

Report to Council

Agenda
Item:

18(ii)

Meeting Date: 15th July 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref:KD007/14
Within Policy and Budget Framework YES
Public / Private Public

Title: PROVISIONAL CAPITAL OUTTURN 2013/14 AND REVISED CAPITAL PROGRAMME 2014/15
Report of: DIRECTOR OF RESOURCES
Report Number: RD08/14

Purpose / Summary: This report provides details of the 2013/14 provisional outturn for the Council's Capital Programme and provides details of the revised Capital Programme for 2014/15. The report was considered by the Executive on 23 June 2014, Resources Overview and Scrutiny Panel on 26 June and Audit Committee on 10 July 2014.

Recommendations:

Council is asked to:

- (i) approve the carry forward requests totalling £2,716,600 to be met in 2014/15 as set out in the report;
- (ii) approve the reprofiling of £352,000 from 2014/15 into 2015/16 for Old Town Hall Phase 2 as detailed in paragraph 5; and
- (iii) approve the revised Capital Programme for 2014/15 onwards should the carry forwards and Old Town Hall budget revisions be approved.

Tracking

Executive:	23 June 2014
Overview and Scrutiny:	ROSP 26 June 2014
Audit Committee:	10 July 2014
Council:	15 July 2014

Report to Executive

Agenda
Item:

Meeting Date: 23rd June 2014
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref:KD007/14
Within Policy and Budget Framework YES
Public / Private Public

Title: PROVISIONAL CAPITAL OUTTURN 2013/14 AND REVISED CAPITAL PROGRAMME 2014/15
Report of: DIRECTOR OF RESOURCES
Report Number: RD 08/14

Purpose / Summary:

This report summarises the 2013/14 provisional out-turn for the capital budget and provides details of the revised capital programme for 2014/15. The out-turn shows that the net underspend for Council Services as at 31 March 2014 once committed expenditure totalling £2,716,600 is taken into account is £164,804.

It should be noted that the information contained in this report is provisional subject to the formal audit process. The Statement of Accounts for 2013/14 will be presented to the Audit Committee on 10 July, followed by a three-month audit process.

Recommendations:

The Executive is asked to:

- (i) Note the net underspend as at 31 March 2014 of £164,804 which includes expenditure to be met totalling £2,716,600, which have been approved under delegated powers by the Director of Resources;
- (ii) Note the use of the Asset Management Reserve to fund expenditure on Industrial Estates (£23,000) and Asset Management Plan Acquisitions (£392,000) and the refund into the Conservation Fund of (-£600) for a reduced retention on Central Plaza in 2013/14 as detailed in paragraph 4.1 note 2;
- (iii) Make recommendations to Council on 15 July on the reprofiling of £352,000 from 2014/15 into 2015/16 for Old Town Hall Phase 2 as detailed in paragraph 5;

- (iv) Consider the revised programme for 2014/15, together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 15 July.

Tracking

Executive:	23 June 2014
Overview and Scrutiny:	ROSP 26 June 2014
Audit Committee:	10 July 2014
Council:	15 July 2014

1. BACKGROUND

- 1.1 This report sets out the summarised financial out-turn for the Council's Capital Programme as follows:
- (i) the out-turn for individual schemes for 2013/14, summarised in **Appendix A**
 - (ii) the revised programme for 2014/15, and the provisional programme for 2015/16 to 2018/19, summarised in **Appendix B**.
- 1.2 The report sets out the financial implications arising from the out-turn including the impact on capital resources for 2014/15. Members should note that the information contained in this report is provisional and subject to the formal audit process. Any significant changes required following the approval of the 2013/14 accounts will, if required, be reported to a future Executive meeting.
- 1.3 Please note that throughout this report the use of brackets indicates a favourable variance i.e. either an underspend or additional income received.

