



London Borough of Hammersmith & Fulham

CABINET

10th December 2012

TITLE OF REPORT

The General Fund Capital Programme – Quarter 2 (Month 6 Amendments)

Report of the Leader of the Council – Councillor Nicholas Botterill

Open Report

Classification : For Decision

Key Decision: Yes

Wards Affected: All

Accountable Executive Director:
Jane West - Executive Director of Finance and Corporate Governance

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(Corporate Accountancy & Capital)

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1. EXECUTIVE SUMMARY

- 1.1. This report sets out the revised capital budget as at quarter 2 for 2012/13, compared with quarter 1 which was approved by Cabinet on 15th October 2012).
- 1.2. The net proposed decrease to the capital programme is £43.1m (table 1). This decrease is primarily attributable to the re-profiling of the Basic Needs grant allocation from the Department for Education. There is no additional call on the use of capital receipts and as such the debt reduction programme is unaffected by the changes proposed in this report.

2. RECOMMENDATIONS

- 2.1. The recommendation arising from this report is for Members to approve the budget variation as at quarter 2 for 2012/13.

3. REASONS FOR DECISION

- 3.1. The reason for the recommendation is to comply with the Council's Financial Regulations which form part of the Council's Constitution.

4. INTRODUCTION AND BACKGROUND

- 4.1. This report sets out the revised capital budget as at quarter 2 for 2012/13, compared with quarter 1 which was approved by Cabinet on 15th October 2012.

5. GENERAL FUND CAPITAL PROGRAMME

- 5.1. Table 1 below summarises the proposed revisions to the 2012/13 General Fund capital programme (details in appendix 1).

Service Area	Quarter 1 Revised Budget	Slippage	Additions/ (Reduction)	Quarter 2 Revised Budget	Net Movement
	[a]	[b]	[c]	[a+b+c]	[b+c]
	£m	£m	£m	£m	£m
Children's Services	73.7	-44.1	1.7	31.3	-42.4
Adult Social Care Services	2.3	-1.0		1.4	-1.0
Transport and Technical Services	15.4		0.6	15.9	0.6
Finance and Corporate Services	2.1			2.1	
Environment, Leisure and Resident's Services	7.3		-0.3	7.1	-0.3
Total	100.9	-45.1	2.0	57.8	-43.1

6. BUDGET VARIATION ANALYSIS

6.1. Children's' Services

The budget movement from quarter 1 is a net decrease of £42.m in quarter 2. This relates mainly to the re-profiling of capital schemes funded by the Local Authority additional Basic Needs grant, into future years. Also there has been additional funding for Free Schools.

6.2. Adult Social Care

A net decrease of £1m is reported in quarter 2. This relates to a slippage of Adult Personal Social Services Grant funding into 2013/14. The slippage is due to the capital scheme being delayed in order to reassess key project objectives.

6.3. Transport and Technical Services

The budget movement from quarter 1 is a net increase in quarter 2 of £0.6m. This change results from additional funding and reductions relating to the following schemes:

- Transport for London (TFL) schemes £0.045m
- Parking Reserve/Revenue contributions funded schemes -£0.267m
- Developer Contributions £0.775m

The increase in TFL funding is for the Barclays Cycle Superhighway scheme. The adjustment to Parking Reserve is because this funds both capital and revenue costs for Controlled Parking Zones and this is the amount being moved to revenue.

6.4. Environment, Leisure and Residents' Services

The net decrease of £0.3m is mainly due to £0.4m increase in Section 106 and other external funding for Shepherds Bush Common, Public CCTV and Recycling schemes and £0.7m decrease in Section 106 funding for Hammersmith Library Refurbishment project due to uncertainty in the developer's future plans.

