

APPENDIX B.2

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 10TH JUNE 2008

Title:

**FINANCIAL OUTTURN 2007/08
CAPITAL PROGRAMME OUTTURN
(GENERAL FUND, HOUSING REVENUE ACCOUNT AND
LA SOCIAL HOUSING GRANT)**

**[Portfolio Holder for Finance: Cllr M H W Band]
[Wards Affected: All]**

Summary and purpose:

This report presents the outturn for the Council's 2007/08 Capital Programme. It also seeks approval for the financing proposals and authority to add slippage from the 2007/08 Programme to the 2008/09 Programme.

Environmental implications:

There are no direct environmental implications as a result of the recommendations in this report. However, the outturn includes services that have very significant positive environmental benefits.

Social / community implications:

There are no direct social/community implications as a result of the recommendations in this report. However, the outturn includes services that do have very significant positive social/community benefits.

E-Government implications:

The outturn contains budgets to enable the delivery of Waverley's E-Government Strategy.

Resource and legal implications:

There are no direct legal implications as a result of the recommendations in this report. Resource implications are contained throughout the report.

Introduction

1. This report presents the outturn for the Council's 2007/08 Capital Programme. It also seeks approval for the financing proposals and authority to add slippage from the 2007/08 Programme to the 2008/09 Programme.

2. Details of the 2007/08 Capital Programme Outturn, together with the proposed slippage of budgets from 2007/08 to 2008/09 are detailed at Annexe 1. The financing proposals are summarised in the report.

General Fund Capital Programme

3. The original approved Programme for 2007/08 was £5,389,700; to which was added slippage from 2006/07 of £1,425,600. Together with additional schemes resulting from securing external funding, this resulted in a total approved Programme for the year of £7,046,500.
4. However, in setting the Programme for 2008/09, slippage and re-phasing of some £2.6m from 2007/08, mainly relating to the refurbishment of leisure facilities arising from the Leisure Strategy, was taken into account, leaving a total budget at the year-end of £4,086,500. Actual expenditure in the year was £3,506,086, with slippage requests totalling £613,200.
5. The following table analyses the General Fund Capital Programme movements during the year:

	£
Originally Approved Programme for 2007/08	5,389,700
Slippage from 2006/07	1,425,600
Supplementary External Funding	231,200
Total Approved Programme	7,046,500
Less Re-phased to Approved 2008/09 Programme	2,567,000
	4,479,500
Less Savings taken into account	393,000
Projected Expenditure 2007/08	4,086,500
Additional External Funding	73,000
	4,159,500
Less Expenditure in year	3,506,086
	653,414
Less Slippage	613,200
Further Savings	£40,214

Social Housing Grant

6. The Council supported Pavilion Housing Association in the refurbishment of five street properties at a cost of £200,000.

Housing Revenue Account Capital Programme

7. Total capital expenditure in the year was £8,123,596 against an overall capital budget of £7,317,650. In particular the double glazing, central heating upgrades and rewiring programmes were accelerated due to good contractor performance. This work contributes to decent homes and means that later years' programmes will be reduced accordingly as the work has been carried out more quickly than expected.

	£
Original Approved Programme	6,481,650
Slippage from 2006/07	286,000
Supplementary Approval (double glazing)	<u>550,000</u>
Total Approved Programme	7,317,650
LESS	
Expenditure in year	<u>8,123,596</u>
Net Overspend (acceleration from 2008/09)	(805,946)
For analysis of overspend see Annexe 1	

8. The Programme was funded from the Major Repairs Allowance of £3,498,118, and capital receipts of £4,625,478

Financing

9. The financial resources available were as follows: -
- (a) Usable capital receipts;
 - (b) specific Government grants;
 - (c) other external funding;
 - (d) the Major Repairs Allowance; and
 - (e) any revenue resources, including the Revenue Reserve Fund, the Capital Fund, the Partnership-Funding Provision and the Vehicle Renewals Fund, as well as direct revenue contributions.
10. The Council's total Capital Programme expenditure amounted to £11,863,479, which has been financed as follows: -

	£
Use of Capital Receipts	5,050,297
Use of Revenue Reserve Fund	2,058,029
Use of Godalming Leisure Fund	65,696
Specific Grants and Contributions	837,109
Partnership Funding Provision	182,683
Major Repairs Allocation	3,498,118
Items met from General Fund revenue	<u>171,547</u>
	<u>£11,863,479</u>

Use of Capital Receipts

11. After allowing for the funding of schemes from other sources, there remained a balance of £4,625,478 Housing Revenue Account schemes to be funded from Housing Capital Receipts. Housing Capital Receipts have also been used to finance Social Housing Grant (DIYSO) at £200,000. General Fund Capital Receipts have been used to finance House Renovation Grants (£101,251) and the East Street scheme (£123,568).

General Fund Slippage

12. In addition to the Slippage and re-phasing already taken into account in setting the 2008/09 Programme, further Slippage of £613,200 has occurred on specific General Fund schemes and there are, therefore, recommendations for this to be added to the Capital Programme for 2008/09. £213,000 of the total slippage relates to Community Partnership Fund grants, the timing of which is beyond Waverley's control. Some slippage is usual with any capital programme, with the amount requested this year for Waverley's own schemes of £400,000 is significantly lower than for the previous two years.

Recommendation

It is recommended that:-

1. the financing proposals for the 2007/08 financial year summarised in paragraph 10 be approved;
2. slippage totalling £613,200, as detailed in Annexe 1, from the 2007/08 General Fund Capital Programme to the 2008/09 General Fund Capital Programme be approved; and
3. the acceleration of £806,000 from the 2008/09 Housing Revenue Account Capital Programme be agreed.

Background Papers (DCEx)

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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