2. SUMMARY CAPITAL OUTTURN 2013/14

- 2.1 The original capital programme of £9,280,000 for 2013/14 was approved in February 2013. Since then, a review of the capital programme has been undertaken and the capital funding has been revised. In accordance with proper accounting practices it has been necessary to gross up the expenditure budgets to properly reflect the total cost of the schemes including those fully funded from external grant/contributions.

The revised programme for 2013/14 of £7,617,800 is a result of the following funding streams:

	£
Original 2013/14 Programme (approved February 2013)	9,280,000
Agreed Carry Forwards from 2012/13 (RD11/13 Council 16/07/13)	1,828,700
Budgets Returned to Reserves (RD11/13 Council 16/07/13)	(6,348,500)
Agreed Carry Forwards into 2014/15 (RD50/13 Executive 18/11/13 & RD82/13 Executive 10.02.14)	(785,000)
Asset Review Business Plan Reinvestment (RD20/13 Executive 05/08/13)	2,712,500
Reprofiling: Arts Centre (CD47/13 Council 10/09/13)	(200,000)
Reprofiling: Old Town Hall Phase 2 (ED36/13 Council 5/11/13)	62,000
Additional Scheme: Bring Sites Review (LE21/13 Council 16/07/13)	227,000
Additional Scheme: Empty Property Initiative (CD42/13 Council 16/07/13)	305,700
Additional Scheme: Cenotaph & War Memorials (RD43/13 Council 5/11/13)	67,000
External contributions/grants	280,400
Schemes funded by Revenue budgets	188,000
Revised 2013/14 Capital Programme	7,617,800

2.2 The provisional out-turn position for the 2013/14 capital programme is shown below:

Directorate	Revised Annual Budget	Total Expenditure	Variance	Carry Forwards (Committed)	Revised Variance
	£	£	£	£	£
Chief Executive's Team	40,000	37,961	(2,039)	0	(2,039)
Deputy Chief Executive's Team	710,000	70,882	(639,118)	640,500	1,382
Economic Development	2,525,300	2,081,114	(444,186)	271,100	(173,086)
Governance	2,712,500	1,315,465	(1,397,035)	1,400,000	2,965
Local Environment	481,400	374,211	(107,189)	94,100	(13,089)
Resources	1,148,600	856,763	(291,837)	310,900	19,063
Total	7,617,800	4,736,396	(2,881,404)	2,716,600	(164,804)

2.3 The position for 2013/14 after committed carry forwards have been taken into account is an underspend of £164,804.

2.4 The main variances after carry forwards are summarised below:

- An underspend of £123,866 on Disabled Facilities Grants. Outstanding commitments as at 31st March 2014 are approximately £125,000. No carry forward request has been received and these will therefore be met from the budget allocation for 2014/15.
- An underspend of £66,233 on Families Accommodation Replacement. This project has been delivered under budget and this balance can be returned to Capital Reserves.

2.5 Otherwise schemes are progressing within budget, although some schemes have not been completed to the original timescales which has resulted in the request for carry forwards.

2.6 Further details for each directorate are included in **Appendices A1-A6**.

3. CARRY FORWARD REQUESTS

3.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to facilitate the achievement of more strategic five year budgeting which requires greater flexibility of budgets between years as set out in the Medium Term Financial Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:

- *the authorisation of the Director of Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Director of Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*
- *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year, and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Director of Resources will report the extent of overspending carried forward to the Executive, Resources Overview and Scrutiny Panel and to the Council.*

The delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.

3.2 Carry forwards at the end of the year have been analysed to assess the year of potential expenditure to enable better profiling of budgets for future years. Of the committed carry forwards shown in paragraph 2.2, it is estimated that the full £2,716,100 (net) will be spent in 2014/15.

