

DECISION-MAKER:	CABINET		
SUBJECT:	CORPORATE FINANCIAL GENERAL FUND CAPITAL MONITORING FOR THE PERIOD TO THE END OF DECEMBER 2009		
DATE OF DECISION:	15 FEBRUARY 2010		
REPORT OF:	CABINET MEMBER FOR RESOURCES AND WORKFORCE PLANNING		
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STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE

SUMMARY

This report summarises the General Fund capital financial position for the Authority for the nine months to the end of December 2009, and highlights any key issues by Portfolio which need to be brought to the attention of Cabinet.

RECOMMENDATIONS:

It is recommended that Cabinet:

- (i) Note the current General Fund capital budget monitoring position for 2009/10 as at Period 9 (December), which is an in-year under spend of **£751,000** of which just over £1.0M is slippage.
- (ii) Note the current General Fund capital budget monitoring position for the overall programme which is a forecast over spend for all schemes of **£460,000**.
- (iii) Note the action plans in place, where applicable, to ensure capital expenditure remains within allocated budgets.

REASONS FOR REPORT RECOMMENDATIONS

1. To ensure that Cabinet fulfils its responsibilities for the overall financial management of the Council's resources.

CONSULTATION

2. Heads of Service, Budget Holders and Executive Director's have been consulted in preparing the reasons for variations contained in the financial appendices.

This report will also be made available to all Scrutiny Panels.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Not applicable.

DETAIL

4. Financial Summary

Appendix 1 sets out a high level summary for the General Fund showing the overall forecast outturn position for the Council is an under spend of **£751,000** in the current year and an overall forecast programme over spend for all schemes of **£460,000**. This is summarised below:

Portfolio	Budget 2009/10 £000's	Forecast Outturn Variance £000's	Forecast Outturn Variance %	Forecast Scheme Variance £000's	See Appendix
Adult Social Care & Health	1,862.0	0.0	0.0	0.0	
Children's Services	20,131.0	111.0 A	0.6 A	498.0 A	2
Economic Development	8,334.0	0.0	0.0	0.0	
Environment & Transport	20,130.0	650.0 F	3.2 F	36.0 F	3
Housing & Local Services	6,824.0	4.0 F	0.1 F	2.0 F	4
Leisure Culture & Heritage	4,088.0	0.0	0.0	0.0	
Resources & Workforce Planning	3,715.0	208.0 F	5.6 F	0.0	5
Portfolio Total	65,084.0	751.0 F	1.2 F	460.0 A	

The Key issues affecting each relevant Portfolio are set out in Appendices 2 to 5, as per the table above.

5. **Key Issues**

There are a number of schemes where a material variance is being forecast, the most significant of which are highlighted in the tables overleaf. The adverse variances are noted in the first table, and at this point in the year there are no significant favourable variances to report:

Key Adverse Scheme Variances

Portfolio	Key Issue	Forecast Adverse £000's	See Appendix & Reference
Children's Services	<u>Learning Futures</u> – Rectification work on modular buildings has resulted in a potential over spend on the overall scheme	498.0	App 2 – CS 1

6. **Slippage**

There are a small number of schemes where there is significant slippage forecast in the year. These schemes are highlighted in the table below with further explanation provided in appendices 2 – 5.

Portfolio	Scheme	Forecast Slippage 2009/10 £000's	See Appendix & Reference
Children's Services	<u>Early Years & Children's Centre Phase 3</u> – Children's centres phase three is progressing more slowly than planned	277.0	App 2 – CS 2
Environment & Transport	<u>Principal Roads</u> – There are unavoidable delays to the start of two projects.	259.0	App 3 – E&T 1
Environment & Transport	<u>Unclassified Roads</u> – Works have been reprogrammed to minimise disruption.	179.0	App 3 – E&T 2
Environment & Transport	<u>Multi-Storey Car Park (MSCP) 10 Year Maintenance Programme</u> – There is a need to re-phase expenditure on two lift projects.	115.0	App 3 – E&T 3
Resources & Workforce Planning	R&M Backlog – Slippage due to revised phasing of works.	208.0	App 5 – Res 1

The above schemes account for just over £1.0M of the forecast in year under spend of £751,000, and this slippage is partially offset by an in year over spend on Learning Futures within the Children's Services Portfolio of £278,000.

7. **Capital Programme Management**

It should be noted that this report currently focuses on the financial monitoring of the Capital Programme and does not seek to assess the overall effectiveness of delivery of the programme, for example, with regard to outcomes and timeliness.

In the past, there have been issues with regard to delivery of schemes in the light of which a review of project management within the Council has been undertaken and, in addition, work is ongoing to specifically review and develop Capital Programme management and monitoring.

Once implemented these developments will enable monitoring in the future to include an assessment of all facets affecting the delivery of the Capital Programme.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

8. Contained in the report.

Revenue

9. None.

Property

10. Not applicable.

Other

11. Not applicable.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12. Financial reporting is consistent with the Chief Financial Officer's duty to ensure good financial administration within the Council.

Other Legal Implications:

13. Not applicable.

POLICY FRAMEWORK IMPLICATIONS

14. Not applicable.

SUPPORTING DOCUMENTATION

Appendices

1.	General Fund Summary
2.	Children's Services Portfolio
3.	Environment & Transport Portfolio
4.	Housing & Local Services Portfolio
5.	Resources & Workforce Planning Portfolio

Documents In Members' Rooms

1.	None
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Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None.	
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Background documents available for inspection at: Not applicable

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED: None