

CAPITAL BUDGET RECONCILIATION QUARTER 1 2011/12	£'000
Initial Capital Budget 2011/12 (as reported at Cabinet on 9th February 2011)	149,756
<u>Adult Health and Well Being</u>	
Slippage on schemes in 2010/11 – Mental Health services, Improving the Care Home Environment for Older People and Efficiency Project - System/technology	176
Budget Adjustment on Mental Health services	-1
<u>Chief Executive & Resources</u>	
Slippage on ICT Telephony Invest to save & Accommodation Strategy & dilapidations	1,731
<u>Communities Localities and Culture:</u>	
Total slippage on schemes in 2010/11	3,353
Bancroft Library (Approved May 2011 Cabinet)	500
Contaminated land survey & works budget Re-profiled	-238
Developers Contribution (Approved May 2011 Cabinet £1m) RCDA - May 2011 (£376k) & Re-profiled budgets (-£446k)	930
TFL schemes including safety, cycling & walking (Approved May 2011 Cabinet; £2.198m), TFL schemes Re-profiled (-£743k)	1,455
Victoria Park Masterplan - Budget Re-profiled (Initial budget approved September Cabinet 2008)	264
Watney Market (RCDA 11 05 – June 2011) - Enable construction phase of scheme to progress	250
Public Realm Improvements (Approved May 2011 Cabinet)	410
Leamouth Depot Salt Barn (RCDA 10 25 – May 2011)	103
Olympic Park (RCDA 10 42 – May 2011)	121
Other Re-profiled budgets includes LPP schemes (-£187k) and various mainstream schemes (-£60k)	-247
<u>Children, Schools and Families:</u>	
Total Slippage on schemes in 2010/11	4,415
Following confirmed funding 2011/12, June 2011 cabinet approved CSF Capital programme report outlining schemes to be approved for the year. Net adjustment to original estimate	-5,135
<u>Building Schools for the Future:</u>	
ICT budget slippage for 2010/11	1,100
Budget re-profiling from 2011/12 to 2012/13	-14,000
<u>Development and Renewal (including Housing):</u>	
Slippage on schemes 2010/11	16,311
Decent Homes backlog (Approved in June 2011 Cabinet)	12,942
Housing Capital programme - Aids and Adaptation (£750,000), Capitalisation of Voids (£1,500m) and Capitalisation of fees and charges (£650,000), Overcrowding initiatives (£500k) - June 2011 Cabinet approval following confirmed MRA - 2011/12	3,400
Contingency to cover risks associated with the delivery of a major capital programme - Approved in June 2011 Cabinet	1,000
St Andrew's Health and Well Being Centre - Section 106 health monies - June 2011 cabinet approval - Full cost of £5.2m, Unspent S106 - £4,776,500, remainder of £423,500 is to be sought from S106 allocation held for health purposes.	423
Other HRA Budgets Re-profiled includes Regional Housing Pot (-£554k), Housing Capital Programme (-£2.376m) & Blackwall reach (-£1.217m)	-4,147
D&R and Housing GF budgets Re-profiled includes Millenium quarter (-£191k); Bishop square (-£114k); Roman Road shops (-228k); White Chapel centre (-£4k) & High Street 2012 (-£3.007m)	-3,544
Capital Budget Q1- June 2011	171,328

CAPITAL MONITORING Q1

SUMMARY

Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget
£m	£m	£m	%	£m

MAINSTREAM PROGRAMME

Communities, Localities and Culture	15.259	0.583	15.219	3.8%	-0.040
Children, Schools and Families	23.365	3.840	22.446	16.4%	-0.919
Adults, Health and Wellbeing	0.235	0.038	0.194	16.1%	-0.041
D&R (excl BSF)	5.563	4.915	5.563	88.4%	0.000
BSF	77.601	7.162	77.532	9.2%	-0.069
HRA	31.451	1.742	30.551	5.5%	-0.900
MAINSTREAM TOTAL	153.474	18.280	151.505	11.9%	-1.969

LOCAL PRIORITIES PROGRAMME

Communities, Localities and Culture	2.601	0.548	2.601	21.1%	0.000
Children, Schools and Families	0.738	-0.001	0.726	-0.1%	-0.012
Chief Executive	1.951	0.004	1.951	0.2%	0.000
D&R (excl BSF)	6.464	0.525	4.890	8.1%	-1.574
BSF	1.100	0.000	1.100	0.0%	0.000
HRA	5.000	1.317	5.640	26.3%	0.640
LPP TOTAL	17.854	2.394	16.908	13.4%	-0.946
GRAND TOTAL	171.328	20.674	168.413	12.1%	-2.915