4. FINANCING OF CAPITAL PROGRAMME 2013/14

- 4.1 Utilisation of resources to fund the 2013/14 Capital Programme in light of the out-turn is provisionally estimated as follows:

	Revised Budget £	Provisional Out-turn £
Capital Programme expenditure in year	7,617,800	4,736,396
<u>Financed by:</u>		
Capital Receipts (including PRTB receipts) (note 1)	5,427,700	2,800,157
Capital Grants		
• Disabled Facilities Grant	663,000	667,717
• General	592,700	410,150
Reserves & Balances (note 2)		
• Earmarked Reserves	424,900	414,383
• Direct Revenue Financing	452,700	381,877
Contributions from other bodies incl S106 (note 3)	56,800	62,112
Total Financing	7,617,800	4,736,396

Notes:

- Usable capital receipts carried forward from 2012/13 and those generated during the year amount to £8,092,017 compared to the revised estimate figure of £9,706,775, a decrease of £1,614,758. This is due to there being no general asset sales in year and the slippage of sales from the Asset Disposal Programme into future years. Of the total sum available, £2,800,157 has been used to fund the Capital Programme in 2013/14, with the balance (£5,291,860) being carried forward to 2014/15 and held within the Capital Adjustment Account in order to reduce the Council's MRP liability as per the Treasury Management budget agreed in February 2014. In accordance with revised Capital Finance Regulations, costs associated with asset disposal totalling £19,057 that are included in the revenue outturn, can be funded from the capital receipt generated. This will result in a decrease to the capital receipts balance reported above at 31st March 2014.
- The use of capital receipts has been optimised in order to fund 2013/14 capital expenditure. Direct revenue funding, S106 receipts and earmarked reserves and provisions specifically set up to fund capital expenditure have also been used to fund capital expenditure in 2013/14. Capital receipts are the last source of funding applied to finance the capital programme, external funding is always applied first. The Asset Management Reserve has been used to fund expenditure on Kingstown Industrial Estate (£23,000) and Asset Management Plan Aquisitions (£392,000). The use of the Asset Management Reserve was lower than expected in 2013/14 due to slippage

on Kingstown Industrial Estate Roads expenditure into future years. £600 has been returned to the Conservation Fund due to the retention on Central Plaza being less than expected. £73,300 direct revenue funding for schemes has also slipped into 2014/15 for St James Park, Clean Up Carlisle and Empty Property Initiative.

3. Additional contributions were received towards Disabled Facilities Grants (£35,327) and the use of Section 106 receipts towards Castle Way (S106) and Public Realm (S106) was less than budgeted. £30,000 has been carried forward into 2014/15 to allow the schemes to complete.

5. FIVE YEAR CAPITAL PROGRAMME

- 5.1 A five-year Capital Programme for 2014/15 to 2018/19 is detailed in **Appendices B1-B2**.

- 5.2 The programme for **2014/15** totalling £10,068,100 is based upon the programme as agreed by Council in February 2014 of £7,216,500, the commitments brought forward from 2013/14 as identified above of £2,716,600, additional carry forward of £75,000 approved by Council prior to year end, and £60,000 additional Section 106 contributions for Dale End Play Area.

The Executive is asked to recommend to Council reprofiling of £352,000 for Old Town Hall Phase 2 from 2014/15 into 2015/16 to reflect the revised work schedule for the scheme. The site work is now scheduled to commence in January 2015 to avoid the busy Christmas period, with completion expected in July 2015. The revised capital programme for 2014/15 would total £9,716,100.

- 5.3 The 2014/15 programme will be continually reviewed to ensure the Council has the capacity to deliver this level of programme. The main challenge for future years is funding the vehicle replacement programme.
- 5.4 It is suggested that the revised programme for 2014/15 as detailed in Appendix B1 is financed as follows:

	<u>Original Budget</u> £	<u>Revised Budget</u> £
Original Programme	7,216,500	7,216,500
Add: Carried forward from 2013/14 (approved prior to year end)	0	75,000
Add: Carried forward from 2013/14	0	2,716,600
Add: Additional contributions	0	60,000
Less: Reprofiling Old Town Hall	0	(352,000)
Total Expenditure to be financed	7,216,500	9,716,100
<u>Financed by:</u>		
Capital Grants		
• DFG	663,000	663,000
• General	0	186,100
Capital Receipts *	5,792,400	7,932,800
Contributions from other bodies	660,000	750,000
Direct Revenue Financing	101,100	174,400
Reserves	0	9,800
Internal Borrowing	0	0
Total Financing	7,216,500	9,716,100

* Balance of capital receipts available will reduce by £19,057 for costs of disposal as described in Note 1 para 4.1.

