

ANGUS COUNCIL**FINANCE AND INFORMATION TECHNOLOGY COMMITTEE****- 1st December, 1998****POLICY AND RESOURCES COMMITTEE - 8th December, 1998****CAPITAL MONITORING - COMPOSITE CAPITAL PROGRAMME - 1998/9****REPORT BY THE DIRECTOR OF FINANCE****ABSTRACT**

This report apprises members of the capital expenditure incurred for the period from 1st April, 1998 to 31st October, 1998 and measures projected capital expenditure for the year against budgeted provision for the year.

1. RECOMMENDATION

It is recommended that the Committee notes the position as at 31st October, 1998 on the Composite Capital Programme as per the accompanying monitoring statement.

Members should note that projections of the year end position will be ongoing and brought forward, on a regular basis, to future Committees.

Members should also note the forthcoming Budget Review Group Meetings at which the Composite Capital Programme for the current financial year and future financial years will be reviewed.

2. BACKGROUND

The original Composite Capital Programme Budget for the 1998/9 financial year was £12.076 million as per the Final Revenue and Capital Budgets Volume 1998/9 issued to members on 2nd April, 1998.

Further to the availability of final expenditure figures for 1997/8 the Composite Capital Programme for 1998/9 was reviewed to take account of underspends and overspends on projects with carry forward implications for 1998/9. In conducting such a review full consultations were held with Departments which resulted in a nominal overall change to the original budget for 1998/9.

Since the production of the Capital Monitoring Report to 30th September, 1998, which was presented to the Finance and Information Technology Committee dated 20th October, 1998, Departments have been involved in the 1999/2000 budget exercise. As part of this exercise Departments were required to estimate the expenditure on capital projects for financial year 1998/9 and the revised budget figures within the accompanying Capital Monitoring Statement have been amended to take account of figures submitted by Departments in this respect.

It is considered important to emphasize that Departmental Directors are responsible for their budgets and must ensure that the capital programme is progressed timeously with capital expenditure contained within capital budget limits.

3. CURRENT POSITION

The accompanying monitoring statement sets out the position on the Composite Capital Programme for 1998/9 as at 31st October, 1998 and the figures, having been closely reviewed and analysed, are considered to be satisfactory at this time in relation to the intended 1998/9 Capital Programme expenditure position.

It can be seen that after the passage of seven months actual expenditure totalled £4.167 million which equates to 38 per cent of the revised budget of £11.109 million for the year.

This position, although not unusual when compared with previous year trends (and noting £395,000 of covenant expenditure budgeted for the year which will not be incurred until March, 1999), must be closely monitored by Departmental Directors to ensure that expenditure accelerates and comes more in line with budget as the year progresses.

It is recognised that the latest estimate of expenditure of £11.109 million is within the total potential capital resource of £11.780 million by £671,000. However, it is further recognised that the total potential capital resource includes the anticipation facility of £255,000 which equates to 5 per cent of the Angus Council Single Formula Allocation of £5.103 million. When this anticipation facility of £255,000 is deducted from available resources it brings the total potential capital resource to £11.525 million which is in excess of estimated expenditure by approximately £400,000.

It should be noted that the current estimated underspend of approximately £400,000 is well within the permitted limits for carrying forward funding resources into the following financial year. Alternatively, consideration may be afforded to rephasing expenditure on projects which are within the current year Capital Programme with a view to increasing expenditure in the current financial year. There is also the possibility of introducing new projects into the current year Capital Programme (i.e. projects which would have been approved for implementation in financial year 1999/2000) which would again increase expenditure in the current financial year. It is the intention to address the foregoing issues at the forthcoming Budget Review Group Meetings.

In addition Members should be made aware of a letter from Tayside Valuation Joint Board dated 21st October, 1998 requesting contributions for capital expenditure from Angus Council of £6,000 in the current financial year with further annual contributions of approximately £5,000 subject to increase for factors such as inflation. Such provision has been made within the Composite Capital Programme.

