

**REPORT TO: FINANCE COMMITTEE - 13 NOVEMBER 2000**

**REPORT ON: CAPITAL EXPENDITURE MONITORING 2000/01**

**REPORT BY: DIRECTOR OF FINANCE**

**REPORT NO: 672-2000**

**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 September 2000 compared with the latest outturn on capital expenditure for 2000/01. The spend to 30 September 2000 is £5.048m which is 48% of the projected capital expenditure in 2000/01 of £10.476m.
- 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 30 September 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 £10.476m is £169,000 higher than the approved capital budget of £10.307m. The main reasons for this are:-

Overspends

- 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 £9.970m 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 £10.527m is £230,000 lower than the approved capital budget of £10.757m, due to slippage in the heating programme.
- 10.2 The latest projection of capital resources of £9.616m is £189,000 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 109% of projected capital resources. It is anticipated that further 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 £1.904m. 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 Spend 30-Sep-00	Projected	Spent as
	Capital	Capital		Outturn	a % of
	Estimates	Estimates		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	608	1,826	33
Social Work	877	877	454	885	51
Planning & Transportation	895	1,040	54	1,086	5
Leisure & Parks	2,372	2,372	1,753	2,372	74
Neighbourhood Resources	283	283	16	283	6
Arts	312	312	78	303	26
Economic Development	1,897	1,897	1,396	1,847	76
Environment & Consumer Protection	360	392	0	439	0
Chief Executive	123	123		73	
Joint Boards/Committees	7	7	7	7	100
Housing (Non-HRA)	1,355	1,355	682	1,355	50

Capital Expenditure 2000/01	10,307	10,484	5,048	10,476	48
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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	
<b>Capital Receipts</b>					
ERDF	100	100	59	90	
Net Asset Sales and Contributions	1700	1,700	431	1,920	

Capital Resources 2000/01	9,561	9,738	490	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	30	279	11
Dundee Airport (Economic Development)	640	640	19	640	3
Social Inclusion Partnership (Neighbourhood Resources)	120	120	19	120	16

	1,039	1,039	68	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	4,245	10,527	
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**Capital Resources 2000/01**

Carry Forward from 1999/2000	73	73		228	
Single Capital Allocation	8,436	8,436		8,436	
Useable Capital Receipts	918	918		952	

	9,427	9,427		9,616	
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Capital Expenditure as % of Capital Resources	114%	114%		109%	
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**D. NEW HOUSING PARTNERSHIP (ARDLER REGENERATION PROGRAMME 2000/01)**

**Capital Expenditure 2000/01**

Expenditure Funded from of Allocation	166	166	11	166	
Expenditure Funded from Capital Receipts	1824	1738	414	1738	

	1990	1904	425	1904	
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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	110	70	110	
Scottish Homes	175	175		175	
Sale of Assets	1495	1532		1532	

	2770	2742	454	2742	
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Capital Expenditure as % of Capital Resources	72%	69%		69%	
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