

# Finance and Audit Scrutiny Panel

Grand Jury Room, Town Hall  
18 August 2009 at 6.00pm

**The Finance and Audit Scrutiny Panel deals with** the review of service areas and associated budgets, and monitors the financial performance of the Council. The panel scrutinises the Council's audit arrangements and risk management arrangements, including the annual audit letter and audit plans, and Portfolio Holder 'Service' decisions reviewed under the Call in procedure.

# Information for Members of the Public

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The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to meetings, with the exception of Standards Committee meetings. If you wish to speak at a meeting or wish to find out more, please pick up the leaflet called "Have Your Say" at Council offices and at [www.colchester.gov.uk](http://www.colchester.gov.uk).

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Occasionally meetings will need to discuss issues in private. This can only happen on a limited range of issues, which are set by law. When a committee does so, you will be asked to leave the meeting.

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# Terms of Reference

## Finance and Audit Scrutiny Panel

- To review all existing service plans and associated budget provisions against options for alternative levels of service provision and the corporate policies of the Council, and make recommendations to the Cabinet
- To have an overview of the Council's internal and external audit arrangements and risk management arrangements, in particular with regard to the annual audit plan, the audit work programme and progress reports, and to make recommendations to the Cabinet
- To monitor the financial performance of the Council, and to make recommendations to the Cabinet in relation to financial outturns, revenue and capital expenditure monitors
- To scrutinise the Audit Commission's annual audit letter
- To scrutinise executive 'service' decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel through the call-in procedure

*The panel may a) confirm the decision, which may then be implemented immediately, b) refer the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the Panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

**COLCHESTER BOROUGH COUNCIL  
FINANCE AND AUDIT SCRUTINY PANEL  
18 August 2009 at 6:00pm**

**Members**

Chairman : Councillor Dennis Willetts.  
Deputy Chairman : Councillor Christopher Arnold.  
Councillors Dave Harris, Gerard Oxford, Wyn Foster,  
Martin Goss, Theresa Higgins, Jackie Maclean, Jon Manning,  
Lesley Scott-Boutell and Nick Taylor.

**Substitute Members** : All members of the Council who are not Cabinet members or members of this Panel.

**Agenda - Part A**

(open to the public including the media)

**Members of the public may wish to note that Agenda items 1 to 5 are normally brief and items 6 to 9 are standard items for which there may be no business to consider.**

**Pages**

**1. Welcome and Announcements**

(a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Chairman's discretion, to announce information on:

- action in the event of an emergency;
- mobile phones switched to off or to silent;
- location of toilets;
- introduction of members of the meeting.

**2. Substitutions**

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance of substitute councillors must be recorded.

**3. Urgent Items**

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.

**4. Declarations of Interest**

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The Chairman to invite Councillors to declare individually any personal interests they may have in the items on the agenda.

If the personal interest arises because of a Councillor's membership of or position of control or management on:

- any body to which the Councillor has been appointed or nominated by the Council; or
- another public body

then the interest need only be declared if the Councillor intends to speak on that item.

If a Councillor declares a personal interest they must also consider whether they have a prejudicial interest. If they have a prejudicial interest they must leave the room for that item.

If a Councillor wishes to make representations on an item on which they have a prejudicial interest they may do so if members of the public are allowed to make representations. In such circumstances a Councillor must leave the room immediately once they have finished speaking.

An interest is considered to be prejudicial if a member of the public with knowledge of the relevant facts would reasonably regard it as so significant that it is likely to prejudice the Councillor's judgement of the public interest.

Councillors should consult paragraph 7 of the Meetings General Procedure Rules for further guidance.

## **5. Minutes**

**1 - 5**

To confirm as a correct record the minutes of the meeting held on 28 July 2009.

## **6. Have Your Say!**

(a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter not on this agenda.

## **7. Items requested by members of the Panel and other Members**

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(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

## **8. Referred items under the Call in Procedure**

To consider any Portfolio Holder decisions, taken under the Call in Procedure.

*The panel may a) confirm the decision, which may then be implemented immediately, b) confirm the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

## **9. Decisions taken under special urgency provisions**

To consider any Portfolio Holder decisions taken under the special urgency provisions.

## **10. 2009-10 Financial Monitor 6 - 20**

See report from the Head of Resource Management.

## **11. 2009-10 Capital Monitor 21 - 37**

See report from the Head of Resource Management.

## **12. Work Programme 38 - 40**

See report from the Scrutiny Officer.

## **13. Exclusion of the public**

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

# FINANCE AND AUDIT SCRUTINY PANEL

## 28 JULY 2009

*Present:-* Councillors Arnold, Foster, Goss, Harris, Higgins, Maclean, Manning, G.Oxford, Scott-Boutell, Taylor and Willetts

*Substitutions:-* -

*Apologies:-* -

### 8. Minute

The minute of the meeting held on 30 June 2009 was confirmed as a correct record.

In reference to the response to the panel from the Head of Corporate Management in regards to the request under minute number 6, Capital Monitor, to provide a note on the plans during phase II of the Town Hall Disability Discrimination Act (DDA) project up to the completion of works, Councillor Scott-Boutell requested a further note on Sensory Access, such as hearing impairment, and the cost of any future works.

**Councillor Harris (in respect of being a member of the Colchester Credit Union) and Councillor T Higgins (in respect of being a member of Essex County Council) both declared a personal interest in the following item.**

### 9. Have Your Say

Mr. Cording addressed the panel to speak about his concerns for the Colchester Credit Union (CCU). Mr. Cording, a member of CCU said the main purpose of the union was to provide co-operatives dedicated to giving savings and loan facilities to the disadvantaged. The CCU was supported by the Council and the Guinness Trust and commenced in 2002, operating from the Greenstead Resource Centre, and was staffed by two part-time workers and volunteers. Mr. Cording said the CCU was regulated by the Financial Services Authority and had many hundreds of local members, both adult and young people.

Mr. Cording said that Essex County Council were to provide £100,000 of funding to credit unions throughout Essex though it is understood that this money will be channelled through the Chelmsford Credit Union. Mr. Cording felt that there should be a fairer equitable distribution of funding to all Essex Credit Unions and asked the Council for assistance in obtaining a share of this money.

Councillor Harris said he was dismayed about this funding issue, saying he believed all credit unions should be equally supported and urged the Council to ask Lord Hanningfield to reconsider this decision. Councillor Oxford later concurred with the words of Councillor Harris.

Mr. Cording said the CCU had already been in existence for 7 years, why reinvent the wheel, and rather than start a new union why not provide some much needed additional funding to the current credit unions in Essex.

Councillor Willets and Arnold agreed that this was an issue that could be examined further by the panel, whereby the panel could invite the County Council Portfolio Holder and officers to a meeting to discuss the issues and at the earliest opportunity.

Councillor Offen, Portfolio Holder for Business and Resources addressed the panel to say the Cabinet fully supported the CCU, and this issue did need to be considered further, especially given the current economic downturn and the threat of loan sharks to vulnerable local people.

The panel agreed to consider this for future review on the Work Programme item.

## **10. Items requested by members of the panel**

In light of the recent announcement to stop growth funding for the Haven Gateway Partnership, Councillor Arnold requested that the panel agree to a review of the Haven Gateway funding programme and the impact on Colchester's regeneration programme, to be reported to the August meeting or as soon as possible thereafter. Councillor Arnold said the Chairman should be kept informed of all progress on this issue with a need to keep in the public eye. Councillor Offen agreed that it would be useful to have a report on the situation drafted as soon as possible for Cabinet and scrutiny, and to the next meeting was not an unreasonable request.

Councillor Willets concurred with Councillor Arnold and Offen, saying he would track the work being requested and bring back to the panel at the earliest opportunity.

## **11. Treasury Management – Annual Report 2008-09**

Mr. Steve Heath, Finance Manager attended the meeting for this item and introduced the Treasury Management annual report for 2008-09.

Mr. Heath confirmed to the panel that the Local Government Association (LGA) had recently informed all Councils involved in the Icelandic Banking Crises that the recovery rate on investments could be lower than previously thought.

In response to Councillor Willets, Mr. Heath said there was reasonable confidence in the level of refund built into the Council's accounts, and based on the best estimates provided by the LGA and CIPFA. Mr. Heath said he would update the panel if there was any change to the present assumptions.

In response to Councillor Arnold, Mr. Heath said the request to the panel to agree in the future to a quarterly Treasury Management monitor was at the advice of CIPFA and reflected a need to be vigilant given the economic downturn.

Councillor Higgins said members should be guided to the LGA current arrangements and future changes on treasury management.

In response to Councillor Taylor who said the Council's treasury advisors are only mentioned in brief in paragraph 3.8 of the report so are they still needed, Mr. Heath said they do provide advice on request and it was an invaluable role that gave good value for money. The Council's advisors 'Sector', had recently successfully retendered for this work and had a good relationship with the Council.

*RESOLVED* that the panel:



- i) Noted and considered the performance of the activities relating to Treasury Management for 2008-09.
- ii) Noted the performance of the Council's treasury management advisors.
- iii) Agreed to the scrutiny of future quarterly Treasury Management monitors. Following the meeting, officers agreed for the first report to be heard at the November meeting.

## **12. 2008-09 Year end review of Risk Management**

### **Have Your Say**

Councillor Lissimore addressed the panel to say that at a Risk Assessment training session organised by officers for councillors last week she was dismayed that no councillors from any of the Administration's groups were represented at the session. Councillor Lissimore said those present at the session learnt a lot about risks, risk assessment and risk management, including e.g. The Swine Flu Pandemic, and continuity plans for all Council services. Councillor Lissimore thanked the Risk and Resilience Manager, Ms. Hayley McGrath for facilitating the session but wished other group members had taken the time to attend, and asked for a follow up session to be organised in September.

Both Councillor Higgins and Oxford said they took great exception to the suggestion that non attendance at the aforementioned training session on risk management was due to member apathy. Councillors Higgins, Oxford and Harris said they had on that evening attended previously arranged events and it was not always possible to attend all invitations.

### **Review of Risk Management**

Ms. McGrath, Risk and Resilience Manager attended the meeting for this item and introduced the 2008-09 year end review of Risk Management.

In response to the panel, Ms. Ann Wain, Executive Director said that in regards to the Swine Flu Pandemic, two weekly updates are being given to the Cabinet. There are a limited number of cases within the Council, but not at a level that was of a risk to service delivery. Ms. Wain said that an internally formed Flu Management Team comprising of officers from e.g. Human Resources and Health and Safety was meeting on a regular basis and was tracking current cases and anticipating where service provision could be affected. Officers were also developing a Council wide skills analysis to more effectively plan resources as and when required. Councillor Offen concurred with the response by Ms. Wain, saying he was also appreciative of the progress that has been made with risk management over the last year.

