Governance, Risk and Best Value Committee

10.00am, Thursday, 12 November 2015

Capital Monitoring 2015/16 – Half year position - referral report from the Finance and Resources Committee

Item number	7.7
Report number	
Wards	All

Executive summary

The Finance and Resources Committee on 29 October 2015 considered a report on the overall position of the Councils capital budget at the half year stage and the projected outturn for the year. The report has been referred to the Governance, Risk and Best Value Committee for consideration as part of its work-plan.

Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

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Terms of Referral

Capital Monitoring 2015/16 – Half year position

Terms of referral

1.1 Details of the Councils capital budget were considered at the half year stage using month five data. The projected borrowing with grant and capital income funded a capital investment of £148.037million. There was explanation provided for the slippage of £5.904million gross expenditure from the balanced position at month three and information on the projects accelerated to ensure the best use of available resources.

1.2 The Finance and Resources Committee agreed:

1) To note the projected capital outturn positions on the General Fund and HRA at month five

2) To note the additional requirement of £0.2m as part of the Council contribution to the National Performance Centre for Sport and that this has been contained within existing resources within the Capital Programme.

3) To note the prudential indicators at month five.

4) To note that the Acting Director of Services for Communities is closely monitoring the capital receipts position

5) To refer the report to the Governance, Risk and Best Value Committee as part of its work-plan.

For Decision/Action

2.1 The Finance and Resources Committee has referred the report to the Governance, Risk and Best Value Committee for consideration as past of its work-plan.

Background reading / external references

Minute of the Finance and Resources Committee, 29 October 2015

Carol Campbell

Head of Legal and Risk

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Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

Finance and Resources Committee

10.00am, Thursday, 29 October 2015

Capital Monitoring 2015/16 – Half year position

Item number	7.4
Report number	
Executive/routine	
Wards	

Executive summary

The month five position shows that the Council is projecting to borrow £28.598m and will be in receipt of grants and capital income amounting to £119.439m. Together this will fund projected capital investment of £148.037m. The level of borrowing is projected to be £6.014m less than budget based on both a net surplus in capital receipts / grant income and net slippage on gross expenditure. Current projections suggest that over the five-year period of the 2015-2020 Capital Investment Programme, sale of general assets will generate additional income of £7.9m over and above that previously budgeted for. The net surplus in capital receipts / grant income projected this year reflects additional income that counts towards this.

Links

Coalition pledges	P3; P8; P30; P31; P33; P42
Council outcomes	CO1; CO16; CO20; CO23; CO25
Single Outcome Agreement	SO3; SO4

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Report

Capital Monitoring 2015/16 – Half year position

Recommendations

1.1 Members of the Finance and Resources Committee are requested to:

1.1.1 Note the projected capital outturn positions on the General Fund and HRA at month five;

1.1.2 Note the additional requirement of £0.2m as part of the Council contribution to the National Performance Centre for Sport and that this has been contained within existing resources within the Capital Programme;

1.1.3 Note the prudential indicators at month five;

1.1.4 Note that the Acting Director of Services for Communities is closely monitoring the capital receipts position; and

1.1.5 Refer the report to the Governance, Risk and Best Value Committee as part of its work-plan.

Background

2.1 This report sets out the overall position of the Council's capital budget at the half year position (based on month five data) and the projected outturn for the year.

Main report

3.1 The position at month five is summarised in the table below, while further details can be seen in Appendix 1.

	Outturn Variance at Month Five £000	**Outturn Variance at Month Three £000**	**Movement from Month Three £000**
Net (slippage) / acceleration in gross expenditure	(5,904)	0	(5,904)
Net (surplus) / deficit in capital receipts / grant income	(110)	(328)	218
Net increase / (decrease) in borrowing requirement	(6,014)	(328)	(5,686)

3.2 As presented in the table at 3.1 above, the month five position reports £5.904m of slippage in gross expenditure, compared to a balanced position at month three. At month three, capital receipts were expected to exceed the budgeted level by £0.328m. This excess has now decreased to £0.110m at month five. The net effect of the variances projected at month five is a reduction of £6.014m in the amount that the Council requires to borrow corporately to support its capital programme relative to budgeted assumptions.

