

**CAPITAL PROGRAMME MONITORING & FORECASTING 2015/16
POSITION AS AT MARCH 2016**

1. INTRODUCTION

1.1 This report informs Members of the position regarding the Council's Capital Programme for 2015/16, based on the monitoring exercise carried out during February and March.

2. BACKGROUND

2.1 Financial Services, in consultation with relevant budget officers, carry out regular monitoring of the Capital Programme.

2.2 A summary of the overall Capital Programme position is shown in Appendix A.

3. CURRENT POSITION

3.1 The Council approved the Revised 2015/16 Capital Programme of £9,340,000 on 25th February 2016. Subsequently approved schemes totalling £265,000 bring the total approved Capital Programme for 2015/16 to £9,605,000.

3.2 Based on the February/March 2016 monitoring exercise, the forecast outturn for 2015/16 is expected to be £4,859,000; with a forecast shortfall of £4,746,000 against the approved Total Capital Programme of £9,605,000.

3.3 Of this shortfall:

Scheme	£000s
Schemes forecast to slip to 2016/17 (see 3.5 below)	(4,500)
Schemes forecast to underspend in 2015/16 (see 3.6 below)	(395)
Schemes forecast to overspend in 2015/16 (see 3.7 below)	149
Total Forecast Programme Shortfall 2015/16	(4,746)

3.4 The major scheme slippages identified to date are:

Scheme	Explanation	£000s
Council Properties - Purchase of Land - Ball Hill (SANG)	Delay to 2016/17 as vendor is seeking to agree higher sale price than previously agreed. Evidence is being sought to support this.	(1,696)
Depots - Lysons Avenue Depot	Land not yet purchased, should take place in 2016/17	(1,550)
Activation Aldershot - Phase 2 - Town Centre Improvements	Some costs have been delayed to 16/17 as the composite element of the shop front improvements extended the time necessary for preparation and planning permission. Final retention fees will also be held until next year.	(367)
Council Properties - Leasehold Purchase Plot 20 Blackwater Way Ind Est	Funding is conditional upon securing a tenant for the unit, viewed as likely to take place Summer 2016. Cabinet approved 02/02/16.	(265)
Car Parks - Provision for Enhancements	Further works to be carried out in refurbishing the High Street MSCP plus resurfacing Pinehurst car park and the service road along the Leisure Centre.	(220)
Aldershot Pools Complex - Roof Insulation and Coating over Pools	Quotes have been received however it has been identified that there is a structural fault in the roof and are now awaiting a scheme for repair, which will delay works until 2016/17	(119)
Alpine Snowsports - Replacement Toilets & Viewing Area Building	Slippage to 2016/17 following review of options as part of a larger development	(64)
Cycleway Links - Cove Brook Greenway	Works pending, slip remaining budget	(47)

3.5 The major forecast underspends arise on the following schemes:

Scheme	Explanation	£000s
Grants To Registered Social Landlords - Grants To Registered Social Landlords	Reduction in spend due to decision taken to pay all of the grant for Alexandra Rd on completion of the units to cut down on grant admin. Also a First Wessex scheme which Rushmoor was intending to fund is delayed due to highways stopping up issues. Finally other opportunities have not come forward	(114)

Scheme	Explanation	£000s
Improvement Grants - Home Loan Scheme (Discretionary)	Underspend offered as part of budget challenge	(105)
Improvement Grants - Housing Renewal Grants (Discretionary)	Underspend offered as part of budget challenge	(99)
ICT Strategy & Customer First Projects - Uniform/Confirm Upgrade	Reductions in spend on the Confirm Connect mobile project as costs have been managed within the Channel Shift project	(30)

3.6 The major forecast overspends arise on the following schemes:

Scheme	Explanation	£000s
ICT Strategy & Customer First Projects - Server Virtualisation (Rationalisation) -	Budget for Server Virtualisation was set lower than the final tender pricing, specifically around the implementation costs.	89
Council Offices - Co-Location Project Phase 3	Pre-spend part of 2016/17 budget as project progressed quicker than initially anticipated.	35

4. CONCLUSIONS

- 4.1 Material variations have been identified on several schemes and these are shown above along with any material slippages into 2016/17.
- 4.2 A significant portion of the slippage (£3,246,000) is due to two large land purchases in respect of provision of a Council-owned depot and for acquisition of land for Suitable Alternative Natural Green Space. Transactions of this type are often complex and protracted and therefore it is difficult to estimate the exact timing of such acquisitions.
- 4.3 Once slippage is allowed for, the level of variation against the forecast programme is not material being a net underspend of £246,000 against budgeted spend of £5,105,000, which is a variance of around 5%.

5. RECOMMENDATION

- 5.1 Members are requested to note the latest Capital monitoring position.

AMANDA FAHEY
HEAD OF FINANCIAL SERVICES

CAPITAL PROGRAMME MONITORING SUMMARY 2015/16

PORTFOLIO	REVISED BUDGET 2015/16	ADDITIONAL BUDGET APPROVALS 2015/16	TOTAL APPROVED BUDGET 2015/16	ACTUAL AS AT 0	VARIANCE	FORECAST SPEND 2015/16	FORECAST SPEND LESS APPROVED BUDGET	SLIPPAGE TO 2016/17
£	£	£	£	£	£	£	£	£
CORPORATE SERVICES	2,752,000	265,000	3,017,000	460,678	(2,556,322)	1,148,955	(1,868,045)	1,978,000
LEISURE AND YOUTH	699,000	0	699,000	289,515	(409,485)	433,460	(265,540)	256,540
ENVIRONMENT & SERVICE DELIVERY	4,551,000	0	4,551,000	2,217,106	(790,939)	2,256,102	(2,294,898)	2,265,000
BUSINESS, SAFETY AND REGULATION	0	0	0	0	0	0	0	0
HEALTH AND HOUSING	1,338,000	0	1,338,000	485,407	(852,593)	1,020,000	(318,000)	0
TOTAL	9,340,000	265,000	9,605,000	3,452,706	(4,609,339)	4,858,517	(4,746,483)	4,499,540

Variations to Programme Approved 2015/16**Approved By****Date****£**

Original Budget 2015/16

Full Council

25/02/2016

9,340,000

5214-Leasehold purchase plot 20 Blackwater Way Ind Est

Cabinet

02/02/2016

265,000

Total Approved Budget**9,605,000**