



REPORT TO EXECUTIVE

Agenda item 16(d)

PORTFOLIO AREA: FINANCE AND RESOURCES

Date of Meeting: 8 JULY 2002

Public

Key Decision: Yes

Recorded in Forward Plan: Yes

Inside Policy Framework

Title: GENERAL FUND CAPITAL PROGRAMME 2001/02 AND 2002/03

Report of: THE CITY TREASURER

Report reference: FINANCIAL MEMO 2002/03 NO.18

Summary:

The attached report summarises the 2001/02 provisional out-turn for the General Fund Capital Programme and provides details of the revised programme for 2002/03.

Recommendations:

The Executive is asked:

- i to agree the 2001/02 out-turn, as detailed in Appendix 1, and note that the figures are provisional and subject to audit;
- ii to agree the revised programme for 2002/03, as detailed in Appendix 2, subject to approval by full Council.

Contact Officer: Alison Taylor

Ext: 7289

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Detailed Outturn Reports

To: The Executive
8 July 2002

Financial Memo
2002/03 No. 18

GENERAL FUND CAPITAL PROGRAMME 2001/02 AND 2002/03

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 This report sets out the summarised provisional financial out-turn for the General Fund Capital Programme as follows:

Appendix 1 – Details the out-turn for individual schemes

Appendix 2 – Details the revised programme for 2002/03

- 1.2 Please note that throughout this report a minus (-) figure represents a favourable variance i.e. either an underspend or additional income received.

2. SUMMARY FINANCIAL OUTTURN 2001/02

- 2.1 **Appendix 1** details the out-turn for schemes included within the General Fund Capital Programme compared to the revised budget approved by the Council in February 2002. The totals provided in Appendix 1 are summarised in the table below:

	<u>2001/02 Revised Budget</u>	<u>2001/02 Actual</u>	<u>2001/02 Underspend/ Overspend</u>	<u>Slippage To 2002/03</u>	<u>2001/02 Net Underspend/ Overspend</u>
	£	£	£	£	£
Capital Programme	3,917,815	2,248,061	-1,669,754	1,437,271	-232,483
Other Schemes	165,580	158,282	-7,298	10,000	2,702
TOTAL	4,083,395	2,406,343	-1,677,052	1,447,271	-229,781

- 2.2 This report sets out below the financial implications arising from the out-turn including the impact on the capital resource implications for 2002/03.

3. EXPLANATION OF MAJOR VARIANCES

- 3.1 During the year, as well the deferment of purchases totalling £391,330 which will be funded in 2002/03, 24 items of vehicles, plant and equipment amounting to £212,652 were financed via an operational lease as opposed to being funded from the Repairs and Renewals Reserve. This has resulted in a reduced call on the Repairs and Renewals Reserve in 2001/02 of £597,932 which includes a net overspend of £6,050.
- 3.2 The Millennium Gateway Scheme underspend of £950,451 can be mainly attributed to the delay in the submission of final elements in respect of the many works packages awarded in respect of the project. This sum is required to be carried forward as slippage into 2002/03 in order to complete the scheme.
- 3.3 Improvement work at the Cemetery is continuing and the budget of £94,550 is required so that the scheme can be finalised.

4. FINANCING OF CAPITAL PROGRAMME 2001/02

- 4.1 Utilisation of resources to fund the Capital Programme in the light of the out-turn is provisionally estimated as follows:

	Revised Budget £	Provisional Out-turn £
Capital Programme expenditure in year	3,917,815	2,248,061
Other Capital Schemes	165,580	158,282
Add: Creditor Provisions 2000/01 (note 1)	0	253,298
Add: Unfinanced Expenditure 2000/01 (note 2)	0	191,091
Total Expenditure to be financed	4,083,395	2,850,732
Financed By:		
Capital Receipts (note 3)	475,940	477,496
Repairs & Renewals Reserve	954,765	262,287
Capital Projects Fund	1,977,205	1,619,942
Private Sector Contributions	124,300	27,000
Millennium Commission Grant	529,185	372,508
Revenue Contributions	22,000	0
Total Financing in year	4,083,395	2,759,233
Unfinanced Expenditure in year c/fwd (note 2)	0	91,499
Total Financing	4,083,395	2,850,732

Notes:

1. Millennium Gateway Scheme £253,298. Works completed 2000/01 but not invoiced until 2001/02.
2. Outstanding grant claims in respect of Hammonds Pond. The Director of Leisure has advised that a claim for the outstanding balance of £91,499 will be submitted in the near future.
3. Usable capital receipts generated during 2001/02 to support the General Fund (GF) Capital Programme amount to £1,101,900 compared to the revised estimate of £150,940, an increase of £950,960. £325,000 of HIP capital receipts were also allocated to support the City Gateway Scheme as approved by Council in February 2002 and these receipts have been fully utilised. The increased call on GF capital receipts in 2001/02 to fund the programme (£1,556) results in a balance of capital receipts of £949,404 being carried forward to support the capital programme in 2002/03. However £490,940 has been earmarked to fund the programme in 2002/03 and with the anticipated receipts to be generated estimated at £100,000 in 2002/03 this leaves £558,464 of uncommitted funding.

