

Report of the Deputy Chief Executive

Report to Executive Board

Date: 6th November 2013

Subject: Capital Programme Quarter 2 Update 2013-2016

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 This report sets out the latest capital programme position for both the General Fund and the Housing Revenue Account (HRA). The Council continues to seek to deliver a substantial capital programme across the city that will provide improved facilities and infrastructure and support the Leeds economy.
- 2 The Capital Programme continues to be monitored and managed using a new approach that recognises that the key control regarding capital investment is on meeting the cost of borrowing. Careful monitoring of the overall resources position and phasing of schemes within the Capital Programme is required, in addition to building realistic levels of capital programming slippage, interest rate variations and revenue balances assumptions into the debt forecast. This process continues to ensure the cost of borrowing is affordable within the debt budget available.
- 3 The report highlights that the Capital Programme 2013/14 for General Fund and HRA has decreased by £23.7m due to slippage of planned expenditure to future years. £22m of this relates to a decrease in borrowing in 2013/14, therefore the cost of borrowing for 2013/14 can currently be contained within the agreed 2013/14 debt budget.
- 4 The longer overall 2013-16 Capital Programme for General Fund and HRA has increased by a further £41.4m since the last update to Executive Board in July 2013 largely due to confirmation of additional funding allocations such as Targeted Basic Need and Flood Alleviation. The level of borrowing required to fund this programme is now at £299.9m, an increase of £2.3m since July 2013, although £61m of this is in relation to schemes where departments have already identified a budget in revenue to pay for the additional costs of borrowing due to savings or

additional income generated as a result of the capital spend. Further work is underway to ensure that future debt costs are maintained within the overall Medium Term Financial Plan. There are clearly a number of variables and assumptions that could impact on these costs, including interest rate variations.

- 5 The wider economic impact of the capital programme on both the city and the region using a Regional Econometric Model (REM) has been previously reported to this board. This shows that the Council's capital programme supports around 1,300 annual full time jobs (1,500 for the region) and generates in order of £134m Gross Value Added (GVA) in the city (£147m in the region).
- 6 Specific approvals are requested in relation to the injection of Targeted Basic Need funding, and additional allocation of Capital Receipts Incentive Scheme funding to ward members and area committees. Details of these are set out in section 3.2.3 and 3.2.6.

Recommendations

Executive Board is requested to:

- 7 Note the increase in the General Fund and HRA Capital Programme 2013-16 of £41.4m since Quarter 1 largely due to confirmation of additional funding allocations such as Targeted Basic Need and Flood Alleviation;
- 8 Note that the borrowing required to fund the Capital Programme in 2013/14 has reduced by £22m, therefore the Capital Programme is affordable within the approved debt budget for 2013/14, and that further work is underway to ensure that future debt costs are maintained within the overall Medium Term Financial Plan;
- 9 Approve the injection into the capital programme of the following:
 - £14,589.8k funded by Targeted Basic Need grant to contribute to the delivery of school expansions schemes at five primary schools and two special schools in the city, as detailed in paragraph 3.2.3;
 - £542.3k in relation to Capital Receipts to be utilised by ward Councillors under the Capital Receipts Incentive Scheme (CRIS);
- 10 The above decision to inject funding will be implemented by Tim Pouncey, Chief Officer (Audit & Investment).

1. Purpose of this report

- 1.1. The purpose of the report is to provide Members with an update of the Capital Programme as at October 2013. The report includes an analysis of major changes within the Capital Programme since July 2013, and an analysis of the impact any changes in capital resources may have on the cost of borrowing within the revenue budget as the key control of capital investment. The report also provides a brief update of progress on major schemes within the Capital Programme and seeks some specific approvals in relation to funding injections for specific schemes.

2. Background information

- 2.1. The Capital Programme approved by Council in February 2013, projected expenditure of £677.6m from 2013/14 to 2015/16. This included borrowing of £262.6m over the period, including £117.1m in 2013/14. The cost of financing this borrowing was included in the revenue debt budget also approved in February.
- 2.2. In June 2013, the Quarter 1 Capital Programme update was presented to Executive Board. This highlighted that the forecast capital programme expenditure for 2013/14 had increased from £280.3m reported in February to £282.7m in July 2013. The 2013-16 Capital Programme increased from £677.7m in February to £748.7m in July 2013.

3. Capital Programme

3.1. Resources Position

- 3.1.1. The overall General Fund capital programme currently stands at £592.2m for the period up to 2015/16. It provides for investment in improved facilities and infrastructure and also has an impact on the Leeds economy through supporting jobs and income and business generated throughout the city. The HRA capital programme provides for capital investment of £197.9m for the 3 years 2013/14 through to 2015/16. The HRA will deliver a balanced programme within the available resources. An update on the HRA Capital Programme is found in section 3.2.1 of this report.
- 3.1.2. The latest capital programme resources position for General Fund and HRA in 2013/14 is shown in Table 1 below including an explanation of major variances. Table 2 shows the resources and major variances for the period 2013/14 to 2015/16. A full explanation of variances for 13/14 and 13-16 can be found in **Appendices C and D**. This shows that overall expenditure in 2013/14 has reduced since July 2013 by £23.7m. This is largely as a result of rephrasing of scheme expenditure, with schemes such as the Inner Ring Road, Revolving Investment Fund, Children's Social Care Management System and Rothwell Fulfilling Lives all slipping expenditure of more than £1m from 2013/14 since July.

