

Report of:	Head of Finance
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Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Cabinet 31/01/13

**CABINET
31 JANUARY 2013
GENERAL FUND CAPITAL PROGRAMME 2012-13 AND RESOURCES 2012-13
TO 2015-16**

1 Purpose of Report

- 1.1 The purpose of this report is to advise Members of the expenditure for the General Fund Capital Programme to 31 December 2012; and to highlight any scheme variations both positive and negative and variations which will require Member approval.
- 1.2 The report also includes a Statement of Estimated Capital Resources for 2013-14 to 2015-16 (Appendix 2), commitments including the items contained within this report, the General Fund Capital Budget 2013-16 and General Fund Capital schemes for which spending permission has still to be granted.
- 1.3 The report highlights the available resources excluding new schemes as included in the Consultation Budget.

2 Recommendations

- 2.1 That members note the outturn to 31 December 2012 at (Appendix 1) attached and the managers' comments included there in.
- 2.2 That members note the forecast slippage in (Appendix 1) and the resultant General Fund Capital Budget 2013-16 (Appendix 4).
- 2.3 That members note the revised uncommitted resources available 2013-14 to 2015-16 and General Fund Capital Programme Commitments (Appendices 2 & 3).
- 2.4 That members recommend to Council the Budget to be included for General Fund Capital Schemes for the period 2013-16.

3 Key Issues and Reasons for Recommendation

- 3.1 That members recommend to Council the Budget to be included for General Fund Capital Schemes for the period 2013-16.
- 3.2 The General Fund Capital Programme for the years 2012-13 to 2014-15 was approved by Council 29th February 2012.
- 3.3 A summary of the movement between the Original Budget including actual slippage and new budgetary requirement is shown below:

Summary	2012-13 Budget	
	£	£
General Fund Capital Budget		
Approved Capital Programme Council 29th February 2012	5,592,960	
2011-12 Slippage	(190,940)	
Sub Total		5,402,020
Additional Requirement		
Mill Green 4 th July 2012 Council		800,000
General Fund Total		6,202,020

- 3.4 A summary of the expenditure to date is shown in the table below. The table shows the expenditure in 2012-13 against those budgets for each portfolio together with the forecast outturn and forecast slippage.

Summary	2012-13 Budget Approved £	Actual Outturn to 31-12-12 £	Variance £	Forecast Outturn £	Forecast Slippage £
Culture and Sport	1,918,480	1,462,342	(456,138)	1,780,300	137,990
Housing	1,582,120	271,578	(1,310,542)	455,040	433,960
Econ.Regen.Planning	1,102,180	845,315	(256,865)	981,310	120,870
Environment	1,599,240	13,119	(1,586,121)	35,000	1,564,240
General Fund	6,202,020	2,592,354	(3,609,666)	3,251,650	2,257,060

3.5 The slippage of £2,257,060 relates to Cemetery Land Purchase £1,500,000, Town Centres Improvements £159,270, Disabled Facility Grants £259,790, Chase Leisure Centre £134,000, Private Sector Decent Homes £161,290 and other smaller slippages.

3.6 The estimated available resources for 2013-14 to 2015-16 can be summarised as follows:

	Total 2013-14	Total 2014-15	Total 2015-16
	£	£	£
Resources B/fwd	1,269,260	820,260	911,630
New resources	3,783,650	4,803,840	2,262,640
Capital Programme Commitments	(4,232,650)	(4,712,470)	(1,859,770)
Net Available Resources	820,260	911,630	1,314,500

3.7 Cabinet at its meeting of the 28 April 2011 received a report in relation to Rugeley Leisure Centre and associated financial matters that highlighted the steps to generate the £70,000 as referred to above; the release of the final Sports Council funding for the Pool and the milestones for the achievement of the £500,000 from the sale of land relating to two ex school sites. The £70,000 from Staffordshire County Council and the £30,000 from Sports England were received during 2011-12 and greater certainty has been provided in relation to the £500,000 though none of the milestones for the release of this money have yet been achieved. These receipts have been moved into 2015-16.

3.8 The Capital Programme approved by Council in February 2012 included a further contribution of £1,000,000 to the Rugeley Pool from the County Council. The receipt due to the uncertainty in its timing formed the material part of uncommitted resources as at 31 March 2015. Following further deliberations during the year in relation to Pye Green Development agreement has been reached to provide £3m of capital resources to this Council by the 31 March 2013. The allocation is to support Education and Skills and /or Public Health outcomes to benefit the prosperity of Cannock Chase. Discussions are still ongoing in terms of the accounting arrangements for the allocation and will be subject to a separate report to Cabinet. Therefore at this stage this allocation has been excluded from the Capital Programme from both a resources and an expenditure perspective.

