

CANNOCK CHASE COUNCIL

CABINET

21 FEBRUARY 2008

PORTFOLIO HOLDER: LEADER OF THE COUNCIL

REPORT OF DIRECTOR OF GOVERNANCE

GENERAL FUND CAPITAL PROGRAMME 2007-08 AND RESOURCES 2007-08 TO 2010-11

1. Purpose of Report

- 1.1 The purpose of this report is to advise Members of the expenditure for three quarters of the 2007-08 General Fund Capital Programme; scheme variations both positive and negative and variations which will require Member approval.
- 1.2 The report also includes a Statement of Estimated Capital Resources for 2008-09 to 2010-11 (Annex 2), commitments including the items contained within this report, the General Fund Capital budget 2008-11 and General Fund Capital schemes for which spending permission has still to be granted.

**2. Recommendations**

- 2.1 That Members note the outturn to 31 December 2007 as Annex 1 attached and the managers' comments included there-in .
- 2.2 That Members note the slippage as shown in Annex 1 and the resultant General Fund Capital budget 2008-11 (Annex 4)
- 2.3 That Members note the revised uncommitted resources available and the 2008-09 to 2010-11 General Fund Capital Programme Commitments (Annex 2&3), and in particular the inclusion of a Provision for future Leisure Facilities in commitments reflecting the utilisation of the estimated capital receipt and grants relating to the Leisure Strategy . Members will receive further reports regarding projects to utilise these resources following the sale of the stadium.
- 2.4 That Members note that the Council has received Capital Grants from West Midlands Regional Assembly of £62,000 for the Decent Homes Standard for vulnerable people in the private sector and £462,000 for Coalfields areas. A further report regarding usage of these funds will be presented to Cabinet as part of the overall provision of Affordable Housing within the District.
- 2.5 That Members note the commitments for which budgetary spend has not yet been approved (Annex 5).

**3. Key Issues**

- 3.1 The General Fund Capital Programme for the years 2007-08 to 2009-10 was approved by Council on 22 August, 2007 complete with slippage from 2006-07
- 3.2 The table shows the expenditure in 2007-08 against those budgets for each portfolio together with the forecast outturn

3.3 A summary of the expenditure to date is shown in the table below:

<b>Summary</b>	2007-08 Budget Approved 22-08-07 £	Actual Outturn to 31-12-07 £	Variance £	Forecast Outturn £
<u>General Fund</u>				
Children and Young People	6,600,450	1,900,837	-4,699,613	3,397,808
Healthier Communities, Housing and Older People	580,840	341,933	-238,907	434,790
Access to Skills, Economic Development and Enterprise	204,080	27,067	-177,013	86,710
Safer and Stronger Communities.	30,000	23,078	-6,922	30,000
Environment	3,060	470	-2,590	1,470
Building an Excellent Council	35,000	0	-35,000	35,000
<b>General Fund Total</b>	<b>7,453,430</b>	<b>2,293,385</b>	<b>-5,160,045</b>	<b>3,985,728</b>

3.4 The estimated available resources for 2008-09 to 2010-11 can be summarised as follows

<b><u>Medium Term Resource Position 2008-09 to 2010-11</u></b>	<b>Total £</b>
Resources	37,868,950
Capital Programme Commitments	37,480,530
<b>Net Available Resources</b>	<b>388,420</b>

3.5 The resources reflect the inclusion of the estimated capital receipt and grants relating to the Leisure Strategy, including in particular the sale of the Stadium site. Provision exists within the Capital Programme for indicative expenditure on Future Leisure Facilities of £20,400,000 subject to the magnitude of the receipt from the stadium. Members will receive further reports regarding projects to utilise these resources following the sale of the stadium.

3.6 The existing Capital Budget includes provision for other Leisure development including Rugeley Swimming Pool, Blake Valley Technology College and ATP facilities.

3.7 The report also reflects Cabinet's recommendations of 18 January 2007 in relation to the replacement of certain one-bedroom bungalows with alternative social housing, although this

has been tailored to the anticipated lower sale numbers for 2007-08 and includes the resources to provide Grants to RSL to provide social housing. The impact on the General fund is financially neutral.