Table 1 – Capital Resources Position – 2013/14

	2013/14				
	<i>Memo: Feb 2013 £m</i>	Quarter 1 (July 13) £m	Quarter 2 (Nov 13) £m	Variance £m	Explanation of Major Variances
Forecast Expenditure	280.3	282.7	259.0	(23.7)	Slippage to future years -£27.4m, Injections Targeted Basic Need (+£1.7m, Dof T – Thornbury Road Junction +£1.0, Flood Alleviation +£1.3m, Re:Fit Schools +£0.5m) Stimulating Growth reduction £0.8m.
Funded By:					
Government Grants	88.4	71.1	74.7	3.6	
Other grants & contributions	10.8	10.1	9.7	(0.4)	
Borrowing - General Fund	117.1	135.3	113.4	(21.9)	
Borrowing - HRA	0.0	0.1	0.0	(0.1)	
Revenue / reserves	5.6	7.1	6.3	(0.8)	
Right To Buy Receipts	0.0	0.0	0.3	0.3	
HRA Self Financing	58.4	59.0	54.6	(4.4)	
Total Forecast Resources	280.3	282.7	259.0	(23.7)	

Table 2 – Capital Resources Position – 2013-16

	2013-16				
	<i>Memo: Feb 2013 £m</i>	Quarter 1 (July 13) £m	Quarter 2 (Nov 13) £m	Variance £m	Explanation of Major Variances
Forecast Expenditure	677.7	748.7	790.1	41.4	Slippage -£8.2m, Injections: Targeted Basic Need +£14.6m Thornbury Road Junction (DofT) +£2.4m, Flood Alleviation +£26.4m, LTP +£1.2m, Broadband Delivery +£2.0m, Re:Fit Schools +£0.5m, Kernel House +£1.3m, Inner Ring Road +£2.2m
Funded By:					
Government Grants	218.3	239.6	276.2	36.6	
Other grants & contributions	14.9	17.7	19.6	1.9	
Borrowing - General Fund	262.7	297.0	299.7	2.7	
Borrowing -HRA	0.0	0.6	0.2	(0.4)	
Revenue / reserves	14.5	22.6	25.3	2.7	
Right To Buy	0.0	0.0	0.5	0.5	
HRA Self Financing	167.3	171.2	168.6	(2.6)	
Total Forecast Resources	677.7	748.7	790.1	41.4	

3.1.3. The capital resources position statement for the General Fund shows an increase in the 2013-16 Capital Programme of £41.4m since the Quarter 1 report to Executive Board. This is as a result of a number of major injections such as Targeted Basic

Need and Flood Alleviation, offset by £8m of slippage to future years. The level of borrowing required to fund the 2013-16 General Fund Capital Programme has increased by £2.7m from £297.0m to £299.7m since July 2013. This includes expenditure brought forward from future years and corporate borrowing in lieu of capital receipts which will facilitate savings in revenue. The current forecast position for the General Fund is set out in **Appendix A**.

- 3.1.4. The HRA capital programme provides for capital investment of £197.9m for the 3 years 2013/14 through to 2015/16, showing a net nil movement since reported at Quarter 1. The HRA will deliver a balanced programme within the available resources. The HRA capital programme for 2013/14 is currently forecast at £61.1m as shown in **Appendix B**.
- 3.1.5. From 1 October, Leeds City Council, via the Directorate of Environment and Housing, will become responsible for the management of the Council Housing capital programme delivery. Proposals for the future management of service areas are currently being developed by the Director of Environment and Housing. It is intended that the service areas responsible for the delivery of the capital programme will provide a more consolidated approach with greater accountability.
- 3.1.6. The General Fund and HRA Capital Programme borrowing requirement in 2013/14 has reduced by £22m, therefore the cost of borrowing for 2013/14 remains affordable within the agreed 2013/14 debt budget. Further work is underway to ensure that future debt costs are maintained within the overall Medium Term Financial Plan. There are clearly a number of variables and assumptions that could impact on these costs, including interest rate variations.
- 3.1.7. As previously reported, the Capital Programme continues to be monitored and managed using a new approach which recognises that the key control regarding capital investment is on meeting the cost of borrowing. Careful monitoring of the overall resources position and phasing of schemes within the Capital Programme is required, in addition to building realistic levels of capital programming slippage, interest rate variations and revenue balances assumptions into the debt forecast. This process continues to be required to ensure the cost of borrowing is affordable within the debt budget available.

