

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE – RESOURCES**  
**21 SEPTEMBER 2011**

**EXECUTIVE**  
**4 OCTOBER 2011**

**COUNCIL**  
**18 OCTOBER 2011**

**CAPITAL MONITORING STATEMENT TO 30 JUNE 2011**

**1.0 PURPOSE OF THE REPORT**

1.1 To report the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

**2.0 BACKGROUND**

2.1 Local authorities are required to estimate the total of capital expenditure that they plan to incur during the financial year when it sets the prudential indicators for capital expenditure. This shows that its asset management and capital investment strategies are affordable, prudent and sustainable.

2.2 Capital expenditure is a significant source of risk and uncertainty since cost variations, delays and changing specifications are often features of large and complex capital projects.

2.3 This report is prepared on a quarterly basis in order to update Members with any known cost variations, slippage and acceleration of projects.

**3.0 REVISIONS TO THE CAPITAL PROGRAMME**

3.1 The 2011/12 Capital Programme, including commitments brought forward from 2010/11, was last reported to Scrutiny Committee - Resources on 22 June 2011. Since that meeting the following changes have been made that have increased the programme:

| <b>Description</b>                    | <b>£</b>          | <b>Approval/funding</b>              |
|---------------------------------------|-------------------|--------------------------------------|
| Capital Programme, as at 22 June 2011 | 21,836,950        |                                      |
| King William Street Car Park          | 900,000           | Funding approved by Council 19/07/11 |
| Energy Conservation                   | 89,540            | External funding contributions       |
| Children's Play Areas                 | 3,530             | Interest on Section 106 monies       |
| Social Housing Grants                 | 1,720             | Interest on Section 106 monies       |
| Kinnerton Way Community Centre        | 120               | Interest on Section 106 monies       |
| <b>Revised Capital Programme</b>      | <b>22,831,860</b> |                                      |

## **4.0 PERFORMANCE**

### **4.1 Progress**

The revised capital programme for the current financial year is £22.832 million. During the first three months of the year the Council spent £2.489 million on the programme, which equates to 10.90% of the revised programme. This compares with £3.305 million (10.99%) being spent in the first three months of 2010/11.

4.2 The current programme is detailed in Appendix 1. The Appendix shows a total forecast spend for 2011/12 of £21.430 million with £1.380 million of the programme potentially deferred to 2012/13.

## **5.0 VARIANCES AND ACHIEVEMENTS**

5.1 The main variances, achievements and issues concerning expenditure which may be deferred to 2012/13 are as follows:

### **5.1.1 Community & Environment**

#### ***Cultural City***

- **Play Area Refurbishments (Budget £157,390)**

New play equipment has been installed at Harrington Lane Play Area, this is in addition to the MUGA style goal ends provided early in 2011.

Public consultation has been undertaken at Dickens Drive Play Area and the site will be refurbished/improved during autumn 2011.

Work has continued with the Residents' Association at Arena Park Play Area in conjunction with Exeter Parks Watch, various externally funded improvements are taking place at the site.

#### ***Cared For Environment***

- **Local Authority Carbon Management Programme (Budget £129,130)**

Heating controls have been fitted at the Corn Exchange and solar panels have been ordered for Belle Isle and are due to be installed in September. It is proposed that £42,000 of the budget be carried forward to 2012/13.

#### ***Safe City***

- **Replace Digital Recording Equipment at Control Centre (Budget £16,000)**

The digital recorders were bought in 2010/11 and were paid for by a grant from the Crime and Disorder Reduction Partnership. This was treated as revenue expenditure.

## 5.1.2 Economy & Development

### *Accessible City*

- **King William Street Car Park Refurbishment Stage 1 (Budget £218,300)**

The King William Street Car Park Refurbishment has been split into two stages for 2011/12. The remainder of the Stage 1 Refurbishment will now be completed in 2012/13 with slippage of £196,100 to be used for London Inn Square (Paris Street, New North Road and Sidwell Street Improvements).

- **King William Street Car Park Refurbishment Stage 2 (Budget £900,000)**

The second stage of this scheme is at the pre-qualification questionnaire stage. Tenders are due to be sent out in mid September and to be returned by mid November. A contractor will be appointed mid December, with work due to start on site in April 2012. It is therefore anticipated that there will be slippage of £875,000 to 2012/13, with £25,000 to be spent on fees in 2011/12.

The programme for this project has been elongated so that completion coincides with the opening of the new John Lewis store. This stage of the project is due for completion by October 2012.

### *Cared For Environment*

- **City Centre Enhancements (Budget £407,220)**

It is forecast that £140,000 will be spent in 2011/12 on Gandy Street, Northernhay Gate and Rougemont Garden Gate. The works planned for Northernhay Gate are due to start early in September, however it is anticipated there will be delays due to the RAMM reinstatement works. These delays are currently being assessed. The remainder of the budget (£267,220) will be carried forward to 2012/13 to be spent on London Inn Square (Paris Street, New North Road and Sidwell Street).

## 5.1.3 Housing Revenue Account

### *Everyone Has a Home*

- **Kitchen and Bathroom Replacement Programme (Budget £1,500,000 and £446,690 respectively)**

The kitchen and bathroom replacements have been delayed due to the temporary contractor declining to continue with the work. The tender is due to go out by the end of August and it is planned for the new contract to be in place by December 2011.

**6.0 RECOMMENDED**

- 6.1 It is recommended that Scrutiny Committee – Resources notes and Council approves the current position in respect of the annual capital programme.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**

1. None