3.3 Explanations for significant slippage and accelerations projected at month five are presented in appendix 2. The net slippage on gross expenditure projected at month five represents a variance against budget of 3.84% and in the majority, relates to slippage caused by unforeseen delays that have occurred since re-profiling and aligning the revised budget. In the main, the factors have largely been uncontrollable and unforeseen and have occurred over the last month. These include delays caused by a change in procurement route on the early learning and childcare estate improvements project and the loss at short notice of internal resources to carry out the design stage of certain transport infrastructure projects. Transport is currently in the process of recruiting replacement design staff with the aim of having them in post by mid November bringing potential to put certain projects back on track.

3.4 As the economic outlook continues to improve, the construction industry has regained momentum meaning the demand for skilled and specialist staff has increased. As a result, the capital programme is being affected by the impact of in-house design and project management resources leaving Council employment to move to roles within other sectors, often at short notice. The increased demand within a small pool of qualified and skilled personnel, combined with lower average salaries, means the Council is losing skilled in-house resources to other sectors and is unable to quickly replace them with that of a suitable calibre. In some areas of the programme this is impacting both in year delivery and the planning / design phases of next year's planned work schedule.

3.5 Members are reminded that the nature of capital projects means that in any given year, variance against budget will occur due to delays or unforeseen circumstances out with the control of the Council, like those described in 3.3 above. In the previous two financial years, the impact of this type of slippage has been minimised as much as possible through acceleration / better than originally anticipated progress elsewhere in the programme. The ability to accelerate projects is dependent on the ability to make these 'shovel-ready' at short notice. It should be noted that every effort will be made to accelerate suitable projects to minimise in year slippage but that the ability to do this will likely be limited due to the factors set out in 3.4 above.

National Performance Centre for Sport Update

3.6 On 30 May 2013, Council approved in principle, a contribution of up to £2.5m towards the overall costs of the National Performance Centre for Sport (NPCS), a world class standard sports facility providing specialist services. At the time of approving this, the total cost of the project was estimated to be £30m, with funding of £25m being made available from the Scottish Government alongside Heriot-Watt University and the Council agreeing to fund the £5m gap, equally split between the two organisations.

3.7 Since this approval was given, the Guaranteed Maximum Price of the capital construction costs have increased and all three partners are now required to increase their share of contribution by an equal percentage on the pro-rata basis. Therefore the contribution now required to be made by the Council is £2.7m. Currently the project is progressing well and is forecast to be delivered on time and on budget.

3.8 The revised Capital Investment Programme (CIP) 2015-2020 was reported to Finance and Resources Committee on 27 August 2015. As part of a realignment and re-phasing exercise, Corporate Governance utilised a contingency budget to earmark the additional £0.2m of funding required for the NPCS in 2016/17. Through this realignment, the additional funding required has been met and contained within existing resources.

3.9 As the Council cannot contribute capital to an asset that it does not own, the Council's overall contribution will be paid through revenue. The additional £0.2m will be transferred from capital to revenue through utilisation of the Capital Fund mechanism.

Capital receipts/grant income

3.10 A review of capital receipts from asset sales undertaken by Corporate Property and Finance estimates that net receipts of £12.962m will be realised in 2015/16, compared to a budget of £12.852m resulting in a receipts surplus of £0.110m. The decrease from the month three position relates to revised settlement dates for some receipts including those for Oxgangs Path and Newtoft Street.

3.11 A budget update report presented to Finance and Resources Committee on 24 September 2015 noted potential additional capital receipt income of £7.9m (of which this year's net surplus forms a part) that may be realised over the period of 2015/20 Capital Programme and the proposal that this be split equally between (i) supplementing planned repairs and maintenance spend through use of the Capital Fund and (ii) providing additional capital investment for priority areas.

Prudential Indicators

3.12 The prudential indicator monitoring at month five is shown in Appendix 3.

Housing Revenue Account (HRA)

3.13 The Housing Revenue Account is forecasting slippage in gross expenditure of £5.411m at month five (balanced position at month three) as shown in Appendix 4. At month five, the forecast is gross expenditure of £43.419m (£48.830m at month three), capital receipts / grant income of £15.396m (£17.562m at month three) and borrowing of £28.023m (£31.268m at month three).

3.14 At period three, potential risks that could affect delivery and result in slippage being reported as the financial year progresses were identified and these have been detailed again in 6.4 of this report. The projected slippage at period 5 is based on an assessment of the various risks identified and their impact on in-year delivery. The main areas of the programme affected are those relating to External Fabric works in both high and low rise blocks and Neighbourhood Environmental partnership improvements.

Measures of success

4.1 Completion of capital projects as budgeted for in the 2015/16 capital programme.

4.2 Identifying slippage at the earliest opportunity and accelerating projects where possible to ensure best use of available resources.