3.2. Progress on Major Schemes and Scheme Specific Approvals

This section provides an update of progress on major schemes within both the General Fund and the HRA since the Quarter 1 update and provides details on any specific scheme approvals that are required. Scheme updates are grouped under objective headings.

3.2.1. Improving our Assets

Housing Revenue Account (HRA)

Council Housing Growth Programme The £42m programme was approved by Executive Board in July and has a number of strands within it: new build properties; purchase of new properties from developers and the acquisition and refurbishment of long term empty properties to bring them back into use as council housing. The first phase of delivery has commenced - a planning application has been submitted for the first new build site at East End Park which will deliver 30 properties and anticipated to start on site in January and design work has started for a second site at The Garnets in Beeston; the opportunity to acquire new properties "off plan" from a developer is currently being appraised and will deliver 25 new properties at Thorn Walk Gipton which it is anticipated will be ready for occupation in December 2014. Further phases will include the delivery of a purpose built Extra Care scheme providing specialist housing for older residents which also has the benefit of additional grant funding from the Homes and Communities Agency.

Council Housing Investment Programme – For the 2013/14 current programme the councils ALMO & BITMO have coordinated the delivery of the programme and Housing Leeds Service are projecting to spend £58.3m within available resources fulfilling a number of LCCs key priorities, improving housing conditions and energy efficiency, improvements to the environment through reduced carbon emissions and supporting more people to live safely in their own homes. Housing Leeds Service has been working with the ALMOs and BITMO to develop a citywide capital programme for 2014/15 to 2016/17. A draft capital programme to deliver £55.7m investment in existing Council Housing stock in 2014/15 has been worked up which focuses on delivering essential investment to Council Housing stock in line with the Leeds Decent Homes and Decent Neighbourhoods Standard. A separate report detailing the proposed 2014/15 programme is included elsewhere on the agenda.

General Fund

Changing the Workplace -The Merrion House Agreement for lease was completed in October 2013 and further work is underway to obtain planning and other permissions to reach unconditional agreement for lease in 2014. Significant work has been progressed to take staff through new ways of working and move them out of Merrion house to interim accommodation as part of phase 1. This work will increase over the next 18 months in order to vacate Merrion by Spring 2015. The decant strategy continues to create capacity in other Council buildings by supporting staff to work in new ways thereby further reducing interim accommodation costs. Phase 2 business cases will come forward as part of a wider agenda across the localities agenda.

Elland Road Park & Ride - £1.2m of additional Local Transport Plan (LTP) grant was injected as part of the Quarter 1 update. A report seeking approval and Authority to spend to provide a bus-based park and ride scheme to contribute towards a comprehensive transport and parking strategy as part of the Elland Road Masterplan can be found elsewhere on the agenda.

3.2.2. Investing in Major Infrastructure

Flood Alleviation – This programme of works aims to deliver 1 in 75-year flood protection to the city centre including over 3,000 homes and 500 businesses. Further to the approval received from Executive Board on 4 September, the undertaking of advance works at Woodlesford are on schedule to start in January 2014 in advance of the main works to replace existing weirs, removal of the cut at Knostrop between the canal and river, and raised defences in the city centre. The September report also injected £26.4m of funding following successful bids to Government and the Environment Agency. The planning application for the remaining works is set to be determined at the end of October, with a report due to be brought to December Executive Board seeking approval. The contract for these works is programmed to commence in April 2014 and be completed by the end of 2016. Although the scheme is progressing well there are two issues that require further work and exploration; resolution of the Canals and Rivers Trust's position in respect of the removal and disposal of material from the cut and there is still further work to be done on the operational and budgetary requirements for the operation and maintenance of the weir over the lifecycle of the scheme.

New Generation Transport (NGT) - On 19th September 2013, the NGT Transport and Works Act Order was successfully submitted to the Department for Transport. The Order seeks the powers to build and operate the scheme; a significant milestone for the project. A Joint Venture Agreement between Metro and Leeds City Council has also been approved for the development phase of the project, subject to DfT Full Approval.

A58 Leeds Inner Ring Road – The Leeds Inner Ring Road Essential Maintenance Scheme is subject to DfT approval at the time of writing. Preliminary works are due to commence in November 2013, and be complete by Autumn 2015.

East Leeds Orbital Road – The Council will play a leading role in co-ordinating the development of the East Leeds Orbital Road, which will form a critical part of delivering the Transport Strategy required for successful delivery of the East Leeds Extension, and potential development of 7000 new homes by 2028. In October 2013, Executive Board agreed to support development of an East Leeds Transport Strategy and to the progression of a communication and consultation exercise on the proposed alignment of the East Leeds Orbital Road. The Board also approved further technical development of the scope of the project.