4. FINANCIAL IMPLICATIONS

Financial implications are shown in the accompanying monitoring statement and up to date projections of the year end position will be brought before Committee at appropriate intervals. The potential underspend on the Composite Capital Programme may be addressed through the carry forward of funding resources into financial year 1999/2000 or through increased project expenditure within 1998/9. It is the intention to address the foregoing issues at the forthcoming Budget Review Group Meetings.

5. CONCLUSION

It is concluded that Composite Programme capital expenditure projections are within available resources and it is the intention to address issues pertaining to the potential underspend at the forthcoming Budget Review Group Meetings. The accompanying monitoring statement, therefore, can at this stage be regarded for information purposes only.

6. CONSULTATION

The Chief Executive, the Director of Law and Administration, the Director of Planning and Transport, the Director of Property Services and the Director of Roads have been consulted in the preparation of this report.

DAVID S SAWERS
DIRECTOR OF FINANCE

NOTE

No background papers as defined by Section 50D of the Local Government (Scotland) Act, 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing this report.

SMS
20/11/98

1. SUMMARY OF CAPITAL EXPENDITURE 1998/99 - NON-HOUSING PROGRAMME

The table below shows
 - 1998/99 original departmental capital budgets per the Final Revenue and Capital Budgets Volume 1998/99
 - 1998/99 revised departmental capital budgets
 - latest departmental projections for total capital expenditure in 1998/99

Programme	Capital Budget 1998/99			Actual to 31.10.98 £000	Latest Estimate £000	Projected Over/ (Under) Spend £000
	Original £000	Revised £000	Latest Estimate £000			
Education	3,135	3,164	3,164	1,561	3,164	0
Social Work	508	506	506	81	506	0
Roads	3,504	3,091	3,091	728	3,091	0
General Services (inc. Non-HRA)	4,929	4,348	4,348	1,797	4,348	0
	12,076	11,109	11,109	4,167	11,109	0

2. SUMMARY OF PROJECTED EXPENDITURE/RESOURCES

The following table compares the anticipated capital expenditure resources available to the Council in 1998/99 with the latest projection of capital spend. To adhere to Scottish Office controls the Council must ensure that the Section 94 resource utilised during the financial year does not vary by more than + 5% or - 10% of the issued S94 Consents.

Single Allocation £000	Urban Prog £000	Challenge Fund Consents £000	Consent Augmentation			C/From 1997/98 £000	Est Capital Receipts £000	Use of 5% Anticipation £000	Maximum Section 94 Resource £000	CFCR Government Allocation £000	Spend to Save Education £000	Montrose Seafront Contribution Recreation £000	Total CFCR £000	Maximum Potential Capital Resource £000	Latest Estimate as a % of Resource %	Latest Estimate £000
			From 1997/98 £000	From Capital Receipts £000	From Anticipation £000											
5,729	20	2,455	653	1,078	255	1,250	330	10	1,590	11,780	11,109	94				

3. Explanation of Significant Variances (Latest Departmental Projection Less Revised Capital Budget Provision)
To ensure strict accountability regarding the monitoring of capital expenditure, delegated responsibility for each project will be specifically assigned to either Finance (F), Property (P) or the Service Department (SD) as shown below

Note : Columns 1, 2, 3, & 4 must always equal Estimated Total Cost for each project

