

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Council: 25 February 2009

**Subject: HRA Capital Programme 2008/2009 Budgetary Control Report
to 15 January 2009 (Period 9)**

1. Purpose

- 1.1** The purpose of this report is to advise Members on the progress of the HRA Capital Programme 2008/2009. Budgetary control statements for the HRA Capital Programme are also presented to the Housing, Environment and Economic Development Committee to allow the Committee to monitor performance.

2. Background

- 2.1** Council agreed the 2008/2009 HRA Capital Programme at its Budget meeting on 14 February 2008. At its meeting on 17 December 2008, Council was presented with probable outturn figures for the HRA Capital Programme and approved the revised HRA Capital probable outturns which still totalled £16.902m. This report details expenditure against the various *probable outturn* headings up to 15 January 2009.

3. Main Issues

- 3.1** The budgeted expenditure on the Capital Programme, with matched resources, is £16.902m (see Appendix A).
- 3.2** A summary of the expenditure to 15 January 2009 on each main budget heading is attached at Appendix B. Expenditure to 15 January 2009 totals £12.081m.
- 3.3** Members will note that the actual spend to 15 January 2009 is compared to the phased capital probable outturn at 15 January 2009 amounting to £11.965m, resulting in a spend of £0.116m more than anticipated in the phased probable outturn.
- 3.4** Details of the actual expenditure and phased probable outturn to 15 January 2009 on each detailed project are attached at Appendix C 15
- 3.5** Brief explanations of the main variances are as follows;

i) Multi-Storey Comprehensive Area Renewal - Underspending £466,000

This underspending is the result of the timing of the expenditure being behind the probable outturn phasing at this point in the financial year.

ii) Bathroom Upgrades - Overspending (£184,000)

This overspending is the result of the timing of the expenditure being ahead of the probable outturn phasing at this point in the financial year and the installation programme is anticipated as being complete by the middle of February.

iii) Central Heating - Overspending (£337,000)

This overspend is as a result of more obsolete boilers and systems being discovered during annual gas maintenance visits.

iv) Overclad Projects - Overspending (£222,000)

The original budget for this project was £400,000 which was reduced to a probable outturn of £100,000. However this projected outturn was pitched too low and it is anticipated that the year end spend will be around £350,000.

3.6 Although we are anticipating some overspends on certain individual probable outturns, the year end position overall is still being predicted as a total spend of around £16.902m, as management action will be taken to ensure that some projects will underspend against their probable outturns which will compensate for those projects which are overspending.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The Council has spent £12.081m to the 15 January 2009 against a phased budget of £11.965m resulting in a phased overspend as at 15 January 2009 of £0.116m. It is anticipated however that the year end position will be in line with the available budget of £16.902m.

6. Risk Analysis

6.1 The present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2009 which could affect the year end spend.

7. Conclusion

7.1 The report identifies a phased overspend against phased probable outturn of £0.116m, but the year end position is still being predicted as a total spend of around £16.902m.

8. Recommendation

8.1 Members are asked to note the contents of this report.

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Date: 3 February 2009

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Appendices: Appendix A - Capital Programme Resources
Appendix B - Summary of Expenditure to 15 Jan. 2009
Appendix C - Details of Expenditure to 15 Jan. 2009

Background Papers: None

Wards Affected: All