3.2.3. Supporting Service Provision

Basic Need –Confirmation has now been received that the Targeted Basic Need Bid has secured a funding allocation for the provision of additional school places. Funding will contribute to five primary schemes already in design stage and two Special Inclusive Learning Centres (SILC). The five primary schools, currently in design stage are; Rufford Park and East Ardsley Primaries (both expanding by half a form of entry); Asquith Primary (expanding by one form of entry); Little London Community Primary & Nursery (expanding by two forms of entry on the adjacent site at Oatland Green) and Allerton Bywater Primary (expanding by two forms of entry). These primary schools are all due to expand with effect from September

2014. Funding has also been awarded to expand two SILCS. Executive Board gave permission to consult on these expansions in September 2013. If approved, Broomfield SILC will expand by 50 places using a site adjacent at Broom Court. West Oaks SEN Specialist School and College will, if approved, create an additional site for 150 children and young people aged 2 to 16 on the former Blenheim Centre. Both expansions are due to take effect from September 2015. Executive Board is requested to approve this injection of £14,589.8k of Target Basic Need funding to enable further development of these schemes.

3.2.4. Investing in New Technology

ICT Infrastructure - The desktop upgrade to Windows 7 and Office 2010 has now been rolled out to over 100 sites and 12,000 devices and is practically complete. The implementation of Microsoft technologies continues as planned in our data centres allowing for the decommissioning of most of the legacy Novell systems by the end of the year. The replacement of BT Featurenet telephony across many of the Council's sites with a modern and more cost effective in-house digital solution is complete. However there are some schools that may need to be migrated in the future depending on their decision to take the ICT4Leeds (LLN replacement) solution. The replacement of old Unix servers that host many critical business systems, with a new generation of Unix machines is on target for completion in 2013/14. The final phase of critical work to make data centres and the associated applications and services more resilient is scheduled to commence and this will mean higher levels of system availability.

3.2.5. Supporting the Leeds Economy

Sovereign Street – A report seeking approval and Authority to Spend to develop a green space to enhance the Sovereign street development and city centre can be found elsewhere on the agenda. This utilises the capital receipt from the sale of Plot A to KPMG to enable the development of their new Northern Head Office. As part of the wider redevelopment of the site, progress continues to develop design proposals and secure an occupier through an exclusivity agreement for one of the two remaining plots.

3.2.6. Capital Receipts Incentive Scheme

The establishment of a Capital Receipts Incentive Scheme (CRIS) was approved by Executive Board in October 2011. The key feature of the scheme is that 20% of each receipt generated will be retained locally for re-investment, subject to a maximum per receipt of £100k, with 15% retained by the respective Ward and 5% pooled across the Council and distributed to Wards on the basis of need.

Some receipts are excluded from the scheme and these are largely receipts that are already assumed to fund the Council's budget or are earmarked in some other way to previous or future spend.

The Capital Programme report presented to Executive Board in February 2013 approved an injection of £450.4k for capital receipts available under CRIS. The Quarter 1 update in July 2013 approved the principle that the 5% allocation pooled across all wards be allocated to the Area Committees based on the existing Area

Wellbeing needs based formula. Since then, a further £542.3k of capital receipts has become available under CRIS. £406.7k is available directly to ward members in the area that generated the Capital Receipt through the current Ward Based Initiative scheme.. In addition, £135.6k is available across all wards to be allocated through the Area Committee. **Appendix E** details the additional allocations to wards and area committees, and identifies the total resources available. Executive Board is requested to approve the injection of £542.3k into the Capital Programme.

4. Economic Impact of the Capital Programme

- 4.1. An assessment of the wider economic impact of the capital programme both on the city and the region can be made using a Regional Econometric Model (REM). In general, the Capital Programme supports 1,300 annual full time jobs (1,500 for the region) and generates £134m Gross Value Added (GVA) in the city (£147m in the region).
- 4.2. A detailed update will be contained within the Annual Capital Programme report presented to Executive Board in February.

5. Corporate Considerations

5.1 Consultation and Engagement

Consultation on the Council's budget proposals, including the capital programme, took place prior to the finalisation and approval of the budget in February 2013. This report gives an update on progress with the approved capital programme. This report also seeks to inject funding for specific proposals for which the necessary consultations will take place when the individual schemes are implemented by services.

5.2 Equality and Diversity / Cohesion and Integration

The capital programme sets out a plan of capital expenditure over future years and further spending decisions are taken in accordance with capital approval processes, as projects are developed. This is when more detailed information will be available as to where in the city capital spending will be incurred and the impact on services, buildings and people. Service Directorates will include equality considerations as part of the rationale in determining specific projects from capital budgets.

5.3 Council policies and City Priorities

Capital objectives were set out as part of the February 2013 budget process and the capital programme approved in February 2013 is structured to show schemes under these objectives.

