

ANGUS COUNCIL**FINANCE AND INFORMATION TECHNOLOGY COMMITTEE – 27th November, 2001****POLICY AND RESOURCES COMMITTEE – 4th December, 2001****CAPITAL MONITORING - COMPOSITE CAPITAL PROGRAMME – 2001/2****REPORT BY THE DIRECTOR OF FINANCE****ABSTRACT**

This report appraises members of the capital expenditure incurred for the period from 1st April, 2001 to 31st October, 2001 and measures projected capital expenditure for the year against budgeted provision and available resources for the year.

1. RECOMMENDATION

It is recommended that the Committee:

- notes the position as at 31st October, 2001 on the Composite Capital Programme as per the accompanying monitoring statement.
- notes that the Director of Finance will review the position on the Composite Capital Programme and address issues relating to the projected spend position, possible slippage on projects and resources potentially available for 2001/2. In this respect it is expected that the Director of Finance will bring forward appropriate recommendations to the Committee.
- notes that projections of the year end position will be ongoing and brought forward, on a regular basis, to future Committees.

2. BACKGROUND

The original Composite Capital Programme Budget for the 2001/2 financial year (excluding Local Capital Fund Projects) was £10.124 million as per the Final Revenue and Capital Budgets Volume 2001/2 issued to members in April, 2001. When Local Capital Fund Projects are included the original budget for 2001/2 increases to £10.511 million.

Further to the availability of final expenditure figures for 2000/1 the Composite Capital Programme for 2001/2 was reviewed and revised to take account of underspends and overspends on projects with carry forward implications for 2001/2. In conducting such a review full consultations were held with Departments resulting in a subsequent revised budget (excluding Local Capital Fund Projects) of £9.965 million for 2001/2. When Local Capital Fund Projects are included the revised budget for 2001/2 increases to £10.332 million.

3. CURRENT POSITION

The accompanying monitoring statement sets out the position on the Composite Capital Programme for 2001/2 as at 31st October, 2001.

It can be seen that after the passage of seven months actual expenditure totalled £4.576 million which equates to 44 per cent of the revised budget of £10.332 million for the current financial year.

(It should be noted that the revised budget of £10.332 million for the current financial year was supported by an element of capital consent anticipation from the forthcoming financial year. It should also be noted that slippage was expected on the Composite Capital Programme which would reduce / eliminate the need to utilise the permitted carry forward of capital consent from 2002/3 into 2001/2).

However, in addition to actual expenditure achieved, work is ongoing on a number of projects for which no payment has, as yet, been made. Such payments will, of course, be reflected within the actual spend levels of future statements.

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, 2002), must be closely monitored by Departmental Directors with a view to maximising budgeted expenditure for the year.

Further to the previous meeting of the Finance and Information Technology Committee, approximately 50 per cent of the Land Acquisition Budget within Economic Development which equates to approximately £130,000 has been rephased from 2001/2 to 2002/3. The rephasing relates to land acquisition at Carnoustie which is unlikely to proceed this financial year.

As a result of expected slippage on the Composite Capital Programme the latest estimate of expenditure is currently £9.720 million which is very much in line with the total potential capital resource of £9.666 million after removal of the capital consent anticipation facility. Although the Composite Capital Programme is in balance it should be noted that the Programme is normally subject to further slippage as the year progresses. As part of the Budget Process for 2002/3 it is expected that the Director of Finance will review the position on the Composite Capital Programme and address issues relating to the projected spend position, possible slippage on projects and resources potentially available for 2001/2.

It should be further noted that to maintain the balance between estimated expenditure and available resources it is incumbent on Departmental Directors - the Accountable Managers - to ensure that project expenditure proceeds according to plan. Accordingly, where the possibility of slippage arises, Departmental Directors must inform the Director of Finance at the earliest opportunity to allow a corporate assessment of the programme to be conducted and, where appropriate, resultant compensating action to be taken. Departmental Directors must also identify and notify potential overspends to the Director of Finance at the earliest opportunity to allow a similar assessment to be made.

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.