- 5.6 The proposed programme for **2015/16** to **2018/19** as detailed in Appendix B2 is based on the programme agreed by Council in February 2014 and the recommendations made in this report.

6 CONSULTATION

6.1 Consultation to Date.

Portfolio Holders and SMT have considered the issues raised in this report.

6.2 Consultation Proposed.

Resources Overview and Scrutiny Panel will consider the report on 26 June 2014.

7 CONCLUSION AND REASONS FOR RECOMMENDATIONS

7.1 The Executive is asked to:

- (i) Note the net underspend as at 31 March 2014 of £164,804 which includes expenditure to be met totalling £2,716,600, which have been approved under delegated powers by the Director of Resources;
- (ii) Note the use of the Asset Management Reserve to fund expenditure on Industrial Estates (£23,000) and Asset Management Plan Acquisitions (£392,000) and the refund into the Conservation Fund of (-£600) for a

- reduced retention on Central Plaza in 2013/14 as detailed in paragraph 4.1 note 2;
- (iii) Make recommendations to Council on 15 July on the reprofiling of £352,000 from 2014/15 into 2015/16 for Old Town Hall Phase 2 as detailed in paragraph 5;
 - (iv) Consider the revised programme for 2014/15 together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 15 July;

8 CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 8.1 The Council's capital programme reflects the current priorities in the Carlisle Plan e.g. Arts Centre, Leisure facilities and Public Realm work.

Contact Officer: Emma Gillespie

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Appendices A1 to A6 and B1 to B2.
attached to report:

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:

- **None**

CORPORATE IMPLICATIONS/RISKS: SMT and JMT have been involved in the preparation of this report. Individual capital schemes have different risks attached.

Chief Executive's – Not applicable

Deputy Chief Executive's – Not applicable

Economic Development – Not applicable

Governance – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is

required for the additional use of capital reserves to fund expenditure commitments as set out in the report.

Local Environment – Not applicable

Resources – Financial implications are contained in the main body of the report.

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14**APPENDIX A1****CHIEF EXECUTIVE'S TEAM****Position as at 31 March 2014**

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
Customer Services	40,000	37,961	(2,039)	0	(2,039)	Improvements to Civic Centre reception/foyer area funded from additional revenue income generated. (OD 14/13 26.03.13). Project complete.
TOTAL	40,000	37,961	(2,039)	0	(2,039)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14**APPENDIX A2****DEPUTY CHIEF EXECUTIVE'S TEAM****Position as at 31 March 2014**

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
Arts Centre	50,000	9,488	(40,512)	40,500	(12)	Revised scheme approved by Council (CD47/13 10/09/13). Project delayed due to extended procurement process and a carry forward is required to accommodate the Contract awarded.
Leisure Initiatives	60,000	60,000	0	0	0	Budget approved by Executive 18/11/13 (RD50/13) from underspends on vehicle replacement programme to fund one-off capital costs of leisure initiatives.
Harraby School & Community Campus Contribution	600,000	1,394	(598,606)	600,000	1,394	Budget released by Executive 11/3/13 (SD02/13). Officer Decision 019.14 approves release of the first phase payment of £600,000 due to be paid early 2014/15. Carry forward required to accommodate commitment.
TOTAL	710,000	70,882	(639,118)	640,500	1,382	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14