5.4 Resources and value for money

- 5.4.1 The resource implications of this report are detailed in section 3.1 above. For the capital programme to be sustainable, the Deputy Chief Executive must be satisfied that the cost of borrowing currently included in the capital programme can be contained within the approved revenue debt budget. The updated capital resources position statement for General Fund set out in Appendix A shows that the cost of borrowing for 2013/14 can currently be contained within the agreed 2013/14 debt budget. Slippage of capital spend from 2013/14 to future years will deliver budget savings in 2013/14. A review of interest rate assumptions and projected capital programme spend is underway to ensure that the capital programme remains affordable within the medium term financial plan.
- 5.4.2 For HRA, the position outlined in section 3.1 and Appendix B shows that expenditure can be managed within resources available.
- 5.4.3 In order to ensure that schemes meet Council priorities and are value for money, the Deputy Chief Executive has put processes in place to ensure:
- the introduction of new schemes into the capital programme will only take place after completion and approval of a full business case and identification of the required resources;
 - promotion of best practice in capital planning and estimating to ensure that scheme estimates and programmes are realistic;
 - the use of unsupported borrowing by directorates is based on individual business cases and in the context of identifying the revenue resources to meet the borrowing costs.

5.5 Legal Implications, Access to Information and Call In

The recommendations in this report are available for call in and there are no other legal implications arising from this report.

5.6 Risk Management

- 5.6.1 One of the main risks in managing the capital programme is that insufficient resources are available to fund the programme. As the 2013/14 Capital Programme is now fully funded this risk lays within the treasury management of the debt budget. Monthly monitoring procedures are in place for expenditure, resources and capital receipts and debt monitoring to ensure that this risk can be managed effectively.
- 5.6.2 In addition, the following measure are in place:
- ensuring written confirmation of external funding is received prior to contractual commitments being entered into
 - provision of a contingency within the capital programme to deal with unforeseen circumstances

- compliance with both financial procedure rules and contract procedure rules to ensure the Council's position is protected.

5.6.3 The February 2013 Capital Programme reiterated that no further injections can be made to the capital programme without a corresponding reduction or identification of additional resources. In light of the current resources position and the budget challenges ahead it is imperative that this principle is maintained. In addition, further transfers to the reserved programme may need to be considered during the year dependent on the overall resources position.

6 Conclusions

- 6.1 The Council continues to seek to deliver a substantial capital programme across the city which will deliver improved facilities and infrastructure and also support the Leeds economy.
- 6.2 The Council's capital programme supports around 1,300 annual full time jobs (1,500 for the region) and generates in the order of £134m Gross Value Added (GVA) in the city (£147m in the region). It is proposed this assessment is reviewed and updated as part of the Annual Capital Programme report presented to Executive Board in February.
- 6.3 The report shows that there has been an increase in the total Capital Programme 2013-16 of £41.4m since July 2013. This has largely been as a result of additional funding allocations in relation to Targeted Basic Need and Flood Alleviation. The Capital Programme 2013/14 has decreased by £23.7m due to slippage of planned expenditure to future years.
- 6.4 The report concludes that as a result of the above increases, there is an increase in the level of borrowing required to fund the total 2013-16 Capital Programme of £2.3m since July 2013, from £297.6m to £299.9m. Borrowing in 2013/14 has decreased by £22m, therefore the cost of borrowing for 2013/14 can currently be contained within the agreed 2013/14 debt budget.
- 6.5 For HRA, ALMO forecast expenditure can be contained within available resources in 2013/14.
- 6.6 Specific approvals are requested in relation to the injection of Targeted Basic Need funding, and additional allocation of Capital Receipts Incentive Scheme funding to ward members and area committees. Details of these are set out in section 3.2.3 and 3.2.6.

7 Recommendations

Executive Board is requested to:

- 7.1 Note the increase in the General Fund and HRA Capital Programme 2013-16 of £41.4m since Quarter 1 largely due to confirmation of additional funding allocations such as Targeted Basic Need and Flood Alleviation;
- 7.2 Note that the borrowing required to fund the Capital Programme in 2013/14 has reduced by £22m, therefore the Capital Programme is affordable within the approved debt budget for 2013/14, and that further work is underway to ensure that future debt costs are maintained within the overall Medium Term Financial Plan;
- 7.3 Approve the injection into the capital programme of the following:
 - £14,589.8k funded by Targeted Basic Need grant to contribute to the delivery of school expansions schemes at five primary schools and two special schools in the city, as detailed in paragraph 3.2.3;
 - £542.3k in relation to Capital Receipts to be utilised by ward Councillors under the Capital Receipts Incentive Scheme (CRIS);
- 7.4 The above decision to inject funding will be implemented by Tim Pouncey, Chief Officer (Audit & Investment) directly following the conclusion of the Call In process.

Appendices

A – General Fund Capital Programme Funding Statement

B – HRA Capital Programme Funding Statement

C – Explanation of Major Variances in 2013/14 Capital Programme Since Quarter 1

D – Explanation of Major Variances in 2013-16 Capital Programme Since Quarter 1

E – Additional CRIS Injections to WBI & Area Committees and Total Balance Available