5. CONCLUSION

It is concluded that Composite Programme capital expenditure projections are in line with available resources. Although the Composite Capital Programme is currently in balance it should be noted that the Programme is normally subject to a degree of slippage as the year progresses.

It should also be noted that as part of the Budget Process for 2002/3 it is expected that the Director of Finance will review the position on the Composite Capital Programme and address issues relating to the projected spend position, possible slippage on projects and resources potentially available for 2001/2.

6. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights Implications arising as a result of this report.

7. 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.

ANGUS COUNCIL

FINANCE AND INFORMATION TECHNOLOGY COMMITTEE - 27th November, 2001
 POLICY AND RESOURCES COMMITTEE - 4th December, 2001

1. SUMMARY OF CAPITAL EXPENDITURE 2001/2 - NON-HOUSING PROGRAMME

The table below shows

- 2001/2 original departmental capital budgets per the Final Revenue and Capital Budgets Volume 2001/2
- 2001/2 revised departmental capital budgets
- latest departmental projections for total capital expenditure in 2001/2

Programme	Capital Budget 2001/2		Actual to 31/10/01 £000	Latest Estimate £000	Projected Over/(Under) Spend £000
	Original £000	Revised £000			
Education	2,725	2,574	1,707	3,018	444
Social Work	373	359	(165)	314	(45)
Roads	3,280	3,342	1,422	3,333	(9)
General Services (inc. Non-HRA)	3,746	3,690	1,017	2,726	(964)
Sub Total - exc Local Capital Fund	10,124	9,965	3,981	9,391	(574)
Local Capital Fund	387	367	595	329	(38)
Grand Total	10,511	10,332	4,576	9,720	(612)

2. SUMMARY OF PROJECTED EXPENDITURE/RESOURCES

The following table compares the anticipated capital expenditure resources available to the Council in 2001/2 with the latest projection of capital spend.
 To adhere to Scottish Executive controls the Council must ensure that the Section 94 resource utilised during the financial year does not vary by more than + or - 10% of the issued Section 94 Consents.

	£,000	£,000
Issued Section 94 Consents		
Formula Allocation	6,245	
New Deal for Schools	614	
Land Decontamination	79	
Cycling, Walking and Safer Streets	65	
School Buildings	276	7,279
Consent Augmentation		
Capital Receipts c/ from 2000/1	1,128	
Estimated Current Year Capital Receipts	400	1,528
		8,807
CFCR		
General	530	
Local Capital Fund	329	859
Maximum Potential Capital Resource		9,666
Latest Estimate of Expenditure		9,720
Projected over / (under) spend		54

