land to enable the Council to build an Innovation Centre. Any costs of the grant repayment to the Department of Work and Pensions (DWP) will form part of the business case to be presented by the EDC for approval. In the meantime negotiations are ongoing with DWP on the value of the grant repayment due.

A1.7 Appendix B provides a schedule of the outturn for spending and funding in 2011/12.

Column (1) shows the latest budget for the year (as at quarter four)
 Column (2) shows the actual payments during the year.
 Column (3) shows the variance between outturn and revised budget
 Column (4) shows the net budget to be carried forward to 2012/13.
 Column (5) gives a summary of the reason for any significant variation

A1.8 The net budget to be carried forward for transport and childrens' services are shown as one sum which reflects the Council's previous allocation of funding to these services for those services to manage within that total allocation, usually linked to ring fenced funding allocations. As approved in the 2012/13 capital investment plan, allocations in 2012/13 and future years will be done on an individual scheme basis.

A1.9 In order to meet the timetable for the statutory closure of accounts it is inevitable that assumptions are now made with regard to the final outturn figures which may be subject to challenge by the Audit Commission (the Council's external auditors) when the Audit of the Council's accounts is undertaken. Any changes will be reported to a future meeting.

B1. Expenditure Outturn & Performance

B1.1 The actual service expenditure in 2011/12 was £22.1 million. The outturn for individual projects is provided in Appendix B. A summary at service level is in the table below –

	Latest Budget	Outturn	Spent	Variation
	£m	£m	%	£m
Place & Environment	10.1	9.2	97	(0.9)
Children, schools and families	10.5	9.5	90	(1.0)
Schools – Devolved Formula Capital	1.6	0.7	44	(0.9)
Communities and Local Democracy	1.0	0.6	60	(0.4)
Adults and Operations (inc. Corporate)	2.5	2.1	84	(0.4)
TOTALS	25.7	22.1	86	(3.6)

In overall terms there was net variation in the Plan spend of £3.6 million, which is 14% of the revised budget. This compares with less than 10% re profiling in 2010/11. A summary of the significant re profiling and reasons is included below.

B1.2 The re profiling of budget within the £3.8m identified to be carried forward to 2012/13, is summarised by scheme (in excess of £0.250m) in the table below:

Scheme	Re Profiling £m	Reason
Devolved Formula Capital	(0.9)	"Ring fenced" schools grant allocated to schools during the financial year but returned by the schools as unspent at year end.
South Devon Link Road	(0.4)	Less expenditure than expected incurred by Devon County Council in year
Torquay Community College	(0.3)	Although the project is substantially complete there are a number of minor issues to be completed.
Disabled Facility Grants	(0.3)	Reflects the timing of grant authorisations and management by the service of demand for grants
Office Rationalisation Project	(0.4)	Reflects latest expenditure profile and allocation of some costs to revenue

B1.3 The Capital Investment Plan spans 4 financial years and includes development projects where spending is expected to run for a number of years. It is normal that annual budgets need to be re-phased between years as schemes develop through feasibility, design and construction stages in order to ensure continuity. On occasion consultation with end-users, affordability of design and negotiation with external funders can significantly delay anticipated start dates.

B1.4 During the year, budgets were regularly re-scheduled between the four years of the plan and the reasons were reported to the Overview & Scrutiny Board.

B1.5 On a number of schemes, even though works had not been undertaken by the year end a number of contractual commitments have been entered into to progress the scheme. The Council's 2011/12 Statement of Accounts shows that at the end of 31/3/12 there was over £1.6 million of expenditure on Council assets that were "assets under construction".

B1.6 In overall terms individual projects have, again, mainly stayed within budget once the "Decision to Invest" stage is reached. Where project costs have exceeded budget, and funds could not be brought forward from future year's budgets, services were asked to identify additional sources of funding. No scheme has been carried forward to 2012/13 which will be a call on (new) funding allocated in the 2012/13 Capital Investment Plan for future years.

