

Capital Budget Performance

A commentary on the significant areas of variance between budget and actual for each council directorate is outlined below:

Directorate / Division	Net Under / (Over) Spend £m	Significant Areas of Under / (Over) Spend (Net)
Chief Executives	(0.174)	<ul style="list-style-type: none"> • Montrose South Regeneration – road improvement / construction works running ahead of schedule • Provision for Agile Angus / Estates Review – delays to completion of back office works and slippage on locality hubs
Place (General Fund)	3.833	<ul style="list-style-type: none"> • Direct Services Projects 2017/18 – delayed start to Montrose Seafront Splash paddling pool due to redesign and delivery issues / weather impacted on play equipment replacement • Restenneth Landfill Site Restoration Works – slipped whilst scope of works confirmed • Provision for Zero Waste Implementation – slippage due to Council agreement to postpone decision on recycling centre provision • Library / ACCESS Integration – mainly slippage at Montrose Library due to requirement for planning consent to replace listed building windows • Arbroath Flood Strategy – programme delivery revised in line with committee report 16/18. Phasing of Scottish Government grant also revised. • Montrose to A90 Road Link – spend slipped to 2018/19 based on expenditure profile of programme of works, as submitted by consultants
People	0.081	<ul style="list-style-type: none"> • Arbroath Schools Project (Phases 2 & 3a) – change in presentation / accounting treatment (from capital to revenue funding) impacting on spend / income, although delays in formal consultation also a factor in underspend • Forfar Community Campus – land sale capital receipt slipped
Adult Services (IJB)	0.095	<ul style="list-style-type: none"> • Community Meals Hub at County Buildings – additional funding applied to offset cost increases on overall project
General Fund Underspend	3.835	
Place (Housing)	0.818	<ul style="list-style-type: none"> • New Build Programme – slippage in the programme at Abbey Quarter, Arbroath and cancellation of the project at Lilybank Crescent Forfar. Offset by advancement of works at Noran Avenue Arbroath, Damacre Centre Brechin and additional costs for unforeseen works at Chapelpark and Viewmount Forfar. • Conversion – no projects identified to be taken forward. • Heating Replacement Programme – reduction in the number of replacements completed • Window Replacement Programme – procurement delays • Bathroom Replacement Programme – completion delayed until May 2018. • Kitchen Replacement Programme – overspends due to works progressing faster than anticipated
Total Underspend	4.653	

Commentary Against Last Projected Outturn

General Fund - The most recent projected outturn for 2017/18 based on January 2018 ledgers showed an anticipated underspend on a net basis for General Fund services of £4.413 million (report 96/18 refers). The actual underspend of £3.835 million at the year end shows a decrease in the underspend of £0.578 million from the previously reported position.

Housing - With regard to Housing, the December 2017 position showed a projected underspend on a net basis of £0.405 million (report 40/18 refers). The actual underspend of £0.818 million at the year end shows an increase in the underspend of £0.414 million from the previously reported position.

The more significant movements which have arisen when comparing actual net expenditure to the outturns noted in reports 96/18 and 40/18 include:

Directorate / Division	Movement in Outturn £m	Commentary
Chief Executive's – Economic Development	0.129	Level of works advanced (on construction of spine road) turned out less than anticipated for Montrose South Regeneration – the January outturn was a best estimate at that time.
Place – Regulatory & Protective Services	0.320	Weather and delivery issues delayed play equipment works. Capital receipts higher than anticipated on vehicle replacement programmes and credit received for faulty vehicle that had to be returned.
Place – Services to Communities	0.107	Lower than anticipated final account settlement on Montrose Swimming Pool has left an unutilised balance on a prior year accrual at the close of 2017/18.
People – Children & Learning	(1.122)	The movement is mainly in respect of the Forfar Community Campus project, with construction works lower than anticipated and IT equipment expenditure now happening at the start of 2018/19. Furthermore, grant from Sportscotland which was expected at the end of 2017/18 will now be realised in 2018/19.
Place - Housing	0.414	Largely as a result of: reduced overspend on new build, offset to a degree by increased overspends on Energy Savings and Kitchen Replacements.