3. Explanation of Significant Variances

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	Assigned Resp.	Monitoring of 2001/2 Expenditure										Later Years £000	Explanation of Variances
		1		2		3		4		Projected Over/(Under) Spend £000	2002/3 £000		
		Estimated Total Cost £000	Prior to 01.04.01 £000	Capital Budget 2001/2 Original Estimate £000	Revised Estimate 31/10/01 £000	Actual to Latest Estimate £000	Latest Estimate £000	2002/3 £000	2002/3 £000				
Education													
1	F	3,177	1,870	187	187	0	187	0	187	0	187	933	
2	P	2,585	2,570	0	15	(1)	15	0	0	0	0	0	
3	P	7	6	0	1	1	1	0	0	0	0	0	
4	P	1,840	1,774	80	66	(11)	66	0	0	0	0	0	
5	P	856	840	7	16	0	16	0	0	0	0	0	
6	P	354	340	14	14	(5)	14	0	0	0	0	0	
7	P	252	251	2	2	1	1	(1)	0	0	0	0	
8	P	114	104	10	10	(10)	10	0	0	0	0	0	
9	P	2,675	920	1,518	1,521	1,168	1,585	64	170	0	170	0	Rephasing of expenditure from 2002/3 to 2001/2
10	P	214	202	10	12	0	12	0	0	0	0	0	
11	P	6,500	108	10	10	0	12	2	14	2	14	6,366	
12	P	812	19	165	100	0	150	50	613	30	613	0	Rephasing of expenditure from 2002/3 to 2001/2
13	P	180	175	14	5	2	5	0	0	0	0	0	
14	P	175	145	8	16	9	20	4	10	0	10	0	
15	P	0	0	0	0	0	0	0	0	0	0	0	Fully funded from revenue
16	P	70	0	50	50	0	55	5	15	0	15	0	
17	P	1,191	62	650	549	540	549	0	570	0	570	10	
18	SD/P	0	0	0	0	11	0	0	0	0	0	0	Contributions due from various sources
19	SD	117	115	0	2	2	2	2	2	0	0	0	
20	P	276	0	0	0	0	248	248	28	0	28	0	Supplementary Consent - £276,000
21	P	0	0	0	0	0	0	0	0	0	0	0	Fully funded from revenue
22	SD	670	0	0	0	0	70	70	20	0	20	580	Rephasing of expenditure from 2002/3 to 2001/2 as per R.1330/01 to Finance + I T dated 27.11.01
		22,065	9,501	2,725	2,574	1,707	3,018	444	1,627	7,919			
Social Work													
23	F	1,454	880	88	88	0	88	0	88	0	88	438	
24	SD	447	204	256	241	29	243	2	0	0	0	0	
25	P	33	35	0	0	(192)	(47)	(47)	31	14	31	14	Ref R.688/01 to Personnel and Property Services Committee dated 12.06.01
26	P	20	0	20	20	0	20	0	0	0	0	0	
27	P	80	0	0	0	0	0	0	0	0	24	56	
		80	0	9	9	0	9	0	71	0	71	0	
		20	0	0	0	0	0	0	20	0	20	0	
28	P	1	0	0	1	(2)	1	(45)	234	0	234	508	
		2,175	1,119	373	359	(165)	314	(45)	1,627	7,919			

Monitoring of 2001/2 Expenditure

Assigned Resp.	Monitoring of 2001/2 Expenditure											Explanation of Variances
	1	Capital Budget 2001/2			2	3	4					
	Estimated Total Cost £000	Prior to 01.04.01 £000	Original Estimate £000	Revised Estimate £000	Actual to 31/10/01 £000	Latest Estimate £000	Projected Spend (Over/(Under)) £000	2002/3 £000	Later Years £000			
Roads												
29	832	490	49	49	0	49	0	49	244			
F												
30	7,000	0	206	0	0	0	0	400	6,600			
SD												
31	969	300	123	389	248	389	0	180	100			
SD												
32	521	554	(33)	(33)	4	(33)	0	0	0			
SD												
33	40	35	3	3	5	5	2	0	0			
SD												
34	8,107	3,101	1,240	1,271	664	1,261	(10)	1,810	1,935			
SD												
SD												
35	850	0	840	840	300	850	10	0	0			
SD												
SD												
36	220	0	15	15	2	15	0	89	116			
SD												
37	417	113	4	4	1	4	0	200	100			
SD												
38	245	243	2	2	(28)	2	0	0	0			
SD												
39	134	25	9	9	1	9	0	0	100			
SD												
40	357	35	58	57	10	57	0	50	215			
SD												
41	1,616	0	49	49	4	49	0	36	1,531			
SD												
42	1,057	65	49	49	4	49	0	200	743			
SD												
43	0	0	10	10	0	0	(10)	0	0			
SD												
44	40	0	10	10	0	10	0	0	30			
SD												
45	15	0	10	10	0	10	0	0	0			
SD												
46	17	10	7	7	7	7	0	5	0			
SD												
47	530	0	530	530	71	530	0	0	0			
SD												
48	15	0	15	15	0	15	0	0	0			
SD												
49	76	16	84	56	129	55	(1)	5	0			
SD												
	23,058	4,987	3,260	3,342	1,422	3,333	(9)	3,024	11,714			