Background documents¹

None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix A

GENERAL FUND CAPITAL PROGRAMME FUNDING STATEMENT 2013/14 - 2015/16

Date:-

26/09/2013

	Actuals £000	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
HRA - COMMITTED AND UNCOMMITTED					
EXPENDITURE					
INVESTING IN MAJOR INFRASTRUCTURE	905	15,389	53,848	4,488	73,725
INVESTING IN NEW TECHNOLOGY	4,147	17,878	7,750	1,249	26,877
IMPROVING OUR ASSETS	22,810	84,389	63,055	66,795	214,239
SUPPORTING SERVICE PROVISION	8,814	47,732	82,799	60,618	191,149
SUPPORTING THE LEEDS ECONOMY	4,000	14,635	18,527	8,410	41,572
CENTRAL & OPERATIONAL EXPENDITURE	1,311	17,852	14,650	12,149	44,651
TOTAL ESTIMATED SPEND	41,987	197,875	240,629	153,709	592,213
CERTAIN FUNDING (See note below)					
GRANTS AND CONTRIBUTIONS		9,507	5,939	2,647	18,093
GOVERNMENT GRANTS		74,749	124,476	75,001	274,226
RCCO / RESERVES		187	0	0	187
HRA SELF-FINANCING		0	0	0	0
SUPPORTED BORROWING		0	0	0	0
BORROWING - Departmental		37,287	15,578	8,159	61,024
BORROWING - Corporate		76,145	94,636	67,902	238,683
TOTAL ESTIMATED FUNDING	0	197,875	240,629	153,709	592,213

OVER PROGRAMMING

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Note:-

* The statement shows net of Reserve capital programme.

Committed Schemes (£,000's)	132,924
Committed Schemes (as % of total programme value)	67.2%

Borrowing Required to fund the programme	113,432
	2013/14
	£000
General Fund Debt Costs (after income) 13/14 OE	69,683
Less budgeted Savings	(722)
Base debt Budget	68,961
Adjustment to reflect HRA changes	(1,883)
Increase to base to reflect the capital programme	2,555
Income adjustment	1,000
Revised Base budget	70,633
Current forecast debt Costs	69,402
Shortfall/(Saving) in debt costs against the Revised Base Budget	(1,231)
Overall Increase to 13/14 OE	(1,231)
Average Interest Rate Assumptions	1.6%

Note:

Whilst some funding will have been received in respect of individual schemes, it is not customary to allocate this directly to schemes until year end when total spend is known, therefore 2013/14. Actual funding is therefore showing as Nil.

Appendix B

HRA CAPITAL PROGRAMME POSITION STATEMENT MTH 6

26/09/2013

HRA COMMITTED AND UNCOMMITTED	Actual £000	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
Expenditure					
HRA	121	2,859	62,943	69,048	134,850
ALMOs					
Belle Isle	108	2,508	0	0	2,508
East North East	4,555	18,066	542	0	18,608
South South East	3,822	16,002	1,825	0	17,827
West North West	4,971	21,688	2,448	0	24,136
	13,577	61,123	67,758	69,048	197,929
Over programming (see supplementary programme below)		(0)	0	0	(0)
Capital Expenditure to be financed		61,123	67,758	69,048	197,928
Financed By:					
Certain Funding (See Note below)					
GRANTS AND CONTRIBUTIONS		167	1,380	0	1,547
GOVERNMENT GRANTS		0	2,015	0	2,015
RCCO / RESERVES		6,091	7,751	11,243	25,085
HRA SELF-FINANCING		54,571	56,420	57,653	168,644
SUPPORTED BORROWING		0	0	0	0
UNSUPPORTED BORROWING		0	0	152	152
R.T.B CAPITAL RECEIPTS		294	192	0	486
Total Funding		61,123	67,758	69,048	197,929

Note:

Whilst some funding will have been received in respect of individual schemes, it is not customary to allocate this direct to schemes until year end when total spend is known, therefore 2013/14. Actual funding is therefore showing as Nil.