Financial impact

5.1 The projected 2015/16 general fund outturn outlines capital borrowing of £28.598m. The overall loan charges associated with this borrowing over a 20 year period would be a principal amount of £28.598m, interest of £18.617m, resulting in a total cost of £47.215m based on a loans fund interest rate of 5.1%. The loan charges will be interest only in the first year, at a cost of £0.735m, followed by an annual cost of £2.324m for 20 years. The borrowing required is carried out in line with the Council's approved Treasury Management Strategy.

5.2 The loan charge costs outlined above will be met from this year's revenue budget for loan charges.

Risk, policy, compliance and governance impact

6.1 Significant budget virements have complied with relevant financial rules and regulations.

6.2 Capital monitoring and budget setting processes adopted ensure effective stewardship of resources. The processes applied aim to ensure projects are delivered on time and budget whilst fulfilling the financial criteria of value for money.

6.3 Monitoring of major capital projects including risk assessment is carried out by the Council's Corporate Programmes Office (CPO).

6.4 Over 80% of the 2015/16 core HRA capital investment programme will be delivered through the new Housing Asset Managment Framework. This presents significant risks to delivery:

- With over 80% of the programme being tendered in the second half of the financial year, this will reduce the time available to maximise delivery.
- The Council will not have previous experience of the new contractors on the Framework and as such, there may be capacity or mobilisation issues for contractors given the reduced timeline for delivery.
- With the majority of the programme starting in the second half of the financial year, there is a risk that delivery of external fabric work streams could be adversely affected by inclement weather over the winter period.

Equalities impact

7.1 The Council's capital expenditure contributes to the delivery of the public sector equality duty to advance equality of opportunity and foster good relations e.g. enhancement works related to the Disability Discrimination Act, works on Children and Families establishments and capital expenditure on Council housing stock.

7.2 There is little contribution with regard to capital expenditure and the duty to eliminate unlawful discrimination, harassment or victimisation.

Sustainability impact

8.1 The impacts of the projects set out within the appendices of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below. Relevant Council sustainable development policies have been taken into account.

8.2 The proposals in this report will help achieve a sustainable Edinburgh because they are ensuring funding for key strategic projects that will enhance facilities and infrastructure in the city. A carbon impact assessment shall be carried out on each new project to achieve the most sustainable outcome for the city in each case.

8.3 The proposals in this report will increase the city's resilience to climate change impacts because they are securing funding for flood prevention projects.

Consultation and engagement

9.1 Consultation on the budget will be undertaken as part of the budget process.

Background reading/external references

Capital Monitoring 2015/16 – Month three position, Finance and Resources Committee, 27 August 2015

Capital Monitoring 2014/15 – Outturn and Receipts, Finance and Resources Committee, 27 August 2015

Edinburgh Bid by Heriot-Watt University to host the National Performance Centre for Sport, City of Edinburgh Council, 30 May 2013

Alastair D Maclean

Deputy Chief Executive

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Links

Coalition pledges	P3 – Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools P8 – Make sure the city's people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites P30 – Continue to maintain a sound financial position including long-term financial planning P31 – Maintain our City's reputation as the cultural capital of the world by continuing to support and invest in our cultural infrastructure P33 – Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are used P42 – Continue to support and invest in our sporting infrastructure
Council outcomes	CO1 – Our children have the best start in life, are able to make and sustain relationships and are ready to succeed CO16 – Edinburgh draws new investment in development and regeneration CO20 – Culture, sport and major events – Edinburgh continues to be a leading cultural city where culture and sport play a central part in the lives and future of citizens CO23 – Well-Engaged and Well-Informed – Communities and

	individuals are empowered and supported to improve local outcomes and foster a sense of community CO25 – The Council has efficient and effective services that deliver on objectives
Single Outcome Agreement	SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential SO4 - Edinburgh's communities are safer and have improved physical and social fabric
Appendices	1 – Capital Monitoring 2015/16 – General Fund 2 – Slippage / Acceleration on capital projects 2015/16 3 – Prudential Indicators 2015/16 4 – Capital Monitoring 2015/16 - HRA

