

Item no.

Report to: **Executive**
Date: **10 April 2007**
Report of: **Executive Member for Resources**
Subject: **Capital Programme 2006/2007 - Performance Monitoring**
Ward: **All**

1. Purpose of Report

1.1 This report has been prepared to advise the Executive of the progress made on delivering the 2006/2007 Capital Programme and contains details to the end of December 2006 (end of quarter 3).

2. Consultation

2.1 All capital programme-monitoring officers have been consulted in the preparation of this report.

3. Background

3.1 The total capital programme agreed for 2006/2007 amounted to £17.1m.

3.2 The funding of the programme was agreed as follows:-

	£
Supported Capital Expenditure (Revenue) - SCE(R)	1,000,000
Supported Capital Expenditure Capital Grant - SCE(G)	566,000
Major Repairs Allowance	4,739,000
Capital Receipts	8,739,240
Grants & Contributions	2,048,000
	17,092,240

3.3 This funding was allocated as follows and where applicable carry forwards from the 2005/2006 programme, additional grants/allocations and agreed virements have been included to comprise the gross 2006/2007 programme:-

	£	c/f 2005/06 & Additional Grant (£)	TOTAL £
ALMO Works - Decent Homes Works (EDH)	9,660,000	602,845	10,262,845
ALMO Works - Non Decent Homes Works (EDH)	920,000	-43,140	876,860
HIP - Council Schemes	3,132,000	745,542	3,877,542
Other Services (Non Housing)	3,380,240	972,131	4,352,371
	17,092,240	2,277,378	19,369,618

4.0 Performance to December 2006

4.1 Analysis of expenditure committed for each of the main expenditure blocks within the programme, together with forecasted outturn for 2006/2007 is summarised in the table below. The year-end forecast figures allow for known

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tender sums and the virement of funding between individual schemes to reflect the outcome of decisions by the Capital Programme Working Group to seek to maximise activity within the year. Please note the percentages shown are Expenditure to Date against Year End Forecast.

	Available Funding (£)	Year End Forecast (£)	Expenditure To Date (£)	%age Spent
ALMO Works - Decent Homes Works (EDH)	10,262,845	10,288,271	7,690,680	74.8%
ALMO Works - Non Decent Homes Works (EDH)	876,860	818,533	513,916	62.8%
HIP - Council Schemes	3,877,542	2,978,000	1,594,515	53.5%
Other Services (Non Housing)	4,352,371	2,276,815	1,123,668	49.4%
	19,369,618	16,361,619	10,922,780	66.8%

- 4.2 In reviewing progress, at the end of the third quarter, the overall programme is at a 67% level of commitment, with the works the responsibility of East Durham Homes, that comprise almost three fifths of the total programme, being the most advanced at 74.8% and 62.8% of the respective programme committed.
- 4.3 For the other two expenditure blocks the level of expenditure is significantly lower at only 53.5% and 49.4% of the planned total. Analysis of these totals however does need to take into account that the commitment of Council resources is impacted upon by changes to certain external funding contributions being secured as well as the advancement of schemes requiring further development and negotiation. Some expenditure however will need to be carried forward into 2007/2008 for which approvals have already been sought.
- 4.4 The Capital Programme Working Group undertakes continuous review of anticipated year-end expenditure outturn and expected levels of carry forward as part of the normal monitoring process. This exercise is intended to ensure that expenditure forecasts are as realistic as possible in light of the range of variables that can influence schemes being implemented in the period to March 2007. A half-year review was undertaken and where necessary budgets were realigned to address priority areas. This was reported to the Executive for approval in December.
- 4.5 Appended to the report at Appendix 1 is a summary of the progress that has been achieved under each element of the programme. (Where there are blanks information has not been forthcoming within specified deadlines).
- 4.6 Appendix 2 provides a detailed financial analysis of the programme as of the end of December.

5. Implications

Financial

- 5.1 The financial implications are contained within the main body of the report.

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Legal

- 5.2 None

Risk

- 5.3 A risk assessment has been completed and the necessary actions required to manage the identified risks have been/will be implemented.

Corporate Plan and Priorities

- 5.4 The 2006/2007 Capital Programme is aligned to the Council's objectives and agreed priorities. The main thrust of the programme is towards decent homes/affordable housing and regeneration issues.

Performance Management and Scrutiny

- 5.5 The Capital Programme is monitored on a monthly basis with financial reports being submitted to the Capital Programme Working Group and the Executive. In addition quarterly reports on performance are also prepared.

Electronic Service Delivery

- 5.6 Work is ongoing under the heading of E-Government and addresses implications of meeting the Council's IEG6 Strategy.

Procurement

- 5.7 The programme is being delivered in accordance with the Council's Procurement Strategy and Code of Practice.

Equality and Diversity/Social Inclusion

- 5.8 The Capital Programme includes a number of schemes that will assist to:-
- a) improve access to facilities for people with a disability
 - b) renew communication facilities to care for older people
 - c) support the E-government strategy to address accessibility to services

6. RECOMMENDATIONS

- 6.1 The Executive is recommended to:-
- 1) Note the monitoring position statement on the 2006/2007 Capital Programme as at December 2006.

Background Papers

Financial monitoring forms - held electronically (H Drive)

Monitoring Officers Performance monitoring reports - held electronically by E:mail