

REPORT TO: POLICY & RESOURCES COMMITTEE ON 2 FEBRUARY 2010

SUBJECT: CAPITAL PLAN 2009/10 MONITORING TO 31 DECEMBER 2009

BY: CHIEF FINANCIAL OFFICER

1. REASON FOR REPORT

- 1.1 The Committee is asked to note the expenditure under the Capital Plan for financial year 2009/10 to 31st December 2009.
- 1.2 This report is submitted to Committee in terms of Section A (7) of the Council's Administrative Scheme relating to Capital Expenditure Monitoring.

2. RECOMMENDATION

- 2.1 It is recommended that the Committee notes the expenditure to 31st December of £21.0 million and note the remaining provisional projects at that date.
- 2.2 It is recommended that the Committee give approval to the fire risk assessment project, as detailed in Paragraph 3.9.

3. BACKGROUND

- 3.1 The provisional Capital Plan of £18.8 million excluding Flood Alleviation Schemes was approved by The Moray Council on 22nd April 2009, as part of the Financial Plan for 2009 to 2012.
- 3.2 Flood Alleviation Schemes of £19.5 million approved at the budget setting meeting of Full Council on 12th February 2009 are also included in the Capital Plan.
- 3.3 Carry forwards from slippage in the 2008/09 Capital Plan were reported to this Committee on 25th August 2009 and have been added to the Plan. Leisure and Healthy Living projects and Efficiency projects have also been carried forward.

- 3.4 At the last meeting of this Committee it was agreed to amend the Capital Plan to reflect updated expenditure profiles for a number of projects. A total of £5.8 million of projects were deferred to future years, including Schools and Roads projects and Flood Alleviation Schemes. In addition £3.5 million was brought forward in the plan for Office Accommodation and ICT to enable the progression of the DBS project. A further £0.6 million was approved for the replacement bridge in Fochabers. **APPENDIX 1** shows the amended Capital Plan of £37.7 million.
- 3.5 Regular monitoring reports are provided to this Committee showing expenditure to date for each project and details of Capital receipts received. The status of projects to date, whether provisional or approved by Service Committee, is also reported.
- 3.6 Expenditure to 31st December 2009 amounts to £21.0 million. The latest projected spend for the year of £36.9 million is also shown and this report indicates where overspends are projected and where slippage has been identified.
- 3.7 Capital works at school buildings are ongoing. As reported in the last monitoring report a few projects were deferred to next year. Further slippage has been identified since. There has been delays due to the recent bad weather at Milne's Learning Centre which may impact on the progress this year.
- 3.8 In Environmental Services the three Industrial Estates projects are progressing on site. A total of £0.5 million was deferred to next year when the projects should be complete.
- 3.9 As a result of fire risk assessments being carried out recently, a number of urgent works to corporate (non school) buildings to comply with fire safety legislation have been identified and costed. There is provision within the capital plan of £49,000 for such works to properties to comply with legislative requirements. Approval is sought to go proceed with these legislative works.
- 3.10 Roads projects are mostly projecting to be within the revised budget. Recent floods have caused delays in the Bridge Assessments and Strengthening programme, which has resulted in more slippage than previously reported. The Capital Plan was increased by £0.6 million for the replacement of the bridge at West Street, Fochabers. The projected spend this year is currently anticipated at £0.47 million.
- 3.11 Flood Alleviation Schemes are subject to more detailed monitoring reports to the Flood Alleviation Sub-Committee (FASC). A total budget of £19.5 million was originally approved for Flood Alleviation Schemes in 2009/10, which was later revised to £18.2 million as reported to FASC on 9th December 2009. The total expenditure this year to 31st December 2009 is £10.0 million.

- 3.12 A copy of the Capital Plan is attached as **APPENDIX 1**, showing the actual expenditure to 31st December of £21.0 million. The Capital receipts of £485k from sale of assets are also detailed along with other receipts of £18.6 million, which is largely the General Capital Grant.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

This report complies with the working principles of the Corporate Plan in terms of accountability and sound financial management.

(b) Policy and Legal

There are no Policy and Legal implications.

(c) Resources (Financial, Risks, Staffing and Property)

The financial implications are highlighted within the Report. There are no staffing and property resource implications.

(d) Consultations

Consultations with Budget Managers are ongoing throughout the year to monitor expenditure and progress of individual capital projects.

5. CONCLUSION

- 5.1 **The Capital Plan to 31st December 2009 has £21.0 million of expenditure and £19.1 million Capital receipts.**

- 5.2 **The approved Capital Plan is £37.7 million. The latest projected expenditure is £36.9 million.**

Author of Report: Susan Souter, Accountant

Background Papers:

Ref: SS/LJC/726428/726435