Explanation of Major Variances in 2013/14 Capital Programme Since Quarter 1

Appendix C

	2013/14				
	<i>Memo: Feb 2013 £m</i>	Quarter 1 (July 13) £m	Quarter 2 (Nov 13) £m	Variance	Explanation of Major Variances
Forecast Expenditure	280.3	282.7	259.0	(23.7)	Slippage to future years -£27.4m, Injections Targeted Basic Need (+£1.7m, Dof T – Thornbury Road Junction +£1.0, Flood Alleviation +£1.3m, Re:Fit Schools +£0.5m) Stimulating Growth reduction £0.8m.
Funded By:					
Government Grants	88.4	71.1	74.7	3.6	Net Slippage (Basic Need funding -£1.2m, Capital Maintenance -£0.5m, Inner Ring Road rephrase/funding swap -£2.2m, Schools' Devolved Capital +£0.7m, Eastmoor Secure Unit +£0.8m, 2 Year Old Grant -£0.5m, Chapel Allerton Cycleway +£0.1m, ASC IT system -£0.6m Local Transport Plan grant -£0.7m), Injections (Targeted Basic Need +£1.7m, DofT Grant – Thornbury Road junction +£1m, Flood Alleviation +£5.3m, Superfast Broadband +0.1m), Reductions (Green Deal Go Early -£0.2m)
Other grants & contributions	10.8	10.1	9.7	(0.4)	Slippage (City Varieties -£0.4m, Skelton Bridges & Structures -£0.2m, Tropical World -£0.1m, S'06 schemes -£0.4m), Injections (Disabled Facilities Grant – funding swap +£0.2m, Schools Re:Fit Programme +£0.5m, S106 schemes +£0.1m)
Borrowing - Corporate	87.3	92.2	76.1	(16.1)	Net Slippage (S278 -£1.1m, Other -£15.1m including Revolving Investment -£1.3m, Children's Social Care Management System -£2.1m, Fulfilling lives Programme -£1.8m), Injections (Kernel House Purchase £1.3m, Inner Ring Road – previous savings £0.1m), Deletions (S278 -£0.1m, Disabled Facilities Grant funding swap -£0.1m, Stimulating Growth in Affordable Housing -£0.8m).
Borrowing - Departmental	29.8	43.2	37.3	(5.9)	Net Slippage (-£6.0m), Injections (LLN replacement +£0.2m, Biomass schemes +£0.1m) Reductions (Minor schemes -£0.1m Error -£0.2m)
Revenue / reserves	5.6	7.1	6.3	(0.8)	
Right To Buy Receipts	0.0	0.0	0.3	0.3	
HRA Self Financing	58.4	59.0	54.6	(4.4)	
Total Forecast Resources	280.3	282.7	259.0	(23.7)	

Explanation of Major Variances in 2013-16 Capital Programme Since Quarter 1

Appendix D

	2013-16				
	<i>Memo: Feb 2013 £m</i>	Quarter 1 (July 13) £m	Quarter 2 (Nov 13) £m	Variance	Explanation of Major Variances
Forecast Expenditure	677.7	748.7	790.1	41.4	Slippage -£8.2m, Injections: Targeted Basic Need +£14.6m Thornbury Road Junction (DoT) +£2.4m, Flood Alleviation +£26.4m, LTP +£1.2m, Broadband Delivery +£2.0, Re:Fit Schools +£0.5, Kernel House +£1.3m, Inner Ring Road +£2.2m
Funded By:					
Government Grants	218.3	239.6	276.2	36.6	Slippage (Basic Need Funding -£0.1m, Capital Maintenance Funding -£7.0m, Schools Devolved Capital -£1.6m, Flood Alleviation -£0.1m) Injections (Targeted Basic Need funding +£14.6m, DoT Grant – Thornbury Road junction +£2.4m, Flood Alleviation +£26.4m , Local Transport Plan Grant +£1.2m, Broadband Delivery +£1.1m), Reductions (Green Deal Go Early -£0.2m)
Other grants & contributions	14.9	17.7	19.6	1.9	Injections (Broadband Delivery +£0.9m, Disabled Facilities Grant +£0.2m, Fuel Poverty Fund +£0.1m, Cross Green Group Repair +£0.1m, Re:Fit +£0.5m),
Borrowing - Corporate	216.0	236.3	238.7	2.4	Net Slippage (Contingency -£3.9m, Housing Group repair +£1.1m, Telecare -£0.7m, Changing the Workplace +£4.1m), Reduction (Stimulating Growth in Affordable Housing -£0.8m, Disabled Facilities Grant – funding swap - £0.2m, S278 schemes -£0.2m), Injections (Kernel House+ £1.3m, Inner Ring Road +£2.2m).
Borrowing - Departmental	46.7	61.3	61.2	(0.1)	Injections (LLN replacement +£0.2m, Biomass schemes +£0.1m) Reductions (Minor schemes -£0.1m)
Revenue / reserves	14.5	22.6	25.3	2.7	
Right to Buy Receipts	0.0	0.0	0.5	0.5	
HRA Self Financing	167.3	171.2	168.6	(2.6)	
Total Forecast Resources	677.7	748.7	790.1	41.4	

Additional CRIS Injections to WBI & Area Committees and Appendix E Total Balance Available

