

**ANGUS COUNCIL****FINANCE AND INFORMATION TECHNOLOGY COMMITTEE – 28th August, 2001****POLICY AND RESOURCES COMMITTEE – 4th September, 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 July, 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 July, 2001 on the Composite Capital Programme as per the accompanying monitoring statement.
- Members should note that the Capital Budget Sub Group (CBSG) will meet in due course as part of the Budget Process for 2002/3. As part of this process it is expected that the CBSG 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.
- Members should also note 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 July, 2001.

It can be seen that after the passage of four months or one third of the financial year, actual expenditure totalled £2.667 million, which equates to 26 per cent of the revised budget of £10.332 million for the year.

However, it should be noted that, 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.

It is recognised that the latest estimate of expenditure of £10.314 million exceeds the total potential capital resource of £10.054 million by £260,000. Although the Composite Capital Programme is currently projecting an overspend it should be noted that the Programme is normally subject to a degree of slippage as the year progresses. Further, the Officer led Capital Budget Sub Group (CBSG) will meet in due course as part of the Budget Process for 2002/3. As part of this process it is expected that the CBSG 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 also be 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 excess of available resources. Although the Composite Capital Programme is currently projecting an overspend 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 the Capital Budget Sub Group (CBSG) will meet in due course as part of the Budget Process for 2002/3. As part of this process it is expected that the CBSG 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 - 28th August, 2001
 POLICY AND RESOURCES COMMITTEE - 4th September, 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 31/07/01 £000	Latest Estimate £000	Projected
	Original £000	Revised £000			Over/(Under) Spend £000
	Education	2,725	2,574	1,170	2,584
Social Work	373	359	6	312	(47)
Roads	3,280	3,342	549	3,342	0
General Services (inc. Non-HRA)	3,746	3,690	437	3,709	19
Sub Total - exc Local Capital Fund	10,124	9,965	2,162	9,947	(18)
Local Capital Fund	387	367	505	367	0
Grand Total	10,511	10,332	2,667	10,314	(18)

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
<u>Issued Section 94 Consents</u>		
Formula Allocation	6,245	
New Deal for Schools	614	
Land Decontamination	79	
Cycling, Walking and Safer Streets	65	
Provision of Serviced Sites	2	7,005
<u>Consent Augmentation</u>		
Consent Anticipation	624	
Capital Receipts c/f from 2000/1	1,128	
Estimated Current Year Capital Receipts	400	2,152
		9,157
<u>CFCR</u>		
General	530	
Local Capital Fund	367	897
Maximum Potential Capital Resource		10,054
Latest Estimate of Expenditure		10,314
Projected over / (under) spend		260

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										2002/3 £000	Later Years £000	Explanation of Variances
		1		2				3		4				
		Estimated Total Cost £000	Prior to 01/04/01 £000	Capital Budget 2001/2 Original Estimate £000	Revised Estimate £000	Actual to 31/07/01 £000	Latest Estimate £000	Projected Over/(Under) Spend £000	2002/3 £000	Later Years £000	Explanation of Variances			
Education														
1	F	3,177	1,870	187	187	0	187	0	187	933	0	187	933	
2	P	2,585	2,570	0	15	(1)	15	0	0	0	0	0	0	
3	P	7	6	0	1	0	1	0	0	0	0	0	0	
4	P	1,840	1,774	80	66	(14)	66	0	0	0	0	0	0	
5	P	856	840	16	16	0	16	0	0	0	0	0	0	
6	P	354	340	14	14	(6)	14	0	0	0	0	0	0	
7	P	252	251	2	2	0	1	(1)	0	0	0	0	0	
8	P	114	104	10	10	(10)	10	0	0	0	0	0	0	
9	P	2,675	920	1,518	1,521	725	1,521	0	234	0	0	234	0	
10	P	214	202	12	12	0	12	0	0	0	0	0	0	
11	P	6,520	108	10	10	0	10	0	1,151	5,251	0	1,151	5,251	
12	P	780	19	165	100	1	100	0	631	30	0	631	30	
13	P	180	175	14	5	1	5	0	0	0	0	0	0	
14	P	175	145	8	16	9	20	4	10	0	0	10	0	
15	P	0	0	0	0	0	0	0	0	0	0	0	0	
16	P	70	0	50	50	(1)	55	5	15	0	0	15	0	
17	SD/P	1,191	62	650	549	410	549	0	570	10	0	570	10	
18	SD	0	0	0	0	56	0	0	0	0	0	0	0	
19	SD	117	115	0	0	2	2	0	2	0	0	2	0	
		21,107	9,501	2,725	2,574	1,170	2,584	10	2,798	6,224		2,798	6,224	
Social Work														
20	F	1,494	880	88	88	0	88	0	88	0	0	88	0	
21	SD	445	204	256	241	9	241	0	0	0	0	0	0	
22	P	33	35	0	0	0	(47)	0	(47)	31	14	31	14	
23	P	20	0	20	20	0	20	0	0	0	0	0	0	
24	P	80	0	0	0	0	0	0	0	0	0	0	0	
		80	0	9	9	0	9	0	0	71	0	71	0	
		20	0	0	0	0	0	0	0	20	0	20	0	
25	P	77	76	0	0	(1)	0	0	0	0	0	0	0	
		2,249	1,195	373	359	6	312	(47)	210	532		210	532	