B1.7 The Chief Finance Officer is authorised under the Officer Scheme of Delegation to approve re-phasing of expenditure between years provided the impact does not exceed the overall level of the approved programme and the available funding resources. Under this delegation, net budget provision of £3.8 million has been carried forward into 2012/13 to fund commitments on works in progress and to enable approved schemes to be completed. Conversely service budgets for 2012/13 have been reduced on those projects which have spent in advance (within the overall capital budget for the project). A revised Capital Investment Plan, incorporating the budgets carried forward and any schemes that are now significantly changed will be presented with the first capital monitoring report for 2012/13.

B1.8 In addition to the re profiling of expenditure to future years the corresponding budgets for the funding of these schemes are also carried forward. Where

funding has been received but not applied, this funding is reflected on the Council's balance sheet as usable reserves.

B2. Individual Project Monitoring

B2.1 Appendix B shows the expenditure in 2011/12 on each individual project.

B2.2 A number of projects have been completed during the year and are now delivering improved services to users. The highlights by Directorate area for 2011/12 are as follows:

B2.3 Place and Environment

Although it had a minimal financial impact in the year, the approval of a £110m scheme with 70% funding by the Department of Transport for the South Devon Link Road was a significant event in 2011/12. This major scheme for Torbay is an essential part of the Council's strategy to provide a regeneration and tourism boost during a period of economic uncertainty.

Three major schemes reached completion and were operational in the year. These were the £4m scheme for the improvement of Tweenaway junction, the £3m scheme for the Cockington Court and Craft Centre and the Brixham Regeneration project for the Fish Quay area was substantially completed.

The Council continued to support affordable housing with the final payment made for the supported accommodation scheme at Dunboyne and the acquisition of land at Hatchcombe nurseries.

Other major projects were started during the year including the £5m Torre Abbey (phase two) works and infrastructure works at both Princess Promenade and Haldon Pier.

Finally the new Play Park on Paignton Green was opened in 2012 to wide acclaim.

B2.4 Children's, Schools and Families

This Directorate usually represents 50% of the total Council capital expenditure. The total spend in year was reduced in line with lower levels of central government support for schools capital.

During 2011/12 the Children's Services Capital Programme experienced slippage on several projects for a variety of reasons. A number of schemes, including Barton Primary, Preston Primary and Curledge Street Primary all experienced delays as a result of the need to re-design to reduce costs and/or meet end user requirements.

The **Barton Primary** project is a large and complicated project with extensive, invasive works to ceilings and roofs, walls and floors, it also requires mechanical and electrical installations as well as general refurbishment throughout the building. It is likely to be disruptive and unpredictable and required careful planning to try and minimise the disruption to the school. All of this has impacted on programme and it is highly likely that unforeseen problems will become apparent once work starts on site, possibly resulting in even further slippage.

At **Preston Primary** there have been on-going negotiations with the school regarding need and design and these have resulted in the project becoming significantly larger than originally anticipated. This has impacted on programme. The project finally started on site in October 2011 and is going well. It is expected to complete in the Summer 2012 so further slippage on the scheme is unlikely.

The project at **Curledge Street Primary** was significantly delayed because of changes to Sure Start funding which meant that the scheme had to be redesigned. The project was also delayed to allow larger year groups to work their way through the school before demolition of older buildings and mobiles could begin. Both issues impacted on programme and resulted in slippage.

In addition, 2011/12 resources were allocated to schemes mid-year and the overall programme had to be adjusted to reflect expected project cashflows. This resulted in the need to slip some resources to future years.

Projects completed in Year:

Oldway Hall - The new hall at Oldway was completed in November 2011. The school is now able to offer school meals to a significantly larger number of pupils. The hall also provides a wonderful space for all school assemblies, performances and sport and PE. It has quickly become a highly valued school and community facility.

Roselands Re-modelling - the project at Roselands were completed in April 2011. The new build includes several classrooms which replace old, poor condition mobiles. The school are very pleased with the new facilities and they have been able to rationalise their accommodation and play space as a result of the new, fit for purpose buildings.

St Cuthbert Mayne 14-19 Project - completed in November 2011, the St Cuthbert Mayne project has provided much needed facilities to support the 14-19 curriculum in Torbay. The project has delivered new, modern classrooms that are fit for purpose and have significantly improved the teaching and learning environment for pupils and staff.

