

**Agenda Item No 7(b)****DERBYSHIRE COUNTY COUNCIL****CABINET****24 November 2015****Report of the Director of Finance****CAPITAL BUDGET MONITORING TO MONTH 5 2015-2016**  
(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 for which separate Cabinet approval has been sought. Each scheme has a nominated budget holder who is responsible for ensuring the scheme stays within budget, and who verifies the projected spend against their allocated schemes.

The current budget for open schemes is approximately £593m; with the latest monitoring showing a forecast overspend over the life of the projects of £1.288m. The position statement is attached as Appendix 1.

**2.1 Adult Care – No projected under/overspend**

There are 23 open schemes within Adult Care with a budget value of £43.241m. The major projects are:

Heanor Specialist Community Care Centre	£10.750m
Darley Dale Specialist Community Centre	£11.270m
Disabled Adaptations 2015-16	£4.000m
Long Eaton Specialist Accommodation Unit	£2.500m
Belper Extra Care Centre	£1.800m

The Officers responsible for these projects have indicated that these schemes are currently within budget.

## 2.2 Children's Services - projected overspend - £0.953m

Children's Services currently have 897 open schemes with a budget value of £209.631m. The major schemes are:

Building Schools for the Future (BSF) Phase 1	£57.184m
Tibshelf Schools and Autism Centre	£15.592m
Aldercar Community Language College Replacement	£7.400m
Church Gresley new Infant and Nursery School	£6.479m
Glossopdale Replacement School	£5.500m
North Wingfield new Primary School	£5.405m

New projects include a further programme of work for Primary School refurbishment under the School Condition Allocations initiative (formerly Capital Maintenance) - £2.345m. There have also been a number of minor budget adjustments where schemes have been completed under budget, resulting in a saving to the authority.

The projected overspend of £0.953m is largely represented by the BSF Phase 1 Programme (£0.943m) for which funding has yet to be determined.

The Strategic Director of Children's Services will need to obtain approval for further funding for this scheme to cover the projected overspends.

## 2.3 Council Services - projected underspend - £0.058m

There are 215 open schemes, the majority of which are funded from the Corporate Maintenance budget and cover all departments (excluding schools). The total budget for Council services is £47.951m

The major schemes under this portfolio are:

Buxton Crescent	£29.000m
Green Deal and Fuel Poverty grant	£2.485m
County Hall Reroofing and refurbishment	£2.000m
Mercian Close Ilkeston	£0.842m
Accommodation Project	£0.732m
Elvaston Castle Pitched roof	£0.720m
County Hall East Wing refurbishment	£0.715m

The current gross value of the Buxton Crescent scheme is £46.7m of which Derbyshire County Council is accountable for £29.0m, of which only £1.0m is being directly funded by the Council, the remaining £28.0m is being funded by other public bodies. Additionally, the Council has agreed a loan to the developer of £11.390m on commercial terms.

The Green Deal project is fully funded by grants.

Budget holders have projected an underspend on the projects of £0.058m. Any underspend on projects funded from the Corporate Maintenance budget will be spent on other qualifying schemes, or returned to the revenue budget.

## **2.4 Health and Communities - No projected under/overspend**

The budget for Health and Communities is £7.283m and is made up of 5 projects:

Ashbourne Library	£3.029m
Glossop Library	£1.895m
Belper Library	£1.433m
Heanor Library	£0.893m
Ripley Library Fire Risk Assessment works	£0.033m

The Officers responsible for these projects have indicated that these schemes are currently within budget.

## **2.5 Economy, Transport & Environment - projected overspend £0.393m**

The budget for schemes under this portfolio is currently £285.377m, representing approximately half of the total capital expenditure budget. The major schemes are:

Local transport Plan 2011-2014	£101.601m
Waste Project	£25.000m
Markham Vale Employment Zone	£24.795m
LED Street Lighting	£23.300m
Accelerated Highways Grant	£23.000m
A61 Growth Corridor	£16.000m
Digital Derbyshire	£14.780m
Derelict Land Reclamation	£7.850m
Ilkeston Station	£7.323m

The bulk of the expenditure for these projects, such as the Local Transport Plan, is funded from grant. As such, managers ensure that the grant is fully utilised.

The projected overspend of £0.393m relates to reclamation work on Grassmoor Lagoons for which further funding must be sought.

## **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 56% 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

## APPENDIX 1

## Summary of Projected Capital Spend by Department

	Current Budget	Total spend to August 2015	Estimated spend remaining 2015/16	Total projected spend to date	Planned spend 2016/17	Planned spend 2017/18	Planned spend 2018/19	Planned spend 2019+	Total Projected Spend	(Under) / Over
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Adult Care</b>	43,241	29,986	13,218	43,204	38	0	0	0	43,241	0
<b>Childrens Services</b>	209,631	138,943	55,093	194,036	14,170	2,362	16	0	210,584	953
<b>Council Services</b>	47,951	13,027	18,489	31,516	16,238	139	0	0	47,893	(58)
<b>HACS</b>	7,283	3,247	772	4,019	1,175	1,900	188	0	7,283	0
<b>ETE</b>	285,377	144,474	46,275	190,749	56,292	21,615	11,781	5,333	285,770	393
<b>Total</b>	<b>593,483</b>	<b>329,677</b>	<b>133,847</b>	<b>463,524</b>	<b>87,913</b>	<b>26,016</b>	<b>11,985</b>	<b>5,333</b>	<b>594,771</b>	<b>1,288</b>

## APPENDIX 2

## Top Ten Capital Projects according to Budget Value

	Approval Year	Budget	Total spend to August 2015	Planned spend remaining 2015/16	Total projected spend to date	Planned spend 2016/17	Planned spend 2017/18	Planned spend 2018/19	Planned expenditure 2019 +	Total Projected Spend	(Under ) / Over
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Local Transport Plan <sup>1</sup>	11/15	101,601	75,354	11,564	86,918	5,064	3,664	3,314	0	98,960	(2,640)
BSF Schemes 07/08 starts	07/08	57,184	58,104	24	58,128	0	0	0	0	58,128	943
Buxton, The Crescent	06/07	29,000	4,959	9,941	14,900	14,100	0	0	0	29,000	0
Waste Project (Derby)	07/08	25,000	0	0	0	25,000	0	0	0	25,000	0
Markham Employment Growth Zone	88/89	24,795	22,909	1,886	24,795	0	0	0	0	24,795	0
Street lighting LED	15/16	23,300	0	2,000	2,000	7,750	7,750	5,800	0	23,300	0
Accelerated Highways Maintenance	14/15	23,000	4,011	3,989	8,000	7,500	7,500	0	0	23,000	0
A61 Growth Corridor	15/16	16,000	0	2,666	2,666	2,667	2,667	2,667	5,333	16,000	0
Tibshelf School & Autism Centre	11/12	15,592	15,448	117	15,565	0	0	0	0	15,565	(27)
Digital Derbyshire	13/14	14,780	4,351	7,893	12,244	2,535	0	0	0	14,779	0
<b>Total</b>		<b>330,252</b>	<b>185,136</b>	<b>40,080</b>	<b>225,216</b>	<b>64,616</b>	<b>21,581</b>	<b>11,781</b>	<b>5,333</b>	<b>328,527</b>	<b>(1,724)</b>

<sup>1</sup> Note – this underspend will be committed to other projects