Personnel and Property Services Committee dated 12/06/01

Assigned Resp.	Monitoring of 2001/2 Expenditure										4 Later Years £000	Explanation of Variances	
	1 Estimated Total Cost £000	1 Prior to 01/04/01 £000	Capital Budget 2001/2		2 Actual to 31/07/01 £000	2 Latest Estimate £000	3 Projected Over/(Under) Spend £000	3 2002/3 £000					
			Original Estimate £000	Revised Estimate £000									
Roads													
26	F	632	490	49	49	0	49	0	49	244			
27	SD	7,000	0	206	0	0	0	0	400	6,600			
28	SD	969	300	123	389	118	369	0	180	100			
29	SD	521	554	(33)	(33)	3	(33)	0	0	0			
30	SD	36	35	1	1	2	1	0	0	0			
31	SD	8,117	3,101	1,240	1,271	143	1,271	0	1,810	1,935			
	SD	840	0	840	840	300	840	0	0	0			
32	SD	220	0	15	15	0	15	0	89	116			
33	SD	417	113	4	4	1	4	0	200	100			
34	SD	245	243	2	2	(32)	2	0	0	0			
35	SD	134	25	6	6	0	6	0	0	100			
36	SD	357	35	58	57	2	57	0	50	215			
37	SD	1,616	0	49	49	0	49	0	36	1,531			
38	SD	1,057	65	49	49	1	49	0	200	743			
39	SD	10	0	10	10	0	10	0	0	0			
40	SD	40	0	10	10	0	10	0	0	30			
41	SD	15	0	10	10	0	10	0	5	0			
42	SD	17	10	7	7	1	7	0	0	0			
43	SD	530	0	530	530	0	530	0	0	0			
44	SD	15	0	15	15	1	15	0	0	0			
45	SD	73	11	24	58	3	58	0	0	0			
		23,068	4,987	3,280	3,342	549	3,342	0	3,025	11,714			

Monitoring of 2001/2 Expenditure

Assigned Resp.	1		2		3		4		Explanation of Variances
	Estimated Total Cost £000	Prior to 01/04/01 £000	Capital Budget 2001/2 Original Estimate £000	Revised Estimate £000	Actual to 31/07/01 £000	Latest Estimate £000	Projected Over/(Under) Spend £000	2002/3 £000	
<u>General Services</u>									
<u>Cultural Services</u>									
46 Angus Local Studies Centre (Montrose Museum)	200	0	10	10	6	10	0	100	90
	200	0	10	10	6	10	0	100	90
<u>Environmental and Consumer Protection</u>									
47 Upgrading at Monifieth to comply with SEPA	76	74	0	2	0	2	0	0	0
SD	3,187	2,077	204	189	0	189	0	248	673
48 Lochhead Landfill Site - Resiemneth Extension	146	85	83	46	19	51	5	10	0
SD	55	0	53	53	0	53	0	2	0
SD	111	0	111	111	0	111	0	0	0
SD	3,575	2,236	451	401	19	406	5	260	673
<u>Planning and Transport</u>									
52 Montrose Closes Upgrading	50	0	10	20	3	20	0	10	20
SD	10	1	0	9	0	9	0	0	0
53 Marquis of Montrose Statue	40	10	30	30	9	30	0	0	0
SD	1,024	421	440	454	161	454	0	458	492
SD	79	23	10	21	(4)	21	0	10	25
56 Public Transport / Grant Assistance	290	(3)	118	128	0	128	0	165	0
SD	50	0	28	28	0	28	0	22	0
57 Monifieth Seafront Improvements	62	(3)	32	39	(16)	39	0	13	13
SD	75	0	0	0	0	0	0	0	0
60 Capital Initiatives	0	0	0	0	(6)	0	0	0	0
SD	324	0	0	65	0	65	0	84	175
62 Cycling, Walking and Safer Streets Fund	171	169	9	2	2	2	0	0	0
SD	2,977	618	682	801	149	801	0	783	775
63 Improvement to the Travelling Peoples Site at Tayock									
<u>Economic Development</u>									
64 Covenant Repayment	822	523	48	48	0	48	0	48	203
SD	61	61	0	0	0	0	0	0	0
65 Financial Assistance to Business Infrastructure	179	32	47	47	3	47	0	30	70
SD	1,539	65	310	289	0	289	0	210	995
66 Acquisition of Industrial Land - General	60	46	14	12	1	12	0	2	0
68 Refurbishment of Unit 1 at Bloomfield, Montrose	150	0	45	45	0	45	0	35	70
69 Upgrade Infrastructure, Bloomfield Ind Est, Montrose	182	122	26	66	0	66	0	1	0
70 Construction of Ind Units - General	1,350	0	200	200	0	200	0	262	888
SD	1,010	4	443	443	0	443	0	450	113
71 Provision of Services to Extension at Orchardbank	1,000	0	100	100	0	100	0	250	650
SD	1,547	1,540	17	7	(30)	7	0	0	0
72 Provision of Services to Industrial Land - General	314	343	(150)	31	(11)	31	0	15	0
74 Industrial Development at Brent Avenue, Montrose	407	446	28	(41)	6	(41)	0	2	0
SD	85	0	20	20	0	20	0	5	60
75 Brechin Business Park	268	33	232	225	216	225	0	10	0
SD	9,648	3,814	1,382	1,462	185	1,462	0	1,323	3,049
76 The Pictish Centre									
77 Pictavia Visitor Centre - Phase 2									
78 Angus Media Centre									

