

Agenda Item No.7 (d)

DERBYSHIRE COUNTY COUNCIL

CABINET

2 December 2014

Report of the Director of Finance

CAPITAL BUDGET MONITORING TO MONTH 5 2014-2015
(STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND BUDGET)

1 Purpose of the Report

To inform Cabinet of the latest budget monitoring position for open capital schemes

2 Information and Analysis

The report reflects those schemes that are currently under way and have had previous Cabinet approval. It also includes any new schemes which are considered additions to the approved Capital Programme and for which separate Cabinet approval has been sought.

The current budget is approximately £560m, with the latest monitoring showing a forecast overspend over the life of the projects of £0.381m. The position statement is attached as Appendix 1.

There has been a mid-year review of very old schemes, a number of which have been completed; these have been closed off and excluded from the monitoring process. These changes are part of the 'Budget adjustments' which also includes schemes where budgets have been increased or decreased due to the confirmation of scheme costs.

There will not be a period 7 monitoring report as there is to be a further review and cleansing of old projects, with a view to their removal from future reports, resulting in more accurate information. The next report will be period 9.

2.1 Adult Care – projected underspend - £0.051m

Reconciliation of budget movements since last monitoring report

	£'000
Total budget reported Period 3 2014	44,850
Budget adjustments since last reporting period	(45)
Project starts since last reporting period	2,512
Total departmental capital budgets to Period 5 2014	<u>47,317</u>

New projects include the Long Eaton Specialist Residential Care Unit - £2.5m.

2.2 CAYA - projected overspend - £0.350m

Reconciliation of budget movements since last monitoring report

	£'000
Total budget reported Period 3 2014	217,040
Budget adjustments since last reporting period	(14,103)
Project starts since last reporting period	<u>25,877</u>
Total departmental capital budgets to Period 5 2014	<u>228,814</u>

Budget adjustments include a number of very old school schemes, which had been previously reported, but are complete and have now been excluded.

New projects include a further programme of School refurbishment and modernisation under Capital Maintenance - £12.878m; Glossopdale Secondary Phase 1 - £5.500m; Dallimore Primary Phase 2 - £1.950m; Stenson Field Primary Expansion - £1.500m and Infant Free School Meals catering equipment - £1.751m.

The projected overspend will need to be met from the department's approved capital programme.

2.3 Council Services – projected underspend - £0.134m

Reconciliation of budget movements since last monitoring report

	£'000
Total budget reported Period 3 2014	35,017
Budget adjustments since last reporting period	(605)
Project starts since last reporting period	<u>595</u>
Total departmental capital budgets to Period 5 2014	<u>35,007</u>

Budget adjustments include small completed Community projects - £0.157m; completed schemes at County Hall - £0.218m and disability access schemes in libraries - £0.155m.

New schemes relate to expenditure managed by property services on refurbishment of schools, libraries and other buildings incorporating fire precautions work, heating upgrades and disabled access improvements.

2.4 Health and Communities – projected underspend - £0.071m

Reconciliation of budget movements since last monitoring report

	£'000
Total budget reported Period 3 2014	10,770
Budget adjustments since last reporting period	(412)
Project starts since last reporting period	925
Total departmental capital budgets to Period 5 2014	<u>11,283</u>

Budget adjustments include completed schemes at Belper Library - £0.268m; Derwent Valley Mills World Heritage Project - £0.105m and a number of small Library access schemes.

New projects include a new library at Heanor - £0.893m.

2.5 Economy, Transport & Environment–projected overspend-£0.287m

Reconciliation of budget movements since last monitoring report

	£'000
Total budget reported Period 3 2014	236,775
Budget adjustments since last reporting period	(1,160)
Project starts since last reporting period	1,060
Total departmental capital budgets to Period 5 2014	<u>236,675</u>

The £0.287m overspend refers to necessary additional highways severe weather work and is covered by the Local Transport Plan (LTP) grant which has not yet been allocated.

Budget adjustments include completed schemes at Leawood Aquaduct - £0.406m; County Footpaths and Bridleways - £0.403m and Local Transport Plan adjustments - £0.108m.

New projects include a new Single Asset Management System (SAMS) software package to replace the current (CONFIRM) multiple systems - £0.810m, resulting in the department's infrastructure being managed more efficiently. A number of new Countryside Greenway Schemes - £0.175m, have commenced.

2.6 Top Ten Capital schemes by value

Set out in Appendix 2 is a summary of the ten largest capital schemes that the council currently has. These represent approximately 50% in value of the current capital schemes.

3 Other Considerations

In preparing this report the relevance of the following factors has been considered – financial, legal and human rights, human resources, equality and diversity, health, environmental, transport, property, prevention of crime and disorder.

4 Key Decision?

No.

5 Background Papers

Files held by the Director of Finance.

6 Call-in

Is it required that call-in be waived in respect of the decisions proposed in the report? No.

7 Officer's Recommendation

That Cabinet notes the current position on the monitoring of Capital schemes.

PETER HANDFORD

Director of Finance

6 November 2014

APPENDIX 1

Summary of Projected Capital Spend by Department

	Current Budget	Total spend to p5 2014	Estimated spend remaining 2014-15	Planned spend 2015-16	Planned spend 2016-17	Planned spend 2017-18	Planned spend 2018+	Total Projected Spend	(Under) / Over
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Care	47,317	24,342	18,912	0	4,012	0	0	47,266	(51)
CAYA	228,814	158,929	43,867	20,622	5,551	195	0	229,164	350
Council Services	35,007	14,125	13,043	7,661	44	0	0	34,873	(134)
HACS	11,283	6,866	453	605	925	925	1,438	11,212	(71)
ETE	236,675	128,522	52,187	25,099	30,941	203	10	236,962	287
Total	559,096	332,784	128,462	53,987	41,473	1,323	1,448	559,477	381

APPENDIX 2

Top Ten Capital Projects according to Budget Value

	Approval Year	Budget	Total spend to p5 2014	Planned spend remaining 2014-15	Total projected spend to date	Planned spend 2015-16	Planned spend 2016-17	Planned spend 2017-18	Total Projected Spend	(Under) / Over
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Local Transport Plan	09/14	117,642	92,640	16,215	108,855	8,254	533	0	117,642	0
BSF Shirebrook	07/08	26,616	27,165	0	27,165	0	0	0	27,165	549
Waste Project (Derby)	07/08	25,000	0	0	0	0	25,000	0	25,000	0
Markham Emp. Growth Zone	88/89	24,795	7,993	8,487	16,480	8,315	0	0	24,795	0
BSF Netherthorpe	07/08	16,840	17,209	0	17,209	0	0	0	17,209	369
Tibshelf New School & Autism Centre	11/12	15,565	15,373	212	15,585	0	0	0	15,585	20
Buxton, The Crescent	06/07	14,900	4,351	5,890	10,241	4,659	0	0	14,900	0
Digital Derbyshire	13/14	14,780	76	4,851	4,927	4,927	4,926	0	14,780	0
Heanor Specialist Comm Care Centre	12/13	10,750	4,558	6,192	10,750	0	0	0	10,750	0
Darley Dale Specialist Care Centre	12/13	11,270	3,449	7,821	11,270	0	0	0	11,270	0
		278,158	172,814	49,668	222,482	26,155	30,459	0	279,096	938