

## 2011/12 Quarter 3 Capital Budget position

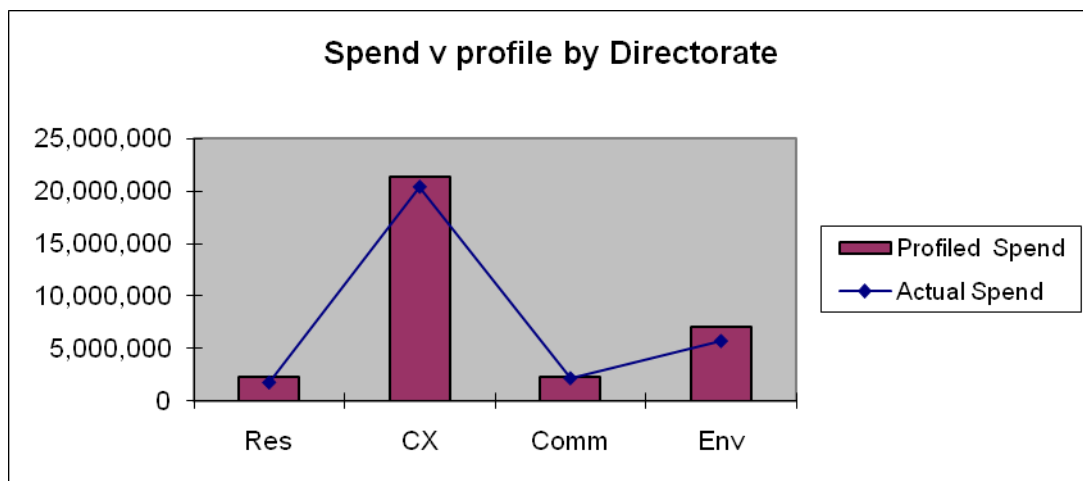
### Actual Spend to date

Actual spend at December 2011 is £30,172,883  
 Compared to the profiled spend of £33,092,516  
 Leaving the capital programme £ 2,920,048 underspent against profile

Profiles are provided by project managers as part of the project planning and management process. These profiles are used in the SAP project module to monitor the level of spend being achieved against the profile. The profiles also form a key part of the Councils overall treasury management process feeding into our decisions about borrowing levels and timescales. Inaccurate profiling by project managers could therefore contribute to our borrowing too much, too early, and incurring additional borrowing costs, or having to borrow on short notice which again could result in additional costs.

A breakdown of variances across directorates and programme groups is shown below.

Directorate	Revised Budget	Profiled Spend	Actual Spend	Variance	% of profile delivered	% of programme delivered
Resources	4,652,496	2,333,809	1,805,922	527,887	77%	39%
CX	36,796,454	21,331,150	20,399,978	931,172	96%	55%
Community Environment	3,801,299	2,364,353	2,216,826	147,527	94%	58%
Environment	12,116,633	7,063,204	5,749,742	1,313,462	81%	47%
<b>Total</b>	<b>57,366,882</b>	<b>33,092,516</b>	<b>30,172,468</b>	<b>2,920,048</b>	<b>91%</b>	<b>53%</b>



### Forecast position for 2011/12

Project managers are currently forecasting project spend will achieve £57,366,882. In the past we have based the capital forecast on the spend patterns from previous years. If we continue to use this method, we will achieve a year end capital spend of £48,755,217.

However, this year OSP and Schools Reorganisation account for £34m of the capital budget and it may be appropriate to forecast differently when such a large proportion of the budget is tied up in just 2 contracts.

We have therefore split the forecast between Schools - indicating OSP and Schools Reorganisation, and non schools. The non schools programme with a budget of £24m, based on last years profiles is forecast to achieve year end spend of £ 18,339,241 (79%). Schools (OSP and Schools Reorganisation) forecast has been based on the latest contract profiles of £33,520,855 (99%). Giving a total forecast of **£ 51,860,096** (90%).