APPENDIX A3

ECONOMIC DEVELOPMENT

Position as at 31 March 2014

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
Disabled Facilities Grants	863,000	739,134	(123,866)	0	(123,866)	Mandatory Grants. The take up of DFGs was slower at the start of the financial year leading to an underspend position at year end. Outstanding commitments at the year end are approximately £125,000 which will be met from the budget allocation for 2014/15.
Families Accommodation Replacement	608,600	527,366	(81,234)	15,000	(66,234)	Project complete within budget. Carry forward required to accommodate any operational requirements during the defects liability period.
Trinity Church Multi Use Games Area	2,100	1,573	(527)	0	(527)	Project complete within budget.
Empty Property Initiative	305,700	96,549	(209,151)	209,100	(51)	Approved by Council 16/07/13 (CD42/13) to allow the provision of loans and grants to owners of empty property to assist in bringing them back into use. A carry forward is required to allow commitments to be met.
EA Central Plaza	0	(628)	(628)	0	(628)	Implementation on an Urgent Works Notice under Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990 to be funded from the Conservation Fund approved by Executive 30.08.11 (ED29/11)
Old Town Hall Strategic TIC	300,800	319,032	18,232	0	18,232	Revised project approved by Council 13/11/12. The overspend relates to the funding partner changing their mind about supporting additional work agreed over the original tender amount.
Old Town Hall Phase 2	62,000	40,038	(21,962)	22,000	38	Reprofiling and release of budget agreed by Council 5/11/13 (ED36/13). Carry forward required due to a delay in appointing consultants.
Paternoster Row	100,000	100,000	0	0	0	Approved by Executive 17/12/12 (ED37/12).
Housing & Planning Delivery Grant	8,100	8,050	(50)	0	(50)	Purchase of planning plotter funded from unapplied capital grant.
HCA Durranshill Industrial Estate	250,000	250,000	0	0	0	Approved by Executive 15/01/14 (ED02/14).
Public Realm Improvements	25,000	0	(25,000)	25,000	0	Approved by Executive 10/03/14 (ED10/14). Carry forward required to honour commitment.
TOTAL	2,525,300	2,081,114	(444,186)	271,100	(173,086)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14**APPENDIX A4****GOVERNANCE****Position as at 31 March 2014**

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
Asset Management Plan	2,712,500	1,315,465	(1,397,035)	1,400,000	2,965	A five year Development and Investment Plan for the City Council's property portfolio with the aim of delivering additional income or reduced costs in the revenue costs in the revenue account on a recurring basis. One property purchase completed in year, the other has been delayed and is due to complete early in 2014/15.
TOTAL	2,712,500	1,315,465	(1,397,035)	1,400,000	2,965	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14

APPENDIX A5

LOCAL ENVIRONMENT

Position as at 31 March 2014

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
Talkin Tarn	6,200	6,195	(5)	0	(5)	Purchase of a tractor from revenue balances.
Play Area Developments	28,500	19,526	(8,974)	9,000	26	Budget provided for additional furniture/equipment at St James Park and Richmond Green play areas. Additional grant received for St James Park. Carry forward required to complete current schemes.
Chances Park	0	(1,000)	(1,000)	0	(1,000)	Retention less than expected.
Kingstown Industrial Estate Roads	32,900	23,010	(9,890)	9,800	(90)	Original project complete. Carry forward required for additional public realm signage.
Castle Street Public Realm	10,000	1,942	(8,058)	8,100	42	To complete scheduled works carried over from 2012/13. Traffic order finally approved and work now planned for summer 2014.
Connect 2 Cycleway	11,700	4,200	(7,500)	7,500	0	Formal adoption of the cycleway now complete, remaining funds required for outstanding expenses, and also to complete the Castle Street Public Realm project if required.
Castle Way (S106)	46,800	6,435	(40,365)	40,400	35	Approved by Executive 11/4/12 (RD01/12). Funded by Section 106 monies. Slippage into 2014/15.
Public Realm (S106)	10,000	20,350	10,350	(10,400)	(50)	Approved by Executive 3/9/12 (RD34/12). Funded by Section 106 monies. Overspend can be accommodated from budget available in 2014/15.
Clean Up Carlisle	20,500	0	(20,500)	20,500	0	Approved by Council 17/07/12 (LE22/12). Budget required to ensure the 2 year Clean Up Carlisle Campaign can be completed and full benefits received.
Bring Sites Review	227,000	223,456	(3,544)	0	(3,544)	Approved by Council 16/07/13 (LE21/13) to purchase vehicle and equipment required to provide an in-house service. Use of capital receipts will be repaid from revenue savings.
Purple Sacks Review	69,500	60,947	(8,553)	0	(8,553)	Approved by Council 10/09/13 (LE28/13) to purchase additional wheeled bins and gull sacks. Orders have been placed and delivered.
Waste Optimisation Software	18,300	9,150	(9,150)	9,200	50	Purchase and implementation of route optimisation software for Waste Services. Carry forward required for remainder of contract payment.
TOTAL	481,400	374,211	(107,189)	94,100	(13,089)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2013/14