TOTALS BY DIRECTORATE:

Communities, Localities and Culture	17.860	1.131	17.820	6.3%	-0.040
Children, Schools and Families	24.103	3.839	23.172	15.9%	-0.931
Chief Executive	1.951	0.004	1.951	0.2%	0.000
Adults, Health and Wellbeing	0.235	0.038	0.194	16.1%	-0.041
D&R (excl BSF)	12.027	5.440	10.453	45.2%	-1.574
BSF	78.701	7.162	78.632	9.1%	-0.069
HRA	36.451	3.059	36.191	8.4%	-0.260
TOTALS BY DIRECTORATE:	171.328	20.674	168.413	12.1%	-2.915

CAPITAL MONITORING Q1

COMMUNITIES, LOCALITIES AND CULTURE

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Transport							
TfL schemes including safety, cycling and walking	4.827	0.369	4.827	8%	0.000	Schemes progressing as per the programme, majority of expenditure expected in Q3 and Q4	
TfL Cycle Superhighway 2 Supporting Measures	0.112	0.001	0.112	1%	0.000	Sites have been identified and works are expected to commence in Q2.	
TfL Cycle Superhighway 3 Complementary Measures	0.040	0.000	0.040	0%	0.000	Works have now started on site and will be complete by the end of September as programmed.	
Public Realm Improvements	0.520	0.075	0.520	14%	0.000	Schemes progressing as per the programme.	
Olympic Delivery Authority	0.000	0.008	0.000	N/A	0.000		
Developers Contribution	2.106	0.130	2.106	6%	0.000	Some schemes have been designed and will be progressing soon. We are waiting on developer on one scheme and another has legal issues.	
OPTEMS section 106	0.045	-0.041	0.045	N/A	0.000	The credit balance will be settled once the report from the contractor is approved and the expenditure for the current year is expected in Q4.	
Leamouth Depot Salt Barn	0.160	0.004	0.160	3%	0.000	Scheme programme has been slightly delayed due to preliminary grounds testing, this will be complete by the end of July and the scheme will then progress as scheduled.	
Parks							
Millwall Park/Island Gardens	0.005	0.000	0.005	0%	0.000	Scheme is being reviewed.	
Poplar Park	0.086	0.000	0.086	0%	0.000	New project manager reviewing the scope of works.	
St Johns Park	0.011	0.002	0.011	18%	0.000		
Schoolhouse Lane Multi Use Ball Games Area	0.027	0.000	0.027	N/A	0.000	Scheme is in design stage with works programmed for Q2-Q3.	
Braithwaite Park	0.017	0.000	0.017	0%	0.000	Scheme is being reviewed.	
Chicksand Ghat	0.000	-0.085	0.000	N/A	0.000		
Bethnal Green Improvements	0.111	0.000	0.111	0%	0.000	Phase 2 is currently in design stage with works programmed for Q3.	
Victoria Park Masterplan (1)	2.852	0.064	2.852	2%	0.000	Expenditure reflected in LPP section below.	
Cotton Street Open Space Landscape Improvements	0.043	0.000	0.043	0%	0.000	Scheme is being reviewed.	
Culture and major projects							
Banglatown Art Trail & Arches	0.000	-0.007	0.000	N/A	0.000	Outstanding invoices to be settled.	
Brady Centre	0.148	0.000	0.148	0%	0.000	Programme of work is currently being agreed.	
Kobi Nazrul	0.054	0.000	0.054	0%	0.000	Works complete - Invoices to be processed.	
Mile End Leisure Centre - Security Enhancements	0.009	0.009	0.009	96%	0.000	Complete	
Poplar Baths	0.028	-0.002	0.028	N/A	0.000	Works are progressing	
Creation of Mobile Public Art	0.070	0.000	0.030	0%	-0.040	Outstanding invoice to be processed.	
Cable Street Mural	0.056	0.002	0.056	4%	0.000	Programme of work is currently being agreed.	
Mile End Park Capital	0.049	0.001	0.049	2%	0.000	Programme of work is currently being agreed.	
Bancroft Library	0.500	0.000	0.500	0%	0.000	Programme of work is currently being agreed.	
Other							
High Visibility Vehicles	0.007	-0.003	0.007	N/A	0.000	Outstanding invoices to be settled.	
Generators @ Mulberry Place & Anchorage Hse	0.014	0.000	0.014	0%	0.000	Awaiting Landlord formal agreement.	
Contaminated land survey and works	0.060	0.013	0.060	21%	0.000		
585-593 Commercial Road (Parking Pound)	0.000	-0.002	0.000	N/A	0.000	Outstanding invoices to be settled.	
Watney Market Ideas Store (1)	3.181	0.000	3.181	0.0%	0.000	Works in progress	
Olympic Park	0.121	0.044	0.121	37%	0.000		
MAINSTREAM TOTAL	15.259	0.583	15.219	4%	-0.040		
LOCAL PRIORITIES PROGRAMME							
Victoria Park Masterplan (2)	2.071	0.553	2.071	27%	0.000		
Essential Health & Safety	0.011	0.006	0.011	54%	0.000	Scheme progress accelerated	
Major Projects - LPP	0.122	0.000	0.122	0%	0.000	New contractor required to carry out outstanding works.	
Culture - LPP	0.013	0.000	0.013	0.0%	0.000	Phase 2 of the scheme is currently being programmed	
Watney Market Ideas Store (2)	0.384	-0.010	0.384	-3%	0.000	Works in progress	
LPP TOTAL	2.601	0.548	2.601	21%	0.000		
GRAND TOTAL	17.860	1.131	17.820	6.3%	-0.040		