3.9 The capital resources statement for 2013-14 and 2014-15 now includes the estimated £1 million capital receipt arising from the sale of the Councils land holding in relation to land to the south of Red Lion Lane, Norton Canes. This now represents the main source of unallocated funds available to the Council, subject to the planned commitments as contained in the Consultation Budget.

- 3.10 The resources for 2012-13 to 2015-16 and associated expenditure requirements for Private Sector /Affordable Housing have been amended to reflect the latest projections on resources. The Affordable Housing Capital programme is totally dependant upon future capital receipts from the sale of bungalows and Right to Buy. Cabinet at its meeting of the 17 January 2013 received a 30 year Housing Revenue Account Business Plan. The prevailing market shows a marked reduction in such sales as compared to original estimates and this has been reflected in expenditure and resource predictions. This has however been partly offset by a predicted increase in Right to Buy sales following the Government announcement of the proposal to increase the amount of discount to double the current average.
- 3.11 Members' attention is specifically drawn to Disabled Facility Grants. The Council has a statutory duty to provide Disabled Facility Grants in the private sector and it is therefore necessary to make provision for this as part of the 2013-14 to 2015-16 General Fund Capital Programme.
- 3.12 The approved capital programme included expenditure of £375,000 offset by grant of £225,000 with a resultant cost to the Council of £150,000. Whilst a further years allocation for 2015-16 has now been added, the 2013-14 programme, prior to slippage from the current year, only included provision of £375,000 some £200,000 lower than in 2012-13. Although the Council can only commit to the scheme in line with the resources available there is a direct relationship between previous year expenditure or commitments and the of Government allocated in the future. The three year programme, subject to the approval of additional resources as contained in the consultation budget, attempts to equalise the budgets over the three years of this programme.
- 3.13 Provision has been made in the budget and resources for the capital elements of the Heritage Lottery Fund scheme redeveloping Hednesford Park. The capital amounts shown in Appendix 4 split across years 2013-16 are estimates pending a review of time frames for individual work items and so the budgets may be subject to further change between years.
- 3.14 Cabinet as part of its Consultation Budget for 2013-14 to 2015-16 has proposed three growth options (Appendix 5). Disabled Facility Grants £200,000 (now rephrased), Stile Cop Cemetery Phase 2 £250,000 and Town Centres Improvements £200,000. These have not been included in the Capital Budget 2013-16 or included in the resources statement as they are not yet approved.
- 3.15 Estimates of available and capital expenditure requirements are presented for Cabinets consideration in order that Cabinet can make recommendations to Council at its meeting of 13th February 2013.

4 Relationship to Corporate Priorities

- 4.1 The report deals with capital schemes as approved by Council within its objectives and corporate priorities.

5 Report Detail

- 5.1 The General Fund Capital Programme for the years 2012-13 to 2014-15 was approved by Council on 29 February 2012, complete with forecast slippage from 2011-12, and has been updated to take into account approvals and actual slippage since that date.
- 5.2 The table below shows the expenditure in 2012-13 against those budgets below for each portfolio but also taking account of revisions to these budgets as set out in the report:

Portfolio	2012-13 Budget Approved £	Actual Outturn 31-12-12 £	Variance £
Culture and Sport	1,918,480	1,462,342.47	(456,137.53)
Housing	1,582,120	271,578.09	(1,310,541.91)
Economic Regeneration and Planning	1,102,180	845,315.00	(256,865.00)
Environment	1,599,240	13,118.91	(1,586,121.09)
Total	6,202,020	2,592,354.47	(3,609,665.53)

- 5.3 A detailed scheme analysis is shown in Appendix 1 and highlights spending, forecast outturn to the 31 March 2013 and hence the potential slippages on schemes. Anticipated slippages have been carried forward to future years.
- 5.4 An explanation re under spends on all schemes has been discussed with managers and their comments are précised on Appendix 1.
- 5.5 Resources available to the General Fund for Capital Purposes have also been updated and these have been reflected in Appendix 2.

6 Implications

6.1 Financial

The financial implications have been referred to throughout the report.

The uncommitted General Fund Capital resources as at 31st March 2016 stand at £1,314,500.

The proposals contained in the Consultation Budget (Appendix 5) would reduce this amount to £664,500.

In accordance with Financial Regulations the approval of actual expenditure for a scheme requires a separate report to Cabinet to ensure the necessary funding and other approval requirements are in place.

6.2 Legal

None

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

The Council is obliged to consider activities which may lead to a reduction in crime in the district. It is considered that work being carried out to improve facilities in Cannock Chase District area meets this obligation.