- 3.8 The allocation from the Capital Pot for 2007-08 has been received as £62,000 and £462,000 for Coalfields and future reports will allocate these funds to Capital Schemes.

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Section 1**1. Background**

1.1 The General Fund Capital Programme for the years 2007-08 to 2009-10 was approved by Council on 22 August, 2007 complete with slippage from 2006-07.

1.2 . The table shows the expenditure in 2007-08 against those budgets for each portfolio.

Portfolio	2007-08 Budget Approved 22-08-07 £	Actual Outturn to 31-12-07 £	Variance £
Children and Young People	6,600,450	1,900,837	-4,699,613
Healthier Communities, Housing and Older People	580,840	341,933	-238,907
Access to Skills, Economic Development and Enterprise	204,080	27,067	-177,013
Safer and Stronger Communities.	30,000	23,078	-6,922
Environment	3,060	470	-2,590
Building an Excellent Council	35,000	0	-35,000
<b>Total</b>	<b>7,453,430</b>	<b>2,293,385</b>	<b>-5,160,045</b>

1.2 Within the expenditure to date there are some completed schemes one or two of which show an over-spend. Retrospective approval to these is consequently sought.

1.3 A detailed scheme analysis is shown in Annex 1 explaining slow spending on schemes and indicating slippages on schemes. Anticipated slippages have been carried forward to future years

1.4 An explanation re under-spends on all schemes has been discussed with managers and their comments are précised on Annex 1.

Section 2**2. Details of Matters to be Considered****Estimated Resources 2007-08 to 2010-11**

2.1 Attached as Annex 2 is a statement of estimated available capital resources after taking into account the above slippage.

2.2 The estimated available resources can be summarised as follows:

<b><u>Medium Term Resource Position 2007-08 to 2010-11</u></b>	<b>Total</b>
Resources	37,868,950
Capital Programme Commitments	37,480,530
<b>Net Available Resources</b>	<b>388,420</b>

Changes to 2007-08 General Fund Resources, and the uncommitted Resources Carried Forward to 2008-09, since August 2007 include

- a) Re-allocation of housing capital resources to support the private sector housing activities
- b) Housing Capital Pot allocation from the Government Office for the West Midlands amounting to £524,000 which together with the under-spend for 2006-07 of £61,340 has been included in the resources.
- c) Anticipated capital receipts and grant allocations associated with the Leisure Strategy have been included in line with Leisure Strategy revenue budget.

The Report also reflects Cabinet's recommendations of 18 January 2007 in relation to the replacement of certain vacant one-bedroom bungalows with alternative social Housing. In particular the report includes the resources to provide Grants to RSL to provide replacement social housing. The figures have been adjusted to reflect the lesser sales being achieved in 2007-08.

The allocation from the Capital Pot for 2007-08 has been received in the sums of £62,000 and £462,000 for Coalfields and the expenditure will be the subject of a future report.

The resources reflect the inclusion of the estimated capital receipt and grants relating to the Leisure Strategy, including in particular the sale of the Stadium site. Provision exists within the Capital Programme for indicative expenditure on Future Leisure Facilities of £20,400,000 subject to the magnitude of the receipt from the stadium. Members will receive further reports regarding projects to utilise these resources following the sale of the stadium.

The existing Capital Budget includes provision for other Leisure development including Rugeley Swimming Pool, Blake Valley Technology College and ATP facilities.

- 2.8 A schedule of Capital Schemes (Capital Programme) is attached as Annex 3 with Approved Schemes financed (Capital Budget) attached as Appendix 4 and Commitments not Approved as Annex 5.

### **Section 3**

**3. Contribution to CHASE**

- 3.1 The report deals with on going capital projects as approved by Council within the objectives of CHASE.

**Section 4**

**4. Section 17 Implications**

- 4.1 The Council is obliged to consider activities which may lead to a reduction in crime in the district. It is considered that works being carried out to improve facilities in the Cannock Chase District area meets this obligation.

**Section 5**

**5. Human Rights Act Implications**

- 5.1 There are no identified implications in respect of the Human Rights Act 1998 arising from this report.