Ms. Wain, further to the above, and in response to Councillor Manning, said no service area had been significantly affected by Swine Flu to a level that would affect service delivery, with all cases generally spread across the Council services.

In response to Councillor Arnold, Ms. Wain said that Ms. McGrath had confirmed to her that a skills matrix of all Councillors might be useful to the Council, to be considered, if necessary, to maintain service provision. Ms. Wain said Human Resources had been asked to consider this offer, which should not be ruled out, acknowledging the problems that Councillors are not employees and issues around insurance.

Councillor Arnold said it would be useful if the Risk Matrix could in some way indicate in what direction the risk was travelling.

Ms. McGrath said that generally, the Council's high risks remain quite static, but officers are looking to change the register to show pre-risk scores as well as post-risk scores.

Councillor Taylor congratulated officers on the report and the achievements and progress that have been made in the last year. Councillor Taylor also said that as the bar set by the Audit Commission on risk management performance is raised year on year, it is an achievement to retain the same level of score for the use of resources assessment. In response to Councillor Arnold, Ms. McGrath said risk tolerance line will not move, but the risk scores will change and that whilst the probability of risk may reduce, equally it could be affected by other issues.

In response to Councillor Arnold, Ms. McGrath said there will be movement in risk assessment, but in terms of the matrix not so quarter by quarter, progress would be more gradual. Ms. Wain said sometimes external factors were out of the Council's control and these can affect the risk, but procedures ensure immediate reaction by officers. Ms. McGrath also confirmed that the Performance Management Board (PMB) comprised of the Chief Executive, Executive Officers, Heads of Service and reporting officers.

In response to Councillor Harris's enquiry about the need for Succession Planning, Ms. Wain said the Council has a very robust Performance Appraisal System in place, with a personal development plan for all staff in their current job, plus development and promotional opportunities, and a skills audit was currently being undertaken e.g. HGV Licence Holders. Ms. McGrath confirmed that Succession Planning would be identified in the Operational Risk Register.

In response to Councillor Goss, Ms. Wain said Colchester have been challenged by the Audit Commission to come up with examples of innovative, risk taking initiatives. Ms. McGrath said Colchester was already innovative and risk taking in comparison with other neighbouring authorities. Whilst it was accepted that assessments are subjective, making comparison scoring difficult, senior officers are learning lessons from what has happened in the past.

*RESOLVED* that the panel:

- i) Noted the risk management work undertaken during 2008-09, including the fourth quarter Strategic Risk Register.
- ii) Considered and commented on the proposed risk management strategy 2009-10.
- iii) Considered and noted the intended work plan 2009-10.
- iv) Congratulated officers on the report and the achievements and progress that have been made in the last year.

### **13. Work Programme**

*RESOLVED* that the panel:

- i) Noted the work programme for 2009-10.
- ii) Agreed to review at the earliest opportunity, the funding of Colchester Credit Union.
- III) Agreed to review at the earliest opportunity, the Haven Gateway Funding Programme.



18 August 2009

<b>Report of</b>	<b>Head of Resource Management</b>	<b>Author</b>	<b>Sean Plummer</b> ☎ 282347
<b>Title</b>	<b>Financial Monitoring Report – April to June 2009</b>		
<b>Wards affected</b>	Not applicable		

**The Panel is invited to review the financial performance of all General Fund services and the Housing Revenue Account for the first three months of 2009/10**

## 1. Action required

- 1.1 The panel is asked to note the financial performance of General Fund Services and the Housing Revenue Account (HRA) in the first three months of 2009/10.

## 2. Reason for scrutiny

- 2.1 Monitoring of financial performance is important to ensure that:
- Service expenditure remains within cash-limited budgets.
  - Potential variances at year-end are identified early so that remedial action can be taken to recover the position or 'recycle' any surplus budgets.
  - Performance targets are being met.
- 2.2 This report also gives the panel the opportunity to hold Service Managers and Portfolio Holders accountable for their budgets.

## 3. Background and Summary Position

- 3.1 This report reviews the Council's overall position based on profiled income and expenditure for the three months to 30 June 2009, and also shows a projection of the outturn figures for the full year. All the information presented in respect of General Fund Services shows the position based on net 'direct costs'. The review of the Housing Revenue Account is different in that it shows all costs, both direct and indirect.
- 3.2 The projected outturn for the General Fund is currently a net overspend of £452k. The Housing Revenue Account is currently projected to be on budget.

## 4. General Fund – Position to 30 June 2009

### *Service Budgets*

- 4.1 **Appendix A** summarises the Council-wide position by expenditure group and by Service Group. The net position shows a variance against profiled budget for General Fund Services (excluding benefits) of £622k (favourable). This comprises total expenditure being £427k lower than expected and more income than expected totalling £195k. **Appendix B** provides a more detailed view, breaking this information down by individual Service Groups.

4.2. Both Appendices A & B to the report include traffic light indicators. The thresholds are as follows:

- Green – Variance less than £50k and 5% of budget
- Amber – Variance greater than £50k **OR** 5% of budget
- Red – Variance greater than £50k **AND** 5% of budget

4.3. A number of factors have led to the position against profiled budgets. The main variances are as follows (F=favourable; A=adverse):

*Expenditure*

- **Premises.** £235k (F), mainly relating to repairs & maintenance, grounds and utility costs (water), however offset by additional B & B costs.
- **Supplies & Services.** £102k (F) various under-spends across all services
- **Third Party Payments.** £105k (F), mainly due to timing of payment of grant to Voluntary Organisations (B&B) and outstanding accruals to be paid to Leisure World Events Organisers.

*Income*

- **Government Grant.** £52k (F), relating to additional Government grant received.
- **Other Grants & Reimbursements.** £124k (A), primarily relates to debtors outstanding for European regeneration projects.
- **Customer & Client Receipts.** £266k (F), Includes over-recoveries against community alarms and car park income, this also includes income for CLW Lifestyle Passes (advances for the year).

4.4. Benefits payments are not shown in Appendix A to avoid distorting the reported position for Service Groups. It is currently projected that this area will be on budget at year end, when the final subsidy claim is paid.

4.5. Corporate savings targets totalling £678k were built into the 2009/10 budget. The targets and position to date is shown below and indicates that at this stage limited progress has been made.

	Target	Identified for year to date
	£'000	£'000
Salary Budgets	515	20
Procurement Savings	93	4
Income Generation	70	0
<b>Total</b>	<b>678</b>	<b>24</b>

## 5. Outturn Forecast / Risk Areas

5.1 This is the first review this year of the 09/10 budget position and the current forecast outturn is net overspend of £452k as summarised in the following table:-

	£'000	
Service budgets	202	See paras. 5.2 – 5.3 and Appendix C
Technical Items / Mitigating action	250	See paras. 5.4 – 5.8
Potential net overspend	452	

### *Service Budgets*

- 5.2 The following table sets out the forecast outturn for all service areas. This shows a net forecast overspend of £202k

<b>Service</b>	<b>Forecast outturn £'000</b>
Corporate Management	26 under budget
Life Opportunities	172 over budget
Street Services	56 over budget
<b>Total all services</b>	<b>202 over budget</b>

- 5.3 Appendix C sets out details of all forecast variances against service budgets at the year-end totalling £202k.

### *Corporate / Technical Items*

- 5.4. The budget includes a number of corporate and technical budget areas such as net interest earnings, the provision to repay debt, pension costs and some non service specific grants. The main risk area where a shortfall of c£250k is currently forecast is our net interest earnings.
- 5.5. The Panel received a report at the last meeting detailing treasury management activities for the last year. This report set out a review of the economic background showing that interest rates have fallen to historically low levels. This is impacting on investment returns and whilst this was considered when the budget was set the current situation is worse than expected. Steps are continuing to be taken to try to minimise the impact of the reduced investment income such as through deferral of new borrowing in favour of disinvestment. The position will be monitored during the next 3 – 6 months and consideration will be given to any further revisions to the outturn forecast.
- 5.6. The budget includes assumptions regarding two Government grants as follows:
- Housing Planning and Delivery Grant (HPDG)
  - Local Authority Business Growth Incentives (LABGI)
- 5.7. We have recently received notification of the provisional LABGI grant which shows that this budget should be achieved. The assumed HPDG is a larger figure and the grant is yet to be announced. Details of these grants will be reported in due course to this Panel and Cabinet.
- 5.8. As shown at paragraph 4.5. some progress has been made towards achieving the corporate targets in the budget. Senior Management Team (SMT) has reviewed the position and is identifying action to close the gap on all these targets. However, this is acknowledged as a current risk area.

### *Main Risks to current forecast*

- 5.9. The 2009/10 Revenue Budget report that was approved by Council in February 2009 detailed potentially significant risk areas that had been identified during the budget process. In addition, Heads of Service have identified a number of both positive and negative risk areas. The current position for the most key areas is detailed in Appendix D and these areas will continue to be monitored monthly by SMT and within future reports to this Panel.

### *Summary position*

- 5.10. The net forecast outturn shows a potential net overspend of £452k. As is common at this stage in the financial year there are a number of risks and variables to this forecast. It should be noted that the Council general fund balances are forecast to be above our

current assessed prudent level. This is on the basis of the budget being on target this year.

- 5.11. SMT continues to monitor the budget position on a monthly basis and in view of the budget forecast is taking action to minimise the risk of a budget deficit this year through critical review of any vacant posts, providing support to budget managers in controlling budgets and in general through active budget management and focusing on costs and income. The next report to the Panel will consider the 6 monthly position. This will provide a better opportunity to assess progress against budget targets and income levels and the extent to which cost pressures are being contained.