APPENDIX A6

RESOURCES

Position as at 31 March 2014

Scheme	Revised Annual Budget 2013/14 £	Expenditure to date 2013/14 £	Total Variance 2013/14 £	Carry Forwards £	Adjusted Variance £	Details of major variances
ICT Shared Service	225,300	115,352	(109,948)	109,900	(48)	Part of Shared Service Business Case. Carry forward required to accommodate contracts and orders placed to upgrade the core network and IP telephony.
Planned Enhancements to Council Property	250,000	233,421	(16,579)	16,500	(79)	Budget released by Executive 8/4/13 (RD01/13). Underspend to date due to delay in improvements at various sites. Carry forward be required to complete current jobs.
Town Clocks Invest to Save	0	12,799	12,799	0	12,799	To fit auto-winding and regulation of town clocks. Revenue savings will be generated to repay the capital investment.
Vehicles and Plant	492,200	389,706	(102,494)	102,500	6	Replacement Plan on schedule. Carry forward relates to vehicles currently on order.
Cenotaph & War Memorials	67,000	6,078	(60,922)	61,000	78	Approved by Council 5/11/13 (RD34/13). A carry forward into 2014/15 is required to complete the proposed work schedule.
Document Image Processing	13,500	9,629	(3,871)	0	(3,871)	Phased implementation in progress.
PCIDSS Capital	30,600	40,785	10,185	0	10,185	Implementation costs for a new security standard in line with the Payment Card Industry (RD26/12 Executive 6/8/12).
Employee Payment & Resource Management System	70,000	48,993	(21,007)	21,000	(7)	Approved by Executive 7/5/13 (RD07/13). Implementation continuing into 2014/15.
TOTAL	1,148,600	856,763	(291,837)	310,900	19,063	