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

The risk to the Capital Programme has been addressed by having a fully funded programme backed by a Capital Budget process which only allows expenditure when Cabinet has considered the scheme content and resources. Receipts which have not been received are marked (*) on the Capital Resources 2012-13 to 2015-16 Appendix 2.

6.8 Equality & Diversity

None.

6.9 Best Value

None

7 Appendices to the Report

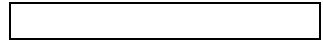
- Appendix 1: Capital Budget 2012-13
- Appendix 2: Capital Resources 2012-13 to 2015-16
- Appendix 3: Capital Programme Commitments 2013-16
- Appendix 4: Capital Budgets Commitments 2013-16
- Appendix 5: Capital Growth Options 2013-14 Subject to Consultation

Previous Consideration

General Fund Capital Programme 2011-12 and Resources 2011-12 to 2014-15 Cabinet 2 February 2012

Background Papers

None



ITEM NO. 10.8

Capital Budget 2012-13

Appendix 1

Summary	2012-13 Approved Budget	2012-13 Actual Expenditure Q3	2012-13 Forecast Outturn to 31-03-13	2012-13 Anticipated Variance	2012-13 Estimated Slippage into 2013- 14	Managers Comments
	£	£	£	£	£	
Culture and Sport	1,918,480	1,462,342.47	1,780,300	(138,180)	137,990	See detailed tables below
Housing	1,582,120	271,578.09	455,040	(1,127,080)	433,960	See detailed tables below
Economic Development & Planning	1,102,180	845,315.00	981,310	(120,870)	120,870	See detailed tables below
Environment	1,599,240	13,118.91	35,000	(1,564,240)	1,564,240	See detailed tables below
Total	6,202,020	2,592,354.47	3,251,650	(2,950,370)	2,257,060	

Culture and Sport	2012-13 Approved Budget	2012-13 Actual Expenditure	2012-13 Forecast Outturn to 31-03-13	2012-13 Anticipated Variance	2012-13 Estimated Slippage into 2013-14	Managers Comments
	£	£	£	£	£	
Bevan Lee Play Area	3,990	-191.60	(190)	(4,180)	3,990	Scheme to be complete but retention to be paid 2012-13 / 2013-14 and some subsidy works
Chase Leisure Enhancement	1,914,490	1,462,534.07	1,780,490	(134,000)	134,000	Scheme delayed pending outcome of contractor repairing pool and associated works
Total	1,918,480	1,462,342.47	1,780,300	(138,180)	137,990	

ITEM NO. 10.9

Housing	2012-13 Approved Budget	2012-13 Actual Expenditure	2012-13 Forecast Outturn to 31-03-13	2012-13 Anticipated Variance	2012-13 Estimated Slippage into 2013-14	Managers Comments
	£	£	£	£	£	
Disabled Facilities Grants	684,790	250,327.69	425,000	(259,790)	259,790	Referrals are awaiting assessment at present, through the advisory use of an occupational therapist is hoped that assessments can be completed quicker.
Private Sector Decent Homes	180,790	10,711.44	19,500	(161,290)	161,290	£150k of this resource will be used for a scheme encouraging empty properties back into use.
Elizabeth Road	23,420	10,538.96	10,540	(12,880)	12,880	Scheme is complete, trailing payments are still to be paid
Affordable Housing	693,120	0	0	(693,120)	0	No expenditure as this budget relied on capital receipts being received during 2012-13
Total	1,582,120	271,578.09	455,040	(1,127,080)	433,960	

ITEM NO. 10.10

Economic Development and Planning	2012-13 Approved Budget	2012-13 Actual Expenditure	2012-13 Forecast Outturn to 31-03-13	2012-13 Anticipated Variance	2012-13 Estimated Slippage into 2013-14	Managers Comments
	£	£	£	£	£	
Town Centre Improvement	300,000	6,915.00	140,730	(159,270)	159,270	Scheme progressing during 2012-13
Mill Green	800,000	838,400.00	838,400	38,400	(38,400)	Purchase of land completed during 2012-13
High Green Access and Area Improvements	2,180	0	2,180	0	0	Scheme to complete 2012-13, though landscaping weather dependant and may slip to 2013-14
Total	1,102,180	845,315	981,310	(120,870)	120,870	

Environment	2012-13 Approved Budget	2012-13 Actual Expenditure	2012-13 Forecast Outturn to 31-03-13	2012-13 Anticipated Variance	2012-13 Estimated Slippage into 2013-14	Managers Comments
	£	£	£	£	£	
Additional Cemetery Provision	1,500,000	0	0	(1,500,000)	1,500,000	Scheme slipped to 2013-14
Stile Cop Cemetery Phase 1	45,000	0	0	(45,000)	45,000	Scheme slipped to 2013-14
Home Security	54,240	13,118.91	35,000	(19,240)	19,240	Applications in progress, anticipated there will be sufficient demand
Total	1,599,240	13,118.91	35,000	(1,564,240)	1,564,240	