7. **CONSULTATION**

7.1. N/A

8. **EQUALITY IMPLICATIONS**

8.1. N/A

9. **LEGAL IMPLICATIONS**

9.1. N/A

10. **FINANCIAL AND RESOURCES IMPLICATIONS**

10.1. This report is of a financial nature and has been approved by the Bi Borough Director of Finance (LBHF).

11. **RISK MANAGEMENT**

11.1. N/A

12. **PROCUREMENT AND IT STRATEGY IMPLICATIONS**

12.1. N/A

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Briefing to Cabinet – Quarter 2 Capital Budget Monitoring Report 2012/13 (meeting on 12 th November 2012)	Jade Cheung (telephone number 0208 753 3374)	Corporate Finance 2 nd Floor HTH ext.

LIST OF APPENDICES:

Appendix 1 – Capital budget variations:

for General Fund, Children's Services, Adult Social Care, Transport & Technical Services, Finance and Corporate Services, Environment, Leisure and Residents Services

APPENDIX 1

General Fund – Summary Capital Monitor

Schemes	Quarter 1 Revised Budget	Slippage	Additions/ (Reductions)	Quarter 2 Revised Budget
	£'000	£'000	£'000	£'000
Children's Services	73,706	(44,110)	1,698	31,294
Adult Social Care Services	2,340	(957)		1,383
Transport and Technical Services	15,385		553	15,938
Finance and Corporate Services	2,133			2,133
Environment, Leisure and Residents Services	7,349		(289)	7,060
Total Expenditure	100,913	(45,067)	1,962	57,808

Children's Services

	Quarter 1 Revised Budget	Slippage	Additions/ (Reductions)	Quarter 2 Revised Budget
Schemes	£'000	£'000	£'000	£'000
Lyric Theatre Development	10,474			10,474
Early Years	21		(21)	
Primary Capital Programme	385			385
Devolved Capital to Schools	293		47	340
Other Capital Schemes	10		179	189
Schools Capital Programme	62,022	(44,110)	789	18,701
Free Schools	501		704	1,205
Total Children's Services	73,706	(44,110)	1,698	31,294

Adult Social Care Services

	Quarter 1 Revised Budget		Additions/ (Reductions)	Quarter 2 Revised Budget
Schemes	£'000	£'000	£'000	£'000
Adult Social Care Grant	158			158
Grants to Social Landlords to Improve Hostels	128			128
Supporting Your Choice (Social Care Reform) (DOH)	87			87
Adults' Personal Social Services Grant	957	(957)		
Wormwood Scrubs Prison (Grant from PCT)	98			98
Disabled Facilities Grant	912			912
Total Community Services	2,340	(957)	0	1,383

Transport & Technical Services

	Quarter 1 Revised Budget		Additions/ (Reductions)	Quarter 2 Revised Budget
Schemes	£'000	£'000	£'000	£'000
Footways and Carriageways.	2,250			2,250
Planned Maintenance/DDA Programme	5,861			5,861
River Wall Repairs	40			40
Transport For London Schemes	3,657		45	3,702
Parking Reserve/ Revenue Contributions	586		(267)	319
Developer Contribution Funded	2,364		775	3,139
West London Grant	341			341
Other Capital Schemes	286			286
Total Environment Services	15,385	0	553	15,938

Finance and Corporate Services

	Quarter 1 Revised Budget	Slippage	Additions/ (Reductions)	Quarter 2 Revised Budget
Schemes	£'000	£'000	£'000	£'000
Contributions to Invest to Save	2,133			2,133
Total Finance and Corporate Services	2,133	0	0	2,133

Environment, Leisure and Residents Services

	Quarter 1 Revised Budget	Slippage	Additions/ (Reductions)	Quarter 2 Revised Budget
Schemes	£'000	£'000	£'000	£'000
Parks	1,472		(4)	1,468
Bishops Park	942			942
Shepherds Bush Common Improvements	2,498		280	2,778
Recycling	14		73	87
CCTV	617		87	704
Hammersmith Library Refurbishment	1,650		(725)	925
Linford Christie Outdoor Sports Centre	156			156
Total ELRS	7,349	0	(289)	7,060