Capital Monitoring 2015/16

General Fund Summary

Period 5

Expenditure	Revised Budget £000	Adjusts £000	Total Budget £000	Actual to Date £000	Projected Outturn £000	Projected Variance £000	Projected Variance %
Children and Families	57,995	-	57,995	17,399	52,724	(5,271)	-9.09%
Economic Development	52	-	52	-	52	-	0.00%
Corporate Governance	2,350	327	2,677	616	2,677	-	0.00%
Council Wide / Corporate Projects	-	178	178	178	178	-	0.00%
Health and Social Care	5,598	-	5,598	2,002	6,607	1,009	18.02%
Services for Communities	73,097	1,084	74,181	21,525	72,539	(1,642)	-2.21%
Services for Communities-Asset Managemen	13,260	-	13,260	4,349	13,260	-	0.00%
Total Gross Expenditure	**152,352**	**1,589**	**153,941**	**46,069**	**148,037**	**(5,904)**	**-3.84%**

Resources	Revised Budget £000	Adjusts £000	Total Budget £000	Actual to Date £000	Projected Outturn £000	Projected Variance £000	Projected Variance %
Capital Receipts							
General Services	10,952	-	10,952	1,328	11,231	279	2.55%
Capital Receipts in lieu of prudential borrowing	-	850	850	-	850	-	n/a
Ringfenced Asset Sales to be provided as part of carryforward	-	-	-	81	81	81	n/a
Asset Sales to reduce Corporate borrowing	1,900	(850)	1,050	312	1,050	-	n/a
Less Fees Relating to Receipts	-	-	-	(43)	(250)	(250)	
Total Capital Receipts from Asset Sales	*12,852*	-	*12,852*	*1,678*	*12,962*	*110*	*0.86%*
Developer and other Contributions	14,663	1,272	15,935	3,078	15,935	-	0.00%
Capital Grants Unapplied Account drawdown	689	-	689	689	689	-	n/a
Total Capital Receipts	*28,204*	*1,272*	*29,476*	*5,445*	*29,586*	*110*	*0.37%*
Grants							
Scottish Government General Capital Grant	57,461	-	57,461	23,942	57,461	-	0.00%
Cycling, Walking and Safer Streets	729	-	729	-	729	-	0.00%
Management Development Funding	31,663	-	31,663	3,849	31,663	-	0.00%
Total Grants	*89,853*	-	*89,853*	*27,791*	*89,853*	-	*0.00%*
Total Resources	**118,057**	**1,272**	**119,329**	**33,236**	**119,439**	**110**	**0.09%**

Balance to be funded through borrowing	**34,295**	**317**	**34,612**		**28,598**	**(6,014)**	**-17.38%**

CAPITAL MONITORING 2015/2016 - Period 5
Slippage and Acceleration on Projects
Slippage on projects is shown as a negative value, while acceleration or overspends are shown as positive values.

Key to variance category

Type	*Explanation*
1. Slippage due to unforeseen delays	Slippage that has occurred due to unforeseen circumstances or delays that for the most part, are out with the Council's control.
2. Slippage due to optimistic budget	Slippage that has occurred due to optimism bias when budget was set. Issues include projecting spend on block budgets when a programme of works has not been considered or designed, not applying a discount factor for adverse weather / risk issues, providing for too much contingency and predicting an optimistic works timetable.
3. Slippage due to timing of payments	Slippage that has occurred where a project is on time and schedule but is as a result of the timing of cash flows.
4. Acceleration on a project	Represents accelerated spend on a project i.e. due to better than anticipated progress.

Note that a project will exhibit an element of all of the above but the over riding reason has been considered when applying a variance category.

	Period 5 £000	Period 3 £000	Movement between periods £000	Explanations for Significant Slippage / Acceleration	Variance Category
Children and Families					
Early learning and childcare estate improvements	-4,024	0	-4,024	Now being delivered through the traditional procurement route following protracted difficulties in agreeing an affordable total cost package with the originally envisaged procurement method. The time this has taken has created delays on programme delivery.	1
Upgrade kitchens - free school meals initiative	-845	0	-845	Delays caused by protracted dialogue with external project manager to agree the affordability cap of individual projects.	1
Portobello High School	-458	0	-458	Based on revised cash flow projection but forecast to be delivered by original timescales.	3
Fees relating to the cost of sale of assets	56	0	56	Acceleration of spend to be met from future receipts.	4
Total Children and Families	**-5,271**	**0**	**-5,271**		

