
Report To:	Policy & Resources Committee	Date:	20 September 2011
Report By:	Chief Financial Officer	Report No:	FIN/80/11/AP/LM
Contact Officer:	Alan Puckrin	Contact No:	01475 712223
Subject:	2011/14 Capital Programme		

1.0 PURPOSE

- 1.1 The purpose of the report is to provide Committee with the latest position of the 2011/14 Capital Programme.

2.0 SUMMARY

- 2.1 In February 2011 the Council agreed a 3 Year Capital Programme covering the period 2011/14. The 3 Year Programme was set after allowing for further estimated capital grant reductions in 2012/14.
- 2.2 Based on a latest figures it can be seen from Appendix 1 that there is an estimated shortfall in resources of £1.6 million over the 2011/14 period which is a reduction of £0.3 million since the last report and represents 2.3% of the total programme excluding the Schools Estate. A shortfall in resources of this order is not unusual and Officers will continue to monitor the situation.
- 2.3 It can be seen from Appendix 2 that as at 31st July 2011 expenditure is 11% of projected spend. Phasing and project spend has been reviewed by the Senior Officer (CAMS) Group against planned spend.
- 2.4 The position in respect of each individual Committee is reported in Appendix 2 and Section 5 of the report. It could be seen that overall Committees are projecting to stay within budget although some budgetary slippage is reported.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Committee note the current position of the 2011/14 Capital Programme.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 On 10 February 2011 the Council approved the 3 Year Capital Programme covering the years 2011/14.
- 4.2 The programme reflected estimated reductions in the amount of Government Capital Grant over 2012/14 and reductions in capital receipts.

5.0 CURRENT POSITION

- 5.1 Appendix 1 shows that over the 3 year period there is a projected shortfall in resources of £1.6 million which is a reduction in shortfall of £0.3 million since the last report. The shortfall represents approximately 2.3% of the projected spend excluding the School Estates Management Plan and is within acceptable parameters.
- 5.2 The position in respect of individual Committees is as follows:

Social Care

Slippage of £0.3 million (22%) with no spend to date.

Safe Sustainable Communities

No slippage reported with spend being 13% of projected spend for the year.

Regeneration

Although some slippage is being reported this has been offset by accelerating other projects, as a result no net slippage is being reported with spend being 15% of projected spend for the year.

Education & Lifelong Learning

Spend is 9% of projected spend for the year. There has been some slippage and re-allocation of funding within the SEMP but this has been more than offset by advancing funding on other projects.

Policy & Resources

Slippage of £0.428 million (20%) with spend being 8% of projected spend for the year.

- 5.3 Overall in 2011/12 it can be seen that expenditure is 11% of the projected spend for the year and that net slippage from the programme agreed in February 2011 is currently £0.702 million (1.6%).
- 5.4 The CAM's Officer Group review actual spend against project phasings in order to arrive at spend projections and the reported spend levels reflect their considerations.

6.0 SCHOOL ESTATE MANAGEMENT PLAN

- 6.1 The position of the School Estate finances is shown separately in Appendix 2. A report to the Education & Lifelong Learning Committee on 7 September 2010 resulted in approved revisions to some of the phasings and overall timescales.
- 6.2 The Financial Model is currently under review to reflect the latest tender returns, receipt estimates and savings. This will be reported to the next Education & Lifelong Learning Committee.

7.0 CONCLUSION

- 7.1 The Council's Capital Programme for 2011/14 is showing a shortfall in resources of £1.6 million.
- 7.2 Overall Service Committees have spent 11% of the 2011/12 projected spend as at 31 July 2011.

8.0 CONSULTATION

- 8.1 This report reflects the position reported to Service Committees and has been approved by the Corporate Management Team.

Capital Programme - 2011/12 - 2013/14

Available Resources

	A	B	C	F
	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000
Government Capital Support	7,889	7,500	6,750	22,139
Less: Allocation to School Estate	(4,800)	(4,800)	(4,800)	(14,400)
Capital Receipts (Note 1)	1,064	2,614	1,000	4,678
Capital Grants (Note 2)	185	115	1,115	1,415
Prudential Funded Projects (Note 3)	11,838	20,520	11,758	44,116
Balance B/F From 10/11 (Exc School Estate)	5,484	-	-	5,484
Capital Funded from Current Revenue (Note 4)	2,965	2,383	663	6,011
Transfer to Capital Fund	-	-	-	-
	<u>24,625</u>	<u>28,332</u>	<u>16,486</u>	<u>69,443</u>

Overall Position 2010/14

£000
69,443
71,055
<u>(1,612)</u>

Available Resources (Appendix 1, Column F)
 Projection (Appendix 2, Column B-E)
 (Shortfall)/Under Utilisation of Resources

Notes to Appendix 1

All notes exclude School Estates
Note 1 (Capital Receipts)

Sales
Contributions/Recoveries (2012/13 to be confirmed)