5. CAPITAL PROGRAMME 2002/03

- 5.1 The revised Capital Programme for 2002/03 totalling £2,789,881 is detailed in **Appendix 2** along with the revised budgets for those other schemes funded from Capital Resources. This is based upon the programme as agreed by Council in February 2002 together with the commitments brought forward from the previous financial year as also identified. These, together with the relevant proposed methods of financing, will ultimately require approval by full Council.

5.2 The revised programme could be financed as follows:

	<u>Original Budget £</u>	<u>Revised Budget £</u>
Original Programme	1,352,610	1,352,610
Add: Slippage from 2001/02	0	1,437,271
Revised Programme	1,352,610	2,789,881
Add: Slippage (Other Schemes) 2001/02	0	10,000
Add: Unfinanced Expenditure 2001/02	0	91,499
Total Expenditure to be financed	1,352,610	2,891,380
Financed By:		
Basic Credit Approval	30,000	30,000
Capital Receipts	490,000	490,940
Repairs & Renewals Reserve	597,610	1,083,490
Capital Projects Fund	235,000	845,812
Private Sector Contributions	0	99,400
Revenue Contributions	0	22,000
Millennium Commission Grant	0	319,738
Total Financing	1,352,610	2,891,380

6. CONSULTATION

6.1 Consultation to Date.
Not applicable

6.2 Consultation proposed.
Not applicable

7. STAFFING/RESOURCES COMMENTS

Not applicable

8. CITY TREASURER'S COMMENTS

Included in the main body of the report.

9. LEGAL COMMENTS

Not applicable

10. CORPORATE COMMENTS

CMT and Portfolio Holders considered the report on 17 June 2002.

11. RISK MANAGEMENT ASSESSMENT

Not applicable

12. EQUALITY ISSUES

Not applicable

13. ENVIRONMENTAL IMPLICATIONS

Not applicable

14. CRIME AND DISORDER IMPLICATIONS

Not applicable

15. RECOMMENDATIONS

15.1 The Executive is asked:

- i to agree the 2001/02 out-turn, as detailed in Appendix 1, and note that the figures are provisional and subject to audit,
- ii to agree the revised programme for 2002/03, as detailed in Appendix 2, subject to approval by full Council.

16. REASONS FOR RECOMMENDATIONS

As stated above.

Contact Officer: Alison Taylor

Ext: 7289

D. THOMAS
City Treasurer

**GENERAL FUND CAPITAL PROGRAMME
INDIVIDUAL SCHEMES**

APPENDIX 1

PROVISIONAL OUTTURN 2001/02	REVISED BUDGET £	OUTTURN £	VARIANCE £	SLIPPAGE TO 2002/03 £	FINAL VARIANCE £
IRTHING CENTRE	0	2,496	2,496	0	2,496
GREYSTONE SCHOOL	940	0	-940	940	0
HAMMONDS POND (NET)	28,380	0	-28,380		-28,380
GATEWAY CITY PROJECT (GROSS)	2,933,730	1,983,279	-950,451	950,451	0
CEMETERY IMPROVEMENTS	137,400	42,853	-94,547	94,550	3
VEHICLES & EQUIPMENT	817,365	219,433	-597,932	391,330	-206,602
TOTAL GENERAL FUND CAPITAL PROGRAMME	3,917,815	2,248,061	-1,669,754	1,437,271	-232,483

PROVISIONAL OUTTURN 2001/02 OTHER SCHEMES FUNDED FROM CAPITAL RESOURCES	REVISED BUDGET £	OUTTURN £	VARIANCE £	SLIPPAGE TO 2002/03 £	FINAL VARIANCE £
KINGMOOR PARK	116,000	106,000	-10,000	10,000	0
SPORTS DEVELOPMENT	49,580	52,282	2,702	0	2,702
TOTAL OTHER SCHEMES	165,580	158,282	-7,298	10,000	2,702

TOTAL	4,083,395	2,406,343	-1,677,052	1,447,271	-229,781
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**GENERAL FUND CAPITAL PROGRAMME
INDIVIDUAL SCHEMES**

REVISED PROGRAMME 2002/03	ORIGINAL BUDGET £	COMMITMENTS B/FWD £	REVISED BUDGET £
GREYSTONE SCHOOL	0	940	940
CEMETERY IMPROVEMENTS	0	94,550	94,550
DDA ACT ADAPTATIONS	180,000	0	180,000
PLANNED MAJOR REPAIRS	190,000	0	190,000
ASSET MANAGEMENT PLAN	100,000	0	100,000
SHEEPMOUNT	75,000	0	75,000
GATEWAY CITY PROJECT	160,000	950,451	1,110,451
PLAY AREAS	50,000	0	50,000
VEHICLES & EQUIPMENT	597,610	391,330	988,940
TOTAL GENERAL FUND CAPITAL PROGRAMME	1,352,610	1,437,271	2,789,881

REVISED PROGRAMME 2002/03	ORIGINAL BUDGET £	COMMITMENTS B/FWD £	REVISED BUDGET £
OTHER SCHEMES FUNDED FROM CAPITAL RESOURCES			
KINGMOOR PARK	0	10,000	10,000