## **6. Housing Revenue Account**

- 6.1 The Housing Revenue Account (HRA) is a complex account which is ring-fenced and affected by a number of variable factors. **Appendix E** shows that at the end of June 2009, the HRA is underspent by £283k compared to the budget for the same period. This is primarily due to lower expenditure on Employee costs (£44k) and Premises costs (£220k), and less income than anticipated (£31k). However, it should be noted that it is anticipated the year to date underspend will reduce as the financial year progresses. The current projected outturn for the HRA is that it will be on budget. The main factors contributing to the variance to date are detailed in the following paragraphs.
- 6.2 The underspend on Employee costs has primarily arisen due to the effect of vacant posts. The current year-end outturn prediction is that there will be an underspend on Employee costs of £56k.
- 6.3 Premises related costs are showing an underspend of £220k as at the end of June 2009. Overall, there is an underspend of £80k on Repairs and Maintenance. Colchester Borough Homes, who are providing the interim repairs and maintenance service, are producing a regular re-profile of expenditure for the remainder of the financial year, and as a result there are no significant variances in this area. Therefore, the majority of this underspend relates to repairs and maintenance of pumping stations, Homeless Persons Units and other delegated budgets. There is an underspend of £43k on Grounds Maintenance budgets, as well as an underspend relating to the timing of expenditure on Contract cleaning of £8k at the end of June. There is an underspend of £76k on Utility and Water costs.
- 6.4 Rental income from dwellings is the major source of income to the HRA. During the budget setting process, assumptions are made on the number of reductions in the Housing stock through Right to Buy sales and the loss of rental income resulting from empty properties. As part of the 2009/10 budget setting process to move towards reinstating the HRA balances to the recommended prudent levels, a more challenging assumption was made on the levels of rental income lost through void properties. As a consequence, there is a small under-recovery of income to date due to the combination of less Right To Buy sales and a slightly higher loss of rental income than assumed within the budget. In addition, we have received £12k less income from Court Fees than budgeted. It is currently predicted that there will be an under-recovery of income of £56k at the year-end, but this will predominantly be influenced by the level of void properties for the remainder of the financial year.
- 6.5 Any expenditure on the Housing Capital Programme (HIP) that exceeds the total resources available from the Major Repairs Allowance (MRA) for the year has to be met from the HRA in the form of a revenue contribution to capital (RCCO). As the actual financing requirement of the outturn capital programme is not known until the end of year position is established, it can have an impact on the HRA outturn that is difficult to forecast at this stage of the year.

## **7. Strategic Plan references**

- 7.1 The priorities within the Strategic Plan are reflected in the Medium Term Financial Forecast. This makes assumptions regarding government grant and Council Tax income, and identifies where necessary savings will be found in order to achieve a balanced budget. The 2009/10 revenue budget was prepared in accordance with the Strategic Plan's priorities, in the context of the Council facing growing financial pressures. Budget monitoring enables the financial performance against these priorities to be assessed.

## **8. Financial implications**

- 8.1 As set out above.

## **9. Risk management implications**

- 9.1 Risk management is used throughout the budget cycle, and this is reflected in the strategic risk register. The 2009/10 revenue budget report that was approved by Council in February 2009 detailed a number of potentially significant risk areas that had been identified during the budget process. In addition, Heads of Service identify a number of both positive and negative risk areas during the year.

## **10. Other Standard References**

- 10.1 Having considered consultation, publicity, equality, diversity and human rights, community safety, and health and safety implications, there are none that are significant to the matters in this report.

## **Background Papers**

None





Appendix A

Account Description		Current Period - June 2009			Full Year Position			
		Budget to Period 3 £'000	Actual to Period 3 £'000	Variance (fav) / adv £'000	Annual Budget £'000	Projected Outturn £'000	Variance (fav) / adv £'000	Variance %
<b>By Subjective Group</b>								
Employees	6,915	6,902	(13)	27,838	27,876	38	0.1%	
Premises Related	1,546	1,311	(235)	8,116	8,225	109	1.3%	
Transport Related	747	761	14	1,623	1,623	0	0.0%	
Supplies & Services	2,614	2,512	(102)	10,235	10,209	(26)	(0.3%)	
Third Party Payments	261	156	(105)	1,844	1,844	0	0.0%	
Transfer Payments	49	64	15	2,537	2,566	29	1.1%	
Capital Financing Costs	2	1	(1)	147	147	0	0.0%	
<b>Subtotal Expenditure</b>	<b>12,134</b>	<b>11,707</b>	<b>(427)</b>	<b>52,340</b>	<b>52,490</b>	<b>150</b>	<b>0.3%</b>	
Government Grant	(629)	(681)	(52)	(2,034)	(2,034)	0	0.0%	
Other Grants & Reimbursements	(1,461)	(1,337)	124	(4,008)	(3,957)	51	(1.3%)	
Customer & Client Receipts	(5,245)	(5,511)	(266)	(19,581)	(19,580)	1	(0.0%)	
Income-Interest	(1)	1	2	(24)	(24)	0	0.0%	
Inter Account Transfers	(2)	(5)	(3)	(9)	(9)	0	0.0%	
<b>Subtotal Income</b>	<b>(7,338)</b>	<b>(7,533)</b>	<b>(195)</b>	<b>(25,656)</b>	<b>(25,604)</b>	<b>52</b>	<b>(0.2%)</b>	
<b>Total General Fund Services</b>	<b>4,796</b>	<b>4,174</b>	<b>(622)</b>	<b>26,684</b>	<b>26,886</b>	<b>202</b>	<b>0.8%</b>	
<b>By Service Group</b>								
Corporate & Democratic Core	85	23	(62)	330	330	0	0.0%	
Executive Management Team	(209)	(228)	(19)	753	753	0	0.0%	
Corporate Management	1,637	1,502	(135)	6,622	6,596	(26)	(0.4%)	
Customer Service Centre	290	276	(14)	1,104	1,104	0	0.0%	
Environmental & Protective Services	462	388	(74)	2,649	2,649	0	0.0%	
Life Opportunities	687	336	(351)	5,872	6,044	172	2.7%	
Resource Management	54	107	53	3,625	3,625	0	0.0%	
Strategic Policy & Regeneration	571	657	86	2,843	2,843	0	0.0%	
Street Services	1,219	1,113	(106)	2,886	2,942	56	1.9%	
<b>Subtotal General Fund Services</b>	<b>4,796</b>	<b>4,174</b>	<b>(622)</b>	<b>26,684</b>	<b>26,886</b>	<b>202</b>	<b>0.8%</b>	

Appendix B

Budget Monitoring Report for All Services - Period 3 2009/10

Account Description	Democractic Core		Corporate Mgt		CSC		Env. & Protective		Life Opps		Resource Mgt.		Strategic Policy and Regen		Street	
	£'000	EMT £'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>EXPENDITURE</b>																
<b>EMPLOYEES</b>																
Profiled Budget to Date	-	167	640	267	1,349	1,421	862	458	1,751	6,915						
Actual to Date	-	168	634	262	1,340	1,431	859	450	1,758	6,902						
Variance to Date	green	1	(6)	(5)	(9)	10	(3)	(8)	7	(13)	green	green	green	green	green	green
Annual Budget	-	660	2,608	1,067	5,460	5,742	3,458	1,835	7,008	27,838						
Projected Outturn	-	660	2,608	1,067	5,460	5,775	3,448	1,835	7,023	27,864						
Variance	-	-	-	-	-	21	(10)	-	15	26						
<b>PREMISES</b>																
Profiled Budget to Date	-	-	411	-	144	746	37	43	165	1,546						
Actual to Date	-	-	339	-	113	642	12	46	159	1,311						
Variance to Date	green	-	(72)	-	(31)	(104)	(25)	3	(6)	(235)	green	amber	green	green	green	red
Annual Budget	-	-	1,617	-	816	3,881	325	81	1,396	8,116						
Projected Outturn	-	-	1,617	-	816	3,990	325	81	1,396	8,225						
Variance	-	-	-	-	-	121	-	-	-	121						
<b>TRANSPORT</b>																
Profiled Budget to Date	-	2	7	-	22	8	3	16	689	747						
Actual to Date	-	(2)	11	-	25	7	3	6	711	761						
Variance to Date	green	(4)	4	-	3	(1)	-	(10)	22	14	green	amber	green	green	green	green
Annual Budget	-	7	28	-	98	34	14	61	1,381	1,623						
Projected Outturn	-	7	28	-	98	34	14	61	1,381	1,623						
Variance	-	-	-	-	-	-	-	-	-	-						
<b>SUPPLIES &amp; SERVICES</b>																
Profiled Budget to Date	85	150	786	40	283	377	351	139	403	2,614						
Actual to Date	23	142	722	31	304	316	464	108	402	2,512						
Variance to Date	(62)	(8)	(64)	(9)	21	(61)	113	(31)	(1)	(102)	red	red	amber	green	green	amber
Annual Budget	330	615	3,193	107	1,074	1,935	1,234	608	1,139	10,235						
Projected Outturn	330	615	3,167	107	1,074	1,935	1,234	608	1,139	10,209						
Variance	-	-	(26)	-	-	-	-	-	-	(26)						

**Budget Monitoring Report for All Services - Period 3 2009/10**

Account Description	Democractic Core £'000	EMT £'000	Corporate Mgt £'000	CSC £'000	Env. & Protective £'000	Life Opps £'000	Resource Mgt. £'000	Strategic Policy and Regen £'000	Street £'000	£'000
<b>THIRD PARTY</b>										
Profiled Budget to Date	-	-	12	-	10	108	-	40	91	261
Actual to Date	-	-	2	-	(8)	32	-	43	87	156
Variance to Date	green	green	(10)	green	(18)	(76)	green	amber	(4)	(105)
Annual Budget	-	-	74	-	64	226	107	789	584	1,844
Projected Outturn	-	-	74	-	64	226	107	789	584	1,844
Variance	-	-	-	-	-	-	-	-	-	-
<b>TRANSFER PAYMENTS</b>										
Profiled Budget to Date	-	-	-	-	-	14	35	-	-	49
Actual to Date	-	-	-	-	-	25	39	-	-	64
Variance to Date	green	green	green	green	green	amber	amber	green	green	amber
Annual Budget	-	-	-	-	-	55	2,482	-	-	2,537
Projected Outturn	-	-	-	-	-	84	2,482	-	-	2,566
Variance	-	-	-	-	-	29	-	-	-	29
<b>CAPITAL FINANCING</b>										
Profiled Budget to Date	-	-	2	-	-	-	-	-	-	2
Actual to Date	-	-	1	-	-	-	-	-	-	1
Variance to Date	green	green	(1)	green	green	green	green	green	green	(1)
Annual Budget	-	-	6	-	-	-	141	-	-	147
Projected Outturn	-	-	6	-	-	-	141	-	-	147
Variance	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>										
Profiled Budget to Date	85	319	1,858	307	1,808	2,674	1,288	696	3,099	12,134
Actual to Date	23	308	1,709	293	1,774	2,453	1,377	653	3,117	11,707
Variance to Date	red	green	(149)	(14)	(34)	(221)	89	(43)	18	(427)
Annual Budget	330	1,282	7,526	1,174	7,512	11,873	7,761	3,374	11,508	52,340
Projected Outturn	330	1,282	7,500	1,174	7,512	12,044	7,751	3,374	11,523	52,490

