

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES COMMITTEE  
STRATEGIC POLICY COMMITTEE

17 JUNE 2004  
24 JUNE 2004

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

**REPORT BY DIRECTOR OF FINANCE**

**Abstract: This report appraises members of the actual capital expenditure incurred for the period from 1 April 2003 to 31 March 2004 and measures 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. note the position as at 31 March 2004 on the Composite Capital Programme as per the accompanying [monitoring statement](#);
- ii. note the Director of Finance has utilised capital financing resources to bring about the most advantageous year end position for financial year 2003/4; and
- iii. note the intention to review the 2003/4 Capital Expenditure year end position with a view to assessing the effect on the 2004/5 Composite Capital Programme.

## **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 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 and within the 2003/4 General Fund Capital Budget Report Number 339/04 to the meeting of the Resources and Central Services Committee dated 11 March 2004. The proposals brought forward (which included the advancement of planned capital

expenditure; the deferral of planned funding contributions; the reclassification of planned Renewal and Repairs Fund expenditure; and the procurement of vehicles by purchase instead of operating lease) were approved and it was decided that the capital budget for 2003/4 should be revised accordingly. This action, in conjunction with additional Section 94 Capital Consent Awards and further reclassifications of capital and revenue expenditure has resulted in an updated revised budget of £17.292 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 31 March 2004.
- 3.2 It can be seen that actual expenditure for the year on an accruals basis totalled £17.435 million which equates to a marginal overspend of £143,000 (less than 1 per cent) when compared with the revised budget of £17.292 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 cash spend is £18.294 million. The total capital resource – prior to Capital Financed from Current Revenue (CFCR) provision – is £16.656 million. This means that a call on CFCR provision of £1.638 million is required to bring resources in line with expenditure.

### **4 FINANCIAL IMPLICATIONS**

- 4.1 The Composite Capital Programme is in a satisfactory position at the close of 2003/4 in terms of expenditure on an accruals basis against budget and in terms of spend on a cash basis compared with Scottish Executive controls.

### **5 HUMAN RIGHTS IMPLICATIONS**

- 5.1 As indicated within Financial Implications at Section 4 above the Composite Capital Programme is in a satisfactory position at the close of 2003/4.
- 5.2 Further it is intended to review the 2003/4 Capital Expenditure year end position with a view to assessing the effect on the 2004/5 Composite Capital Programme.

### **6 CONSULTATION**

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

### **7 CONCLUSION**

- 7.1 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.

**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.

DSS/SMS/PH  
09/06/04

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