Capital Resources 2012-13 to 2015-16 Appendix 2

	2012-13 Resources Received £		2013-14 Estimated Resources £	2014-15 Estimated Resources £	2015-16 Estimated Resources £
Actual Uncommitted Resources from previous year	1,252,780		1,269,260	820,260	911,630
Prudential Borrowing	2,603,890		1,619,000		
Prudential Repayment					(250,000)
Disabled Facility Grant	408,550	*	225,000	225,000	225,000
Capital Receipts:					
Bungalows	184,460	*	300,000	300,000	300,000
Right to Buy	26,230	*	59,250	88,870	88,870
Red Lion Lane, Norton Canes	0	*	600,000	400,000	0
Other	45,000	*	0	0	750,000
Other Sources:					
Growing Places Funding			880,400	2,641,200	
Section 106 – Hednesford Park				199,070	12,930
Contribution – Hednesford Park					194,700
HLF Grant Hednesford Park	0	*	100,000	949,700	941,140
Total Local Resources	4,520,910		5,052,910	5,624,100	3,174,270
Committed General Fund Expenditure	(3,251,650)		(4,232,650)	(4,712,470)	(1,859,770)
Uncommitted Resources	1,269,260		820,260	911,630	1,314,500

* Estimated capital programme capital receipts and grants not yet received 2013-2016

ITEM NO. 10.12

Capital Programme Commitments 2013-16

Appendix 3

Summary	Current Budget 2013-16	Slippage from 2012-13	Total Budget 2013-16
Culture and Sport	2,397,540	137,990	2,535,530
Housing	2,482,300	433,960	2,916,260
Economic Development and Planning	3,560,000	120,870	3,680,870
Environment	108,000	1,564,240	1,672,240
Total	8,547,840	2,257,060	10,804,900

Culture and Sport	Current Budget 2013-16	Slippage from 2012-13	Total Budget 2013-16
Bevan Lee Play Area	0	3,990	3,990
HLF Hednesford Park	2,397,540	0	2,397,540
Chase Leisure Centre	0	134,000	134,000
Total	2,397,540	137,990	2,535,530

Housing	Current Budget 2013-16	Slippage from 2012-13	Total Budget 2013-16
Private Sector Decent Homes	0	161,290	161,290
Disabled Facility Grants	1,280,980	259,790	1,540,770
Elizabeth Road	0	12,880	12,880
Affordable Housing	1,201,320	0	1,201,320
Total	2,482,300	433,960	2,916,260

Economic Development and Planning	Current Budget 2013-16	Slippage from 2012-13	Total Budget 2013-16
Town Centre Improvement	0	159,270	159,270
Mill Green	3,560,000	(38,400)	3,521,600
Total	3,560,000	120,870	3,680,870

ITEM NO. 10.13**Capital Programme Commitments 2013-16****Appendix 3**

Environment	Current Budget 2013-16	Slippage from 2012-13	Total Budget 2013-16
Home Security	108,000	19,240	127,240
Stile Cop Cemetery Phase 1	0	45,000	45,000
Cemetery Land		1,500,000	1,500,000
Total	108,000	1,564,240	1,672,240

ITEM NO. 10.14**Capital Budget Commitments 2013-16****Appendix 4**

Description of scheme	2013-14 £	2014-15 £	2015-16 £
Bevan Lee Play Area	3,990	0	0
HLF Hednesford Park *	100,000	1,148,770	1,148,770
Chase Leisure Centre Enhancement	134,000	0	0
Disabled Facility Grants *	634,790	530,980	375,000
Affordable Housing *	545,800	355,520	300,000
Private Sector Decent Homes	161,290	0	0
Town Centre Improvement	159,260	0	0
Mill Green	880,400	2,641,200	0
Elizabeth Road	12,880	0	0
Home Security	55,240	36,000	36,000
Stile Cop Cemetery Phase 1	45,000	0	0
Cemetery Land	1,500,000	0	0
Total Budget	4,232,650	4,712,470	1,859,770

* Dependant on capital receipts and grants

ITEM NO. 10.15

Capital Growth Options 2013-14 Subject to Consultation

Appendix 5

Description of scheme	2013-14 £	2014-15 £	2015-16 £
Disabled Facility Grants		0	200,000
Stile Cop Cemetery Phase 2	250,000	0	0
Town Centres Improvements	200,000	0	0
Total Options	450,000	0	200,000