

# Item no.

Report to: **Executive Committee**  
Date: **4 September 2007**  
Report of: **Executive Member for Resources**  
Subject: **Capital Programme 2006/2007 - Performance Monitoring - Outturn**  
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 of the outturn position.

## 2. Consultation

- 2.1 Management Team and all capital programme monitoring officers have been consulted in the preparation of this report.

## 3. Background

- 3.1 The gross capital programme agreed for 2006/2007 amounted to £20.8m comprising the allocation of £17.1m which was supplemented by £3.7m arising from carry forwards from 2005/2006 and additional agreed funding.
- 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
	<b>17,092,240</b>

- 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 Funding (£)	TOTAL £
ALMO Works - Decent Homes Works (EDH)	9,660,000	1,595,221	11,255,221
ALMO Works - Non Decent Homes Works (EDH)	920,000	-29,605	890,395
HIP - Council Schemes	3,132,000	745,542	3,877,542
Other Services (Non Housing)	3,380,240	972,131	4,352,371
Additional Schemes	0	444,485	444,485
	<b>17,092,240</b>	<b>3,727,774</b>	<b>20,820,014</b>

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Included in the additional funding figures is a sum of £1,000,000, which was released, in year, into the Decent Homes Programme for Door and Window replacement.

### 4.0 Performance to March 2006

4.1 Analysis of expenditure committed for each of the main expenditure blocks within the programme is summarised in the table below. The year-end figures 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 at the year end against available funding.

	Available Funding (£)	Year End Forecast (£)	Year End Expenditure (£)	%age Spent
ALMO Works - Decent Homes Works (EDH)	11,255,221	10,972,283	10,973,795	97.5%
ALMO Works - Non Decent Homes Works (EDH)	890,395	819,991	815,380	91.6%
HIP - Council Schemes	3,877,542	2,791,842	2,513,724	64.8%
Other Services (Non Housing)	4,352,371	1,690,976	1,669,566	38.4%
Additional Schemes: Assets Purchased from Revenue and Improvements works to properties Meridian Court, Peterlee & Murton Outlets.	444,485	444,485	444,485	100%
	<b>20,820,014</b>	<b>16,719,577</b>	<b>16,416,950</b>	<b>66.8%</b>

4.2 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 has therefore been carried forward into 2007/2008 for which approvals have already been sought. These sums are ring fenced to specific areas of work/projects and in the main are linked to regeneration activity. Finance will therefore only be committed when projects come to fruition and as such the availability of funding for this type of activity is managed through the Councils Medium Term Financial Plan.

4.3 Therefore whilst at the end of the fourth quarter, the overall programme is at 66.8% of available funding, in light of a number of scheme, under the heading of "Other Services" being re-profiled into 2007/2008, the programme achieved an outturn of 98.2% of forecasted expenditure.

4.4 As a result of Decent Homes schemes a further 180 dwellings now meet the decent homes standard. At the year end the housing stock totalled 8,979 properties of which 983 are classed as decent. This represents 10.95% of the stock. Works were undertaken to a further 3776 properties to prevent them falling into higher levels of non-decency.

4.5 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

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variables that can influence schemes being implemented within the financial year.

4.6 Appended to the report at Appendix 1 is a summary of the progress that has been achieved under each element of the programme.

4.7 Appendix 2 provides a detailed financial analysis of the outturn position.

## **5. Implications**

### **Financial**

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

### **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.

## **5.4 Communications**

Press releases will be arranged to highlight the successes achieved in delivering the 2006/2007 programme and will include percentage outturn figures against original targets.

### **Corporate Plan and Priorities**

5.5 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**

5.6 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**

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

### **Procurement**

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

### **Equality and Diversity/Social Inclusion**

5.9 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

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- c) support the E-government strategy to address accessibility to services

### **6. RECOMMENDATIONS**

6.1 The Executive is recommended to:-

- 1) Note the outturn position statement on the 2006/2007 Capital Programme.

#### **Background Papers**

Financial monitoring forms - held electronically (H Drive)

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