**Budget Monitoring Report for All Services - Period 3 2009/10**

Account Description	Democractic Core		EMT £'000	Corporate Mgt		CSC £'000	Env. & Protective £'000	Life Opps £'000	Resource Mgt. £'000	Strategic Policy and Regen		Street £'000	£'000
	£'000	£'000		£'000	£'000					£'000	£'000		
Variance	-	(26)	-	-	171	(10)	-	-	15	-	15	150	
<b>INCOME</b>													
<b>GOVERNMENT GRANT</b>													
Profiled Budget to Date	-	-	-	-	(320)	(197)	(112)	(320)	(197)	-	-	(629)	
Actual to Date	-	-	-	-	(377)	(196)	(108)	(377)	(196)	-	-	(681)	
Variance to Date	-	-	-	-	(57)	1	4	(57)	1	-	-	(52)	red
Annual Budget	green	green	green	green	red	green	green	red	green	green	green	red	
Projected Outturn	-	-	-	-	(432)	(785)	(817)	(432)	(785)	-	-	(2,034)	
Variance	-	-	-	-	(432)	(785)	(817)	(432)	(785)	-	-	(2,034)	
<b>OTHER GRANTS</b>													
Profiled Budget to Date	-	(12)	(528)	(12)	(360)	(12)	(442)	(360)	(12)	(21)	(73)	(1,461)	
Actual to Date	-	(16)	(536)	(16)	(348)	(12)	(489)	(348)	(12)	108	(33)	(1,337)	
Variance to Date	-	(4)	(8)	(4)	12	-	(47)	12	-	129	40	124	red
Annual Budget	green	amber	green	amber	green	green	amber	green	green	red	amber	red	
Projected Outturn	-	(24)	(529)	(24)	(715)	(34)	(924)	(715)	(34)	(95)	(1,634)	(4,008)	
Variance	-	(24)	(529)	(24)	(715)	(24)	(924)	(715)	(24)	(95)	(1,593)	(3,957)	
<b>CUST &amp; CLIENT RECPTS</b>													
Profiled Budget to Date	-	(209)	-	(209)	(1,307)	(1,025)	(791)	(1,307)	(1,025)	(103)	(1,806)	(5,245)	
Actual to Date	-	(192)	-	(192)	(1,392)	(1,062)	(788)	(1,392)	(1,062)	(104)	(1,967)	(5,511)	
Variance to Date	-	17	-	17	(85)	(37)	3	(85)	(37)	(1)	(161)	(266)	red
Annual Budget	green	amber	green	amber	red	green	green	red	green	green	red	red	
Projected Outturn	-	(860)	-	(860)	(4,854)	(3,317)	(3,118)	(4,854)	(3,317)	(432)	(6,983)	(19,581)	
Variance	-	(860)	-	(860)	(4,853)	(3,317)	(3,118)	(4,853)	(3,317)	(432)	(6,983)	(19,580)	
<b>INCOME-INTEREST</b>													
Profiled Budget to Date	-	-	-	-	-	-	-	-	-	(1)	-	(1)	
Actual to Date	-	1	-	1	-	-	-	-	-	-	-	1	
Variance to Date	-	1	-	1	-	-	-	-	-	1	-	2	amber
Annual Budget	green	amber	green	amber	green	green	green	green	green	amber	green	amber	
Projected Outturn	-	(20)	-	(20)	-	-	-	-	-	(4)	-	(24)	
Variance	-	(20)	-	(20)	-	-	-	-	-	(4)	-	(24)	

**Budget Monitoring Report for All Services - Period 3 2009/10**

Account Description	Democractic Core		Corporate Mgt		CSC	Env. & Protective		Life Opps	Resource Mgt.		Strategic Policy and Regen		Street
	£'000	EMT	£'000	£'000		£'000	£'000		£'000	£'000	£'000	£'000	
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>INTER ACCOUNT TRANS</b>													
Profiled Budget to Date	-	-	-	-	-	(1)	-	-	-	-	-	-	(1)
Actual to Date	-	-	-	-	-	(1)	-	-	-	-	-	-	(4)
Variance to Date	-	-	-	-	-	-	-	-	-	-	-	-	(3)
	green	green	green	green	green	green	green	green	green	green	green	green	amber
Annual Budget	-	-	-	-	-	(4)	-	-	-	-	-	-	(5)
Projected Outturn	-	-	-	-	-	(4)	-	-	-	-	-	-	(5)
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL INCOME</b>													
Profiled Budget to Date	-	(528)	(221)	(17)	(1,346)	(1,987)	(1,234)	(125)	(1,880)	(7,338)			
Actual to Date	-	(536)	(207)	(17)	(1,386)	(2,117)	(1,270)	4	(2,004)	(7,533)			
Variance to Date	-	(8)	14	-	(40)	(130)	(36)	129	(124)	(195)			
	green	green	amber	green	green	red	green	red	red	amber			
Annual Budget	-	(529)	(904)	(70)	(4,863)	(6,001)	(4,136)	(531)	(8,622)	(25,656)			
Projected Outturn	-	(529)	(904)	(70)	(4,863)	(6,000)	(4,126)	(531)	(8,581)	(25,604)			
Variance	-	-	-	-	-	1	10	-	41	52			
<b>TOTAL NET</b>													
Profiled Budget to Date	85	(209)	1,637	290	462	687	54	571	1,219	4,796			
Actual to Date	23	(228)	1,502	276	388	336	107	657	1,113	4,174			
Variance to Date	(62)	(19)	(135)	(14)	(74)	(351)	53	86	(106)	(622)			
	red	amber	red	green	red	red	red	red	red	red			
Annual Budget	330	753	6,622	1,104	2,649	5,872	3,625	2,843	2,886	26,684			
Projected Outturn	330	753	6,596	1,104	2,649	6,044	3,625	2,843	2,942	26,886			
Variance	-	-	(26)	-	-	172	-	-	56	202			

## Forecast Outturn Variances

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
<b>Corporate Management</b>				
Head of Service	(10)		(10)	Forecast saving in respect of other general services budget.
ICT	(16)		(16)	£17k savings identified within new applications budget offset by £1k additional costs of data protection.
<b>Life Opportunities</b>				
Bed and breakfast costs	164	(99)	65	Budget overspent at period 3 due to higher number of households in B & B than budgeted.
Housing Advice	38		38	Agreed cost of extending contracts of temporary contracts with housing advice to cope with workload.
Sport & Leisure	(27)	100	73	Reflects estimated loss of income from temporary closure of fitness pool, offset by reduction in some costs.
Parks and Recreation	(4)		(4)	There is saving of £16k that has been negotiated in respect of the grounds maintenance contract price index. This was uncertain when the 2008/09 accounts were closed and so had not been accrued. There is also a cost pressure of £12k in respect of the maintenance of retained shrub borders and costs of planting troughs.
<b>Street Services</b>				
Recycling	15		15	£15K estimated overspend on Workshop salaries due to one-off payout to change Contract hours and reduce overtime in the long-term. This needs to be monitored over the coming months.
Community Operations		41	41	There is currently a dispute with ECC concerning a contribution towards 2 street wardens and an admin assistant.
<b>Total</b>	<b>160</b>	<b>42</b>	<b>202</b>	

<b>Key Risk Areas</b>	
<b>Service / Item</b>	<b>Current Position / Comment</b>
<b>Corporate Management</b>	
Land charges – Income	Currently £20k above budget at the end of period 3. However, there is no guarantee that this trend will continue throughout the financial year.
<b>Environmental &amp; Protective Services</b>	
Planning income	Currently £157k over-recovery of income due to 3 large applications. This does not indicate a sudden rise in planning applications but provides positive signs that the budget can be achieved this year.
Building Control income	Current position is on budget.
<b>Life Opportunities</b>	
Bed and Breakfast	There is a net overspend of £20k on Bed & Breakfast costs as at period 3. The predicted forecast outturn position is a net overspend of £65k. The outturn position is less than recent years and is based on a recent change in case law relating to the duty to accommodate homeless 16 & 17 year olds. From now on we will only accommodate this group for a maximum period of 14 days while a referral to Social Care is made who will have the responsibility to accommodate them. This client group represented about half of the single people in B & B on average during the last quarter and significantly added to the overspend. Although the number of single people in B & B is still running over the number assumed within the budget, it is not anticipated that the level of overspend in Quarter 1 will be replicated in future quarters. However, this will be monitored on a regular basis.
Sport & Leisure income	Customer income is currently £34k over budget but this is due to some membership income being received in advance and this trend is not expected to continue. The budget has been fully profiled to reflect the regular flow of income in this area. The risk surrounding the closure of the Fitness pool has been estimated at a loss of circa. £100k income. This loss should be partially offset by some cost savings for the same period. The full impact of the recession is still as yet unknown and close monitoring of the situation will continue.
<b>Resource Management</b>	
Income from commercial estates	Current £51K over-recovery of income due to timing. However this is unlikely to continue as 3 empty properties are unlikely to have tenants.
<b>Strategic Policy &amp; Regeneration</b>	
Visitor Information Centre(VIC) budget target	Steps have been taken to deliver the £30k target for 2009/10, and close monitoring continues on the effect of the economic recession on the various income streams.



<b>Service / Item</b>	<b>Current Position / Comment</b>
<b>Street Services</b>	
Car Parking Income	Current £13K under-recovery of income.
Penalty Charge Notices (PCN) Income	Current £59K under-recovery of income, £42K of which is the debtor for 2008/09 which is unlikely to be fully recovered.
<b>Cross Cutting Pressures</b>	
Energy costs	The 09/10 budget includes assumptions for increases to energy costs during the second half of the year. These will therefore be reviewed as part of the Period 6 update to the Panel. Current indications show that price changes are likely to be less than budgeted.
Achievement of corporate targets	The report sets out that some progress has been made towards achieving most corporate savings targets such as procurement and salary savings. A plan of areas to review the remaining target in respect of procurement savings has been drafted. The income target, which includes roundabout sponsorship, is being impacted by the ongoing economic climate. All targets are monitored monthly by Senior Management Team.