CAPITAL MONITORING Q1

CHILDREN, SCHOOLS AND FAMILIES

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Condition and Improvement	1.467	0.028	1.200	2%	-0.267	New works start in summer school holidays. Expenditure will be incurred in Quarters 2 and 3	Some projects not yet committed so spend may occur in 12-13
Basic Need/Expansion	12.387	0.961	11.800	8%	-0.587	Some new projects in development stage - main spend when on site.	Some phasing and projections cautious to reflect delay in govt allocations for 12-13.
Sure Start	0.375	0.387	0.387	103%	0.012	Overspend in Q1 covered within Early Years budget	Budget under review.
Primary Capital Programme	6.387	2.180	6.387	34%	0.000		
Early Years	0.283	0.206	0.206	73%	-0.077	Final spend against completed programme.	
Bishop's Square	0.352	0.025	0.352	7%	0.000	Planning issues (Report to Dev C'ttee July 11)	
Osmani - Redevelopment (1)	0.400	0.000	0.400	0%	0.000	Spend in Q2	
RCCO	0.124	0.054	0.124	43%	0.000	Payments in respect of final account adjustment.	
TCF Kitchen & Dining	0.124	0.000	0.124	0%	0.000	Main spend due Q2/3	
ICT	1.466	0.000	1.466	0%	0.000	Project allocation to be identified and agreed.	
MAINSTREAM TOTAL	23.365	3.840	22.446	16%	-0.919		
LOCAL PRIORITIES PROGRAMME							
Osmani - Redevelopment (2)	0.088	0.000	0.088	0%	0.000	Full spend in Q2	
Bishop Challoner - Community Facilities	0.600	0.000	0.600	0%	0.000	Land issues to be resolved.	
Toby Lane	0.014	0.000	0.014	0%	0.000	Spend later in year.	
Harry Gosling	0.012	0.000	0.000	0%	-0.012		
Youth Service (BMX Mile End)	0.024	-0.001	0.024	-2%	0.000	Final account to be settled.	
LPP TOTAL	0.738	-0.001	0.726	0%	-0.012		
GRAND TOTAL	24.103	3.839	23.172	15.9%	-0.931		

CAPITAL MONITORING Q1

CHIEF EXECUTIVE & RESOURCES

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
LOCAL PRIORITIES PROGRAMME							
<u>Resources</u>							
ICT - Software Licences	0.186	0.000	0.186	0%	0.000	Expenditure to go through in Q3 or Q4.	
Telephony Invest to Save	0.391	0.000	0.391	0%	0.000	Budget expected to be utilised in Q3	
ICT	0.000	0.004	0.000	N/A	0.000		
Priority Service Remediation/Backup Expansion	0.220	0.000	0.220	0%	0.000	Expenditure to be processed towards the end of Q2 or in Q3 due to invoice disputes.	
<u>Corporate</u>							
Accommodation Strategy	1.154	0.000	1.154	0%	0.000		
TOTAL LPP	1.951	0.004	1.951	0.2%	0.000		

CAPITAL MONITORING Q1

ADULTS, HEALTH AND WELLBEING

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Mental health services	0.137	0.032	0.137	23%	0.000		
Safety works	0.000	0.002	0.000	N/A	0.000		
Improving the Care Home Environment for Older People	0.020	0.000	0.000	0%	-0.020		AHWP met its programme objectives without using these resources and therefore the capital commitment is no longer required.
Efficiency Project - System/technology	0.078	0.005	0.057	6%	-0.021	The projected scheme costs are committed. The main items of expenditure are £22k project management costs to be charged in July and an interface being developed that will cost 28k.	A review of the scheme costs has shown that there is likely to be an underspend of £21k.
MAINSTREAM TOTAL	0.235	0.038	0.194	16.1%	-0.041		

