

APPENDIX B.2.

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 9 JUNE 2009

Title:

**ANNUAL ACCOUNTS 2008/09
CAPITAL PROGRAMME OUTTURN
(GENERAL FUND, HOUSING REVENUE ACCOUNT)
[Portfolio Holder: Cllr Mike Band]
[Wards Affected: All]**

Summary and purpose:

This report presents the outturn for the Council's 2008/09 Capital Programme. It also seeks approval for the financing proposals and authority to add slippage from the 2008/09 Programme to the 2009/10 Programme.

How this report relates to the Council's Corporate Priorities:

The Capital Programme is a key way of delivering the Council's Corporate Priorities

Equality and Diversity Implications:

This report does not have any direct equality and diversity implications, although the budgets enable important work in these areas to be undertaken.

Resource/Value for Money Implications:

The report details the expenditure during the past year and compares this with the previously approved budgets. Significant external funding has been obtained in some areas, thereby achieving improved value for money.

Legal Implications:

This report does not have any direct legal implications.

Introduction

1. This report presents the outturn for the Council's 2008/09 Capital Programme. It also seeks approval for the financing proposals and authority to add slippage from the 2008/09 Programme to the 2009/10 Programme.
2. Details of the 2008/09 Capital Programme Outturn, together with the proposed slippage of budgets from 2008/09 to 2009/10 are detailed at Annexe 1. The financing proposals are summarised in the report.

General Fund Capital Programme

3. The original approved Programme for 2008/09 was £5,392,400; to which was added slippage from 2007/08 of £613,200. Together with additional schemes resulting from securing external funding, this resulted in a total approved Programme for the year of £6,307,600.
4. However, in setting the Programme for 2009/10, rescheduling of some £2.6m from 2008/09, 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 £3,910,240. Actual expenditure in the year on the projects was 3,675,330, of which £139,009 was transferred to Revenue at the year-end to ensure compliance with latest accounting standards. Slippage requests total £185,300.
5. The following table analysis the General Fund Capital Programme movements during the year:

	£
Originally Approved Programme for 2008/09	5,392,400
Slippage from 2007/08	613,200
Supplementary External Funding	70,800
Total Approved Programme	6,307,600
Less Rescheduled to 2009/10 Programme as approved	2,144,000
	4,163,600
Less Rescheduled to later years and other reductions	253,360
Projected Expenditure 2008/09	3,910,240
Additional External Funding	58,626
	3,968,866
Expenditure in year	3,675,330
Slippage	185,300
Balance (including savings)	108,236

Social Housing Grant Capital Programme

6. In order to support the Council's affordable housing priority and also to help address local housing need, the Council awarded a grant of £170,000 to English Rural Housing Association. This enabled the English Rural Housing Association to pay Waverley £170,000 for an easement across Council-owned land to access their development site to the rear of the former British Legion club at Dunsfold. In return, the Council will be gaining four homes that will be made available to local people who would be nominated from the Housing Needs Register. These nominations would be secured through a legally binding nomination agreement.

Housing Revenue Account Capital Programme

7. Total capital expenditure in the year was £9,026,999 against an original programme of £8,758,830. Future years' programmes can be reduced accordingly as the work will have been carried out more quickly than expected. In particular the double-glazing and central heating upgrade programmes have progressed well and were accelerated due to good contractor performance. During the year: 800 homes were fitted with double-glazed windows; 417 homes were rewired; and 145 new kitchens were fitted. This has helped to achieve 490 decent homes in the year from carrying out these two programmes. Spending on the Council's stock has resulted in an increase in the amount of homes that are now decent to 57%. This compares with 50% at the start of the year.
8. As part of the final accounts process a stringent review of the types of work traditionally capitalised has been carried out. As a result, some of this has been funded from revenue and the content of the current year's capital programme will be reconsidered as part of the budget review to be carried out in the summer.
9. The HRA capital programme 2008-09 has been funded £3,463,239 from the major repairs allowance and £5,396,114 from capital receipts, with £159,651 being transferred to revenue and £7,995 met from grants received.

Financing

10. The Council's total Capital Programme expenditure amounted to £12,872,329 (before transfers to revenue), which has been financed as follows: -

	£
Use of Capital Receipts	5,627,383
Use of Revenue Reserve Fund	1,801,485
General Fund Revenue Financing	11,055
Specific Grants and Contributions	1,477,043
Partnership Funding Provision	193,464
Major Repairs Allocation	3,463,239
Items transferred to General Fund revenue	139,009
Items transferred to HRA revenue	159,651
	<u>£12,872,329</u>

General Fund Slippage

12. In addition to the rescheduling already taken into account in setting the 2009/10 Programme, further Slippage of £185,300 has occurred on a few specific General Fund schemes and there are, therefore, recommendations for this to be added to the Capital Programme for 2009/10. This level of slippage for Waverley's own schemes is significantly below the 2008/09 figure of £400,000, which itself was a considerable improvement on the previous two years.

Community Partnership fund

13. Payments during 2008-09 against commitments from previous awards under the Community Partnership Fund were in line with expectations. The outstanding commitments remaining at 31st March 2009 total £146,200. It is appropriate for this figure to be added to the 2009/10 Capital Programme in recognition of the potential for these payments.

Recommendation

It is recommended that:-

1. the financing proposals for the 2008/09 financial year summarised in paragraph 10. be approved;
2. slippage totalling £185,300, as detailed in Annexe 1, from the 2008/09 General Fund Capital Programme to the 2009/10 General Fund Capital Programme be approved; and
3. the outstanding commitments totalling £146,200 be added to the 2009/10 General Fund Capital Programme, representing total outstanding commitments to be paid from the Community Partnership Fund.

Background Papers (Deputy Chief Executive)

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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