

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES COMMITTEE  
STRATEGIC POLICY COMMITTEE

6 MAY 2004  
11 MAY 2004

SUBJECT: CAPITAL MONITORING - COMPOSITE CAPITAL PROGRAMME – 2003/4

REPORT BY DIRECTOR OF FINANCE

**Abstract:** This report apprises members of the capital expenditure incurred for the period from 1 April 2003 to 31 March 2004 and measures near actual capital expenditure for the year against budgeted provision and available resources for the year.

## 1 RECOMMENDATION

1.1 It is recommended that the Committee –

- (i). notes the position as at 31 March 2004 on the Composite Capital Programme as per the accompanying [monitoring statement](#);
- (ii). notes the spend figures as per the monitoring statement have been produced on a near actual basis and are subject to finalisation as the annual accounts process progresses; and
- (iii). 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 INTRODUCTION

2.1 The original Composite Capital Programme Budget for the 2003/4 financial year was £15.617 million as per the Final Revenue and Capital Budgets Volume 2003/4 issued to members in April 2003.

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 of £15.718 million for 2003/4.

2.3 The Capital Budget Sub Group met on 29th 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 4th 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, coupled with additional Section 94 Capital Consent Awards, has resulted in an updated revised budget of £16.184 million for 2003/4.

### **3 CURRENT POSITION**

- 3.1 The accompanying monitoring statement sets out the position on the Composite Capital Programme for 2003/4 as at 31st March, 2004. It should be noted that the spend figures as per the monitoring statement have been produced on a near actual basis and are subject to finalisation as the annual accounts process progresses.
- 3.2 It can be seen that near actual expenditure for the year on an accruals basis totals £15.745 million which equates to 97 per cent of the revised budget of £16.184 million for the year. It can also be seen that the latest estimate of expenditure for the year on an accruals basis totals £16.273 million which is marginally in excess of the revised budget of £16.184 million for the year.
- 3.3 In addition it is necessary to measure projected expenditure for the year on a cash basis against Section 94 Capital Consents (issued by the Scottish Executive), capital receipts and revenue funding to ensure adherence to Scottish Executive controls. For Scottish Executive Section 94 Capital Consent purposes the estimated cash spend is £16.594 million. The estimated total capital resource - prior to Capital Financed from Current Revenue (CFCR) provision - is £16.497 million. This means that a call on CFCR provision of £97,000 is required subject to further change as figures are finalised.

### **4 FINANCIAL IMPLICATIONS**

- 4.1 Financial implications are shown in the accompanying monitoring statement which has been produced on a near actual basis and is subject to finalisation as the annual accounts process progresses.
- 4.2 The Composite Capital Programme is in a satisfactory position in terms of spend to date, latest estimate of expenditure on an accruals basis against budget and the projected spend on a cash basis compared with Scottish Executive controls.

### **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 concluded that the Composite Capital Programme is in a satisfactory position in terms of spend to date, latest estimate of expenditure on an accruals basis against

budget and the projected spend on a cash basis compared with Scottish Executive controls.

- 7.2 Further it is the intention to continue monitoring expenditure on the Composite Capital Programme with a view to ensuring that the satisfactory position (as indicated within the previous paragraph) is maintained for financial year 2003/4.

#### **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 the above Report.

SMS/PH  
23/04/04

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