CAPITAL MONITORING Q1
DEVELOPMENT & RENEWAL

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Millennium Quarter	0.100	0.029	0.100	29%	0.000	This project is fully financed from Section 106 resources.	Full spend is projected.
Bishops Square	0.150	0.061	0.150	41%	0.000	The D&R element of the Bishops Square Section 106 scheme incorporates a budget of £150,000 in this financial year.	Full spend is projected.
Roman Road Shops	0.050	0.037	0.050	74%	0.000	This project is fully financed from historic Local Authority Business Growth Initiative (LABGI) resources.	Full spend is projected.
St Andrew's Health and Well-Being Centre	5.200	4.777	5.200	92%	0.000	This Section 106 funded scheme to develop a new Health and Well Being Centre on the former St Andrew's Hospital site was approved by Cabinet on 10 March 2010 and 8 June 2011. The first tranche payment was made to the PCT in June 2011, with the final instalment paid in July 2011.	Full spend is projected.
Whitechapel Centre	0.063	0.011	0.063	17%	0.000	This scheme is mainly funded through Big Lottery and ERDF grants. Expenditure is being incurred in accordance with grant conditions and it is anticipated that full spend will be incurred by year-end.	Full spend is projected.
MAINSTREAM TOTAL	5.563	4.915	5.563	88%	0.000		
LOCAL PRIORITIES PROGRAMME							
High Street 2012	3.353	0.422	3.353	13%	0.000	This scheme was initially approved by Cabinet in May 2009, but significant additional resources were secured from external agencies and agreed by Cabinet at the January and March 2010 meetings.	The spend during the financial year is anticipated to be in accordance with budget, however the phasing of the scheme is being reprofiled to ensure that resources carried forward from previous years will be utilised in accordance with grant conditions.
Emergency Property Works Contingency	1.000	0.000	0.000	0%	-1.000	This is a demand led budget. Expenditure for the first three months of the financial year is in accordance with expectations, with outstanding commitments increasing expenditure over the remainder of the year.	
Disabled Facilities Grant	1.000	0.103	1.000	10%	0.000	This is a demand led budget. Expenditure for the first three months of the financial year is in accordance with expectations, with outstanding commitments increasing expenditure over the remainder of the year.	
Genesis Housing Group - Brodlove Lane - Local Authority Grant	0.363	0.000	0.363	0%	0.000	This Local Authority Grant payment to Genesis Housing Group will be fully paid during the current financial year.	Full spend is projected.
Installation of Automatic Energy Meters	0.174	0.000	0.174	0%	0.000	This scheme was commissioned towards the end of 2009-10 with the unutilised resources carried forward. The residual balance is anticipated to be fully spent in the current financial year.	Full spend is projected.
Facilities Management (DDA)	0.574	0.000	0.000	9%	-0.574		
LPP TOTAL	6.464	0.525	4.890	8%	-1.574		
GRAND TOTAL	12.027	5.440	10.453	45.2%	-1.574		