Programme/Project	Assigne Resp.	Estimated Total Cost £000	Monitoring of 1998/99 Expenditure							Explanation of Variances
			Capital Budget 1998/99		Actual to 31.10.98 £000	2 Latest Estimate £000	3 1999/2000 £000	4 Later Years £000		
			1 Prior to 01.04.98 £000	Original £000					Revised £000	
Education										
1 Covenant Repayment - Montrose Academy	F	3,177	1,309	187	187	0	187	1,494		
2 Balances on Completed Works	P	21	0	21	21	0	0	0		
3 Andover Primary School	P	2,584	1,477	808	1,047	0	60	0		
4 Educational Improvements 1997/98	P	10	0	10	10	0	0	0		
5 Educational Improvements 1998/99	P	845	0	200	245	63	245	300		Reference Report - Education Committee dated 13.10.98
6 Computing in Schools	SD	700	0	100	100	81	100	400		
7 Letham Primary School - Mod/Ext	P	882	52	730	730	225	730	24		
8 Glamis Primary School - Mod/Ext	P	275	0	220	10	10	255	10		Reference R.959/98 - Policy and Resources Committee dated 08.09.98
9 Hayshead Primary School - Mod/Ext	P	265	0	145	3	145	0	110		Reference Report - Education Committee dated 13.10.98
10 Hillside Primary School - Replacement	P	1,700	10	220	137	137	0	1,386		Reference Report - Education Committee dated 13.10.98
11 New Deal for Schools - Monkikie Primary	P	235	0	180	228	207	228	7		
12 New Deal for Schools - St Thomas Primary	P	299	0	210	289	166	289	10		
13 Capital Grants - Village Halls	SD	15	0	15	15	0	15	0		
		11,008	2,848	3,135	3,164	1,561	3,164	2,591	2,405	
Social Work										
14 Covenant Repayment - Seaton Grove, Arbroath	F	1,494	616	88	88	0	88	88	702	
15 Development of Gowanlea Resource Centre / Mental Health Strategy	P	517	35	473	30	30	0	438	14	Capital Programme Co-ordination Group dated 02.09.98
16 Health & Safety Imp to Residential Units (Health Authority Contribution)	P	601	0	(473)	(35)	(35)	0	(451)	(14)	Project delayed due to non agreement with Trust
17 Aids and Adaptations	SD	33	0	226	231	62	231	195	175	
18 Angus Community Care Trust	SD	150	0	11	11	11	0	11	11	
19 Improvements to Adult Resource Centres	P	41	0	150	150	19	150	0	0	
20 Improvements to General Security	P	12	0	10	10	2	10	2	0	
		2,348	651	508	506	81	506	303	886	

Monitoring of 1998/99 Expenditure

Programme/Project	Assigne Resp.	Estimated Total Cost £000	1		Capital Budget 1998/99		Actual to 31.10.98 £000	2 Latest Estimate £000	Projected Over/(under) Spend £000	3 1999/2000 £000	4 Later Years £000
			Prior to 01.04.98 £000	Original £000	Revised £000						
Roads											
21 Covenant Repayment - Inverkeilor	F	832	343	49	49		49	0		49	381
22 Montrose Seaford Development	SD	100	0	0	100		100	0		0	0
23 Montrose Bridge (A92)	SD	5,327	48	29	29		29	0		100	5,150
24 Montrose Town Centre Improvement	SD	502	7	75	75		75	0		405	15
25 Abroath Town Centre Improvement - Phase 1	SD	91	6	85	85		85	0		0	0
26 Replacement of Ice Early Warning System	SD	178	143	35	35		35	0		0	0
27 A92 Dundee - Abroath Proposed Dualling	SD	7,061	511	1,450	890		890	0		1,250	4,410
28 A92/A937 Junction Improvement - Montrose	SD	105	0	15	15		15	0		85	5
29 A94/A928 Junction Improvement - Glamis	SD	180	0	10	10		10	0		160	10
30 Repairs to Abroath Harbour Infrastructure	SD	380	0	30	30		30	0		150	200
31 New Access to Abroath Harbour from A92	SD	220	0	71	6		6	0		209	5
32 New Roundabout at Burnside Drive / Lordburn, Abroath	SD	125	0	45	80		80	0		40	5
33 Forfar Town Centre Development	SD	1,630	0	30	30		30	0		25	1,575
34 Monifieth Town Centre Development	SD	1,130	0	20	20		20	0		25	1,085
35 Bridge Assessments	SD	60	0	195	40		5	0		20	0
36 Bridge Strengthening	SD	1,653	0	475	403		403	0		950	300
37 Bridge Repairs	SD	696	0	75	136		102	136		310	250
38 Street Lighting	SD	1,300	0	250	250		16	250		350	700
39 Traffic Signals/Pedestrian Crossings	SD	120	0	60	60		37	60		20	40
40 Road Safety/Traffic Calming Measures	SD	1,370	0	250	270		52	270		375	725
41 Safe Routes to School	SD	450	0	75	75		29	75		150	225
42 Cycling/Pedestrian Facilities	SD	800	0	50	50		21	50		275	475
43 Tourism Signposting	SD	20	0	20	20		0	20		0	0
44 Tayside Contracts	SD	400	0	100	100		100	0		100	200
45 Engineering Administration	SD	70	0	10	10		6	10		20	40
46 Footway Reconstructions	SD	255	0	0	25		5	25		0	0
47 Montrose Inner Relief Road - Works	SD	5,555	5,539	0	16		16	16		0	0
48 Montrose Inner Relief Road - Claims	SD	200	0	0	175		175	0		25	0
49 Balances on Completed Works	SD	7	0	0	7		7	0		0	0
		30,587	6,597	3,504	3,091		728	3,091		5,093	15,806

