

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**24 March 2015**

**Report of the Director of Finance**

**CAPITAL BUDGET MONITORING TO MONTH 9 2014-2015  
(Strategic Policy 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 £542m, with the latest monitoring showing a forecast overspend over the life of the projects of £0.871m. The position statement is attached as Appendix 1.

**2.1 Adult Care – projected underspend - £0m**

The budget for the Department's projects is £45.1m. The major projects are:

Heanor Specialist Community Care Centre	£10.750m
Darley Dale Specialist Community Centre	£11.270m
Disabled Adaptations 2012/13 – 2014/15	£10.000m

New projects include the Social Care Case Management software system (Framework-i) - £4.554m and the purchase of land -£1.300m for the Belper Extra Care Centre.

Budget holders have reported no financial issues with their schemes.

## **2.2 CAYA - projected overspend - £1.332m**

CAYA currently have 843 open schemes with a budget value of £197.623m. The major schemes are:

Building Schools for the Future (BSF) Phase 1	£57.184m
Tibshelf Schools and Autism Centre	£15.565m
Aldercar Community Language College Replacement	£6.675m
Church Gresley new Infant and Nursery School	£6.088m
Glossopdale Replacement School	£5.500m
North Wingfield new Primary School	£5.400m
Peak Lodge – Residential Block	£4.182m

New projects include a further programme of school refurbishment and modernisation under Capital Maintenance - £0.725m; improvements to school kitchen facilities - £1.328m; refurbishment of schools using their General Capital Reserves - £2.131m and work to schools under the Insurance Maintenance Pool (IMP) initiative - £0.395m.

The projected overspend of £1.332m is represented by a scheme at Church Gresley Infants School (£0.425m) and the BSF Phase 1 Programme (£0.920m) for which funding has yet to be determined.

## **2.3 Council Services – projected underspend - £0.353m**

There are approximately 170 open schemes, the majority of which are funded from the Corporate Maintenance budget and cover all departments (excluding schools). The total budget is £29.9m

The major schemes under this portfolio are:

Buxton Crescent	£14.900m
Green Deal and Fuel Poverty grant	£2.485m
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 £34.700m, of which we are accountable for £14.900m. The Council's current contribution is £1.000m. The Green Deal project is fully funded by grants.

Budget holders have projected an underspend on the projects of £0.353m. Any underspend on projects funded from the Corporate Maintenance budget will be returned to this budget.

## **2.4 Health and Communities – projected underspend - £0.071m**

The budget for Health and Communities is £11.281m and is made up of 6 projects:

Record Office extension	£4.000m
Ashbourne Library	£3.029m
Glossop Library	£1.895m
Belper Library	£1.432m
Heanor Library	£0.892m
Ripley Library FRA works	£0.033m

Budget holders have projected an underspend of £0.071m on the Records Office extension scheme. The remaining projects have been reported as progressing as planned.

## **2.5 Economy, Transport & Environment–projected underspend £0.037m**

The budget for schemes under this portfolio is currently £258.265m, representing approximately half of total capital expenditure budget. The major schemes are:

Local transport Plan 2009 – 2014	£112.570m
Waste Project	£25.000m
Markham Vale Employment Zone	£24.795m
Accelerated Highways Grant	£23.000m
Digital Derbyshire	£14.780m
Derelict Land Reclamation	£7.850m
Ilkeston Station	£7.523m

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.

There is currently £0.347m set aside within the LTP programmes for schemes of work that have yet to receive cabinet approval. Additionally, there is an overspend of £0.307m from the 13/14 Severe Winter Weather schemes. This overspend will be met from reserves.

New projects that have received cabinet approval at this reporting period include an Accelerated Highways Maintenance scheme - £23.000m and funding for Additional Highway Work (Potholes) - £2.481m.

## **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 57% 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 December 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
<b>Adult Care</b>	45,083	21,969	15,145	4,388	38	3,543	0	45,083	0
<b>CAYA</b>	197,623	137,486	38,385	18,291	4,373	419	0	198,954	1,332
<b>Council Services</b>	29,899	11,499	10,352	7,651	44	0	0	29,546	(353)
<b>HACS</b>	11,283	6,797	521	605	925	925	1,438	11,211	(71)
<b>ETE</b>	258,265	148,923	20,173	43,495	35,110	10,527	0	258,227	(37)
<b>Total</b>	542,153	326,674	84,576	74,430	40,490	15,414	1,438	543,021	871

## APPENDIX 2

## Top Ten Capital Projects according to Budget Value

	Approval Year	Budget	Total spend to December 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	112,570	98,172	5,864	104,036	7,687	500	0	112,223	(347)
BSF Phase 1 Programme	07/08	57,184	58,104	0	58,104	0	0	0	58,104	920
Waste Project	07/08	25,000	0	0	0	0	25,000	0	25,000	0
Markham Vale Employment Zone	88/89	24,795	15,803	678	16,481	8,314	0	0	24,795	0
Accelerated Highways Maintenance	14/19	23,000	0	0	0	6,000	6,500	10,500	23,000	0
Tibshelf School & Autism Centre	11/12	15,565	15,451	114	15,565	0	0	0	15,565	0
Buxton Crescent	06/07	14,900	4,556	5,685	10,241	4,659	0	0	14,900	0
Digital Derbyshire	13/14	14,780	1,902	3,195	5,097	7,148	2,535	0	14,780	0
Darley Dale Specialist Care Centre	12/13	11,270	4,876	5,056	9,932	1,338	0	0	11,270	0
Heanor Specialist Care Centre	12/13	10,750	6,346	4,082	10,428	323	0	0	10,750	0
<b>Total</b>		309,814	205,210	24,674	229,884	35,469	34,535	10,500	310,387	573