CAPITAL MONITORING Q1

HOUSING REVENUE ACCOUNT

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Decent Homes Backlog Programme	12.942	0.000	12.942	0%	0.000	Following the Authority's allocation of Decent Homes Funding, Cabinet approved the initial refurbishment programme and the procurement methodology in June 2011. Works are expected to commence in September 2011, with full spend to be incurred in the current financial year in accordance with grant conditions and available resources.	Full spend is projected.
Housing Capital Programme	12.709	1.592	12.709	13%	0.000	The mainstream Housing Capital programme is managed by Tower Hamlets Homes on behalf of the Authority and incorporates work to the Council's own stock. Tower Hamlets Homes closely monitors this budget and the spend to the end of June is approximately in line with the target profile for this stage of the financial year. The initial budget agreed by Cabinet in February 2011 was £6.6 million, however this programme was revised by Cabinet in June 2011 in light of confirmation of available resources, including those carried forward from 2010-11. It is anticipated that all resources will be fully utilised in the current financial year.	Full spend is projected.
Ocean New Deal for Communities	4.900	0.101	4.000	2%	-0.900	This project is funded from mainstream Capital Resources of £4.9m in 2011-12, following the final year of NDC grant entitlement in 2010-11. Minimal expenditure has been incurred to 30 June, however large contract payments are programmed later in the financial year.	A review of the profiling of the scheme payments indicates that an underspend is anticipated in the current financial year, with the resources being carried forward to finance the resulting commitment in 2012-13.
Regional Housing Pot	0.900	0.049	0.900	5%	0.000	Funding of approximately £7.27 million has been secured from the DCLG to facilitate the regeneration of the St Clement's Hospital site and to undertake masterplanning on the Malmesbury and Birchfield Estates. The masterplanning contracts have been let and on-going expenditure will be incurred during 2011-12. Funds are not specific to a particular financial year and delays in respect of decisions on the St Clement's Hospital site mean that resources will be carried forward for utilisation in later years as necessary.	
MAINSTREAM TOTAL	31.451	1.742	30.551	6%	-0.900		
LOCAL PRIORITIES PROGRAMME							
Council Housebuilding Initiative	1.500	0.948	1.500	63%	0.000	This project is funded through a mixture of Government grant, Section 106 receipts and Council resources. The scheme is being managed in accordance with the grant conditions in line with agreed delivery target dates. A review of the project is currently underway following difficulties that have been encountered on-site. The budget profile is being reviewed and will be updated in the second quarter's capital monitoring cycle.	Full spend is projected.
Blackwall Reach	3.500	0.369	4.140	11%	0.640	The Blackwall Reach project represents a £13m commitment over several financial years. Latest estimates are that expenditure of £4,140,000 will be incurred in 2011-12, with the remaining leasehold properties being acquired during 2012-13 and 2013-14. Current indications are that the 2011-12 budget may be exceeded, however this profile is flexible, with resources in place to adapt the profiled expenditure as necessary.	
LPP TOTAL	5.000	1.317	5.640	26%	0.640		
HRA TOTAL	36.451	3.059	36.191	8.4%	-0.260		

CAPITAL MONITORING Q1

BUILDING SCHOOLS FOR THE FUTURE (BSF)

	Budget at 30-Jun-11	Spend to 30-Jun-11	Projection 31-Mar-12	% Budget Spent	Projected Variance from Budget		
	£m	£m	£m	%	£m	REASONS FOR VARIANCES TO DATE	REASONS FOR PROJECTED VARIANCES
MAINSTREAM PROGRAMME							
Wessex	0.000	0.025	0.025	N/A	0.025		
St Paul's Way	3.193	0.010	2.500	0%	-0.693	Based on on-site progress	
Bethnal Green Tech. College	0.000	0.003	0.300	N/A	0.300	Based on on-site progress	
Morpeth	6.281	1.161	6.900	18%	0.619	Based on on-site progress	
Oaklands	4.147	0.294	6.296	7%	2.149	Based on on-site progress	
Sir John Cass	5.675	1.826	7.100	32%	1.425	Based on on-site progress	
Ian Mikardo	1.088	0.657	1.100	60%	0.012	Based on projected final account	
Beatrice Tate	2.000	0.002	0.600	0%	-1.400	Fees only in 2011/12	Subject to financial contract close
Bowden House	1.951	0.228	8.418	12%	6.467	Based on on-site progress	
PRU Harpley	2.552	1.691	4.211	66%	1.659	Based on on-site progress	
Swanlea	6.538	0.815	8.869	12%	2.331	Based on on-site progress	
Raines	8.138	0.105	4.682	1%	-3.456	Based on on-site progress	
Central Foundation	8.977	0.030	4.804	0%	-4.173	Based on current on-site start date	Subject to financial contract close
Langdon Park	10.607	0.143	4.261	1%	-6.346	Based on current on-site start date	Subject to financial contract close
Phoenix	3.724	0.067	2.645	2%	-1.079	Based on current on-site start date	Subject to financial contract close
Stepney Green	7.288	0.105	5.421	1%	-1.867	Based on current on-site start date	Subject to financial contract close
Bow Boys	14.500	0.002	2.500	0%	-12.000	Fees only in 2011/12	Subject to financial contract close
New School	0.822	0.000	0.000	0%	-0.822		
George Greens	3.020	0.000	1.100	0%	-1.920	Fees only in 2011/12	Subject to financial contract close
ICT infrastructure schemes	1.100	0.000	5.800	0%	4.700		Based on current financial spend model
Budget reprofiling to reflect actual progress on schemes	-14.000	0.000	0.000	0%	14.000	A full budget reprofiling will be undertaken during the second quarter of the financial year to reflect a full review of the programme updated to incorporate the actual progress of the individual schemes.	
MAINSTREAM TOTAL	77.601	7.162	77.532	9%	-0.069		
LOCAL PRIORITIES PROGRAMME							
Wave 5 BSF	1.100	0.000	1.100	0%	0.000	To be claimed at end of year	
LPP TOTAL	1.100	0.000	1.100	0%	0.000		
GRAND TOTAL	78.701	7.162	78.632	9.1%	-0.069		