

THE HIGHLAND COUNCIL

**Finance Housing and Resources Committee
26 February 2014**

Agenda Item	19
Report No	FHR/41/14

**CHIEF EXECUTIVE'S SERVICE
CAPITAL BUDGET EXPENDITURE MONITORING TO 31 DECEMBER 2013**

Report by the Chief Executive

Summary

This report sets out the position for the Chief Executive's Service 2013-14 capital budget for the period to 31 December 2013.

1 Introduction

- 1.1 The attached appendix shows the monitoring position for the Chief Executive's Service capital programme for the period to 31 December 2013. This shows capital projects amounting to £4.660m for the financial year 2013/14 with £0.324m spend accounted for to date. The Service is estimating a combined underspend of £2.697m at the end of the financial year which is an increase on the position reported to committee in January 2014, when an underspend of £2.581m had been predicted.

2. Outturns and slippage

- 3.1 The Service is anticipating an underspend of £2.697m due to a predicted underspend of £1.774m on the Kingussie office rationalisation project; an anticipated underspend of £0.582m on ICT Contract Asset Investment; and £0.200m on the Unified Communications Project. The reasons for the slippage in these three projects have been reported to previous committees and the position on each remains largely unchanged.
- 3.2 In addition to the slippages previously reported above, there has been a short delay in the project to regenerate Cameron Square, Fort William. This £0.540m Government funded project is redeveloping of Cameron Square in Fort William's High Street to provide a bespoke events venue. The project was due to complete by the end of the current financial year and, whilst well advanced, has been set back because the lead in time for the delivery of granite has increased from 4-6 weeks to 10-14weeks. Alternative sources of

granite were investigated as soon as the delay was known about however, these would have added significant cost and so a decision was made to keep with the original supplier. It is anticipated that the remaining costs of £0.135m will be spent within the first quarter of 2014/15.

4. Recommendation

Members are asked to consider the capital monitoring report for the period to 31 December 2013.

Signature:

Designation: Chief Executive

Date: 17 February 2014

Author: Kate Lackie, Business Manager

THE HIGHLAND COUNCIL
MONITORING OF CAPITAL EXPENDITURE
PERIOD TO 31th DECEMBER 2013
CHIEF EXECUTIVE'S SERVICE

Project	Project Code	Budget			Year to Date Actual			Estimated outturn			Variance	Comments
		A	B	C	D	E	F	G	H	I	J	
		Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Column I minus Column C	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Service Point Improvements Future Years	22152	18	0	18	2	0	2	12	0	12	(6)	
ICT Contract Asset Investment	CE015	1,321	0	1,321	17	0	17	739	0	739	(582)	
Carbon Management Plan Investment	CE018	(37)	0	(37)	4	2	2	(37)	0	(37)	0	
Alness Service Point	CE020	21	0	21	0	0	0	21	0	21	0	
Destination Development	CE022	45	0	45	0	0	0	45	0	45	0	
Kingussie Office Rationalisation	CE023	2,186	0	2,186	192	0	192	412	0	412	(1,774)	
Regeneration of Cameron Square, Fort William	CE024	540	0	540	94	0	94	405	0	405	(135)	
Unified Communications Project	CE025	500	0	500	17	0	17	300	0	300	(200)	
Inverness City Gateways	CE026	66	0	66	0	0	0	66	0	66	0	
		4,660	0	4,660	326	2	324	1,963	0	1,963	(2,697)	