Revenue Funding to be confirmed

Revenue Funding to be confirmed

Monitoring of 2001/2 Expenditure

Assigned Resp.	Estimated Total Cost £000	Prior to 01/04/01 £000	Capital Budget 2001/2			Actual to 31/07/01 Estimate £000	2 Latest Estimate £000	Projected Over/(Under) Spend £000	3 2002/3 £000	4 Later Years £000	Explanation of Variances
			Original Estimate £000	Revised Estimate £000	£000						
Recreation Services											
F	1,153	795	64	64	0	64	0	64	230		
P	130	121	9	9	0	9	0	9	0		
SD	270	0	115	115	0	115	0	135	20		
P	2	1	0	1	0	1	0	0	0		
	1,555	917	188	189	0	189	0	199	250		
Contract Services											
	725	0	100	100	0	100	0	100	525		
	725	0	100	100	0	100	0	100	525		
Property Services											
P	630	69	145	138	0	138	0	63	360		
P	154	32	115	113	48	113	0	10	0		
P	110	101	8	9	3	9	0	0	0		
P	30	29	0	0	0	1	1	0	0		
P	146	143	5	3	0	3	0	0	0		
P	125	6	108	112	2	112	0	7	0		
P	271	277	162	164	8	164	0	40	0		
P	5,315	86	356	190	0	190	0	364	4,675		
P	209	173	20	12	1	12	0	0	24		
P	95	87	5	8	0	8	0	0	0		
P	73	70	5	0	2	3	3	0	0		
P	11	14	0	4	0	4	0	0	0		
P	12	5	0	7	4	7	0	0	0		
	7,289	1,032	919	700	68	714	14	484	5,059		
Coast Protection and Flood Prevention											
SD	280	25	7	20	10	20	0	225	10		
	280	25	7	20	10	20	0	225	10		
Miscellaneous											
F	25	18	7	7	0	7	0	0	0		
	25	18	7	7	0	7	0	0	0		
	26,274	8,660	3,746	3,690	437	3,709	19	3,474	10,431		
	72,698	24,343	10,124	9,965	2,162	9,947	(18)	9,507	28,901		

Monitoring of 2001/2 Expenditure

LOCAL CAPITAL FUND APPROVED PROJECTS	Assigned Resp.	Capital Budget 2001/2				Actual to 31/07/01 £000	2 Latest Estimate £000	3 Projected Over/(Under) Spend £000	4 Later Years £000	Explanation of Variances
		1 Estimated Total Cost £000	Prior to 01/04/01 £000	Original Estimate £000	Revised Estimate £000					
<u>Cultural Services</u>										
99 Kiriemuir Gateway to the Glens	SD/P	33	122	(89)	(89)	(60)	(89)	0	0	0
		33	122	(89)	(89)	(60)	(89)	0	0	0
<u>Planning and Transport</u>										
100 Carriaculie Environmental Improvements	SD/P	154	120	34	34	60	34	0	0	0
101 Aibroath Abbey	SD/P	667	447	220	220	418	220	0	0	0
102 Aibroath Harbour	SD	135	6	94	129	0	129	0	0	0
		956	573	348	383	498	383	0	0	0
<u>Recreation Services</u>										
103 Angus Millennium Forest	SD/P	18	48	0	(30)	24	(30)	0	0	0
		18	48	0	(30)	24	(30)	0	0	0
<u>Chief Executive's Department</u>										
104 Village Halls Support Initiative - Minor	SD	90	51	39	39	36	39	0	0	0
105 Village Halls Support Initiative - Major	SD	125	11	85	64	7	64	0	50	0
		215	62	128	103	43	103	0	50	0
SUB TOTAL - LOCAL CAPITAL FUND		1,222	805	387	387	505	387	0	50	0
GRAND TOTAL		73,920	25,148	10,511	10,332	2,667	10,314	(18)	9,557	28,901