WBI Allocations (to Ward)						
	Initial WBI Allocation from 2008	CRIS Injection Feb 2013 15% WBI	CRIS Injection Nov 2013 15% WBI	Total WBI Allocation	Spent to date (as at 8th October 2013)	Total Balance Available
ADEL AND WHARFEDALE	£40,000.00	£0.00	£32,748.04	£72,748.04	£40,000.00	£32,748.04
ALWOODLEY	£40,000.00	£0.00	£0.00	£40,000.00	£33,991.00	£6,009.00
ARDSLEY AND ROBIN HOOD	£40,000.00	£6,268.26	£0.00	£46,268.26	£29,108.32	£17,159.94
ARMLEY	£40,000.00	£12,034.57	£0.00	£52,034.57	£6,134.00	£45,900.57
BEESTON AND HOLBECK	£40,000.00	£16,596.59	£0.00	£56,596.59	£25,000.00	£31,596.59
BRAMLEY AND STANNINGLEY	£40,000.00	£26,578.10	£0.00	£66,578.10	£40,696.00	£25,882.10
BURMANTOFTS AND RICHMOND HILL	£40,000.00	£5,470.87	£0.00	£45,470.87	£39,418.00	£6,052.87
CALVERLEY AND FARSLEY	£40,000.00	£31,810.95	£0.00	£71,810.95	£56,054.30	£15,756.65
CHAPEL ALLERTON	£40,000.00	£0.00	£0.00	£40,000.00	£35,609.00	£4,391.00
CITY AND HUNSLET	£40,000.00	£3,749.59	£0.00	£43,749.59	£3,000.00	£40,749.59
CROSSGATES AND WHINMOOR	£40,000.00	£0.00	£0.00	£40,000.00	£28,390.00	£11,610.00
FARNLEY AND WORTLEY	£40,000.00	£30,697.10	£0.00	£70,697.10	£47,747.45	£22,949.65
GARFORTH AND SWILLINGTON	£40,000.00	£9,354.66	£0.00	£49,354.66	£31,669.00	£17,685.66
GIPTON AND HAREHILLS	£40,000.00	£6,863.04	£35,683.83	£82,546.88	£31,333.00	£51,213.88
GUISELEY AND RAWDON	£40,000.00	£0.00	£0.00	£40,000.00	£40,000.00	£0.00
HAREWOOD	£40,000.00	£0.00	£0.00	£40,000.00	£27,670.40	£12,329.60
HEADINGLEY	£40,000.00	£106,800.95	£69,787.00	£216,587.95	£75,555.00	£141,032.95
HORSFORTH	£40,000.00	£0.00	£0.00	£40,000.00	£40,000.00	£0.00
HYDE PARK AND WOODHOUSE	£40,000.00	£17,719.84	£100,654.60	£158,374.44	£15,484.00	£142,890.44
KILLINGBECK AND SEACROFT	£40,000.00	£0.00	£0.00	£40,000.00	£40,000.00	£0.00
KIPPAX AND METHLEY	£40,000.00	£0.00	£6,916.75	£46,916.75	£38,739.96	£8,176.79
KIRKSTALL	£40,000.00	£34,775.12	£0.00	£74,775.12	£25,662.91	£49,112.21
MIDDLETON PARK	£40,000.00	£25,444.63	£0.00	£65,444.63	£39,270.06	£26,174.57
MOORTOWN	£40,000.00	£0.00	£0.00	£40,000.00	£39,174.00	£826.00
MORLEY NORTH	£40,000.00	£0.00	£0.00	£40,000.00	£32,467.00	£7,533.00
MORLEY SOUTH	£40,000.00	£0.00	£0.00	£40,000.00	£37,336.00	£2,664.00
OTLEY AND YEADON	£40,000.00	£3,611.00	£0.00	£43,611.00	£37,643.00	£5,968.00
PUDSEY	£40,000.00	£0.00	£86,799.44	£126,799.44	£9,774.00	£117,025.44
ROTHWELL	£40,000.00	£0.00	£0.00	£40,000.00	£40,000.00	£0.00
ROUNDHAY	£40,000.00	£0.00	£0.00	£40,000.00	£36,692.55	£3,307.45
TEMPLE NEWSAM	£40,000.00	£0.00	£0.00	£40,000.00	£20,789.50	£19,210.50
WEETWOOD	£40,000.00	£0.00	£74,132.38	£114,132.38	£40,000.00	£74,132.38
WETHERBY	£40,000.00	£0.00	£0.00	£40,000.00	£39,718.75	£281.25
TOTALS	£1,320,000.00	£337,775.27	£406,722.04	£2,064,497.31	£1,124,127.20	£940,370.11

Area Committee Wellbeing (ACW) Allocations (to Area)						
Area	Percentage	CRIS Injection Feb 2013	CRIS Injection Nov 2013	Total	Spent to date	Balance on ACW CRIS
		5% AWB	5% AWB			
Inner South	12.50%	£14,070.76	£16,942.88	£31,013.64	£0.00	£31,013.64
Outer South	10.23%	£11,518.19	£13,869.29	£25,387.48	£0.00	£25,387.48
Outer East	10.31%	£11,607.81	£13,977.20	£25,585.01	£0.00	£25,585.01
Inner West	7.61%	£8,567.67	£10,316.50	£18,884.18	£0.00	£18,884.18
Inner North West	12%	£13,510.48	£16,268.25	£29,778.73	£0.00	£29,778.73
Outer West	8.59%	£9,666.28	£11,639.37	£21,305.65	£0.00	£21,305.65
Outer North West	8.96%	£10,086.17	£12,144.97	£22,231.14	£0.00	£22,231.14
Inner North East	9.01%	£10,140.70	£12,210.62	£22,351.32	£0.00	£22,351.32
Inner East	14.57%	£16,404.60	£19,753.11	£36,157.72	£0.00	£36,157.72
Outer North East	6.23%	£7,019.08	£8,451.82	£15,470.91	£0.00	£15,470.91
Totals =	100.00%	£112,591.76	£135,574.01	£248,165.77	£0.00	£248,165.77