My Place - the £5m project completed in the Autumn 2011 and has already hosted several major events. The My Place project has provided a world-class facility for young people in Torbay as well as for youth groups from across the country.

B2.5 Communities & Local Democracy

The significant spend in this Directorate is on Disabled Facilities Grants which under spent in the year due to the service management of demand for these grants. The level of grants awarded will be reviewed on an annual basis.

B2.6 Adults & Operations (including Corporate)

A significant change in the year was the revision to the Office Rationalisation project which was reduced by £19m in the year to a £10m scheme. The phase in relation to Torhill House was substantially completed with works due to start on

the Torquay Town Hall in 2012/13 in order to accommodate staff who will vacate Roebuck House by the end of 2012.

As a result of the budget decision to cease the supported employment service at the PLUSS workshop a provision has been made to repay a grant to the Department of Work and Pensions. (see paragraph A1.6)

The Council approved a capital contingency of £1.1 million. This contingency is still in place to provide for unforeseen emergencies or shortfall in projected income over the 4-year Plan period and represents approx. 1% of the total capital plan.

C1. Receipts & Funding

C1.1 Resources used in the year to fund the actual spending, compared to the anticipated use of resources, are as follows –

	Latest Budget £m	Outturn £m	Difference £m
Borrowing -	4.6	3.4	(1.2)
<i>of which -</i>			
<i>Supported (by Gov't 'funding)</i>	2.2	1.7	(0.5)
<i>Unsupported (Prudential)</i>	2.4	1.7	(0.7)
Grants	18.9	16.4	(2.5)
Other Contributions	0.1	0.1	0
Revenue & Reserves	0.6	0.9	0.3
Capital Receipts	1.5	1.3	(0.2)
Total Required	25.7	22.1	(3.6)

C1.2 Capital Grants continue to be the major funding stream (75% in 11/12) for the Council to progress its investment plans. The majority of these grants are a result of a “bid” process from other public sector bodies. With potential significant reductions on public sector expenditure expected this funding stream could be significantly reduced for future capital projects.

C1.3 Borrowing was kept within Affordable Borrowing limits and the effect on the Revenue Accounts was within Budget (see Prudential Indicators in Treasury Management Outturn 2011/12 Report).

C1.4 In addition to the £1.7 million of borrowing supported by central government, i.e. costs of borrowing funded in future year revenue grants, unsupported (Prudential) borrowing of £1.7 million was utilised to fund (or part fund) expenditure on the following projects:

- Princess Promenade
- Office Rationalisation Project
- Car Parking Meters

Temporary borrowing, pending expected capital receipts, was used for

- Brixham Regeneration
- Provision for repayment of DWP capital grant

- C1.5 A significant change in the borrowing requirement in the four year capital investment plan in the year was the revision to the Office Rationalisation project which was reduced by £19m in the year. This was offset in part by the new approvals by Council for a higher level of support, funded from borrowing under the prudential code, for the South Devon Link Road (£12m) and Princess Promenade (£3m).
- C1.6 Repayment of the prudential borrowing by services varies between projects and reflects the anticipated use of the asset or a suitably shorter period over which the service feels is appropriate, however prudential borrowing is never taken over a period which is greater than the anticipated life of the asset.
- C1.7 The Council sets aside an amount in its revenue budget (known as minimum revenue provision) for the repayment of the borrowing on its maturity. In 2011/12 it set aside £3.5m in respect of capital expenditure by the Council, along with £0.4m in relation to the PFI scheme for Westlands and Homelands Schools (funded by the PFI Grant). This ensures that in the long term all borrowing will be repaid.
- C1.8 Borrowing is related to the funding of fixed assets. The costs of these assets tend to be spread over the long term which is line with the long term use of these assets. The value of Council long term assets as at 31/3/12 was approx. £340 million. (It should be noted that as schools convert to Academy status the value of the asset is removed from the Council's balance sheet however the Council remains liable for any borrowing or long term liabilities in relation to these schools up to the date of transfer.)

