

REPORT TO: FINANCE COMMITTEE – 16 OCTOBER 2000
REPORT ON: CAPITAL EXPENDITURE MONITORING 2000/01
REPORT BY: DIRECTOR OF FINANCE
REPORT NO: 608-2000

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 31 August 2000 compared with the latest outturn on capital expenditure for 2000/01. The spend to 31 August 2000 is £4.510m which is 43% of the projected capital expenditure in 2000/01 of £10.483m.
- 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 Budget, are shown in the Appendix to this report. The Appendix also shows the actual capital expenditure incurred compared with the phased

budgeted level of expenditure to 31 August 2000. The Appendix is split into four 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.

Section D

Projected Expenditure and Resources for financing the New Housing Partnership (Regeneration of Ardler).

8 DEPARTMENTS/SERVICES SUBJECT TO SINGLE SCOTTISH EXECUTIVE CAPITAL ALLOCATION

8.1 The latest projection of capital expenditure of £10.483m is £176,000 higher than the approved capital budget of £10.307m. The main reasons for this are:-

i Additional Supplementary Consent from the Scottish Executive, for Safer Routes to Schools (Planning & Transportation) of £145,000, and Air Quality Monitoring Equipment (Environmental & Consumer Protection) of £32,000.

8.2 The latest projection of capital resources of £9,970 is £409,000 greater than the original budget estimate of £9.561m. The main reasons for this are:

i Additional Supplementary Consent from Scottish Executive of £177,000 as mentioned above.

ii Anticipated capital receipts being £220,000 greater than budgeted.

8.3 Based on latest projections the 2000/01 capital expenditure is now projected at 105% of projected capital resources.

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 Public Transport Fund, Dundee Airport and Social Inclusion Partnerships.

10 DEPARTMENTS/SERVICES SUBJECT TO SCOTTISH EXECUTIVE HOUSING HRA ALLOCATION

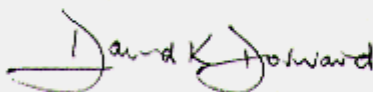
- 10.1 The latest projection of capital expenditure of £10.848m is £91,000 higher than the approved capital budget of £10.757m, due to an increase in the uptake on disabled adaptations.
- 10.2 The latest projection of capital resources of £9.629m is £202,000 higher than the original budget due to receipts from Council House sales being higher than anticipated, and the actual carry forward of unutilised resources in 1999/2000 into 2000/01, being greater than previously anticipated.
- 10.3 Based on the latest projections, capital expenditure is now projected at 113% of projected capital resources. It is anticipated that slippage in the heating programme will ensure that expenditure is within the limits laid down by the Scottish Executive.

11 NEW HOUSING PARTNERSHIP (ARDLER REGENERATION PROGRAMME 2000/01)

- 11.1 The latest projection of gross capital expenditure is £1.990m. This expenditure will be financed from a capital allocation from the Scottish Executive and Capital Receipts. Effective monitoring controls should ensure that there is no deficit at the year end.

12 CONSULTATION

- 12.1 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	Revised	Actual	Projected	Spent as
	Capital	Capital	Spend	Outturn	a % of
	Estimates	Estimates	31-Aug-00	2000/01	Projected
	2000/01	2000/01	2000/01	2000/01	Outturn
	£000	£000	£000	£000	%

A. SUBJECT TO SINGLE SCOTTISH OFFICE ALLOCATION

Capital Expenditure 2000/01

Education	1,826	1,826	417	1,826	23
Social Work	877	877	395	885	45
Planning & Transportation	895	1,040	116	1,090	11
Leisure & Parks	2,372	2,372	1,907	2,372	80
Neighbourhood Resources	283	283	(17)	283	(6)
Arts	312	312	66	303	22
Economic Development	1,897	1,897	1,057	1,847	57
Environment & Consumer Protection	360	392	0	392	0
Chief Executive	123	123		123	
Joint Boards/Committees	7	7	7	7	100
Housing (Non-HRA)	1,355	1,355	562	1,355	41

Capital Expenditure 2000/01	10,307	10,484	4,510	10,483	43
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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	
Capital Receipts					
ERDF	100	100	3	90	
Net Asset Sales and Contributions	1700	1,700	361	1,920	

Capital Resources 2000/01	9,561	9,738	364	9,970	
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Capital Expenditure as % of Capital Resources	108%	108%		105%	
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B. SUBJECT TO SPECIFIC SCOTTISH OFFICE ALLOCATIONS

Capital Expenditure 2000/01

Public Transport Fund (Planning & Transportation)	279	279	28	279	10
Dundee Airport (Economic Development)	640	640	3	640	0
Social Inclusion Partnership (Neighbourhood Resources)	120	120	14	120	12

	1,039	1,039	45	1,039	
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Capital Resources 2000/01

Specific Capital Allocations	1,039	1,039		1,039	
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Capital Expenditure as % of Capital Resources	100%	100%		100%	
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C. SUBJECT TO SCOTTISH OFFICE HOUSING HRA ALLOCATION

Capital Expenditure 2000/01

Housing HRA	10,757	10,757	3,387	10,848	
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Capital Resources 2000/01

Carry Forward from 1999/2000	73	73		229	
Single Capital Allocation	8,436	8,436		8,436	
Useable Capital Receipts	918	918		964	

	9,427	9,427		9,629	
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Capital Expenditure as % of Capital Resources	114%	114%		113%	
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D. NEW HOUSING PARTNERSHIP (ARDLER REGENERATION PROGRAMME 2000/01)

Capital Expenditure 2000/01

Expenditure Funded from of Allocation	166	166		166	
Expenditure Funded from Capital Receipts	1824	1824	414	1824	

	1990	1990	414	1990	
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Capital Resources 2000/01

Carry Forward 1999/2000	166	166		166	
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Capital Receipts

Carry Forward Unutilised Receipts 1999/2000	384	384	384	384	
ERDF	375	375		375	
SET	175	175		175	
Scottish Homes	175	175		175	
Sale of Assets	1495	1495		1495	

	2770	2770	384	2770	
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Capital Expenditure as % of Capital Resources	72%	72%		72%	
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