	Period 5 £000	Period 3 £000	Movement between periods £000	Explanations for Significant Slippage / Acceleration	Variance Category
Health and Social Care					
New Royston care home	1,000	0	1,000	Revised cash flow projection based on better than anticipated progress on site.	4
Fees relating to the cost of sale of assets	9		9	Acceleration of spend to be met from future receipts.	4
Total Health and Social Care	**1,009**	**0**	**1,009**		
Services for Communities					
Carriageway/footways enhancement and other transport projects	-1,138	0	-1,138	Due to the loss of four members of staff within the in-house design team at short notice. This is having an impact on getting smaller capital projects to the 'shovel ready' stage. Aim is to recruit new staff by November but likely to still impact on in year delivery.	1
Mortonhall cremator replacement	-365	0	-365	Cremator replacement now to be packaged with roof enhancement project which has made procurement process more complicated and time consuming than originally envisaged creating delay. Packaging together will allow economies of scale and ensure works can be carried out in parallel with more ease.	1
Net (slippage) / acceleration on other projects	-139	0	-139	Based on revised cash flow projection.	2
Total Services for Communities	**-1,642**	**0**	**-1,642**		
Total for all Services	**-5,904**	**0**	**-5,904**		

Summary of Variance Category

	Period 5	Period 3	Movement
1. Slippage due to unforeseen delays	-6,372	0	-6,372
2. Slippage due to optimistic budget	-139	0	-139
3. Slippage due to timing of payments	-458	0	-458
4. Acceleration on a project	1,065	0	1,065
	-5,904	0	-5,904

PRUDENTIAL INDICATORS 2015/16 - Period 5

Indicator 1 - Estimate of Capital Expenditure

	2014/15 Estimate £000	2014/15 Actual £000	2015/16 Estimate £000	2015/16 Forecast £000	2016/17 Estimate £000	2016/17 Forecast £000	2017/18 Estimate £000	2017/18 Forecast £000	2018/19 Estimate £000	2018/19 Forecast £000	2019/20 Estimate £000	2019/20 Forecast £000
Children & Families	15,843	16,903	68,556	52,724	31,060	49,897	15,543	15,731	4,531	6,940	0	660
Corporate Governance	5,885	7,582	3,895	2,677	2,089	4,794	165	165	165	165	165	165
Economic Development	52	0	0	52	0	0	0	0	0	0	0	0
Health & Social Care	4,646	4,616	7,171	6,607	1,514	3,770	114	114	0	0	0	0
Services for Communities	79,854	85,260	82,358	72,539	68,586	87,627	47,979	47,981	21,361	21,363	17,835	17,835
SfC - Asset Management Programme	14,191	18,657	22,545	13,260	13,657	24,750	14,000	10,929	14,000	8,436	14,000	19,173
Other Capital Projects	797	1,049	0	178	0	0	0	0	0	0	0	0
Trams	5,385	5,246	0	0	0	0	0	0	0	0	0	0
Unallocated funding	0	0	13,319	0	0	0	0	0	0	0	9,000	9,000
Total General Services	126,653	139,313	197,844	148,037	116,906	170,838	77,801	74,920	40,057	36,904	41,000	46,833
Housing Revenue Account	34,135	37,308	49,830	43,419	48,693	48,693	51,485	51,485	44,375	44,375	40,347	40,347
Total	160,788	176,621	247,674	191,456	165,599	219,531	129,286	126,405	84,432	81,279	81,347	87,180

The 'estimate' figures relate to those reported in the prudential indicators as part of the budget motion in February 2015. Differences between these and the 'forecast' figures relate to further realignment and rephasing that has taken place as part of the revised budget process.

Indicator 2 - Ratio of Financing Costs to Net Revenue Stream

	2014/15 Estimate %	2014/15 Actual %	2015/16 Estimate %	2015/16 Forecast %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %	2019/20 Estimate %
General Services	12.11	11.63	12.56	12.02	12.42	12.29	N/A	N/A
Housing Revenue Account	37.30	33.97	39.61	35.55	41.51	43.05	44.49	45.16

Forecast and estimates include the financing cost relating to the Trams project.

Figures for 2016/17 onwards are indicative as neither the Council nor HRA has set a budget for these years. The figures for General Services are based on the budget framework to the end of the term of the Capital Coalition and so figures for 2018/19 and 2019/20 have been excluded.