## Housing Revenue Account – Period 3

June 2009	Current Period - June 2009			Forecast Year-End Position		
	Profiled Budget to Period 3 £'000	Actual to Period 3 £'000	Variance (under) / over £'000	Annual Budget £'000	Projected Outturn £'000	Variance (under) / over £'000
<b>Account Description</b>						
<b>HRA - Direct &amp; Non-Direct</b>						
<b>EXPENDITURE</b>						
Employees	194	150	(44)	774	718	(56)
Premises Related	1,296	1,076	(220)	6,349	6,349	-
Transport Related	1	2	1	4	4	-
Supplies & Services	154	139	(15)	743	743	-
Third Party Payments	2,104	2,095	(9)	6,511	6,511	-
Transfer Payments	17	6	(11)	67	67	-
Support Services	626	619	(7)	2,707	2,707	-
Capital Financing Costs	-	-	-	11,558	11,558	-
<b>TOTAL EXPENDITURE</b>	<b>4,392</b>	<b>4,087</b>	<b>(305)</b>	<b>28,713</b>	<b>28,657</b>	<b>(56)</b>
<b>INCOME</b>						
Government Grant	-	-	-	-	-	-
Other Grants & Reimbursements	(33)	(43)	(10)	(152)	(152)	-
Customer & Client Receipts	(6,628)	(6,597)	31	(24,806)	(24,750)	56
Income-Interest	(2)	(1)	1	(19)	(19)	-
Inter Account Transfers	-	-	-	(3,879)	(3,879)	-
<b>TOTAL INCOME</b>	<b>(6,663)</b>	<b>(6,641)</b>	<b>22</b>	<b>(28,856)</b>	<b>(28,800)</b>	<b>56</b>
<b>TOTAL NET - HRA</b>	<b>(2,271)</b>	<b>(2,554)</b>	<b>(283)</b>	<b>(143)</b>	<b>(143)</b>	<b>-</b>



# Finance and Audit Scrutiny Panel

Item  
**11**

18 August 2009

<b>Report of</b>	<b>Head of Resource Management</b>	<b>Author</b>	<b>Graham Coleman</b>
<b>Title</b>	<b>Capital Expenditure Monitor 2009/10</b>		<b>Tel. 282741</b>
<b>Wards affected</b>	Not applicable		

**The Panel is invited to review the progress against all capital schemes for the first three months of 2009/10**

## 1. Action Required

- 1.1 To note the level of capital spending during the first quarter of 2009/10 and forecasts for future years.

## 2. Reason for scrutiny

- 2.1 Monitoring capital spending is important to ensure:
- Spending on projects is within agreed scheme budgets.
  - The overall programme is delivered within budget.
- 2.2 This report also gives the Panel the opportunity to hold Service Managers and Portfolio Holders accountable for their budgets.

## 3. Background

- 3.1 This report sets out details of spending for the financial year 2009/10 (April 2009 to June 2009) and revised forecasts for future years.
- 3.2 The report includes new capital funding and changes to the capital programme as revised by Cabinet on 18 March 2009 and 13 July 2009.
- 3.3 The report includes capital expenditure in respect of the Housing Investment Programme, including expenditure on the Council's housing stock.

## 4. 2009/10 position to 30 June

- 4.1 In the first 3 months of this year capital spending totalled £1.5 million. This represents 4.9% of the total programme. Whilst the percentage spend to date appears low, this is due to expenditure on a number of larger schemes being scheduled to commence later in the year. This includes the Visual Arts Facility and the Decent Homes project, which are in the process of being retendered, and the delayed spending on these schemes has accordingly been re-profiled. Additionally, £805k of new growth point monies have just been added into the capital programme. It should be noted that the programme includes a number of major schemes where spending is planned across more than one year and that spending to date is broadly in line with expectations.
- 4.2 In total, forecast spending for this year is £20.1 million, with the remainder of the programme currently planned for 2010/11. The table below sets this out by service area:

Summary	Current Total Programme	2009/10 Expenditure for year	Expected Expenditure 2009/10	Expected Expenditure 2010/11
	£'000	£'000	£'000	£'000
Corporate Management	1,784.7	79.6	1,784.7	0.0
EMT	236.7	13.0	236.7	0.0
Resource Management	554.0	206.4	492.6	61.4
Street Services	592.2	149.9	592.2	0.0
Environmental & Protective Services	286.6	39.8	286.6	0.0
Strategic Policy & Regeneration	15,941.5	419.0	10,530.7	5,419.9
Life Opportunities	3,012.6	246.2	2,429.2	343.7
Completed Schemes	89.4	80.1	98.0	0.0
<b>Total – General Fund Services</b>	<b>22,497.7</b>	<b>1,234.0</b>	<b>16,450.7</b>	<b>5,825.0</b>
Housing Revenue Account	7,915.5	242.3	3,618.0	4,297.5
<b>Total Capital Programme</b>	<b>30,413.2</b>	<b>1,476.3</b>	<b>20,068.7</b>	<b>10,122.5</b>

4.3 **Appendix A** sets out details of spending and forecasts on all schemes. Comments are provided on the schemes' progress and future forecasts. The schedule includes budgets for all approved and funded schemes and some existing projects that, whilst approved, are not yet available to spend until resources are secured to enable funding to be released. These amounts are shown in the unfunded columns and reflect the Capital Programme approved by Council on 18 February 2009, and revised on 18 March and 13 July 2009.

4.4 Cabinet on 10 September 2008 agreed to put certain capital schemes "on hold" pending the resolution of current financial uncertainties relating to capital receipts and capital expenditure commitments. No commitments for those projects which are funded should be entered into and those unfunded projects will not have any further funding released. Cabinet subsequently agreed to release £25k of the sum put on hold for the public conveniences programme, and so only £150k is now on hold. Additionally Cabinet in July 2009 agreed to release £50k of the sum on hold for grants under the Support to Parish Councils scheme. The schemes on hold are listed below, as amended by the above changes.

Schemes put on hold per Cabinet of 10 September 2008 (as amended)	Amount on hold		Total
	Funded	Unfunded	
	£'000	£'000	£'000
Backlog Repairs		150.0	150.0
Support for Parish Councils		50.0	50.0
Historic Core Zone	160.0		160.0
Maritime Projects		150.0	150.0
Personal Computer Upgrade	0.8	800.0	800.8
Public Conveniences	150.0		150.0
Town Centre Signs	90.0		90.0
Park & Ride	125.0		125.0
East Colchester	222.1		222.1
<b>Total</b>	<b>747.9</b>	<b>1,150.0</b>	<b>1,897.9</b>

4.5 As previously reported to this Panel, the cost of stabilisation works to St Leonards Church Wall is now considerably lower than previously thought, resulting in a saving of £239.7k. This, together with a number of completed schemes where small overspends have been identified are detailed in Appendix A and summarised in the table below. The previously reported overspend on the Town Hall Lift of £9k is not now expected to occur, and when

final contract documents are received this may result in an under-spend that will be reported to a future meeting.

<b>Scheme</b>	<b>Over/ (Under)</b>
	<b>£'000</b>
St Leonards Church Wall	(239.7)
Cuckoo Farm Pre-Development	9.1
Other minor overspends	8.6
<b>Total Net Underspend</b>	<b>(222.0)</b>

4.6 This sum will be referred to Cabinet for consideration and allocation to other capital schemes. Cabinet will also consider a revised forecast of capital receipts as well as the outcome of the current review of schemes within the Capital Programme.

## **5. Strategic Plan references**

5.1 The Council's Capital Programme is aligned to the Strategic Plan.

## **6. Financial implications**

6.1 As set out above.

## **7. Risk management implications**

7.1 Risk management issues are considered as part of all capital projects.

## **8. Other Standard References**

Having considered consultation, publicity, equality, diversity and human rights, community safety, and health and safety implications, there are none that are significant to the matters in this report.

## **Background Papers**

None

# Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>SUMMARY</b>									
Corporate Management	1,878.7	(94.0)	0.0	3,084.7		1,784.7	79.6	1,784.7	0.0
EMT	236.7	0.0	0.0	286.7		236.7	13.0	236.7	0.0
Resource Management	534.0	0.0	20.0	704.0		554.0	206.4	492.6	61.4
Street Services	512.2	0.0	80.0	688.2		592.2	149.9	592.2	0.0
Environmental & Protective Serv.	286.6	0.0	0.0	711.6		286.6	39.8	286.6	0.0
Strategic Policy & Regeneration	15,136.5	0.0	805.0	16,636.5		15,941.5	419.0	10,530.7	5,419.9
Life Opportunities	2,942.6	0.0	70.0	3,577.6		3,012.6	246.2	2,429.2	343.7
Completed Schemes	83.1	0.0	6.3	89.4		89.4	80.1	98.0	0.0
<b>Total (General Fund)</b>	<b>21,610.4</b>	<b>(94.0)</b>	<b>981.3</b>	<b>25,778.7</b>		<b>22,497.7</b>	<b>1,234.0</b>	<b>16,450.7</b>	<b>5,825.0</b>
Housing Revenue Account	7,915.5	0.0	0.0	7,915.5		7,915.5	242.3	3,618.0	4,297.5
<b>Total Capital Programme</b>	<b>29,525.9</b>	<b>(94.0)</b>	<b>981.3</b>	<b>33,694.2</b>		<b>30,413.2</b>	<b>1,476.3</b>	<b>20,068.7</b>	<b>10,122.5</b>

### Key to Status column:

Fully Funded	FF
Partly Funded	PF
Unfunded	U

N.B. Summary does not include cost of accommodation from reserve

### Reconciliation to previous FASP report

Programme reported to FASP 30 June 2009

Less:

Expenditure in 2008/09

ICT Strategy - transfer funding to revenue for corporate scanning

Add:

CLW - Fitness Pool - transfer of funding from Repairs & Renewals

Flat Recycling extension - virement from revenue

DDA Measures - external contribution received 08-09.

Town Centre - new Growth Point Funding

Public Realm Phase 2 - new Growth Point Funding

Creative Business Hub - new Growth Point Funding

A12 Junction Facilitation - new Growth Point Funding

Additional S106 funding for Groundsmen's Building Castle Park

### Current Funded Programme

<b>£'000</b>	
54,378.9	
(24,853.0)	
(94.0)	
70.0	
80.0	
20.0	
150.0	
180.0	
125.0	
350.0	
6.3	
<b>30,413.2</b>	

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 R £'000
	<b>CORPORATE MANAGEMENT</b>								
<b>Town Hall</b>	86.8	0.0	0.0	86.8	FF	86.8	2.1	86.8	0.0
<i>Description of Scheme:</i> Works to the Town Hall associated with the Business Plan. Access work to the Old Library/works to the Moot Hall Kitchen.									
<i>Comments:</i> Phase 1 works complete. The design for Phase 2 works which will deliver DDA compliant access through the St Runwald Street graveyard are currently out to tender									
<b>E-Government</b>	43.8	0.0	0.0	43.8	FF	43.8	6.4	43.8	0.0
<i>Description of Scheme:</i> Works to comply with Government's E-Gov agenda									
<i>Comments:</i> Budget committed - waiting on supplier to invoice. We are continuing to chase supplier where appropriate for invoices for the remaining balance.									
<b>GIS/Gazetteer</b>	11.3	0.0	0.0	11.3	FF	11.3	6.3	11.3	0.0
<i>Description of Scheme:</i> Cleansing of LLPG database									
<i>Comments:</i> Project was delayed, but now progressing. Remaining spend expected in 2009-10.									
<b>Computer Upgrade</b>	0.8	0.0	0.0	800.8	PF	0.8	2.3	0.8	0.0
<i>Description of Scheme:</i> Personal Computer Upgrade (including Councillors Computers) (SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). To keep personal computer stock									
<i>Comments:</i> AD2005 Project is now complete. Server migration also completed. Unfunded scheme of £800k for future desktop refresh. Awaiting capital release before progressing									
<b>Electronic Service Delivery</b>	190.0	0.0	0.0	190.0	FF	190.0	22.4	190.0	0.0
<i>Description of Scheme:</i> Customer Service Centre. Furtherance of electronic service facilities includes areas identified in business case for CSC									
<i>Comments:</i> Underspent slightly against its profile last year as a result of the virtualisation project coming in slightly under-budget, and other suppliers not invoicing within the financial year									
<b>ICT Strategy Development</b>	1,546.0	(94.0)	0.0	1,952.0	PF	1,452.0	40.1	1,452.0	0.0
<i>Description of Scheme:</i> New capital investment									
<i>Comments:</i> All pilots now completed. Project for corporate remote working now initiated and agreed by the project team, with a short pilot test period scheduled for mid August. R									
<b>TOTAL - CORPORATE MANAGEMENT</b>	<b>1,878.7</b>	<b>(94.0)</b>	<b>0.0</b>	<b>3,084.7</b>		<b>1,784.7</b>	<b>79.6</b>	<b>1,784.7</b>	<b>0.0</b>
<b>EMT</b>									

