

**ANGUS COUNCIL**

**RESOURCES AND CENTRAL SERVICES COMMITTEE  
STRATEGIC POLICY COMMITTEE**

**11 MARCH 2004  
16 MARCH 2004**

**SUBJECT: CAPITAL MONITORING – COMPOSITE CAPITAL PROGRAMME - 2003/04**

**REPORT BY DIRECTOR OF FINANCE**

**Abstract: This report apprises members of the capital expenditure incurred for the period from 1 April 2003 to 31 January 2004 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 –

- (i). notes the position as at 31 January 2004 on the Composite Capital Programme as per the accompanying monitoring statement;
- (ii). notes Report Number 134/04 to the Meeting of the Resources and Central Services Committee dated 29 January 2004 which indicated further slippage resulting in an estimated underspend on the Composite Capital Programme for 2003/4. In the circumstances the Director of Finance has brought forward proposals to address the projected underspend within the 2003/4 General Fund Capital Budget Report to this Meeting;
- (iii). notes projections of the year end position are ongoing and subject to further monitoring. Should projections of the year end position change significantly between the production of this Report and the date of this Meeting it is the intention of the Director of Finance to update the Meeting accordingly; and
- (iv). agrees the Director of Finance is given the responsibility to utilise capital financing resources to bring about the most advantageous year end position for financial year 2003/4.

**2 BACKGROUND**

- 2.1 The original Composite Capital Programme Budget for the 2003/4 financial year (excluding Local Capital Fund Projects) was £15.617 million as per the Final Revenue and Capital Budgets Volume 2003/4 issued to members in April 2003. When Local Capital Fund Projects are included the original budget for 2003/4 increases to £16.843 million.
- 2.2 Further to the availability of final expenditure figures for 2002/3, the Composite Capital Programme for 2003/4 was reviewed and revised to take account of underspends and overspends on projects with carry forward implications for 2003/4. In conducting such a review full consultations were held with Departments resulting in a subsequent revised budget (excluding Local Capital Fund Projects) of £15.718

million for 2003/4. When Local Capital Fund Projects are included the revised budget for 2003/4 increases to £16.944 million.

- 2.3 The Capital Budget Sub Group met on 29 October 2003 and considered the 2003/2007 Financial Plan Submissions from Departments in the light of estimated availability of capital funding resources for 2003/4 and 2004/5. The Capital Budget Sub Group also reviewed the position on the Composite Capital Programme for 2003/4 which was projecting a considerable underspend. In the circumstances the Director of Finance brought forward proposals to address the projected underspend within the 2003/4 General Fund Capital Budget Report Number 1410/03 to the meeting of the Resources and Central Services Committee dated 4 December 2003. The proposals brought forward (which included the advancement of planned capital expenditure - £950,000; the deferral of planned funding contributions - £1.193 million and the reclassification of planned Renewal and Repairs Fund expenditure - £2.855 million) were approved and it was decided that the capital budget for 2003/4 should be revised accordingly. This action has resulted in an updated revised budget (excluding Local Capital Fund Projects) of £16.184 million for 2003/4. When Local Capital Fund Projects are included the updated revised budget for 2003/4 increases to £16.204 million. It should be noted that the revised budget for 2003/4 of £16.204 million was set in excess of projected resources by approximately £300,000 to take account of further slippage which could occur over the winter period.

### **3 CURRENT POSITION**

- 3.1 The accompanying monitoring statement sets out the position on the Composite Capital Programme for 2003/4 as at 31 January 2004.
- 3.2 It can be seen that after the passage of ten months actual expenditure totalled £8.141 million which equates to approximately 50 per cent of the revised budget of £16.204 million for the year.
- 3.3 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.
- 3.4 It is recognised that the Composite Capital Programme for 2003/4 is currently projecting an underspend of £1.233 million with expenditure estimated at £14.701 million and resources estimated at £15.934 million. In this respect Members should note Report Number 134/04 to the Meeting of the Resources and Central Services Committee dated 29 January 2004 which indicated further slippage resulting in an estimated underspend on the Composite Capital Programme for 2003/4. In the circumstances the Director of Finance has brought forward proposals to address the projected underspend within the 2003/4 General Fund Capital Budget Report to this Meeting.

### **4 FINANCIAL IMPLICATIONS**

- 4.1 Financial implications are shown in the accompanying monitoring statement and up to date projections of the year end position will be ongoing and subject to further monitoring. Should projections of the year end position change significantly between the production of this Report and the date of this Meeting it is the intention of the Director of Finance to update the meeting accordingly.

**5 HUMAN RIGHTS IMPLICATIONS**

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

**6 CONSULTATION**

6.1 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.

**7 CONCLUSION**

7.1 It is recognised that the Composite Capital Programme for 2003/4 is currently projecting an underspend. In this respect Members should note Report Number 134/04 to the Meeting of the Resources and Central Services Committee dated 29 January 2004 which indicated further slippage resulting in an estimated underspend on the Composite Capital Programme for 2003/4. In the circumstances the Director of Finance has brought forward proposals to address the projected underspend within the 2003/4 General Fund Capital Budget Report to this Meeting.

**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/PH  
01/03/04

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Director of Finance