

PART 1 - PUBLIC

Decision Maker: Environment Portfolio Holder

**For pre-decision scrutiny by the Environment PDS
Committee on 11th January 2011**

Date: 11th January 2011

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2nd QUARTER
2010/11

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Chief Officer: Director of Resources

Ward: All

1. Reason for report

On 3rd November 2010, following scrutiny by the Executive and Resources PDS Committee on 27th October, the Executive received a report summarising the current position on capital expenditure and receipts following the 2nd quarter of 2010/11. The Executive agreed a revised Capital Programme for the four year period 2010/11 to 2013/14 and this report highlights changes agreed by the Executive in respect of the Capital Programme for the Environment Portfolio. The revised programme for this portfolio is set out in Appendix A.

2. **RECOMMENDATIONS**

The Portfolio Holder is asked to note and confirm the report.

Corporate Policy

1. Policy Status: Existing policy. Capital Programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: Estimated cost Net additional cost of £16k
 2. Ongoing costs: Non-recurring cost.
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £Total £24.8m for Environment Portfolio over four years 2010/11 to 2013/14
 5. Source of funding: Capital grants, capital receipts and revenue contributions
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Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Monitoring – variations reported to the Executive on 3rd November 2010

3.1 A revised Capital Programme was approved by the Executive on 3rd November, following a detailed monitoring exercise carried out after the 2nd quarter of 2010/11. Further information is provided in paragraphs 3.2 and 3.3 and the revised Programme for the Environment Portfolio is attached as Appendix A. A summary of the variations agreed by the Executive is set out below.

	2010/11 Estimate £000	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000	TOTAL £000
Approved Programme (Executive 21/7/10)	9,126	5,774	5,591	4,310	24,801
The Hill Car Park – strengthening works (Executive 29/9/10)	100	180	-	-	280
Transport for London (TfL) – revised grant allocations (see para 3.2)	111	-161	-51	-288	-389
Reduction in government grant allocation – playbuilder (see para 3.3)	-595	-	-	-	-595
Deletion of residual budget for Station Road Car Park (see para 3.4)	-200	-	-	-	-200
Kitchen waste trial (see para 3.5)	857	63	-	-	920
Scheme rephasing	-277	277	-	-	-
Revised Environment Capital Programme	9,122	6,133	5,540	4,022	24,817

3.2 Transport for London – revised support for highway schemes (overall reduction of £389k)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2010/11 to 2013/14 on the basis of the bid in our Borough Spending Plan (BSP). Notification of an increase of £111k in 2010/11 had been received from TfL, but a total reduction of £500k has been made in later years to reflect revised forecasts of the level of TfL funding in those years. TfL grant allocations change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.3 Reductions in government grant allocation for play facilities in parks (reduction of £595k)

Notification had been received of reductions in government support for a number of capital initiatives, including a reduction in the playbuilder grant from £1,123k to £528k. The Executive agreed that the budget be reduced by £595k.

3.4 Deletion of residual budgets in respect of completed schemes

A number of schemes had been completed under budget or had been identified as being no longer required and the Executive agreed that these be deleted from the programme. This included £200k in respect of the provision for miscellaneous works relating to the sale of Station Road Car Park.

3.5 Kitchen Waste Trial – extension of pilot (addition of £920k)

On 3rd September, the Executive considered a report “Recycling and Composting for all – Phase 2” and agreed to an extension to the current kitchen waste collection trial. The Executive approved the total estimated cost (£920k), to be met from the contingency provision (£380k) and the remainder (£540k) from LPSA funding. The forthcoming LAA Reward Grant will be split between revenue funding and capital funding and the Executive agreed in November that it

would be more appropriate to include the scheme in the Capital Programme and to allocate £540k of the LAA Reward Grant funding to the kitchen waste scheme.

3.6 Scheme Rephasing

The estimated spending profile of capital schemes was examined and revised, as a result of which a total of £277k has been rephased from 2010/11 into 2011/12.

4. **POLICY IMPLICATIONS**

4.1 Capital Programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5. **FINANCIAL IMPLICATIONS**

5.1 These were reported in full to the Executive on 3rd November 2010. The Capital Programme for the Environment Portfolio 2010/11 to 2013/14 has increased by £16k since July as a result of variations approved by the Executive as set out in the table in paragraph 3.1.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access Contact Officer)	Departmental monitoring returns October 2010. Approved Capital Programme (Executive 03/11/10).