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>RESOURCE MANAGEMENT</b>									
<b>Financial Systems Migration</b>	3.1	0.0	0.0	3.1	FF	3.1	0.0	3.1	0.0
<i>Description of Scheme:</i> Upgrade of Financial Systems <i>Comments:</i> The new debtors system is now live and the transition between systems in the process of completion. Recurring billing went live in April. Works to integrate Leisure Works									
<b>DDA Measures</b>	427.9	0.0	20.0	447.9	FF	447.9	187.5	427.9	20.0
<i>Description of Scheme:</i> Works to civic buildings to comply with requirements of the Disability Discrimination Act (incl. Town Hall lift) <i>Comments:</i> The Town Hall lift project is now complete and the final account is currently being prepared. Early indications are that project will actually be delivered within existing budget due in April 2010. DDA works to all other operational buildings were completed in 2007/08.									
<b>Backlog Repairs</b>	0.0	0.0	0.0	150.0	U	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i> (SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Required maintenance to civic buildings <i>Comments:</i> This budget provision is currently being reviewed alongside the new 5 year Building Maintenance Programme.									
<b>Site Disposal Costs</b>	61.6	0.0	0.0	61.6	FF	61.6	18.9	61.6	0.0
<i>Description of Scheme:</i> Costs of securing capital receipts <i>Comments:</i> Cabinet on 10th June 2009 approved the sale of Angel Court for an office and retail scheme. On-going security costs for the Layer Road football ground will be incurred									
<b>Moler Works Site</b>	41.4	0.0	0.0	41.4	FF	41.4	0.0	0.0	41.4
<i>Description of Scheme:</i> Costs associated with provision of three commercial shop units. <i>Comments:</i> Development of this site is delayed pending a redesign and planning approval. Revised scheme will include 3 shop units for transfer to CBC. Fitting out expenditure expected									
<b>TOTAL - RESOURCE MANAGEMENT</b>	<b>534.0</b>	<b>0.0</b>	<b>20.0</b>	<b>704.0</b>		<b>554.0</b>	<b>206.4</b>	<b>492.6</b>	<b>61.4</b>



## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>STREET SERVICES</b>									
<b>Public Conveniences</b>	210.8	0.0	0.0	210.8	FF	210.8	31.0	210.8	0.0
<i>Description of Scheme:</i> (SCHEME PARTLY ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Toilet refurbishment works. <i>Comments:</i> Refurbishment complete at Lion Walk, including the creative convenience design, and final valuation certificates will be due in August. Dedham toilets have also been The rest of the public conveniences programme has now been reviewed by the Portfolio Holder in line with the cabinets wishes and no further refurbishments are plan									
<b>Waste Diversion / Green Waste</b>	26.5	0.0	0.0	26.5	FF	26.5	0.0	26.5	0.0
<i>Description of Scheme:</i> General provision for recycling initiatives including green waste trials etc <i>Comments:</i> The remaining amount has been used to support the expansion of recycling services to residents living in flats in financial year 09/10. This will be added to the £80,000 appears as a separate Capital scheme (below).									
<b>PowerPerfector Voltage Optimisation Equipment</b>	132.9	0.0	0.0	132.9	FF	132.9	28.2	132.9	0.0
<i>Description of Scheme:</i> Installation of equipment at top ten electricity usage sites <i>Comments:</i> Equipment installed at Crematorium, St Marys and St John's MSCP and Colchester Castle. Equipment delivered to Museum Resource Centre and Mile End Sports Pa installation to be agreed for Town Hall and CLW. All sites should be complete by September 2009.									
<b>Shrub End Waste Transfer Plant</b>	89.7	0.0	0.0	89.7	FF	89.7	37.6	89.7	0.0
<i>Description of Scheme:</i> <i>Comments:</i> ECC agreed to fund this project as part of the transfer of waste outside the Borough. Work has been completed and ECC have been invoiced in full. They have agreed original estimated cost of £150,000									
<b>Flat Recycling Extension</b>	0.0	0.0	80.0	80.0	FF	80.0	53.1	80.0	0.0
<i>Description of Scheme:</i> New phase delivering recycling facilities for residents living in flats <i>Comments:</i> This is being used to support the expansion of recycling services to residents living in flats in financial year 09/10. The spend so far has been on recycling sacks, bins									
<b>Upgrade of CCTV Equipment</b>	52.3	0.0	0.0	148.3	FF	52.3	0.0	52.3	0.0
<i>Description of Scheme:</i> Upgrade of equipment to digital format <i>Comments:</i> 1st phase of CCTV upgrade completed March 07. The Centre will now remain in the Angel Court complex so a quote has been sought to replace the matrix and insta									

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			A F R	
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000		10/11 £'000
<b>ENVIRONMENTAL &amp; PROTECTIVE SERVICES</b>										
<b>Heritage Fund - incl. Roman Walls</b>	138.6	0.0	0.0	338.6	PF	138.6	39.8	138.6	0.0	
<i>Description of Scheme:</i> Heritage Fund used to enhance public spaces and historic sites, and protect key buildings <i>Comments:</i> Bakers of Danbury started work on the Roman Road section of the Town Walls in late March 2009 and this is ongoing. The survey of the Balkeerne Hill stretch has also										
<b>Heritage Fund - Castle Park Interpretation</b>	50.0	0.0	0.0	50.0	PF	50.0	0.0	50.0	0.0	
<i>Description of Scheme:</i> Heritage Fund used to enhance public spaces and historic sites, and protect key buildings <i>Comments:</i> Scheme expected to be completed in late Summer / early Autumn and will involve welcome signage erected at every entrance into Castle Park. The signs will comprise the Park; Visitor info – do's and don'ts										
<b>Heritage Fund - St Nicholas Square</b>	20.0	0.0	0.0	20.0	PF	20.0	0.0	20.0	0.0	
<i>Description of Scheme:</i> Heritage Fund used to enhance public spaces and historic sites, and protect key buildings <i>Comments:</i> Scheme not to be progressed and proposal on reallocating funding to the Town Walls scheme already identified under the Heritage Fund, is shortly to be discussed with										
<b>Cemetery Extension</b>	0.0	0.0	0.0	125.0	U	0.0	0.0	0.0	0.0	
<i>Description of Scheme:</i> Acquisition of land and provision of infrastructure to enable continuation of burial services <i>Comments:</i> MOD have indicated that they will gift 5 acres of the cemetery extension land in return for residential planning permission for the remaining 1 acre. Negotiations with the establish whether this would be acceptable in planning terms. If acceptable an approach to secure the relevant section 106 agreement will be made asap. The capital works to the land. Such works include survey, mapping, levelling, landscaping and fencing along with any access roads that may need to be built.										
<b>Roman Circus</b>	78.0	0.0	0.0	78.0	PF	78.0	0.0	78.0	0.0	
<i>Description of Scheme:</i> Interpretation/Visitor Centre for Roman Remains <i>Comments:</i> The Heritage Lottery Fund rejected the first-round application for this project on 19 March 2009 and as a result the scope of this project is currently being revised.										
<b>Redevelopment of Castle Museum</b>	0.0	0.0	0.0	100.0	U	0.0	0.0	0.0	0.0	
<i>Description of Scheme:</i> Provision of match funding towards Lottery bid <i>Comments:</i> Following advice from HLF and consideration of a preliminary bid a revised bid will go to the National HLF board by end of August with decision by the end of November										

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>STRATEGIC POLICY &amp; REGENERATION</b>									
<b>Park &amp; Ride</b>	124.4	0.0	0.0	124.4	FF	124.4	0.0	124.4	0.0
<i>Description of Scheme:</i> (SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Costs of achieving a Colchester Park & Ride.									
<i>Comments:</i> Funding of £10.2m has been granted through CIF2 for the delivery of a new junction onto the A12 which would mean completion of these infrastructure works by 2011 of the 1000 space permanent park and ride site at North Colchester and ECC have commenced feasibility studies for this site which will require some funding from CB Transit link is underway, funded through Haven Gateway Partnership to establish whether an East Colchester Park and Ride is deliverable in infrastructure terms and work to possible east Colchester sites.									
<b>Community Stadium Pre-development</b>	71.3	0.0	0.0	71.3	FF	71.3	6.1	71.3	0.0
<i>Description of Scheme:</i> Preliminary work on construction details, costs and business planning to progress the project.									
<i>Comments:</i> A final reconciliation of invoices has yet to take place, but current underspend has already been committed.									
<b>Community Stadium - Build</b>	80.3	0.0	0.0	80.3	FF	80.3	0.0	80.3	0.0
<i>Description of Scheme:</i> Construction of new Community Stadium									
<i>Comments:</i> Now 1 year post Practical Completion but 1.5% construction cost retention still being held until final snagging items cleared and discharge of final planning conditions £80k this is already committed for 09/10.									
<b>B I C North</b>	2,360.2	0.0	0.0	2,360.2	FF	2,360.2	1.5	2,360.2	0.0
<i>Description of Scheme:</i> Business Incubator Units in North Colchester									
<i>Comments:</i> Preliminaries completed with CLG funds. Cost plan review has established that a smaller building is deliverable and project now underway following confirmation of the equates to £2.4m and £2m currently exists with a further £400k to be secured through the sale of the adjacent enabling land. The highest offer for this land was £417									
<b>Cuckoo Farm</b>	(9.1)	0.0	0.0	(9.1)	FF	(9.1)	0.0	0.0	0.0
<i>Description of Scheme:</i> Predevelopment activity (such as specialist input on legal, highway and environmental issues) to facilitate the commencement of the development of Cuckoo Farm.									
<i>Comments:</i> All funding now committed and small overspend which possibly can be reduced through other related projects. There is still a need to review Severalls Landowners A for the sale of the enabling land, but no funding currently exists for this.									
<b>East Colchester, Hythe Regeneration</b>	253.4	0.0	0.0	253.4	FF	253.4	9.4	253.4	0.0
<i>Description of Scheme:</i>									

