



London Borough of Hammersmith & Fulham

# Cabinet

14 OCTOBER 2010

**LEADER**

*Councillor Stephen Greenhalgh*

**THE GENERAL FUND CAPITAL PROGRAMME  
AND HOUSING REVENUE CAPITAL  
PROGRAMME 2010/11 – MONTH 3  
AMENDMENTS**

**Wards**

**All**

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

**CONTRIBUTORS**

All Departments

**Recommendations:**

- 1. That the changes to the capital programme as set out in appendix 1 be approved.**
- 2. That approval be given to a revenue virement totalling £1,478,000 as set out in Appendix 2.**

**HAS AN EIA BEEN  
COMPLETED?  
YES**

## 1 SUMMARY

1.1 This report sets out proposed amendments to both Capital and Revenue Estimates as at month 3.

## 2. GENERAL FUND CAPITAL PROGRAMME

2.1 Table 1 summarises the proposed amendments to the 2010/11 General Fund capital programme and is detailed in Appendix 1.

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

| Service Area                   | Last Approved Budget at Budget Council Feb.2010 | Slippage from 2009/10 | Additions/ Reductions | Revised Budget at Month 3 |
|--------------------------------|---|-----------------------|-----------------------|---------------------------|
|                                | £'000   | £'000                 | £'000                 | £'000                     |
| Children's Services            | 10,893  | 3,097                 | (641)                 | 13,349                    |
| Community Services             | 2,170   | 344                   | 120                   | 2,634                     |
| Environment Services           | 13,639  | 4,273                 | (3,626)               | 14,286                    |
| Finance and Corporate Services | 1,773   | 1,063                 | (800)                 | 2,036                     |
| Resident's Services            | 4,293   | (270)                 | 6,439                 | 10,462                    |
| <b>Total</b>                   | <b>32,768</b>                                   | <b>8,507</b>          | <b>1,492</b>          | <b>42,767</b>             |

2.2 **Movement in Mainstream Expenditure.** Executive Management Team (EMT) have reviewed 2009/10 mainstream expenditure slippage and agreed that the following sums should be clawed back:

- £0.235m regarding the loft conversion scheme for the fostering service. Expenditure on this is very ad-hoc and use of capital contingency sums will be requested if appropriate.
- £0.477m regarding the Disabled Access to Office Buildings rolling programme. This level of slippage is almost double the approved annual rolling programme.
- £0.5m regarding the corporate planned maintenance programme (from overall slippage of £1.023m) with the balance being available for property moves.

A new rolling programme of £0.8m was also established in 2010/11 for IT infrastructure projects. It is now proposed that this be met from revenue budgets.

2.3 **Movement in Specific Funded Schemes.** The revised programme in table 1 also reflects slippage of expenditure, with matching slipped funding from 2009/10 to 2010/11.

The specific funded Education Programme has been reviewed to ensure that no account is taken of Government borrowing allocations. This is in line with the debt

reduction programme. The net reduction to the capital programme is £0.126m. The Government have also announced that a number of 2010/11 grant allocations will be cut as part of their plans to start tackling the fiscal deficit. The estimated reductions to date are :-

- Extended Schools Capital £70k
- Harnessing Technology £198k
- Youth Capital £44k

The net addition of £6.4m on Resident's Services relates mainly to additional grant of £3.2m from the Heritage Lottery Fund, £0.900m contributions from earmarked reserve in respect of Bishops Park and transfer of £2.1m from Environment Services in respect of Shepherds Bush Green Park improvement .

### 3. REVENUE BUDGET ADJUSTMENTS

3.1 Cabinet is required to approve all budget virements that exceed £100,000. At month 3, approval is requested for virements totalling £1,478,000. The virement requests are set out in Appendix 2 and summarised below:

#### Realignment Within Department

- Transfer of funding from Management Fees and Working Balances to correct misaligned Communal Heating Budget.
- Correction of Parking Fines Budget; due to income being forecasted both in the Managed Income budgets and in the H&F Homes Services Account in 2009/10.

The above transfer is moving resources from one budgetary head to another without changing the purpose for which the budgetary allocations were made.

3.2 Virements below £50,000 are subject to approval by the Director of Finance whilst virements from £50,000 to £100,000 require a Cabinet Member decision.

### 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           | James Arthur<br>Ext. 2562        | Corporate Finance<br>Room 5 , Town Hall |
| 2.  | Capital Monitoring Documents           | Isaac Egberedu<br>Ext. 2503      | Corporate Finance<br>Room 5, Town Hall  |