

CABINET

16 JULY 2003

CAPITAL OUTTURN 2002/03

REPORT OF THE DIRECTOR OF FINANCE

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RECENT REFERENCES:

CAB510: Capital Programme and Budget 2002/03 to 2007/08 4 December 2002

CAB417: Asset Management Plan 3 July 2002

CAB416: Capital Strategy and Programme 3 July 2002

EXECUTIVE SUMMARY:

This report provides an overview of actual expenditure for 2002/03 against the capital programme. The report includes the original capital programme budget and revisions to the programme approved by Cabinet during the course of the year.

Explanations of any significant variations in expenditure are also given and a request for carry forward of funding is made.

RECOMMENDATIONS:

1. That Cabinet approves the carry forward of capital funds totalling £1.316m from 2002/03 to 2003/04, in accordance with Financial Procedure Rule 7.7.

CABINET16 JULY 2003CAPITAL OUTTURN 2002/03REPORT OF THE DIRECTOR OF FINANCE1 Introduction

- 1.1 This report provides an overview of the actual expenditure on the capital programme for 2002/03 and gives comment on any significant variations.
- 1.2 For discreet capital projects and defined programmes the project budget and prior year spend is included to give a more comprehensive picture.

2 Summary

- 2.1 Overall the outturn position at 31 March 2003 compared with the expected position was as follows:
- total expenditure on the capital programme was £9.24m, a shortfall of £0.53m against the original budget and £2.46m against the revised budget;
 - some capital budgets had cash flow variances against estimate as project timings altered and these will be offset against future years budgets, other budgets were overspent because of cash flow variances with previous years;
 - some underspendings also arose from the timing of expenditure or lead in times on projects, these are the subject of requests to carry forward budget provision to 2002/03;
 - Some capital projects have not proceeded as expected because more preparation work needs to be done or further approvals need to be obtained;
 - Carry forward requests amount to £1.316m.

3 Variances

- 3.1 A note on outturn variances is shown in the appendix to this report.
- 3.2 The following major projects have a total budget allocation in the capital programme.
- | | | |
|--------------------------------------|---------|------------|
| ➤ Makins Court | £2.166m | |
| ➤ Guildhall Community facilities | £1.000m | (Bapsy) |
| ➤ Hyde Abbey Garden | £0.107m | |
| ➤ Recreation Needs Assessment Scheme | £0.735m | (Swanmore) |
- Where there are delays for various reasons these are reported to cabinet and revised allocations made in the capital programme – these are referenced in the appendix.
- 3.3 Where there is a rolling programme for the provision of services any slippage or bringing forward of expenditure will be taken up within the total funding allocated to that programme

4 Carry forward of funding

- 4.1 Requests for funding to be carried forward into 2003/04 include the following items:

- a) Housing Major Repairs £661,000 – work funded from Major Repairs Allowance (MRA),
 - b) Makins Court £146,000 – balance of the contract cost,
 - c) Public conveniences £25,000 – a report on Jewry Street convenience will be coming to Cabinet this summer,
 - d) Guildhall Community Facilities £100,000 – options being considered by CASPIC,
 - e) Hyde Abbey Garden £79,000 – works completed in summer 2003,
 - f) North Walls Waterways £30,000 – scheme delayed due to absence of key personnel,
 - g) Meadowside Centre and Sports Ground £31,000 – outstanding works will be completed in 2003/04,
 - h) ICT E-govt Programme £236,000 – draft cash flow whilst programme being developed,
 - i) Abbey House capital repairs £8,000 – roof repairs in 2003/04.
- 4.2 If approved, the requests to carry forward items of £1,316,000 will increase the 2002/2003 capital programme budget by that amount.
- 4.3 Where there is an annual capital programme as in 3.3 above variances are generally taken into account in succeeding years of the programme.

OTHER CONSIDERATIONS:

5 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 Preparation of the capital budget had regard to the corporate and capital strategies. Monitoring of the capital programme is an intrinsic part of measuring whether the strategies' objectives have been achieved.

6 RESOURCE IMPLICATIONS:

- 6.1 As discussed in the body of the report.

BACKGROUND DOCUMENTS:

Operational and financial records held in the Finance Department and by other Departments.

APPENDICES:

- Appendix 1 Capital Programme Outturn Report 2002/03