Transfer to Coast Protection at Carnoustie Beach

Contributions due from various sources

Monitoring of 2001/2 Expenditure

Assigned Resp.	1		Capital Budget 2001/2		2		Projected Over/(Under) Spend £000	3	4	Explanation of Variances
	Estimated Total Cost £000	Prior to 01.04.01 £000	Original Estimate £000	Revised Actual to 31/10/01 £000	Latest Estimate £000	2002/3 £000				
General Services										
Cultural Services										
49	200	0	10	10	6	10	0	40	150	
Angus Local Studies Centre (Montrose Museum)	200	0	10	10	6	10	0	40	150	
Environmental and Consumer Protection										
50	76	74	0	2	0	2	0	0	0	
Upgrading at Monifeith to comply with SEPA	76	74	0	2	0	2	0	0	0	
51	3,155	2,077	204	189	0	251	62	154	673	Revenue Funding to be confirmed
Lochhead Landfill Site - Restenneth Extension	3,155	2,077	204	189	0	251	62	154	673	Revenue Funding to be confirmed
52	150	85	83	46	55	55	9	10	0	Revenue Funding to be confirmed
Brechin Recycling Centre	150	85	83	46	55	55	9	10	0	Revenue Funding to be confirmed
53	69	0	53	53	1	67	14	2	0	Compensating savings required - awaiting proposals from Department
Kirriemuir Recycling Centre	69	0	53	53	1	67	14	2	0	Compensating savings required - awaiting proposals from Department
54	111	0	111	111	9	111	0	0	0	
Contaminated Land	111	0	111	111	9	111	0	0	0	
	3,561	2,236	451	401	65	486	85	166	673	
3,561	2,236	451	401	65	486	85	166	673		
Planning and Transport										
55	90	0	10	20	5	10	(10)	20	60	
Montrose Closes Upgrading	90	0	10	20	5	10	(10)	20	60	
56	10	1	0	9	0	9	0	0	0	
Marquis of Montrose Statue	10	1	0	9	0	9	0	0	0	
57	40	10	30	30	10	30	0	0	0	
Footpath / Cycleway at Northwater Viaduct	40	10	30	30	10	30	0	0	0	
58	2,321	421	440	454	279	440	(14)	460	1,000	
Improvement Grants	2,321	421	440	454	279	440	(14)	460	1,000	
59	104	23	10	21	1	21	(110)	0	50	
Public Transport / Grant Assistance	104	23	10	21	1	21	(110)	0	50	
60	290	0	118	128	0	18	(28)	0	0	Delay in commencement of project
Monifeith Seafront Improvements	290	0	118	128	0	18	(28)	0	0	Delay in commencement of project
61	0	0	28	28	0	0	0	0	0	Transfer from Brothock Bridge Improvements above
Brothock Bridge Improvements	0	0	28	28	0	0	0	0	0	Transfer from Brothock Bridge Improvements above
62	28	0	0	0	0	28	28	0	0	
Atbroath Abbey Surfacing	28	0	0	0	0	28	28	0	0	
63	99	(3)	32	39	(28)	39	0	13	50	
Paths for All Initiative	99	(3)	32	39	(28)	39	0	13	50	
64	147	0	5	5	0	5	0	42	100	
Rural Initiatives	147	0	5	5	0	5	0	42	100	
65	2	0	0	0	2	2	0	0	0	
Atbroath Sculpture Project	2	0	0	0	2	2	0	0	0	
66	324	0	0	65	8	65	0	84	175	
Cycling, Walking and Safer Streets Fund	324	0	0	65	8	65	0	84	175	
67	178	169	9	2	2	9	7	0	0	
Improvement to the Travelling Peoples Site at Tayock	178	169	9	2	2	9	7	0	0	
	3,633	621	662	801	279	676	(125)	901	1,435	