General Services

Cultural Services

50 Kirriemuir Town House	P	80	0	57	2		2	0		57	21
		80	0	57	2		0	2		57	21

Environmental and Consumer Protection

51 Public Convenience with Attendant, Camoustie	P	60	0	2	2		2	0		58	0
52 Recycling / Civic Amenity Centre, Camoustie	P	66	65	0	1		1	0		0	0
53 Recycling / Civic Amenity Centre - Brechin	P	60	0	2	2		2	0		56	2
54 Recycling / Civic Amenity Centre - Montrose	P	2	0	0	2		2	0		0	0
55 Bulk Sorting and Transferring Unit at Abroath	P	35	0	17	33		33	0		2	0
56 Upgrading at Monifieth to comply with S.E.P.A.	P	62	0	33	59		59	0		3	0
57 Lochhead Landfill Site, Restenneth Extension	SD	2,450	685	400	365		291	365		600	800
58 Contribution to Public Analyst	SD	27	0	9	9		9	0		9	9
59 Vehicle Replacement	SD	1,805	0	135	135		135	0		969	701
		4,567	750	598	608		293	608		1,697	1,512

Explanation of Variances

Reference R.946/98 - Policy and Resources Committee dated 08.09.98
Reference R.961/98 - Roads Executive Sub Committee dated 18.09.98

Transfer of resources to Bridge Repairs below
Transfer of £20,000 to Road Safety below
Transfer of resources from Bridge Assessments above

Transfer of £20,000 from Bridge Strengthening above
Budget includes £10,000 for Andover Footpaths

Reference R.959/98 - Policy and Resources Committee dated 08.09.98

Lottery Grant / ERDF Funding being sought

Project under review

Monitoring of 1998/99 Expenditure											
Programme/Project	Assignee Resp.	Estimated Total Cost £000	Capital Budget 1998/99			Actual to 31.10.98 £000	2 Latest Estimate £000	Projected over/under Spend 1999/2000 £000	3 1999/2000 £000	4 Later Years £000	
			Original £000	Revised £000	£000						
60 Montrose Seafront Development - Administered by Roads	SD	0	5	0	0	0	0	0	0	0	Reference R.959/98 - Policy and Resources Committee dated 08.09.98
61 Angus Partnership - Central Area, Montrose	SD	165	70	70	70	70	0	95	0	0	Reference R.946/98 - Policy and Resources Committee dated 08.09.98
62 Angus Partnership - High Street, Arbroath	SD	50	50	50	50	50	0	0	0	0	Reference R.967/98 - Roads Executive Sub Committee dated 18.09.98
63 Local Plans Implementation	SD	105	15	5	5	5	0	50	50	0	Transfer of £10,000 in 1998/9 to Montrose Seafront Development
64 Tourism Signposting	SD	25	20	5	5	5	0	20	0	0	Transfer of £15,000 in 1998/9 to Montrose Seafront Development
65 North Water Viaduct Cycleway	SD	7	25	(18)	25	25	0	0	0	0	Project under review
66 Property Acquisition and Site Development at Carnoustie	P	82	0	82	82	82	0	0	0	0	Reference R.738/98 - Policy and Resources Committee dated 23.06.98
67 Balances on Completed Works	P	2	0	2	2	2	0	0	0	0	
68 Public Transport Infrastructure	SD	65	15	15	3	15	0	25	25	0	
69 Grant Assistance for Accessible Vehicles	SD	60	20	20	20	20	0	20	20	0	
70 Housing Improvement Grants	SD	1,685	600	585	216	585	0	600	500	0	Specific Care and Repair Consent of £35,000 for 1998/9
		2,246	820	859	281	859	0	810	595	0	Reference R.959/98 - Policy and Resources Committee dated 08.09.98