C1.9 **Capital Receipts –**

C1.10 Capital receipts in the year were £0.8 million. Receipts included the following:

- £0.1m Right to Buy Housing “clawback”
- £0.7m Land sales including 56 Palace Avenue and Trevelyan

In year these receipts, in addition to £0.5m held in the Capital Receipts reserve, were applied in 2011/12 to fund capital expenditure, therefore the Council did not hold any capital receipts that were unapplied at year end.

C1.11 The target for securing capital receipts from asset sales to fund the 4-year Capital Investment Plan, following review of the Budget in February 2012 was £4.7 million (required by March 2016).

C1.12 This means that the approved Plan as at 1 April 2012 relies upon the generation of a total of £4.7 million capital receipts from asset sales by the end of 2015/16. These targets are expected to be achieved provided that -

- approved disposals currently “in the pipeline” are completed
- the Council continues with its disposal policy for surplus and underused assets and,
- no new (or amended) schemes are brought forward that rely on the use of capital receipts for funding.

C1.13 Of the receipts expected £1.2 million is in relation to the Tesco development at Brixham. An additional sum is expected for the disposal of the old Paignton

Library site. All capital receipts are required to fund already approved capital schemes.

C1.14 There is an ongoing risk over the value of receipts. However the current approved plan has taken a prudent approach to the value of potential receipts and number of assets to be disposed.

C1.15 Capital Contributions – S106 & Community Infrastructure Levy

C1.16 The general target for securing capital contributions to fund the 4-year Capital Investment Plan, following review of the Budget in February 2012 was £5.3 million (required by March 2016).

C1.17 Of this total the Council had received £0.7m of capital contributions by 31st March 2012.

C1.18 The intention is that capital contributions are applied to support the schemes already approved as part of Capital Investment Plan and not allocated to new schemes unless the agreement with the developer is specific to a particular scheme outside the Capital Investment Plan.

C1.19 The Council is expected to agree a charging schedule for its Community Infrastructure Levy in 2012 which will, in part, replace S106 contributions from developers.

CAPITAL INVESTMENT PLAN - EXPENDITURE IN YEAR 2011/12

	Total 2011/12 Revised Quarter Four £'000	col 1	col 2	Total 2011/12 Variance £'000	col 3	col 4	Total Reprofile £'000	Note re Budget
PLACE AND ENVIRONMENT RESIDENTS AND VISITORS								
Transport								
<u>Local Transport Plan</u>								
Highway Capital Maintenance annual programme	1,365	1,306	(59)					
Integrated Transport programme	911	587	(324)					Some Funds used to fund Tweenaway below
RFA Tweenaway Cross Junction	1,632	1,573	(59)					
New Growth Points Funding								
NGP - South of Tweenaway, Lane Improvement	476	663	187					
NGP - Windy Corner Junction	5	0	(5)					Additional spend to be funded from Integrated Transport
NGP - Strategic Cycleway	100	115	15					
NGP - Great Parks Access	20	0	(20)					
	4,509	4,244	(265)			265		Budget & Funding to be reprofiled to future years
South Devon Link Road								
South Devon Link Rd - Council contribution	641	284	(357)			357		Spend by DCC lower in year than estimated
Drainage & Coast Protection								
Princess Promenade (Western Section) Repairs	400	384	(16)			16		Budget & Funding to be reprofiled to future years
Torre Abbey Sands steps - substantial repair	32	32	0			0		
Car Parks								
Multi-Storey Car Parks Refurb Programme - Phase 1	1	1	0			0		
On Street Parking meters	60	129	69			(69)		Machines & Software purchased in March
	213	122	(91)			91		Some vehicles not purchased by year end
TOR2								
Council Fleet Vehicles	1,347	952	(395)			395		
ENVIRONMENT POLICY (INCL WASTE)								
Barton Gas Safety Works	1	0	(1)			1		
	1	0	(1)			1		
CULTURAL SERVICES								
Libraries								
Paignton Library Re-build	(138)	(158)	(20)			0		
Museums								
Torre Abbey Renovation - Phase 2 Design	27	27	0			0		
Torre Abbey Renovation - Phase 2	775	617	(158)			158		Actual pattern of expenditure incurred in 11/12
Sport & Leisure								
Illuminations - replacement of Festoon Lighting	4	4	0			0		
Barton Playing Fields	22	10	(12)			12		Budget & Funding to be reprofiled to future years
Rock Walk Enhancement	74	116	42			0		
Oddicombe Cliff stabilisation	79	74	(5)			0		
Fibbay Projects	59	60	1			1		