2014/15 CAPITAL PROGRAMME
APPENDIX B1

Scheme	Original Capital Programme 2014/15 £	Carry Forwards from 2013/14 £	Other Adjustments £	Revised Capital Programme 2014/15 £
<u>Current non-recurring commitments</u>				
Public Realm S106	360,000	(10,400)		349,600
Castle Way (S106)	300,000	40,400		340,400
	660,000	30,000	0	690,000
<u>Recurring commitments</u>				
Asset Review Expenditure	1,800,000	1,400,000		3,200,000
Planned Enhancements to Council Property	350,000	16,500		366,500
Vehicles, Plant & Equipment	220,000	102,500		322,500
ICT Infrastructure	210,000	109,900		319,900
	2,580,000	1,628,900	0	4,208,900
<u>New non-recurring commitments</u>				
Arts Centre	1,014,500	40,500		1,055,000
Old Town Hall Phase 2	698,000	22,000	(352,000)	368,000
Old Town Hall / Greenmarket	702,000			702,000
Harraby School and Community Campus contribution	500,000	600,000		1,100,000
Sheepmount Road	30,000			30,000
Bitts Park Access	10,000			10,000
Enterprise Centre / West Walls	70,000			70,000
CCTV Initiative	89,000			89,000
	3,113,500	662,500	(352,000)	3,424,000
<u>Disabled Facilities Grants</u>				
Private Sector Grants	863,000			863,000
	863,000	0	0	863,000
<u>Continuing Schemes</u>				
Empty Property Initiative	0	209,100		209,100
Public Realm Improvements	0	25,000	75,000	100,000
Play Area Improvements	0	9,000	60,000	69,000
Female & Families Accommodation	0	15,000		15,000
Kingstown Industrial Estate	0	9,800		9,800
Castle Street Public Realm	0	8,100		8,100
Waste Optimisation Software	0	9,200		9,200
Cenotaph & War Memorials	0	61,000		61,000
Employee Payment & Resource Management System	0	21,000		21,000
Connect 2 Cycleway	0	7,500		7,500
Clean Up Carlisle		20,500		20,500
	0	395,200	135,000	530,200
TOTAL	7,216,500	2,716,600	(217,000)	9,716,100

2015/16 to 2018/19 PROPOSED CAPITAL PROGRAMME**APPENDIX B2**

Scheme	Proposed Capital Programme 2015/16 £	Original Capital Programme 2016/17 £	Original Capital Programme 2017/18 £	Original Capital Programme 2018/19 £
Private Sector Grants	863,000	863,000	863,000	863,000
Planned Enhancements to Council Property	300,000	300,000	300,000	300,000
Vehicles, Plant & Equipment	1,109,000	1,221,000	1,113,500	383,000
ICT Infrastructure	197,000	205,000	204,000	195,000
Harraby School and Community Campus Contribution	500,000	0	0	0
Leisure Facilities	5,000,000	0	0	0
Old Town Hall Phase 2	390,000	0	0	0
TOTAL	8,359,000	2,589,000	2,480,500	1,741,000

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 23 JUNE 2014

**EX.49/14 **PROVISIONAL CAPITAL OUTTURN 2013/14 AND REVISED
CAPITAL PROGRAMME 2014/15
(Key Decision – KD.07/14)**

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, The Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder presented report RD.08/14 summarising the Provisional Outturn for the Council's Capital Budget, together with details of the revised Capital Programme for 2014/15. He informed Members that the outturn showed that the net underspend for Council services as at 31 March 2014 once committed expenditure totalling £2,716,600 was taken into account was £164,804.

The Finance, Governance and Resources Portfolio Holder set out the position with regard to carry forward requests on the Capital Programme. He also identified for Members the resources which had been used to fund the 2013/14 Capital Programme and detailed the 5 year Capital Programme for the period 2014/15 to 2018/19.

The programme for 2014/15 totalling £10,068,100 was based upon the programme as agreed by Council in February 2014 of £7,216,500, the commitments brought forward from 2013/14 as identified above of £2,716,600, additional carry forward of £75,000 approved by Council prior to year end, and £60,000 additional Section 106 contributions for Dale End Play Area.

The Executive was asked to recommend to Council reprofiling of £352,000 for Old Town Hall Phase 2 from 2014/15 into 2015/16 to reflect the revised work schedule for the scheme. The site work was now scheduled to commence in January 2015 (to avoid the busy Christmas period) with completion expected in July 2015. The revised capital programme for 2014/15 would total £9,716,100.

The 2014/15 programme would be continually reviewed to ensure that the Council had the capacity to deliver that level of programme. The main challenge for future years was funding the vehicle replacement programme.

The proposed funding arrangements for the revised 2014/15 programme were also outlined within the report.

