
COMMITTEE	Finance & Resources
DATE	6 December 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Capital Monitoring – Corporate Governance Projects
REPORT NUMBER:	EPI/11/282

1. PURPOSE OF REPORT

To advise the Committee of the capital spend to date for the Corporate Governance projects included within the Non-Housing Capital Programme.

2. RECOMMENDATION(S)

The Committee note the current position.

3. FINANCIAL IMPLICATIONS

The monies required to fund these projects are achieved through external borrowing, capital receipts and grant income. These projects are all accommodated within the Non-Housing Capital Programme. Any underspend, carry forward or overspend will have implications for the programme. There are no issues at present that would result in such implications.

4. OTHER IMPLICATIONS

There are no other implications at this time but as projects progress or indeed fail to progress then other implications may arise and will be reported at an appropriate Committee.

5. BACKGROUND/MAIN ISSUES

As reported at the Finance & Resources Committee in June 2011 the overall responsibility for the monitoring/management of the Capital Programme lies with the Head of Asset Management & Operations. The Planning & Monitoring Officer within Asset Management & Operations is in regular contact with the Service Representative and the Capital Accountant, reporting in the first instance to the Corporate Asset Group. This ensures that the spend figures are always up to date and accurate.

Corporate Governance has a total of £4.218 million allocated to it from the Non-Housing Capital Programme. The projects included in the programme are:-

- 1) Data Centre Move
- 2) Customer First Programme - Frederick Street
- 3) Police - Capital Grant
- 4) ICT Investment Programme
- 5) ICT Investment Programme - Fleet Management Software

Spend to date for all projects to date is £1.738 million, 41% of the total budget. Discussions so far have identified potential underspend and overspend in individual projects. Variances in monthly spend compared to predicted spend have been identified in some cases, which has resulted in spend profiles being amended.

Item 630 – Data Centre Move is legally committed to overspend by £424,000, as previously reported to Finance & Resources Committee, 29 September 2011. The original budget of this project was £4.4 million. However, including the committed overspend, the project will be completed at a cost of £3.9 million. As previously reported, this overspend has been authorised by the Head of Asset Management & Operations as part of his delegated authority.

Item 657B - Customer First Programme - Frederick Street is profiled to be underspent by £729,000.

Taking the entire service into account, the current spend profile shows an estimated overspend of £122,000. The projected overspend will be offset by underspend in other services, keeping the overall Non - Housing Capital Programme within budget. It is also unknown at this time whether there will be underspend on Item 769 – Police Capital Grant. This will be confirmed at the end of the financial year.

Appendix A provides a detailed breakdown of the service's spend to date.

An update on the Capital position will be reported to this Committee in March.

6. IMPACT

Corporate - The capital programme encompasses projects which link to the Community Plan, Single Outcome Agreement, Corporate and Individual Service Plans and Vibrant, Dynamic & Forward Looking.

Public - This report will be of interest to the public as it outlines the Council's capital spending to date on Housing & Environment Projects.

7. BACKGROUND PAPERS

Non-Housing Capital Programme 2011/12 – Monitoring Report approved at Finance & Resources Committee on 29 September 2011.

8. REPORT AUTHOR DETAILS

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Appendix A

Corporate Governance: All Projects spend to October

Capital Item		Total Budget £'000	Year Projection £'000	Spend to October £'000
769	Police - Capital Grant	1,451	*1,898	1,108
630	Data Centre Move	1,111	1,535	390
657B	Customer First Programme - Frederick Street	920	171	58
790	ICT Investment Programme	676	676	182
790B	Fleet Management Software	60	60	0
Totals		4,218	4,340	1,738

*Includes unapproved carry forward of £447,000.

Corporate Governance: By Project

Capital Item 769: Police - Capital Grant

Total Budget £'000	Year Projection £'000	Spend to October £'000	Spend to Date %
1,451	1,898	1,108	76

- Expenditure on this item is paid to the Police in 12 equal instalments of £158,000. The additional spend of £447,000 will be paid for with carry forward from last year.

- Any underspend will be reported at the end of the financial year and paid back to the Council in full.

Capital Item 630: Data Centre Move

Total Budget £'000	Year Projection £'000	Spend to October £'000	Spend to Date %
1,111	1,535	390	35

- Approved overspend of £424,000 is now legally committed.
- Milestone payments for Virtual Desktop Environment profiled for January through to March.

Capital Item 657B: Customer First Programme - Frederick Street

Total Budget £'000	Year Projection £'000	Spend to October £'000	Spend to Date %
920	171	58	6

- Under spend of £729,000 confirmed by budget holder.
- Work profiled to be completed and paid by January's monitoring cycle.

Capital Item 790: ICT Investment Programme

Total Budget £'000	Year Projection £'000	Spend to October £'000	Spend to Date %
676	676	182	27

- Delays in processing orders for cabling and wireless equipment at Hazlehead Academy due to conflict of technical resources. Payment for these works have been re profiled for January.

Capital Item 790B: Fleet Management Software

Total Budget £'000	Year Projection £'000	Spend to October £'000	Spend to Date %
60	60	0	0

- Invoice for £38,000 has arrived and will be paid in November.
- Project now expected to be completed in February.