

**FINANCE, AUDIT AND PERFORMANCE COMMITTEE – 10
SEPTEMBER 2012**



Hinckley & Bosworth
Borough Council

A Borough to be proud of

**RE: 2011/12 CAPITAL UNDERSPENDS
REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE
DIRECTION)**

1. PURPOSE OF REPORT

To inform the Committee of the reasons for capital under-spends in 2011/12. This information was requested by the Committee at its meeting in August 2012.

2. RECOMMENDATION

That the committee note the content of this report.

3. BACKGROUND TO THE REPORT

3.1 The outturn for 2011/12 indicated that the Council's £74,190,226 capital programme had been under spent by £1,657,103. A net total of £622,194 of the underspend was not requested for carry forward. Members requested that additional information be provided on those schemes to understand the reasons for this position.

3.2 The table below outlines those General Fund schemes where under spends have not been carried forward in full to 2012/13. In each case, the reasons for the under spend have been outlined:

Description	Latest Estimate	Actual 31/03/12	Variance	c/fwd	Saving	Reason for saving
	£	£	£	£	£	
<u>Community Direction</u>						
Major Works Grants	190,000	59,276	130,724	0	130,724	Demand led budgets.
Decent Homes Projects	23,340	2,275	21,065	0	21,065	Demand dropped in
Minor Works Grants	90,000	9,885	80,115	0	80,115	2011/12 following charges
Borough Improvements	64,040	44,391	19,649	16,903	2,746	put on properties
Shop Front Improvements						Balance of scheme to be
Barwell	30,085	680	29,405	14,500	14,905	funded by LCC
<u>Business, Contract and Streetscene Services</u>						
Parish & Community Initiatives	130,710	88,987	41,723	22,297	19,426	Grants not made for the full budget amount
<u>Corporate Direction</u>						
Modern e Gov	20,000	17,500	2,500	0	2,500	Project completed under budget

Customer First Project	17,190	0	17,190	0	17,190	Project no longer required
Atkins Partitioning - Phase 2	18,000	17,304	696	0	696	Project completed under budget
Atkins Building Conversion	31,460	-620	32,080	0	32,080	Project completed under budget
Atkins Partisioning	50,000	47,638	2,362	0	2,362	Project completed under budget
Shared Revenues and Benefits Flexible	369,276	366,576	2,700	0	2,700	Project completed under budget
Working/Relocation Transformation	5,000	4,031	969	0	969	Project completed under budget
	49,041	19,769	29,272	5,000	24,272	Project completed under budget
Total General fund	1,088,142	677,693	410,449	58,700	351,749	

3.3 In addition, the Capital Programme for the Housing Revenue Account was under spent by £270,445 following the transfer of the housing repairs service in house and the efficiency savings created from working practices introduced.

4. **FINANCIAL IMPLICATIONS [KB]**

There are no other financial implications other than those set out in this report.

5. **LEGAL IMPLICATIONS (AB)**

None raised directly by the report

6. **CORPORATE PLAN IMPLICATIONS**

This report contributes to the corporate objective "Value in Service Delivery & Investment in people"

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

There are none

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background Papers

Civica Authority Financials/Business Objects Reports

Contact Officer – Katherine Bennett, Accountancy Manager

Executive Member : Councillor K W P Lynch