**Section 6**

**6. Data Protection Act Implications**

- 6.1 There are no identified implications in respect of the Data Protection Act.

**Section 7**

**7. Risk Management Implications**

- 7.1 The risk to the Capital Programme has been addressed by having a fully funded programme backed by a Capital Budget process which only allows spend when Cabinet has considered scheme content and resources.

**Section 8**

**8. Legal Implications**

- 8.1 The legal implications arising from the reported financial position are set out throughout the report.

**Section 9**

**9. Financial Implications**

- 9.1 Financial implications are referred to throughout the body of the report and the Annexes.
- 9.2 Uncommitted capital resources for 2007-08 are £2,175,430 reflecting the delay in the implementation of many schemes financed from existing resources.
- 9.3 The estimated uncommitted resources as at the 31 March 2011 have increased to £388,420.



10. Resource Implications

Section 10

10.1 There are no direct resource implications arising from the report.

11. Conclusions

Section 11

11.1 That the recommendations at point 2 be approved.

Section 12

Background Papers

There are no background papers.

Annexes

Annex 1 – Capital Budgets 2007-08

Annex 2 – Capital Resources 2008-11

Annex 3 – Capital Programme Commitments 2008-11

Annex 4 – Capital Budgets 2008-11

Annex 5 – Capital Programme Commitments not approved 2008-11

## Capital Budgets 2007-08

Summary	2007-08 Approved Budget £	2007-08 Actual Expenditure Q3 £	2007-08 Anticipated Spend £	2007-08 Anticipated Variance £	2007-08 Slippage into 2008- 09 £	Managers Comments
Children and Young People	6,600,450	1,900,837	3,397,760	-3,202,690	3,202,240	
Healthier Communities, Housing and Older People	580,840	341,933	434,790	-146,050	146,050	
Access to Skills, Economic Development and Enterprise	204,080	27,067	86,710	-117,370	117,370	
Safer and Stronger Communities	30,000	23,078	30,000	0	0	
Environment	3,060	470	1,470	-1,590	1,590	
Building an Excellent Council	35,000		35,000	0	0	
	<b>7,453,430</b>	<b>2,293,385</b>	<b>3,985,730</b>	<b>-3,467,700</b>	<b>3,467,250</b>	

ENCLOSURE 12.11

<b>Children and Young People</b>	<b>2007-08 Approved Budget  £</b>	<b>2007-08 Actual Expenditure Q3  £</b>	<b>2007-08 Anticipated Spend  £</b>	<b>2007-08 Anticipated Variance  £</b>	<b>2007-08 Slippage into 2008- 09  £</b>	<b>Managers Comments</b>
Provision of Sports- Leisure Facilities	1,360,000	15,348	20,350	-1,339,650	1,339,650	Scheme delayed
Feasibility Study - Sports - Leisure Facilities	40,000	26,710	40,000	0	0	
Old Hednesford Parkland Development Scheme	0	5,415	7,000	7,000	-7,000	
Ravenhill Park - Tennis Courts	41,000	42,582	41,000	0	0	*Actual expenditure will be contained within overall Capital Budget
Parks Footpath Refurbishment	8,650	0	0	-8,650	8,650	
Bettys Lane Play Area - Norton Canes	450	0	0	-450		Scheme moved to revenue
Rolling Programme of Play Areas	67,950	29,233	67,950	0	0	
Chase Heritage Trail	948,470	84,327	559,750	-388,720	388,720	
Chase Heritage Trail Museum	279,720	115,671	277,500	-2,220	2,220	
Rugeley Swimming Pool	3,854,210	1,581,551	2,384,210	-1,470,000	1,470,000	
	<b>6,600,450</b>	<b>1,900,837</b>	<b>3,397,760</b>	<b>-3,202,690</b>	<b>3,202,240</b>	