## Capital Programme 2009/10

Service / Scheme	New monies					Funded	
	Funded	CBC	Ext.	Total Prog.	Total Funded	Spend Apr-Jun	2009/10
	Prog. B/fwd £'000	£'000	£'000	£'000	£'000	£'000	10/11 £'000
<b>King Edward Quay</b>	147.2	0.0	0.0	147.2	147.2	0.0	0.0
<i>Description of Scheme:</i> Transformation of Quay							
<i>Comments:</i> The £300k CLG grant, which it was not possible to claim by the deadline of March 2008, has been replaced by S106 funds and further work is now underway to complete July 2009 but timescale has moved to the end of September due to problems with service provision.							
<b>St Botolphs Regeneration</b>	946.0	0.0	0.0	1,491.0	946.0	7.4	473.0
<i>Description of Scheme:</i> Fund to progress elements within the St Botolphs regeneration area.							
<i>Comments:</i> Funding allocated to specific projects as follows: £170k Temporary Bus Station, £125k Vineyard Gate, £96k Cultural Qtr, £75k MSCP, £100k public realm. Work continues for Cultural Quarter and public realm improvements. Developers for Vineyard Gate remain in place but the scheme has been affected by the economic conditions.							
<b>St Botolphs Public Realm Phase 1</b>	387.2	0.0	0.0	387.2	387.2	16.9	0.0
<i>Description of Scheme:</i> Public Realm Improvements							
<i>Comments:</i> Work is underway on Phase 1 of this project funded by CLG which includes improvements to the Priory grounds and Berryfield Park in consultation with local community now form part of a comprehensive scheme but spend delayed due to uncertainty with VAF programme.							
<b>St Botolphs Public Realm Phase 2</b>	0.0	0.0	180.0	180.0	180.0	0.0	0.0
<i>Description of Scheme:</i> Public Realm Improvements							
<i>Comments:</i> It is proposed to use Phase 2 monies to also contribute towards public realm improvements surrounding the VAF and through Phase 1 of the Cultural Quarter. This monies have been allocated for 09/10 with a further £220k provisionally allocated for 10/11 although some doubts regarding this funding.							
<b>Historic Town Centre Improvements</b>	160.0	0.0	0.0	160.0	160.0	0.0	0.0
<i>Description of Scheme:</i> (SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Works to Historic Core Zone.							
<i>Comments:</i> This scheme now led by CBC as project outputs will be social, economic rather than just transportation related. Most of the current work is being funded through HGF as part of a wider project which includes transport improvements and the Public Realm Strategy work which is due for completion of a draft for consultation in July 2009. The scheme is subject to a number of objectives and short, medium and longer term projects are being identified which work towards the delivery of these. CBC spend currently on hold, but funded from Grant in Aid.							
<b>Town Centre Improvements Phase 1</b>	50.8	0.0	0.0	50.8	50.8	11.0	0.0
<i>Description of Scheme:</i> See above - this element is match funding from CLG Growth Point with specific elements to reduce traffic flows through the town centre core, improve the pedestrian environment and improve the public realm.							

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded	CBC	Ext.	Total Prog.	Total Prog.	Total	Spend Apr-	Funded	
	Prog. B/fwd £'000	£'000	£'000	£'000	£'000	Prog. £'000	2009/10 £'000	09/10 £'000	
<b>Creative Business Hub</b>	0.0	0.0	125.0	125.0	PF	125.0	1.4	125.0	0.0
<i>Description of Scheme:</i>									
Contribution to Creative Business Centre									
<i>Comments:</i>									
This Haven Gateway Growth Area funding is a contribution to the creative Business Centre to be formed in Roman House which will be refurbished by Garbe under the									
<b>Maritime Projects</b>	0.0	0.0	0.0	150.0	U	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>									
(SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Provision for maritime project works.									
<i>Comments:</i>									
Scheme not funded - subject to review.									
<b>Visual Arts Facility (VAF) Main Scheme</b>	2,429.5	0.0	0.0	2,429.5	FF	2,429.5	313.6	2,429.5	0.0
<i>Description of Scheme:</i>									
New Visual Arts Facility									
<i>Comments:</i>									
Following the removal of the main contractors, new project managers have been appointed. These are currently assessing the potential procurement process for the professional design team. The work includes an analysis of project risks and future programme for delivery.									
<b>Visual Arts Facility (VAF) Fit-out</b>	6,750.0	0.0	0.0	6,750.0	PF	6,750.0	0.0	2,000.0	4,750.0
<i>Description of Scheme:</i>									
<i>Comments:</i>									
Funding now included in capital programme for fit-out works (£2m from CBC, and £4.75m from funding partners). Works to be subject to a tendering exercise.									
<b>Town Centre Signs (Phase 2)</b>	90.0	0.0	0.0	90.0	FF	90.0	0.0	90.0	0.0
<i>Description of Scheme:</i>									
(SCHEME ON HOLD AS PER CABINET OF 10 SEPTEMBER 2008). Extension of Town Centre signage scheme.									
<i>Comments:</i>									
Phase 2 works were programmed for installation in 2008 following release of funding (now on hold per Cabinet).									
<b>Assistance to Registered Social Landlords</b>	688.9	0.0	0.0	688.9	PF	688.9	0.0	492.0	196.9
<i>Description of Scheme:</i>									
Support to affordable housing schemes									
<i>Comments:</i>									
The funding committed in 09/10 relates to £407k funding to Colne housing to secure 83 new affordable homes for Colchester. (PH Report of 20 March refers) This funding is subject to a tendering exercise.									
<b>TOTAL - STRAT POLICY &amp; REGEN</b>	<b>15,136.5</b>	<b>0.0</b>	<b>805.0</b>	<b>16,636.5</b>		<b>15,941.5</b>	<b>419.0</b>	<b>10,530.7</b>	<b>5,419.9</b>

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>LIFE OPPORTUNITIES</b>									
<b>Community Development - St Annes</b>	29.3	0.0	0.0	29.3	FF	29.3	0.0	29.3	0.0
<i>Description of Scheme:</i> Contribution towards community centre in Harwich Road									
<i>Comments:</i> This building is now completed. The remaining money in this budget will be used for the final payments once the defects period is over. A defects period completion ce made shortly.									
<b>Improving Life Chances</b>	55.4	0.0	0.0	120.4	PF	55.4	9.0	55.4	0.0
<i>Description of Scheme:</i> A general provision to enable the Council to support work in improving life chances such as the provision of new community facilities.									
<i>Comments:</i> Total commitment for loop systems is £5K - so far £3,424.55 has been paid with £1,575.45 left. This will be paid in the next couple of weeks to the YMCA. Of the £2 Monkwick, £9,082.90 has been spent and there is £11,917.10 which will be spent in 2009/10.									
<b>Hythe Community Centre</b>	0.2	0.0	0.0	0.2	FF	0.2	0.0	0.2	0.0
<i>Description of Scheme:</i> S106. Improvements incl. conversion of garage to storage, works to windows and doors and boiler replacement.									
<i>Comments:</i> S106 funds released in first phase = £3,960.32. S106 funds released in 2nd phase = £2,026.87. A third release of £1,821.25 was made in January 2008. Remaining u									
<b>Mandatory Disabled Facilities Grants</b>	1,111.6	0.0	0.0	1,611.6	PF	1,111.6	175.2	811.6	300.0
<i>Description of Scheme:</i> Disabled Facility Grants									
<i>Comments:</i> The DFG allocation for 2009/10 is already approximately 30% committed and the current forecast is that it will be fully committed (except for unforeseen works provisio to be a risk of statutory timescales being breached. Work on a revised financial assistance policy has started.									
<b>Private Sector Renewals - Loans and Grants</b>	389.4	0.0	0.0	389.4	PF	389.4	40.8	389.4	0.0
<i>Description of Scheme:</i> Loans and grants to private householders									
<i>Comments:</i> Work on a revised financial assistance policy has started, to try and address ongoing budget pressure on this work. In the meantime only applications already in the s									
<b>Highwoods Community Facilities</b>	19.0	0.0	0.0	19.0	FF	19.0	0.0	19.0	0.0
<i>Description of Scheme:</i> Social Meeting Place									
<i>Comments:</i> This scheme is linked to a United Solutions initiative to create a social meeting place on the Highwoods estate - the identified site on Brinkley Grove Road has some d									

## Capital Programme 2009/10

Service / Scheme	New monies					Funded				
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded	Spend Apr-Jun	2009/10	09/10	10/11	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Old Heath MUGA Installation &amp; Landscape Improvements</b>	75.0	0.0	0.0	75.0	75.0	0.0	75.0	0.0	0.0	
<i>Description of Scheme:</i>										
Works to recreation ground										
<i>Comments:</i>										
Designs and layout being discussed with local resident representatives. Funding and provision of additional complementary facilities being explored by resident group resident meetings. Anticipated start date winter 2009 subject to consultation results.										
<b>Opportunity Purchases</b>	53.0	0.0	0.0	53.0	53.0	0.0	53.0	0.0	0.0	
<i>Description of Scheme:</i>										
Fund for purchase of open space land and other opportunity purchases										
<i>Comments:</i>										
Remaining funds (£53k) available for other open space acquisitions.										
<b>Castle Park - Playground Refurbishment</b>	110.0	0.0	0.0	110.0	110.0	0.0	110.0	0.0	0.0	
<i>Description of Scheme:</i>										
Refurbishment of Playground										
<i>Comments:</i>										
Refurbishment of existing play area has been delayed by English Heritage concerns over the possible disturbance of archaeological remains on the current play area Heritage Lottery bid for funding was unsuccessful, and other opportunities to progress this project are being investigated as part of public consultation.										
<b>Messing Village Hall Refurbishment S106</b>	28.2	0.0	0.0	28.2	28.2	0.0	28.2	0.0	0.0	
<i>Description of Scheme:</i>										
Parish Council proposes to refurbish village hall from section 106 agreement from local development.										
<i>Comments:</i>										
S106 funds to be released to Messing Parish Council on receipt of invoices associated with the refurbishment work.										
<b>St Leonard's Church Wall</b>	334.7	0.0	0.0	334.7	334.7	0.0	334.7	0.0	0.0	
<i>Description of Scheme:</i>										
Repair & rebuild boundary walls to a closed churchyard										
<i>Comments:</i>										
Works have been retendered on the basis of new approach to stabilisation and discussions with diocese structural/architectural representatives. Works have come in (contingency) and contractor has been appointed. Delay was experienced in obtaining a faculty but this has been approved June 2009. Work started in June. Completion anticipated in August 2009.										
<b>Resource Centre - Highwoods Country Park</b>	181.0	0.0	0.0	181.0	181.0	7.5	178.2	2.8	0.0	
<i>Description of Scheme:</i>										
S106. Provision of Resource Centre.										
<i>Comments:</i>										
Project at final planning stage. Project will be tendered in August 2009 with an expected start on site of September 2009.										