3,633	621	662	801	279	676	(125)	901	1,435		
Economic Development										
68	822	523	48	48	9	48	0	48	203	
Covenant Repayment	822	523	48	48	9	48	0	48	203	
69	61	61	0	0	0	0	0	0	0	
Carnoustie Open Golf Championship - Infrastructure	61	61	0	0	0	0	0	0	0	
70	179	32	47	47	3	47	0	30	70	
Financial Assistance to Business	179	32	47	47	3	47	0	30	70	
71	1,034	65	310	289	0	130	(139)	339	500	Rephasing of Land Acquisition from 2001/2 to 2002/3
Acquisition of Industrial Land - General	1,034	65	310	289	0	130	(139)	339	500	Rephasing of Land Acquisition from 2001/2 to 2002/3
72	300	0	0	0	0	0	80	200	20	Transfer from Construction of Industrial Units - General
Business Centre, Montrose	300	0	0	0	0	0	80	200	20	Transfer from Construction of Industrial Units - General
73	110	46	14	12	1	60	48	4	0	Transfer from Construction of Industrial Units - General
Refurbishment of Unit 1 at Broomfield Ind Est - Montrose	110	46	14	12	1	60	48	4	0	Transfer from Construction of Industrial Units - General
74	215	0	45	45	1	80	35	65	70	Transfer from Construction of Industrial Units - General
Upgrade Infrastructure at Broomfield Ind Est - Montrose	215	0	45	45	1	80	35	65	70	Transfer from Construction of Industrial Units - General
75	132	132	28	56	0	0	(56)	0	0	Reduction in works / costs
Construction of Ind Units - Baden Powell Road	132	132	28	56	0	0	(56)	0	0	Reduction in works / costs
76	1,770	0	200	200	0	0	(200)	120	1,650	Transfer to Business Centre, Montrose and Broomfield Ind Est., Montrose
Construction of Ind Units - General	1,770	0	200	200	0	0	(200)	120	1,650	Transfer to Business Centre, Montrose and Broomfield Ind Est., Montrose
77	1,036	4	443	443	1	30	(413)	539	463	Delay in commencement of project - site investigation and fee expenditure only
Provision of Services to Extension at Orchardbank	1,036	4	443	443	1	30	(413)	539	463	Delay in commencement of project - site investigation and fee expenditure only
78	1,351	0	100	100	1	1	(99)	350	1,000	Rephasing of expenditure from 2001/2 to 2002/3
Provision of Services to Industrial Land - General	1,351	0	100	100	1	1	(99)	350	1,000	Rephasing of expenditure from 2001/2 to 2002/3
79	1,547	1,540	17	7	(8)	7	0	0	0	
Industrial Development at Brent Avenue, Montrose	1,547	1,540	17	7	(8)	7	0	0	0	
80	978	932	(150)	31	(40)	31	0	15	0	
Brechin Business Park	978	932	(150)	31	(40)	31	0	15	0	
81	408	446	28	(41)	(1)	(40)	1	2	0	
The Piclish Centre	408	446	28	(41)	(1)	(40)	1	2	0	
82	85	0	20	20	0	20	0	5	60	
The Piclish Centre - Phase 2	85	0	20	20	0	20	0	5	60	
83	309	33	232	225	464	261	36	15	0	Contributions due from various sources
Angus Media Centre	309	33	232	225	464	261	36	15	0	Contributions due from various sources
	10,337	3,814	1,382	1,462	431	755	(707)	1,732	4,036	
10,337	3,814	1,382	1,462	431	755	(707)	1,732	4,036		

