

To: POLICY & RESOURCES (FINANCE) SUB-COMMITTEE		Subject: COMPOSITE CAPITAL PROGRAMME 2006/2007 MONITORING REPORT 1 ST APRIL TO 15 TH SEPTEMBER
From: DIRECTOR OF FINANCE		
Date: 4 October 2006	Ref: AC/EK/P6	

1. Introduction

1.1. The purpose of this report is to provide an update on the movement in resources and expenditure budgets since the composite capital programme for 2006/07 was approved and to give a summary of the financial performance to date. The report also shows the projected year-end outturn position and resultant variances. Information on current expenditure is up to and including 15th September 2006.

2. Capital Budget Update

2.1. The current capital expenditure programme is £76.100m, which represents a minor increase of £0.022m as a result of additional funding within the non HRA capital programme for Gypsy and Traveller's sites.

3. Budget Monitoring Summary

3.1. The position of the Composite Programme can be summarised as follows: -

	Current Programme £000	Projected Outturn £000s	Outturn Variance £000s
Prudential Borrowing	26,036	26,036	-
Capital Receipts Programme	28,124	28,124	-
Cash Grants	20,140	20,140	-
CFCR	1,800	1,800	-
Slippage Allowance	-	-	-
Total Resources	76,100	76,100	-
Expenditure Programme	76,100	74,224	1,876
Slippage/(overspend)	-	1,876	1,876

3.2. The actual expenditure to 15th September is £24.936m, which represents 33% of the current programme. This compares favourably with the position at Period 6 last year when expenditure was £20.026m, representing 28% of the overall programme.

3.3. The main areas of spend since my last report at Period 5 have been incurred within the departments of Education and Planning & Environment. Notably, a number of capital projects have reached successful completion. These include the following:

- **Kilsyth Town Centre**

The streetscape, traffic management and public realm improvements delivered by North Lanarkshire Council in Kilsyth have been shortlisted for the British Council of Shopping Centres Town Centre Regeneration Awards for 2006. The Judges stated that they were impressed by the quality of the design and materials used as well as the consultation that took place with the Community and Traders in delivering the improvements. This investment by the Council will

assist in attracting potential business and private sector investors to the area.

▪ **CCTV Programme**

In 2003, North Lanarkshire CCTV Ltd conducted a Best Value review of its CCTV monitoring services the outcome of which was to develop a purpose built Central Control Room to allow further expansion of the service. The primary objectives of the centralisation project were to support community safety, crime reduction and regeneration requirements.

North Lanarkshire Council contracted Telewest Business for the transmission element of the project which revolutionises the way video is accessed, controlled and stored. The solution provides both flexibility and resilience ensuring live and recorded video images are stored and viewed securely anywhere on the network. In progressing this project, North Lanarkshire Council has not only made significant progress in terms of protecting its citizens, but it has also shown the way for other organisations considering implementation of similar CCTV projects.

▪ **Cardinal Newman Hospitality Suite**

This project has provided a training facility and associated work experience opportunity to secondary pupils and links with the local college to provide vocational training within the hospitality sector. It is due to be officially opened by Jack McConnell on 6th October 2006

A summary of the spending position on departmental programmes is contained at Appendix 1.

4. Projected Outturn at 15 September 2006

4.1. As at Period 6, slippage of £1.876m has been confirmed as follows:

Dunbeth Nursery (2.159m)

It is likely that slippage of around £1.8m will be incurred as a result of the late notification of the additional funding made available in 2006/07 through the Schools Fund. This allocation will be used on other planned works and, as a result, Council Funding will be freed up and carried forward to progress works at Dunbeth Nursery in 2007/08.

Ravensraig (£0.631m)

Further slippage of £0.076m has been identified as a result of delays in the start of this project.

4.2. In addition, a number of areas have been identified as continuing to pose a risk, including:

Scott St Office Development (£3.320m)

Work on the building of the office development has commenced with an anticipated completion date of January 2008. The project will however continue to be closely monitored.

Corporate Property Investment (£0.628m)

It has been confirmed that the Bron Way Development will go ahead in the current financial year. Any slippage will be reported as it is identified.

4.3. It should be noted that, in managing the level of slippage identified in the Mid Year Review, the inbuilt slippage allowance previously factored into the programme has been utilised. Therefore, there is no longer a slippage factor contained within the capital programme.

5. Recommendation

5.1. The Committee is asked to note:

- the financial position of the Capital Programme as at 15th September 2006
- the successful conclusion of projects as described in Section 3.3
- the current issues highlighted in Section 4



Director of Finance

COMPOSITE SERVICES CAPITAL PROGRAMME SUMMARY 2006/2007 (£'000)

EXPENDITURE PROGRAMME : Period 6

Department	Current Programme 2006/07 £000	Projected Outturn 2006/07 £000	Outturn Variance 2006/07 £000	Actual Expenditure 15-Sep-06 £000	Committed Expenditure 15-Sep-06 £000	% Committed
Administration	718	718	0	260	273	38.02%
Corporate	2,742	2,742	0	115	757	27.61%
Community Services	10,019	9,943	76	2,760	6,519	65.07%
Education Programme	20,422	18,622	1,800	8,106	15,777	77.25%
Finance/IT	1,413	1,413	0	336	270	19.11%
Housing & Property Services			0			
: NHRA Grants	4,121	4,121	0	1,434	3,638	88.28%
: Property Services	5,632	5,632	0	870	5,453	96.82%
Planning & Environment	27,479	27,479	0	10,067	17,745	64.58%
Social Work	3,554	3,554	0	988	4,395	123.66%
Departmental Expenditure Total	76,100	74,224	1,876	24,936	54,827	