CAPITAL INVESTMENT PLAN - EXPENDITURE IN YEAR 2011/12

	Total 2011/12 Revised Quarter Four £'000	Total 2011/12 Outturn £'000	Total 2011/12 Variance £'000	Total Reprofile £'000	Note re Budget
	col 1	col 2	col 3	col 4	col 5
Paignton Geoplay Park	481	459	(32)	32	Budget & Funding to be reprofiled to future years
	1,393	1,209	(184)	202	
ECONOMIC DEVELOPMENT					
<u>Brixham Regeneration</u>	500	517	17	(17)	12/13 budget to fund 11/12 spend in advance
Harbour Development Phase 1&2 (Quay & Buildings)					
<u>Business Development</u>	677	687	10	(10)	12/13 budget to fund 11/12 spend in advance
Sea Change - Cockington Court					
<u>Affordable Housing</u>					
<u>Grants to Housing Providers</u>					
Sanctuary - Dumboyne 39 Extra Care Units	620	620	0	0	
WCHA - Foxhole School site (30 units)	11	11	0	0	
Sanctuary HA - Raleigh Ave (4 units)	16	16	0	0	
NGP - HCA Match Land Acquisitions	658	593	(65)	65	One site not purchased in 11/12
Torbay Enterprise Project	115	115	0	0	
	2,597	2,559	(38)	38	
TORBAY HARBOUR AUTHORITY					
<u>Torquay Harbour</u>					
Haldon Pier - Structural repair Phase 1/2	300	213	(87)	87	Actual pattern of expenditure incurred in 11/12
	300	213	(87)	87	
	10,147	9,177	(970)	988	
TOTAL PLACE AND ENVIRONMENT					
CHILDREN, SCHOOLS AND FAMILIES					
<u>CHILDREN'S SERVICES</u>					
<u>Pre-Primary & Primary</u>					
Foxhole Schools - Amalgamation	102	59	(43)	(43)	
Primary Places 2011/12	100	13	(87)	(87)	
Bxrn CoE Prim - Ph 2	1	1	0	0	
Curledge St - Remodelling	1,066	1,146	80	80	
Roselands - Remodelling	201	194	(7)	(7)	
Ellacombe - Remodelling	10	3	(7)	(7)	
Sherwell Valley Primary	1	1	0	0	
Cockington Primary-Ch. Cen & mobiles	5		(5)	(5)	
Barton Primary Cap Project	167	170	3	3	
Preston Primary - ASD Unit	390	560	170	170	
Queensway RC Primary - Prim proj	4	4	0	0	
Oldway Primary Disabled Changing Rooms	38	25	(13)	(13)	
Oldway Primary Hall	965	1,007	42	42	
SureStart/Early Years 2008/09 - 2010/11	1	(1)	(2)	(2)	
Childrens Centres	141	35	(106)	(106)	Centenary Way project under review with Community
<u>Secondary Schools</u>					
Torquay Community College Re-build (Building Schools for the Future)	876	620	(256)	(256)	Some works outstanding on major project eg IT costs