Indicator 3 - Capital Financing Requirement

	2014/15 Estimate £000	2014/15 Actual £000	2015/16 Estimate £000	2015/16 Forecast £000	2016/17 Estimate £000	2016/17 Forecast £000	2017/18 Estimate £000	2017/18 Forecast £000	2018/19 Estimate £000	2018/19 Forecast £000	2019/20 Estimate £000	2019/20 Forecast £000
General Services (including finance leases)	1,305,992	1,357,972	1,378,274	1,315,932	1,356,927	1,345,573	1,308,749	1,292,994	1,231,180	1,210,765	1,154,804	1,139,462
Housing Revenue Account	372,390	368,053	386,158	377,383	395,556	386,781	404,181	395,406	409,558	404,013	413,587	414,804
Total	1,678,382	1,726,025	1,764,432	1,693,315	1,752,483	1,732,354	1,712,930	1,688,400	1,640,738	1,614,778	1,568,391	1,554,266

Forecasts include the capital financing requirement relating to PPP assets and Trams project

Indicator 4 - Authorised Limit for External Debt

	2015/16 Estimate £000	2015/16 Rev Est £000	2016/17 Estimate £000	2016/17 Rev Est £000	2017/18 Estimate £000	2017/18 Rev Est £000	2018/19 Estimate £000	2018/19 Rev Est £000	2019/20 Estimate £000	2019/20 Rev Est £000
Borrowing	1,579,785	1,579,785	1,636,773	1,636,773	1,636,477	1,636,477	1,607,353	1,607,353	1,541,678	1,541,678
Other Long-Term Liabilities	190,834	226,589	181,516	215,777	172,671	205,412	164,724	195,958	157,281	187,755
Total	1,770,619	1,806,374	1,818,289	1,852,550	1,809,148	1,841,889	1,772,077	1,803,311	1,698,959	1,729,433

Other Long-Term Liabilities includes finance lease repayments for PPP assets

Indicator 5 - Operational Boundary for External Debt

	2015/16 Estimate £000	2015/16 Rev Est £000	2016/17 Estimate £000	2016/17 Rev Est £000	2017/18 Estimate £000	2017/18 Rev Est £000	2018/19 Estimate £000	2018/19 Rev Est £000	2019/20 Estimate £000	2019/20 Rev Est £000
Borrowing	1,558,752	1,558,752	1,611,363	1,611,363	1,609,881	1,609,881	1,579,955	1,579,955	1,514,969	1,514,969
Other Long-Term Liabilities	190,834	226,589	181,516	215,777	172,671	205,412	164,724	195,958	157,281	187,755
Total	1,749,586	1,785,341	1,792,879	1,827,140	1,782,552	1,815,293	1,744,679	1,775,913	1,672,250	1,702,724

Other Long-Term Liabilities includes finance lease repayments for PPP assets

Indicator 6 - Impact on Council Tax and House Rents

	2015/16 Estimate £	2015/16 Forecast £	2016/17 Estimate £	2016/17 Forecast £	2017/18 Estimate £	2017/18 Forecast £	2018/19 Estimate £	2018/19 Forecast £	2019/20 Estimate £	2019/20 Forecast £
for the band "D" Council Tax	0.29	-7.01	4.14	-13.79	10.19	6.56	N/A	N/A	N/A	N/A
for the average weekly housing rents	0.21	0.02	0.69	0.07	0.52	-0.10	-0.05	-0.60	0.52	0.27

In calculating the incremental impact of capital investment decisions on the band "D" Council Tax, investment decisions relating to National Housing Trust Phases have been omitted. As agreed with the Scottish Government, the borrowing and associated interest costs related to this expenditure are directly rechargeable to developers at agreed periods in the future. As such, there is no cost to the Council in relation to this element of borrowing and therefore it has been omitted in calculating the incremental impact of capital investment decisions.

The changes between the forecast and the original estimate reflect the realignment of the Capital Investment Programme reported to Finance and Resources Committee in August 2015.

CAPITAL MONITORING 2015/16

Housing Revenue Account Summary

Period 5

	Revised Budget £000	Actual to Date £000	Projected Outturn £000	Projected Variance £000	Projected Variance %
Gross Expenditure	48,830	10,482	43,419	-5,411	-11.1%
Total Gross Expenditure	48,830	10,482	43,419	-5,411	-11.1%

Resources					
Capital Receipts	-6,112	292	-3,864	2,248	-36.8%
Developers and Other Contributions	-7,670	-2,731	-7,663	7	-0.1%
Specific Capital Grant	-3,780	-1,308	-3,869	-89	2.4%
Total Resources	-17,562	-3,747	-15,396	2,166	-12.3%

Borrowing					
Borrowing	31,268	6,735	28,023	-3,245	-10.4%
Total	31,268	6,735	28,023	-3,245	-10.4%