ENCLOSURE 12.12

<b>Healthier Communities, Housing and Older People</b>	<b>2007-08 Approved Budget</b>	<b>2007-08 Actual Expenditure Q3</b>	<b>2007-08 Anticipated Spend</b>	<b>2007-08 Anticipated Variance</b>	<b>2007-08 Slippage into 2008- 09</b>	<b>Managers Comments</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Disabled Facilities Grants	334,790	250,525	334,790	0	0	
Private Sector Decent Homes	246,050	91,408	100,000	-146,050	146,050	Delay in grant payments
	<b>580,840</b>	<b>341,933</b>	<b>434,790</b>	<b>-146,050</b>	<b>146,050</b>	

<b>Access to Skills, Economic Development and Enterprise</b>	<b>2007-08 Approved Budget</b>	<b>2007-08 Actual Expenditure Q3</b>	<b>2007-08 Anticipated Spend</b>	<b>2007-08 Anticipated Variance</b>	<b>2007-08 Slippage into 2008- 09</b>	<b>Managers Comments</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
High Green Access and Area Improvements	50,370	0	0	-50,370	50,370	Delay in tendering, scheme will progress next year
Town Centre Investments	72,300	15,250	45,300	-27,000	27,000	
Strategic Employment Sites	81,410	11,817	41,410	-40,000	40,000	
	<b>204,080</b>	<b>27,067</b>	<b>86,710</b>	<b>-117,370</b>	<b>117,370</b>	

<b>Safer and Stronger Communities</b>	<b>2007-08 Approved Budget</b>	<b>2007-08 Actual Expenditure Q3</b>	<b>2007-08 Anticipated Spend</b>	<b>2007-08 Anticipated Variance</b>	<b>2007-08 Slippage into 2008- 09</b>	<b>Managers Comments</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	

ENCLOSURE 12.13

Home Security Grants (General)	30,000	23,078	30,000	0	0
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<b>Environment</b>	<b>2007-08 Approved Budget £</b>	<b>2007-08 Actual Expenditure Q3 £</b>	<b>2007-08 Anticipated Spend £</b>	<b>2007-08 Anticipated Variance £</b>	<b>2007-08 Slippage into 2008- 09 £</b>	<b>Managers Comments</b>
Hednesford Hills – Grazing	3,060	470	1,470	-1,590	1,590	Delay in highway gating order

<b>Building an Excellent Council</b>	<b>2007-08 Approved Budget £</b>	<b>2007-08 Actual Expenditure Q3 £</b>	<b>2007-08 Anticipated Spend £</b>	<b>2007-08 Anticipated Variance £</b>	<b>2007-08 Slippage into 2008- 09 £</b>	<b>Managers Comments</b>
Time and Attendance System	35,000	0	35,000	0	0	

**ANNEX 2****Capital Resources 2007-08 to 2010-11**

	<b>2007-08 Resources £</b>	<b>2008-09 Resources £</b>	<b>2009-10 Resources £</b>	<b>2010-11 Resources £</b>	<b>Total Resources £</b>
Uncommitted Resources form previous year	1,066,120				<b>1,066,120</b>
Prudential Borrowing	1,814,210	411,430			<b>2,225,640</b>
Specified Capital Grant (DFG)	216,000				<b>216,000</b>
Section 106 Contributions	358,230	500,000			<b>858,230</b>
Capital Reserve	72,970	64,300	61,980	55,130	<b>254,380</b>
Capital Receipts*	825,000	22,123,000	2,327,000	2,077,000	<b>27,352,000</b>
Other Local & Public Authorities	215,480	72,000			<b>287,480</b>
Government Capital Pot	585,340				<b>585,340</b>
Sports Council**	470,000	280,000	250,000		<b>1,000,000</b>
LPSA Grant	108,450				<b>108,450</b>
Staffordshire County Council *		500,000	2,000,000	500,000	<b>3,000,000</b>
Lottery	429,360	485,950			<b>915,310</b>
<b>Total Local Resources</b>	<b>6,161,160</b>	<b>24,436,680</b>	<b>4,638,980</b>	<b>2,632,130</b>	<b>37,868,950</b>
Less					
Approved General Fund Expenditure	3,985,730	4,947,590			<b>8,933,320</b>
Unapproved General Fund Expenditure					<b>28,547,210</b>
<b>Uncommitted Resources</b>	<b>2,175,430</b>	<b>19,489,090</b>	<b>4,638,980</b>	<b>2,632,130</b>	<b>388,420</b>

\* These amounts are subject to future land sales

\*\* £500,000 currently secured, balance subject to future application.

