

Cabinet

23 APRIL 2012

LEADER

*Councillor Stephen
Greenhalgh*

**THE GENERAL FUND CAPITAL PROGRAMME,
HOUSING REVENUE CAPITAL PROGRAMME
AND REVENUE BUDGET 2011/2012 – MONTH
10 AMENDMENTS.**

**Wards:
All**

The purpose of this report is to seek approval for changes to the Capital Programme and the Revenue Budget for 2011/12.

CONTRIBUTORS

All Departments

HAS A EIA BEEN
COMPLETED?
N/A

HAS THE REPORT
CONTENT BEEN RISK
ASSESSED?
N/A

Recommendations:

1. That the changes to the capital programme as set out in Appendix 1 be approved.
2. That the changes to the General Fund revenue budget and Housing Revenue Account as set out in Appendix 2 be approved.
3. That the debt write off of £0.254m as set out in section 4 be approved.

1. SUMMARY

1.1 This report sets out proposed amendments to both Capital and Revenue Estimates as at month 10.

2. GENERAL FUND CAPITAL PROGRAMME

2.1 Table 1 summarises the proposed amendments to the 2011/12 General Fund capital programme and is detailed in Appendix 1.

Table 1 – Summary of Proposed Amendments to the General Fund Capital Programme

Service Area	Revised Budget at Month 9	Additions/ (Reduction)	Slippage	Revised Budget at Month 10	Net Movement
	[a]	[b]	[c]	[a+b+c]	[b+c]
	£m	£m	£m	£m	£m
Children's Services	13.889	(0.028)	(0.663)	13.198	(0.691)
Adult Social Care Services	1.746	0.038	(0.308)	1.476	(0.270)
Transport and Technical Services	14.562	0.210	(1.324)	13.448	(1.114)
Finance and Corporate Services	1.500	0	0	1.500	0
Environment, Leisure and Resident's Services	6.139	0.012	0	6.151	0.012
Total	37.836	0.232	(2.295)	35.773	2.063

2.2 Movement in Expenditure

2.2.1 Children's Services

The budget movement from month 9 is a net decrease of £0.691m in month 10. This relates mainly to a net slippage of £0.663m in respect of :-

- Holy Cross school expansion and Bi-lingual Project, (£0.498m)
- Queensmill School Rebuild, (£0.195m)
- Other reprofiled expenditure, £0.030m

A net reduction of £0.028m in respect of various primary capital programmes.

2.2.2 Adult Social Care Services

A net decrease of £0.270m is reported in month 10. This relates mainly to a slippage of £0.308m in respect of :-

- Adult Social Care Grant – DOH (£0.180m)
- Grants to Social Landlords funded from mainstream resources (£0.128m)

Additional grant of £0.038m for Disabled Facilities Grant is reported in this period.

2.2.3 Transport and Technical Services

The budget movement from period 9 results in a net reduction in the month 10 budget of £1.114m. The main reason for the reduction is due to a slippage of £1.324m in respect of :-

- Footways and Carriage ways – mainstream funded (£0.135m)
- Corporate Planned maintenance/DDA – mainstream funded (£1.083m)
- Parking Reserve contributions to footways and carriageways – Revenue funded (£0.027m)
- Developer contributions funded schemes (£0.079m).

This is offset by new additional grants and contributions of £0.210m, primarily made up of :-

- Transport for London funded schemes (£0.077m)
- Revenue contributions to capital (£0.066m)
- Developer contributions to various schemes (£0.062m).

2.2.4 Environment, Leisure and Resident's Services

There has been an increase of £0.012m of external funding in respect of recycling projects.

3. REVENUE BUDGET ADJUSTMENTS

- 3.1 The total adjustment to General Fund revenue budgets is £0.069m (Appendix 2). This represents the additional funding of work towards the achievement of the Council's vision for development of Park Royal City International.
- 3.2 There is one Housing Revenue Accounts virement totalling £0.180m to realign the budget for Removal Costs (Appendix 2).

4. REVENUE BUDGET DEBT WRITE OFF

- 4.1 Approval is requested to write off a debt of £0.118m relating to an invoice raised in 2002 to Ealing Hounslow and Hammersmith Health Authority (EHHHA). This invoice was raised around the same time the EHHHA was broken up into the 3 Primary Care Trusts. Despite many attempts over a long period of time, it has proved impossible to recover the debt. In the view of the Department and the Executive Director of Finance and Corporate Governance, there is no prospect of this income being recovered. Due to the age of this debt 100% bad debt provision has been made so the write off will have no impact on the forecast revenue outturn.
- 4.2 Approval is requested to write off a £0.136m mortgage debt on a HRA property (59 Adeney Close) sold under the S110 Shared Equity Scheme. This property has been repossessed, returned to the HRA main stock and is currently tenanted, thereby generating rental income. This debt has been fully provided for in the accounts and the write off will not affect the revenue outturn forecast

5. REVENUE BUDGET CARRY FORWARD TO 2012/13

- 5.1 Each year the Council considers if Departments can carry forward planned underspends. The Financial Regulations provide that planned Departmental underspendings shall be considered for carry forward and such underspends be considered in the context of the Council's overall Budget Strategy.

5.2 On current projections there is a forecast year-end underspend of £7.459m. A future report will be presented requesting the budget carry forward once Departmental priorities are finalised.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Brief Description of Background Papers	Name/Ext. of holder of file/copy	Department
1.	Revenue Monitoring Documents	Gary Ironmonger Ext. 2109	Corporate Finance Room 38 , Town Hall
2.	Capital Monitoring Documents	Isaac Egberedu Ext. 2503 Jade Cheung Ext. 3374	Corporate Finance 2 nd Floor THXI