2011/12	2012/13	2013/14	Total
£000	£000	£000	£000
941	364	1,000	2,305
123	2,250	-	2,373
1,064	2,614	1,000	4,678

Note 2 (Capital Grants)

Cycling, Walking & Safer Streets
Sports Scotland/SFA (2012/13 to be confirmed)
SPT

2011/12	2012/13	2013/14	Total
£000	£000	£000	£000
115	115	115	345
-	-	1,000	1,000
70	-	-	70
185	115	1,115	1,415

Note 3 (Prudentially Funded Projects)

ICT Capital Programme
Additional ICT - Education Whiteboard & PC Refresh
Vehicle Replacement Programme
Asset Management Plan - Offices
Asset Management Plan - Depots
Knocknairshill Cemetery Ph5c
Devol Glen Stabilisation Works
Leisure & Pitches Strategy
Redholm Childrens Home
Wellpark Centre
Binnie Street Nursery
Operating Model - ICT Investment
Watt Complex Refurbishment
Element of Prudentially Funded projects already funded through existing
Supported Borrowing

2011/12	2012/13	2013/14	Total
£000	£000	£000	£000
27	10	-	37
185	180	180	545
997	187	-	1,184
2,657	6,075	3,750	12,482
450	7,850	5,200	13,500
85	-	-	85
100	-	-	100
5,619	2,555	2,625	10,799
950	70	-	1,020
1,052	165	-	-
100	428	3	1,220
-	3,000	-	528
(384)	-	-	3,000
			(384)
11,838	20,520	11,758	44,116

Notes to Appendix 1

	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000
Roads Projects (former Transport Scotland)	59	-	-	59
Greenock Arts Guild	292	-	-	292
Gourock Transport Interchange		300	-	300
Regeneration of Port Glasgow Town Centre		1,000	-	1,000
Play Areas	347	-	-	347
Wellpark Centre	145	-	-	145
Lunderston Bay (C.I.F.)	188	-	-	188
PSHG	503	533	563	1,599
PSHG (Earmarked Reserve)	100	100	100	300
Flooding Strategy	433	250	-	683
Rankin Park (Community Facility Fund)		200	-	200
E-Forms	38			38
Use of General Fund Reserves	860			860
	2,965	2,383	663	6,011

Note 4 (Capital Funded from Current Revenue)

Roads Projects (former Transport Scotland)
Greenock Arts Guild
Gourock Transport Interchange
Regeneration of Port Glasgow Town Centre
Play Areas
Wellpark Centre
Lunderston Bay (C.I.F.)
PSHG
PSHG (Earmarked Reserve)
Flooding Strategy
Rankin Park (Community Facility Fund)
E-Forms
Use of General Fund Reserves

Capital Programme - 2011/12 - 2013/14

Agreed Projects

Committee	A Prior Years	B		C		D		E		H Total	I Approved Budget	J (Under)/ Over	K 2011/12 Spend To 31/07/11
		£000	2011/12	£000	2012/13	£000	2013/14	£000	Future				
Policy & Resources	3,286	1,663	1,523	1,060	-	7,532	-	7,532	-	140	-	-	140
Safe, Sustainable Communities	7,709	6,327	3,359	2,858	-	20,253	-	20,253	-	833	-	-	833
Regeneration	6,039	12,166	26,839	12,575	1,150	58,769	-	58,769	-	1,843	-	-	1,843
Education & Lifelong Learning (Exc School Estate)	80	1,052	165	3	-	1,300	-	1,300	-	15	-	-	15
CHCP	2,361	1,095	370	-	-	3,826	-	3,826	-	-	-	-	-
Sub -Total	19,475	22,303	32,256	16,496	1,150	91,680	233,898	-	-	2,831	-	-	2,831
School Estate (Note 1)	4,070	21,836	38,443	16,995	9,761	91,105	91,105	-	-	1,986	-	-	1,986
Total	23,545	44,139	70,699	33,491	10,911	182,785	325,003	-	-	4,817	-	-	4,817

Note 1

Summarised SEMP Capital Position - 2010/14

	2011/12	2012/13	2013/14	2014/15	2015/16
Capital Allocation	4,800	4,800	4,800	4,800	4,800
Scottish Government School Grant (estimate)	259	-	5,241	-	-
Surplus b/fwd	7,097	(1,058)	(4,652)	(4,395)	(2,575)
Prudential Borrowing - Shared Campus	8,592	20,200	7,211	745	-
Prudential Borrowing - Receipts	30	9,849	-	-	-
CFCR	30	-	-	-	-
Available Funding	20,778	33,791	12,600	1,150	2,225
Projects					
Ex-Prudential Borrowing	13,214	18,243	9,784	2,980	3,281
Prudential Borrowing - Shared Campus	8,592	20,200	7,211	745	-
CFCR	30	-	-	-	-
Total	21,836	38,443	16,995	3,725	3,281
Surplus c/fwd	(1,058)	(4,652)	(4,395)	(2,575)	(1,056)