In conclusion, the Finance, Governance and Resources Portfolio Holder moved the recommendations set out in the report, which were duly seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

- (i) Noted the net underspend as at 31 March 2014 of £164,804 which included expenditure to be met totalling £2,716,600, which had been approved under delegated powers by the Director of Resources;
- (ii) Noted the use of the Asset Management Reserve to fund expenditure on Industrial Estates (£23,000) and Asset Management Plan Acquisitions (£392,000) and the refund into the Conservation Fund of (-£600) for a reduced retention on Central Plaza in 2013/14 as detailed in paragraph 4.1 note 2 of Report RD.08/14;
- (iii) Made recommendations to Council on 15 July 2014 on the reprofiling of £352,000 from 2014/15 into 2015/16 for Old Town Hall Phase 2 as detailed in paragraph 5;
- (iv) Had considered the revised programme for 2014/15, together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 15 July 2014.

Reasons for Decision

To receive the report on the Provisional Capital Outturn for 2013/14 and make recommendations to the City Council on the 2014/15 Capital Programme

EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 26 JUNE 2014

ROSP.34/14 PROVISIONAL CAPITAL OUTTURN 2013/14 AND REVISED CAPITAL PROGRAMME 2014/15

The Director of Resources presented report RD.08/14 summarising the Provisional Outturn for the Council's Capital Budget, together with details of the revised Capital Programme for 2014/15. He informed Members that the outturn showed that the net underspend for Council services as at 31 March 2014 once committed expenditure totalling £2,716,600 was taken into account was £164,804.

The Director of Resources set out the position with regard to carry forward requests on the Capital Programme. He also identified for Members the resources which had been used to fund the 2013/14 Capital Programme and detailed the 5 year Capital Programme for the period 2014/15 to 2018/19.

The programme for 2014/15 totalling £10,068,100 was based upon the programme as agreed by Council in February 2014 of £7,216,500, the commitments brought forward from 2013/14 as identified above of £2,716,600, additional carry forward of £75,000 approved by Council prior to year end, and £60,000 additional Section 106 contributions for Dale End Play Area.

The Executive had been asked to recommend to Council reprofiling of £352,000 for Old Town Hall Phase 2 from 2014/15 into 2015/16 to reflect the revised work schedule for the scheme. The site work was now scheduled to commence in January 2015 (to avoid the busy Christmas period) with completion expected in July 2015. The revised capital programme for 2014/15 would total £9,716,100.

The 2014/15 programme would be continually reviewed to ensure that the Council had the capacity to deliver that level of programme. The main challenge for future years was funding the vehicle replacement programme.

The proposed funding arrangements for the revised 2014/15 programme were also outlined within the report.

The Executive had considered the report on 23 June 2014 (EX.49/14 refers) and agreed that

“That the Executive:

- (i) Noted the net underspend as at 31 March 2014 of £164,804 which included expenditure to be met totalling £2,716,600, which had been approved under delegated powers by the Director of Resources;

- (ii) Noted the use of the Asset Management Reserve to fund expenditure on Industrial Estates (£23,000) and Asset Management Plan Acquisitions (£392,000) and the refund into the Conservation Fund of (-£600) for a reduced retention on Central Plaza in 2013/14 as detailed in paragraph 4.1 note 2 of Report RD.08/14;
- (iii) Made recommendations to Council on 15 July 2014 on the reprofiling of £352,000 from 2014/15 into 2015/16 for Old Town Hall Phase 2 as detailed in paragraph 5;
- (iv) Had considered the revised programme for 2014/15, together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 15 July 2014.”

Members asked why the underspend on the Disabled Facilities Grants (DFGs) had not been carried forward into the 2014/15 budget.

The Director of Resources explained that following extensive work to the procurement side of the Grants and the Scrutiny of the processes the DFGs were being funded within the existing budget therefore there was no reason for the underspend to be carried forward.

RESOLVED – That the Provisional Capital Outturn 2013/14 and Revised Capital Programme 2014/15 (RD.08/14) be welcomed.