CAPITAL INVESTMENT PLAN - EXPENDITURE IN YEAR 2011/12

	Total 2011/12 Revised Quarter Four £'000	Total 2011/12 Outturn £'000	Total 2011/12 Variance £'000	Total Reprofile £'000	Note re Budget
	col 1	col 2	col 3	col 4	Col 5
Torquay Girls Grammar Astro turf Fencing	10	0	(10)		
Paignton Community Sports College - Astroturf pitch	64	22	(42)		
Paignton Community Sports College Mobile Replace 14-19 Project	412	761	349		School completed their works earlier than anticipated
Churston Learning Resource Centre	0	(20)	(20)		
Cuthbert Mayne 14-19 Project	620	620	0		
Westlands 14-19 Project	416	265	(161)		Change of contractor and £200k of contributions made April & May 2012
Education Review Projects	97	0	(97)		
Special Schools					
Combe Paiford Business Enterprise	6	(10)	(16)		
Combe Paiford Construction Workshop	3	0	(3)		
Mayfield expansion	200	71	(129)		Work commenced on site June 2012
"All School" Initiatives					
Condition & Modernisation Funding/Basic Need					
- Capital Repairs & Maintenance - prior years	2	2	0		
- Capital Repairs & Maintenance 2009/10	3	3	0		
- Capital Repairs & Maintenance 2010/11	207	114	(93)		
- Capital Repairs & Maintenance 2011/12	584	484	(100)		
- Feasibilities	31	8	(23)		
- Schools Access	110	62	(48)		
- Special Education Needs - reactive works	64	31	(33)		
- School Security	86	32	(54)		
- Asbestos Removal	14	0	(14)		
- 14-19 Diploma Delivery	35	0	(35)		
Short Breaks for Disabled Children	71	32	(39)		
Other Facilities					
Youth Modular Projects	50	0	(50)		
My Place Parkfield	3,113	3,057	(56)		
Foxhole Community Campus (contribution)	4	4	0		
Foxhole Community Multi Use Games Area	22	2	(20)		
EOTAS Halswell House	60	48	(12)		
Minor Adaptations Childcare	122	45	(77)		
Total CHILDREN, SCHOOLS AND FAMILIES	10,474	9,460	(1,014)	1,014	Budget & Funding to be reprofiled to future years
Devolved Formula Capital - Schools Ring Fenced					
Devolved Formula Capital - allocated direct to schools	1,582	698	(884)	884	Funding ring fenced to, and spent by, schools
Total CHILDREN, SCHOOLS AND FAMILIES	1,582	698	(884)	884	
COMMUNITIES AND LOCAL DEMOCRACY					
HOUSING STANDARDS					
Private Sector Support					
Private Sector Renewal	111	75	(36)	36	Budget & Funding to be reprofiled to future years
Insulation Scheme	20	10	(10)	10	Budget & Funding to be reprofiled to future years

CAPITAL INVESTMENT PLAN - EXPENDITURE IN YEAR 2011/12

	Total 2011/12 Revised Quarter Four £'000	Total 2011/12 Outturn £'000	Total 2011/12 Variance £'000	Total Reprofile £'000	Note re Budget
	col 1	col 2	col 3	col 4	
Disabled Facilities Grants	844	572	(272)	272	Col 5 Grant requests not processed in 11/12
Total COMMUNITIES AND LOCAL DEMOCRACY	975	657	(318)	318	
ADULTS AND OPERATIONS					
ADULT SOCIAL SERVICES					
<u>Facilities</u>	188	166	(22)	22	Budget & Funding to be reprofiled to future years
Mental Health Care Initiatives	464	464	0	0	
Provision for Repayment of Capital Grant re PLUS premises					
<u>IT</u>	18	18	0	0	
Adult Social Care IT Infrastructure	670	648	(22)	22	
COMMUNICATIONS & CUSTOMER SERVICES					
<u>Central Property issues</u>	1,687	1,219	(478)	478	Budget & Funding to be reprofiled to future years
Office Rationalisation Project Ph 2 - Project Remainder	0	185	185	0	
Capital Expenditure Funded from Revenue in 2011/12 (reclassification)					
<u>Schemes funded from LPSA Performance Reward Grant</u>	65	12	(53)	53	Budget & Funding to be reprofiled to future years
Various ICT Improvements	1,762	1,416	(346)	531	
OTHER CORPORATE & CROSS-SERVICE ISSUES					
<u>Enhancement Prior to Sale</u>	4	9	5	(5)	12/13 budget to fund 11/12 spend in advance
Works required prior to disposal of surplus assets	45	6	(39)	39	Budget & Funding to be reprofiled to future years
Enhancement of Development sites	49	15	(34)	34	
Total ADULTS AND OPERATIONS	2,481	2,079	(402)	587	
Total CAPITAL INVESTMENT PLAN	25,659	22,071	(3,588)	3,791	