Economic Development

71 Covenant Repayment	F	822	48	48	9	48	0	48	347	0	Reference R.965/98 - Angus Council - 17.09.98
72 Advance Factories - Brechin Cannery Phase 5	P	167	5	9	9	9	0	0	0	0	
73 Carnoustie Golf Hotel	SD	324	300	300	4	300	0	0	0	0	
74 Carnoustie Open Golf Championship - Electrical Sub Station	SD/P	71	70	71	71	71	0	0	0	0	
75 Financial Assistance to Business	SD	100	20	20	20	20	0	40	40	0	
76 Acquisition of Industrial Land - Brechin	SD	257	185	247	5	247	0	0	0	0	
77 Acquisition of Industrial Land - Orchardbank	SD	63	63	63	63	63	0	0	0	0	
78 Acquisition of Industrial Land - General	SD	257	45	45	45	45	0	100	100	0	
79 Clearance and Redevelopment	SD	190	20	20	20	20	0	170	0	0	
80 Construction of Industrial Units - Baden Powell	P	228	15	(18)	63	(18)	0	93	3	0	European Regional Development Fund Grant totalling £152,000 to offset cost of Transfer of Budget to Industrial Development at Brent Avenue, Montrose
81 Construction of Industrial Units - General	P	1,000	83	0	0	0	0	500	500	0	Reference R.269/98 - Economic Development Committee dated 05.03.98
82 Provision of Services to Industrial Land	SD	335	100	35	35	35	0	150	150	0	Payments totalling £140,000 from ABB Velco Gray UK Ltd to offset cost
83 Industrial Development at Brent Avenue	P	1,598	459	751	765	751	0	17	0	0	
84 Industrial Development at Brechin	SD/P	903	443	50	5	50	0	853	0	0	
85 CNC and Related Training Equipment	SD	128	0	(100)	0	(100)	0	0	0	0	
86 Pictish Visitors Centre	SD/P	401	305	275	116	275	0	90	23	0	Reference R.463/98 - Personnel and Property Executive Sub Committee - 20.07.98
87 Angus Media Centre	SD/P	180	0	40	40	40	0	238	(98)	0	Reference R.959/98 - Policy and Resources Committee dated 08.09.98
		7,024	2,161	1,856	976	1,856	0	2,299	1,065	0	

Recreation Services

88 Covenant Repayment Sallire Leisure Centre, Arbroath	F	1,153	64	64	32	64	0	64	422	0	
89 HTFS/Refrigeration Unit	P	6	1	0	0	0	0	0	0	0	
90 Changing Room/Lockers	P	8	0	8	8	8	0	0	0	0	
91 Enlarge Spa Bath	P	17	1	0	0	0	0	0	0	0	
92 Montrose Sports Centre - Relay Floor	P	28	1	1	1	1	0	0	0	0	
93 Montrose Seafront Development - Administered by Roads	SD	0	0	0	0	0	0	0	0	0	Transfer of £10,000 in 1998/9 from Unplanned Maintenance Budget
94 Balances on Completed Works	P	1	0	1	1	1	0	0	0	0	Lottery Grant being sought
95 Multi-purpose Court at Brechin Leisure Centre	P	115	90	90	90	90	0	20	5	0	
96 Work at Woodlands Caravan Park, Carnoustie	P	34	34	32	32	32	0	2	0	0	
97 New Illuminated Sign at Carnoustie Leisure Centre	P	9	8	9	9	9	0	0	0	0	
98 Purchase of Bicycles	SD	4	0	4	4	4	0	0	0	0	Specific Cycle Challenge Fund Consent of £4,000 for 1998/9
		1,375	199	209	54	209	0	86	427	0	