Monitoring of 2001/2 Expenditure

Assigned Resp.	1		2		3	4	Explanation of Variances			
	Estimated Total Cost £000	Prior to 01/04/01 £000	Original Estimate £000	Revised Estimate 31/10/01 £000				Actual to Latest Estimate £000	Projected Over/(Under) Spend £000	2002/3 £000
	1,153	795	64	64	32	64	0	64	230	
F	130	121	9	9	0	9	0	0	0	
P	270	0	115	115	0	25	(90)	225	20	Delay in commencement of project
SD	2	1	0	1	0	1	0	0	0	
P	1,555	917	188	189	32	99	(90)	289	250	

Recreation Services

- 84 Covenant Repayment
- 85 Multi-purpose Court at Brechin Leisure Centre
- 86 Monifeth Seafront Improvements
- 87 Balances On Completed Works

Contract Services

- 88 Ground Maintenance Machinery

Property Services

- 89 Facilities for the Disabled
- 90 Alterations to Fairlie House, Kirriemuir
- 91 Access Point - Carnoustie
- 92 Access Point - Kirriemuir
- 93 Access Point - Montrose (Public Convenience)
- 94 Alterations to 210 High Street, Montrose
- 95 Montrose Town House
- 96 Property Maintenance Programme (Capitalised Repairs)
- 97 Energy Conservation Measures (Spend to Save)
- 98 Temp Office Accommodation - Ravenswood, Forfar
- 99 VDU Health and Safety Requirements
- 100 Alterations to form Registrars at Forfar
- 101 Balances on Completed Works

7 Rephasing required to accommodate progress on Montrose Town House Project Ref R.1022/01 to Policy and Resources Committee dated 04.09.01

7 Rephasing required to accommodate consultations with Departments

400	0	100	100	0	100	0	0	100	200	
400	0	100	100	0	100	0	0	100	200	
630	69	145	138	7	138	0	0	63	360	
155	32	115	113	66	113	0	0	10	0	
110	101	8	9	3	9	0	0	0	0	
30	29	0	0	1	1	1	1	0	0	
146	143	5	3	0	3	0	0	0	0	
125	6	108	112	2	40	(72)	72	0	0	
381	217	152	104	0	124	20	40	0	0	
5,400	86	356	190	100	100	(90)	134	5,080	0	
209	173	20	12	6	12	0	0	0	24	
95	87	5	8	1	8	0	0	0	0	
74	70	5	0	4	4	4	0	0	0	
18	14	0	4	0	4	0	0	0	0	
12	5	0	7	3	7	0	0	0	0	
7,385	1,032	919	700	193	563	(137)	319	0	5,471	

Coast Protection and Flood Prevention

- 102 River Street Brechin - Flood Prevention
- 103 Carnoustie Beach - Coast Protection

Transfer from Brothock Bridge Improvements within Roads

280	25	7	20	11	20	0	225	10	10	
110	0	0	0	0	10	10	70	30	0	
390	25	7	20	11	30	10	295	40	0	

Miscellaneous

- 104 Tayside Valuation Joint Board

25	18	7	7	0	7	0	0	0	0	
25	18	7	7	0	7	0	0	0	0	

GENERAL SERVICES TOTAL

27,486	8,663	3,746	3,690	1,017	2,726	(864)	3,842	12,255	0	
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SUB TOTAL - EXCLUDING LOCAL CAPITAL FUND

74,784	24,270	10,124	9,965	3,981	9,391	(674)	8,727	32,396	0	
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**LOCAL CAPITAL FUND
APPROVED PROJECTS**

Assigned Resp.	Monitoring of 2001/2 Expenditure										Explanation of Variances
	1 Estimated Total Cost £000		Capital Budget 2001/2		2 Actual to Latest Estimate		3 Projected Over/(Under) Spend		4 Later Years		
	01.04.01	£000	Original Estimate	Revised Estimate	31/10/01 Estimate	£000	£000	£000	£000	£000	£000
Cultural Services											
105 Kiriemuir Gateway to the Glens	25	123	(89)	(89)	(73)	(98)	(9)	(9)	0	0	0
Planning and Transport											
106 Carnoustie - Environmental Improvements	154	136	34	34	0	18	(16)	(16)	0	0	0
107 Arbroath Abbey	627	407	220	220	557	220	0	0	0	0	0
108 Arbroath Harbour	135	6	94	129	0	36	(93)	(93)	93	93	0
Recreation Services											
109 Angus Millennium Forest	18	48	0	(30)	24	0	30	30	0	(30)	0
Chief Executive's Department											
110 Village Halls Support Initiative - Minor	90	45	39	39	36	45	6	6	0	0	0
111 Village Halls Support Initiative - Major	125	17	89	64	51	108	44	44	0	0	0
	215	62	128	103	87	153	50	50	0	0	0
SUB TOTAL - LOCAL CAPITAL FUND	1,174	782	387	367	595	329	(38)	(38)	93	93	(30)
GRAND TOTAL	75,958	25,052	10,511	10,332	4,576	9,720	(612)	(612)	8,820	8,820	32,366

Contributions due from various sources
Project delayed and expenditure rephased - Developer to be identified

Contribution of £30,000 due from the Forestry Authority in future years