**Capital Programme Commitments 2008-11**

<b>Summary</b>	<b>Current Budget 2008-11</b>	<b>Slippage from 2007-08</b>	<b>Total Budget 2008-11</b>
Children and Young People	21,950,260	3,202,240	25,152,500
Healthier Communities, Housing and Older People	7,991,290	146,050	8,137,340
Access to Skills, Economic Development and Enterprise	25,000	117,370	142,370
Environment	61,000	1,590	62,590
	<b>30,027,550</b>	<b>3,467,250</b>	<b>33,494,800</b>

<b>Children and Young People</b>	<b>Current Budget 2008-11</b>	<b>Slippage from 2007-08</b>	<b>Total Budget 2008-11</b>
Provision of Sports- Leisure Facilities	700,000	1,339,650	2,039,650
Old Hednesford Parkland Development Scheme	94,980	-7,000	87,980
Parks Footpath Refurbishment	0	8,650	8,650
Chase Heritage Trail	149,250	388,720	537,970
Chase Heritage Trail Museum	31,170	2,220	33,390
Rugeley Swimming Pool	67,920	1,470,000	1,537,920
White on Brown Road Signs	6,940		6,940
Future Leisure Facilities	20,400,000		20,400,000
Artificial Turf Pitch	500,000		500,000
	<b>21,950,260</b>	<b>3,202,240</b>	<b>25,152,500</b>

ENCLOSURE 12.16

<b>Healthier Communities, Housing and Older People</b>	<b>Current Budget 2008-11</b>	<b>Slippage from 2007-08</b>	<b>Total Budget 2008-11</b>
Private Sector Decent Homes	2,605,950	146,050	2,752,000
Disabled Facilities Grants	350,000		350,000
Affordable Housing	585,340		585,340
Contribution to RSL	4,450,000		4,450,000
	<b>7,991,290</b>	<b>146,050</b>	<b>8,137,340</b>

<b>Access to Skills, Economic Development and Enterprise</b>	<b>Current Budget 2008-11</b>	<b>Slippage from 2007-08</b>	<b>Total Budget 2008-11</b>
High Green Access and Area Improvements		50,370	50,370
Town Centre Investments		27,000	27,000
Strategic Employment Sites	25,000	40,000	65,000
	<b>25,000</b>	<b>117,370</b>	<b>142,370</b>

<b>Environment</b>	<b>Current Budget 2008-11</b>	<b>Slippage from 2007-08</b>	<b>Total Budget 2008-11</b>
Hednesford Hills – Grazing		1,590	1,590
Home Security Grants – General	61,000		61,000
	<b>61,000</b>	<b>1,590</b>	<b>62,590</b>



**ANNEX 4****Capital Budget – Approved Schemes 2008-11**

<b>Scheme</b>	<b>Commitment 2008 to 2011</b>
	<b>£</b>
Provision of Sports – Leisure Facilities	2,039,650
Parks Footpath Refurbishment	8,650
Chase Heritage Trail	537,970
Chase Heritage Trail Museum	33,390
Rugeley Swimming Pool	1,537,920
Disabled Facilities Grants	350,000
High Green Access and Area Improvements	50,370
Town Centre Investments	27,000
Private Sector Decent Homes	296,050
Strategic Employment Sites	65,000
Hednesford Hills – Grazing	1,590
<b>Total Commitments</b>	<b>4,947,590</b>

**ANNEX 5****Capital Programme Commitments 2008-11****Schemes Subject to Cabinet Approval**

<b>Scheme</b>	<b>Commitment 2008 to 2011</b> <b>£</b>
Old Hednesford Parkland Development Scheme	87,980
White on Brown Road Signs	6,940
Future Leisure Facilities	20,400,000
Artificial Turf Pitch	500,000
Private Sector Decent Homes	2,455,950
Affordable Housing	585,340
Contribution to RSL's	4,450,000
Home Security Grants – General	61,000
<b>Total Commitments</b>	<b>28,547,210</b>