Programme/Project Property Services	Assigne Resp.	Estimated Total Cost £000	Monitoring of 1998/99 Expenditure				Projected over/ (under) Spend £000	3 1999/2000 £000	4 Later Years £000	Explanation of Variances
			Capital Budget 1998/99		Actual to 31.10.98 £000	2 Latest Estimate £000				
			1 Prior to 01.04.98 £000	Original £000						
99 Bruce House - Phase 1	P	1,180	1,157	0	23	0	0	0		
100 Bruce House - Phase 2	P	518	488	15	30	0	0	0		
101 HQ Offices - Balances	P	13	0	6	13	0	0	0		
102 Alterations - St James House (Ventilation)	P	105	87	4	18	0	0	0		
103 Alterations - General (1997/8)	P	1	0	1	1	0	0	0		
104 Alterations - General (1998/9)	P	30	0	70	27	0	0	3	Transfer of £5,000 to County Buildings (New Entrance) below	
105 County Buildings (New Entrance)	P	218	81	71	130	0	0	7	Transfer of £5,000 from Alterations - General (1998/9) above	
106 Access Point - Atrioath	P	30	0	27	0	0	0	0	Capital Programme Co-ordination Group dated 2nd September, 1998	
107 Access Point - Brechin	P	75	0	30	0	0	0	0	Reference R.564/98 - Policy and Resources Committee dated 08.09.98	
108 Access Point - Carnoustie	P	64	0	40	0	0	0	5	Reference R.564/98 - Policy and Resources Committee dated 08.09.98	
109 Access Point - Kirriemuir	P	38	0	0	0	0	0	3	Reference R.564/98 - Policy and Resources Committee dated 08.09.98	
110 Access Point - Montrose	P	384	17	220	55	1	0	278	Reference R.564/98 - Policy and Resources Committee dated 08.09.98	
111 IT Store - Market Street, Forfar	P	128	0	101	122	3	0	6	Reference R.564/98 - Policy and Resources Committee dated 08.09.98	
112 Extension - St James House (Phase 1)	P	1,700	7	65	30	2	0	585	Reference R.1084/98 - Personnel and Property Services Committee dated 20.10.98	
113 Energy Conservation (Spend to Save)	P	272	0	80	80	0	0	64		
114 Facilities for the Disabled	P	183	0	8	8	0	0	128		
115 Town & County Hall - Microphone System	P	24	22	1	2	0	0	0		
116 Bruce House - Health and Safety Measures	P	33	8	3	23	0	0	0		
117 Purchase of Ravenswood, Forfar	P	245	235	10	10	0	0	2		
118 Alterations to Ravenswood, Forfar - Phase 1	P	41	28	1	11	5	0	2		
119 Alterations to Ravenswood, Forfar - Phase 2	P	30	0	0	19	0	0	9		
118 Residual Balances on Various Projects	P	1	0	3	0	1	0	0		
119 Closed Circuit Television	P	621	595	36	26	0	0	0		
		5,934	2,725	792	629	190	0	1,210	1,370	

Coast Protection and Flood Prevention

120 Coast Protection - Milton Mill, Monifieth	SD	94	37	57	4	0	0	50	3
121 Coast Protection - Montrose Beach	SD	669	9	45	0	0	0	80	580
122 Coast Protection - Carnoustie (General)	SD	160	130	80	30	0	0	0	0
123 Coast Protection - Carnoustie Links	SD	625	0	0	100	3	100	250	275
124 Flood Prevention - River Street, Brechin	SD	120	0	120	25	0	25	90	5
		1,668	176	302	159	3	159	470	863

Compensating Savings of £65,000 in respect of Montrose Seafront Development

Miscellaneous

125 Urban Programme	F	53	33	0	20	0	20	0	0
126 Tayside Valuation Joint Board	F	26	5	0	6	0	6	5	10
		79	38	0	26	0	26	5	10



GENERAL SERVICES TOTAL

		22,973	6,128	4,929	4,348	1,797	4,348	6,634	5,863
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GRAND TOTAL

		66,916	16,224	12,076	11,109	4,167	11,109	14,621	24,962
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