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>Boada Skatebowl</b>	97.4	0.0	0.0	97.4	FF	97.4	0.0	97.4	0.0
<i>Description of Scheme:</i>									
Provision of new activity area targeted at young people									
<i>Comments:</i>									
Project contained within Big Lottery Childrens Play Programme portfolio. Public consultation on design selection. Concrete bowl facility will be unique in Colchester an application approved April 2009. Work commenced June 2009. Completion of project to be officially opened in September 2009.									
<b>TOTAL - LIFE OPPORTUNITIES</b>	<b>2,942.6</b>	<b>0.0</b>	<b>70.0</b>	<b>3,577.6</b>		<b>3,012.6</b>	<b>246.2</b>	<b>2,429.2</b>	<b>343.7</b>



## Capital Programme 2009/10

Service / Scheme	New monies					Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Jun 2009/10	09/10	10/11
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>COMPLETED SCHEMES (OR WHERE RETENTION ONLY OUTSTANDING)</b>								
<b>Angel Court Atrium Roof</b> <i>Description of Scheme:</i> Replacement of Atrium Roof <i>Comments:</i> Works complete - small overspend - all payments now made.	(3.0)	0.0	0.0	(3.0)	(3.0)	4.8	4.8	0.0
<b>Rowan House</b> <i>Description of Scheme:</i> Purchase of Rowan House <i>Comments:</i> Purchase of Rowan House completed on 16 December 2008.	(0.7)	0.0	0.0	(0.7)	(0.7)	0.0	0.0	0.0
<b>Car Park Ticket Machines</b> <i>Description of Scheme:</i> Supply & installation of new pay on foot machines at St. Mary's, St. John's and Leisure World Car Parks <i>Comments:</i> Additional works were required to improve communications outside office hours with CCTV, and also to improve entry access at St John's. The programme also funded Leisure world non-capital items repaid. All complete. Retention amount now not required.	1.4	0.0	0.0	1.4	1.4	0.0	0.0	0.0
<b>SOS Bus</b> <i>Description of Scheme:</i> To provide a mobile medical / health and customer service centre for the residents, visitors, pupils and businesses of Colchester <i>Comments:</i> This project, now operated and managed by Open Road, has been fully completed in just 12 months and began operation on the 25th October 2008. To date approximately £90,000 is needed to refit, stock and launch the Bus (£75,700 of which is capital expenditure). Open Road will complete the project. Remaining capital budget will be spent. All remaining funding has been invoiced to CBC by Open Road as the project is completed and no longer the responsibility of the Council.	3.5	0.0	0.0	3.5	3.5	0.0	3.5	0.0
<b>Museum Store</b> <i>Description of Scheme:</i> Purchase, fit-out and relocation to new store. <i>Comments:</i> Scheme successfully completed.	(0.2)	0.0	0.0	(0.2)	(0.2)	0.0	0.0	0.0
<b>Public Art - Section 106</b> <i>Description of Scheme:</i> Provision of public artworks funded from Section 106 contributions <i>Comments:</i> Phase 2 works were programmed for installation in 2008 following release of funding (now on hold per Cabinet).	1.3	0.0	0.0	1.3	1.3	0.0	1.3	0.0

## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Jun 2009/10 £'000	09/10 £'000	10/11 £'000
<b>Westlands Country Park Playground</b>	70.0	0.0	0.0	70.0	FF	70.0	64.6	70.0	0.0
<i>Description of Scheme:</i>									
<i>Comments:</i>									
Work completed and external funding claims in progress.									
<b>West Mersea</b>	2.0	0.0	0.0	2.0	FF	2.0	0.2	2.0	0.0
<i>Description of Scheme:</i>									
S106 works. Construction of disabled viewing platform, extension to groynes, and reclamation of grass area.									
<i>Comments:</i>									
Works completed.									
<b>Shrub End Sports Ground</b>	(1.3)	0.0	0.0	(1.3)	FF	(1.3)	0.0	0.0	0.0
<i>Description of Scheme:</i>									
Installation of all weather pitch & improvements to Pavilion									
<i>Comments:</i>									
Scheme complete.									
<b>TOTAL - COMPLETED SCHEMES</b>	<b>83.1</b>	<b>0.0</b>	<b>6.3</b>	<b>89.4</b>		<b>89.4</b>	<b>80.1</b>	<b>98.0</b>	<b>0.0</b>

**Capital Programme 2009/10**

Service / Scheme	New monies				Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr- Jun 2009/10 £'000	10/11 R £'000
<b>HOUSING REVENUE ACCOUNT</b>								
<b>Decent Homes &amp; Upgrades</b>	6,797.5	0.0	0.0	6,797.5	FF	6,797.5	137.5	4,297.5
<i>Description of Scheme:</i>								
Scheme to bring council housing stock up to Decent Homes standard together with other upgrade works								
<i>Comments:</i>								
Procurement to recommence the decent homes programme will be completed by October 2009. Cabinet will make the award to the successful contractors at the October surveying properties on the programme in November, work on site is likely to commence in early 2010 due to the lead in period the contractors will need in preparation of the HCA and CLG the decent homes programme will be completed by December 2012.								
<b>Adaptations</b>	826.1	0.0	0.0	826.1	FF	826.1	76.3	0.0
<i>Description of Scheme:</i>								
Improvements made to Council housing stock to meet specific tenants needs								
<i>Comments:</i>								
The balance of the 2008/09 funding has been carried forward to cover the committed spend which will come through in 2009/10. The new 2009/10 funding of £710k will be used for applications for work under the Adaptations programme there is currently a 12-18 month lead in time until funds are available. 2009-10 funding is expected to be fully available by the end of the year.								
<b>Housing ICT</b>	291.9	0.0	0.0	291.9	FF	291.9	28.5	0.0
<i>Description of Scheme:</i>								
Improvements to Housing IT systems								
<i>Comments:</i>								
We undertook the following initiatives in 2008-9:- the implementation of Academy Contractor which went live in March 2009 with final stage payments now having been completed. We procured a microfiche reader printer scanner for use at CBH, produced a Capita mobile feasibility study for CBC Housing, implemented Ingres Operating System, implemented sheltered schemes, procured National Building Software, Regional Choice Based Lettings software, implemented NROSH software (National Register of Social Housing) and end.								
<b>TOTAL - HRA</b>	<b>7,915.5</b>	<b>0.0</b>	<b>0.0</b>	<b>7,915.5</b>		<b>7,915.5</b>	<b>242.3</b>	<b>4,297.5</b>
<b>Note: The schemes above are funded from HRA resources only and therefore do not form part of the General Fund Capital Programme</b>								



## Finance and Audit Scrutiny Panel

Item

**12**

18 August 2009

<b>Report of</b>	<b>Scrutiny Officer</b>	<b>Author</b>	<b>Robert Judd</b>
<b>Title</b>	<b>Work Programme 2009-10</b>		<b>Tel. 282274</b>
<b>Wards affected</b>	Not applicable		

**This report sets out the rolling 2009/10 Work Programme for the Finance and Audit Scrutiny Panel**

### 1. Action Required

1.1 The Panel is asked to consider and comment on the rolling 2009-10 work programme.

### 2. Reason for Action

2.1 This function forms part of the Panel's Terms of Reference in the Constitution.

### 3. Alternative Options

3.1 This forms part of the Panel's Terms of Reference in the Constitution, and there are no alternative options.

### 4. Standard References

4.1 There are no policy plan references or financial, human rights, community safety and risk management implications in this matter.

4.2 The work of the Finance and Audit Scrutiny Panel is a key function to ensure probity in financial, audit and risk management, and is in line with the aims of the strategic plan.

## Finance and Audit Scrutiny Panel

Incorporating Accounts and Regulatory Committee (A&R)

### **WORK PROGRAMME 2009-10** (last updated 5 August 2009)

#### **To be scheduled**

1. Review of Firstsite:Newsite project and business plan – date to be arranged
2. VFM review of Council funding to Firstsite, The Mercury and Arts Centre – date to be arranged
3. Progress report on the Free Freighter Service – date to be arranged in 2010
4. Grounds Maintenance Contract(s) – Head of Life Opportunities (20 October 2009 tbc)

#### **30 June 2009**

1. 2007-08 Annual Audit and Inspection Letter (A&R)
2. 2008-09 External Audit Report (A&R)
3. 2008-09 Internal Audit Report (A&R)
4. Annual review of the Governance Framework and Statement (A&R)
5. 2008-09 Annual Governance Statement (A&R)
6. Draft Annual Statement of Accounts (A&R)
1. 2008-09 Revenue Expenditure pre-audit outturn (FASP)
2. 2008-09 Capital pre audit outturn (FASP)

#### **28 July 2009**

1. Annual Report on Treasury Management
2. 2008-09 Risk Management Summary

#### **18 August 2009**

1. 2009-10 Revenue Expenditure, period April to June
2. 2009-10 Capital Monitor

#### **22 September 2009**

1. 2009-10 Internal Audit Monitor, period April to June
2. 2009-10 External Audit Monitor, period April to June
3. Annual Governance Audit Report (A&R)
4. Annual Statement of Accounts (A&R)
5. Review of Parking Services (Portfolio Holder and Head of Service to attend)

#### **20 October 2009**

1. Report Publication of Audited Statement of Accounts (A&R)
2. Risk Management period April to September
3. Annual Business Continuity Progress report
4. Grounds Maintenance Contract(s) tbc

#### **17 November 2009**

1. 2009-10 Internal Audit Monitor, period April to September
2. 2009-10 Revenue Expenditure, period April to September
3. 2009-10 Capital Monitor
4. 2009-10 Treasury Management Monitor

#### **26 January 2010**

1. 2010-11 Budget Strategy
2. Treasury Management - Investment Strategy

### **23 February 2010**

1. Risk Management, period April to December
2. 2009-10 Revenue Expenditure, period April to December
3. 2009-10 Capital Monitor

### **23 March 2010**

1. 2009-10 Internal Audit Monitor, period April to December
2. Annual Governance Statement briefing paper
3. Internal Audit Annual Plan 2010-11
4. Supplementary opinion audit plan
5. Use of resources statement 2009

