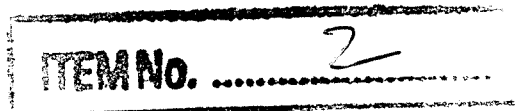


REPORT TO: FINANCE COMMITTEE – 14 AUGUST 2000
REPORT ON: CAPITAL EXPENDITURE MONITORING 2000/01
REPORT BY: DIRECTOR OF FINANCE
REPORT NO: 460/2000



1 PURPOSE OF REPORT

- 1.1 To appraise Elected Members of the latest position regarding the Council's capital expenditure programme for 2000/01.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee note the latest position regarding the Council's capital expenditure programme for 2000/01.

3 FINANCIAL IMPLICATIONS

- 3.1 This report shows the spend on capital projects to 30 June 2000 compared with the latest outturn on capital expenditure for 2000/01. The spend to 30 June 2000 is £2.367m which is 22% of the projected capital expenditure in 2000/01 of £10.599m.
- 3.2 The bulk of the Council's capital expenditure in 2000/01 will be financed by borrowing and, as such, will result in Finance Charges being incurred over the estimated useful life of the assets concerned. Appropriate provision has been included in the Council's approved Revenue Budgets for 2000/01 and will also be included in future years' Revenue Budgets.

4 LOCAL AGENDA 21 IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 BACKGROUND

- 6.1 The Policy & Resources Committee, at its meeting on 12 June 2000 approved the 2000/01 Capital Budget for Housing HRA (Report No 368/2000) and the Special Policy & Resources Committee, at its meeting on 19 June 2000 approved the 2000/01 Capital Budget for General Services (Report No 410/2000).

7 CURRENT POSITION

- 7.1 The Director of Finance and the City Architectural Services Officer, in conjunction with the other Chief Officers of the Council, are closely monitoring the 2000/01 capital programme. The latest projections of capital expenditure and resources as compared with the provisions included in the approved Capital Estimates, are shown in the Appendix to this report. The Appendix also shows the actual expenditure incurred compared with the phased budgeted

level of expenditure to 30 June 2000. The Appendix is split into three separate sections, viz:

Section A

Those departments/services which are subject to the single Scottish Executive Capital Allocation.

Section B

Those departments/services which are subject to specific Scottish Executive Capital Allocations.

Section C

Those departments/services which are subject to the Scottish Executive Housing HRA Capital Allocation.

8 DEPARTMENTS/SERVICES SUBJECT TO SINGLE SCOTTISH EXECUTIVE CAPITAL ALLOCATION

The latest projection of capital expenditure of £10.599m is £115,000 higher than the revised budget of £10.484m is entirely due to a projected overspend within the Leisure and Parks Capital Programme. The sponsorship for the Ice Rink Arena (Leisure & Parks) of £125,000 is not anticipated to be received in the current financial year.

- 8.2 Based on latest projections the 2000/01 capital expenditure is now projected at 109% of projected capital resources. It is anticipated that slippage will ensure that expenditure is within limits laid down by the Scottish Executive.

9 DEPARTMENTS/SERVICES SUBJECT TO SPECIFIC SCOTTISH EXECUTIVE ALLOCATIONS

- 9.1 Capital expenditure on these services is subject to specific "ring-fenced" capital allocations, which are issued on a project by project basis by the Scottish Executive following approval by the appropriate Government Department. Based on latest estimates, expenditure is projected to be within the budget provision for Urban Programme.


The expenditure and resources figures are provisional as written confirmation of the allocation 2000/01 from the Scottish Executive is still to be received.

10 DEPARTMENTS/SERVICES SUBJECT TO SCOTTISH EXECUTIVE HOUSING HRA ALLOCATION

- 10.1 The latest projection of capital expenditure of £10.620m is £137,000 lower than the original budget provision, due to heating replacement tenders being lower than anticipated.
- 10.2 The latest projection of capital resources is £9.457m which is £30,000 higher than the original budget due to receipts from Council House sales being higher than anticipated.
- 10.3 Based on the latest projections, capital expenditure is now projected at 112% of projected capital resources. It is anticipated that slippage in the heating programme will ensure that expenditure is within limits laid down by the Scottish Executive.

11 **CONSULTATION**

11.1 The Director of Housing and Director of Support Services have been consulted in the preparation of this report.



**DAVID K DORWARD
DIRECTOR OF FINANCE**

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DUNDEE CITY COUNCIL

CAPITAL EXPENDITURE MONITORING 2000/01

DEPARTMENT/SERVICE	Approved Capital Estimates 2000/01 £000	Revised Capital Estimates 2000/01 £000	Actual Spend 30-Jun-00 £000	Projected Outturn 1999/2000 £000	Spend as a % of Projected Outturn %
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A. SUBJECT TO SINGLE SCOTTISH OFFICE ALLOCATION

Capital Expenditure 2000/01

Education	1,826	1,826	155	1,826	8
Social Work	877	877	207	877	24
Planning & Transportation	895	1,040	39	1,040	4
Leisure & Parks	2,372	2,372	1,105	2,497	44
Neighbourhood Resources	283	283	(30)	283	(11)
Arts	312	312	109	302	36
Economic Development	1,897	1,897	431	1,897	23
Environment & Consumer Protection	360	392	0	392	0
Chief Executive	123	123		123	
Joint Boards/Committees	7	7		7	0
Housing (Non-HRA)	1,355	1,355	351	1,355	26
	10,307	10,484	2,367	10,599	22

Capital Resources 2000/01

Carry Forward from 1999/2000	17	17		39	
Single Capital Allocation	7,744	7,744		7,744	
Supplementary Consent - Safer Routes to Schools		145		145	
Supplementary Consent - Air Quality Monitoring		32		32	
Useable Capital Receipts					
ERDF	100	100		100	
Contributions	100	100	2	100	
Net Asset Sales	1,600	1,600	359	1,600	
Less Pre - Sale Expenses					
Capital Resources 99/2000	9,561	9,738	361	9,760	

Capital Expenditure as % of Capital Resources 108% 108% 109%

B. SUBJECT TO SPECIFIC SCOTTISH OFFICE ALLOCATIONS

Capital Expenditure 2000/01

Public Transport Fund (Planning & Transportation)	279	279	10	279	4
Dundee Airport (Economic Development)	659	659	2	659	0
Social Inclusion Partnership (Neighbourhood Resources)	120	120	10	120	8
	1,058	1,058	22	1,058	

Capital Resources 2000/01

Specific Capital Allocations	1,058	1,058		1,058	
Capital Expenditure as % of Capital Resources	100%	100%		100%	

* Budgeted resources for Dundee Airport are provisional as confirmation of allocation 2000/01 is still required from Scottish Executive

C. SUBJECT TO SCOTTISH OFFICE HOUSING HRA ALLOCATION

Capital Expenditure 2000/01

Housing HRA	10,757	10,757	1,728	10,620	
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Capital Resources 2000/01

Capital Allocation	8,509	8,509		8,509	
Useable Capital Receipts	918	918		948	
	9,427	9,427		9,457	
Capital Expenditure as % of Capital Resources	114%	114%		112%	