

## Appendix C – 2012/13 Quarter 2 Capital Budget Position

### Actual Spend to date

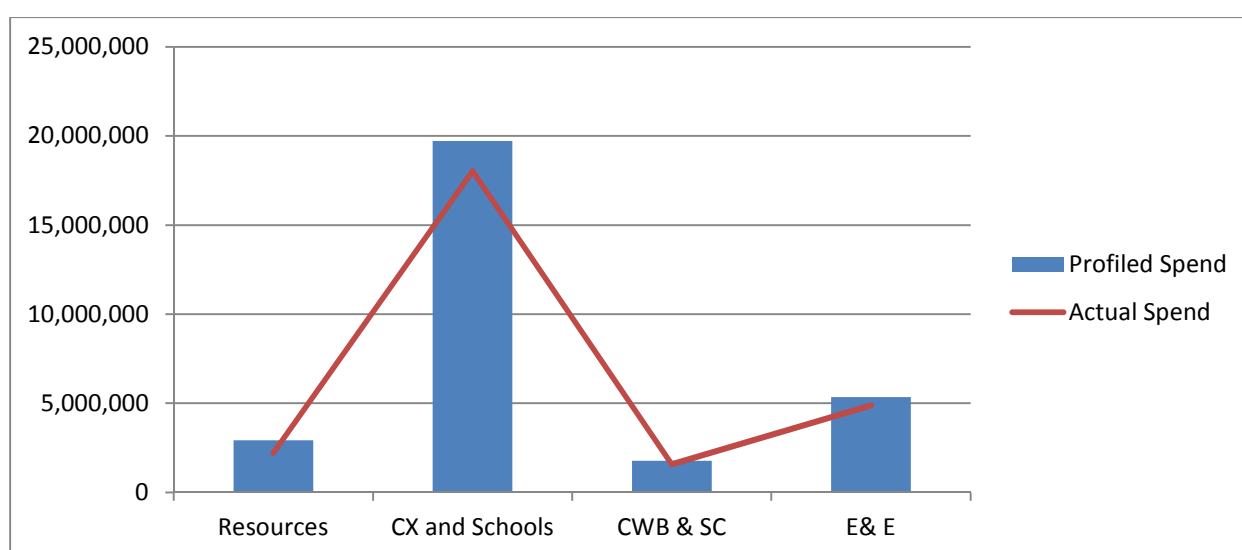
Actual Spend at September 2012 is       £26,700,349  
 Compared to the profiled spend of       £29,779,469  
 Leaving the capital programme       **£3,079,120** underspent against profile

Profiles are provided by project managers as part of the project planning and management process. These profiles are used in the SAP project module to monitor the level of spend being achieved against the profile. The profiles also form a key part of the Councils overall treasury management process feeding into our decisions about borrowing levels and timescales. Inaccurate profiling by project managers could therefore contribute to our borrowing too much, too early and incurring additional borrowing costs, or having to borrow on short notice which could again result in additional costs.

A breakdown of variances across directorates and programme groups is shown below.

### Spend v Profile by Directorate

Directorate	Approved Budget	Profiled Cash Flow	Actual Spend	Cash Flow Variance	% of programme delivered
Resources	7,227,707	2,935,100	2,199,585	-735,514	30
Chief Executive & Schools Division	32,854,853	19,718,782	18,031,384	-1,687,398	55
Community Well Being & Social Care	4,863,298	1,773,765	1,582,393	-193,372	33
Economy & Environment	17,979,054	5,351,822	4,886,987	-464,835	30
<b>Total</b>	<b>63,552,882</b>	<b>29,779,469</b>	<b>26,700,349</b>	<b>-3,079,120</b>	<b>42</b>



## Comparative profile 2005/6 – 2011/12

Spend compared to profile has slowed slightly in the 2nd quarter due to the reported delays at the Cowes One Schools Pathfinder Project. Other minor spend behind profile is related to timing of valuations and payments and does not impact on overall delivery. A significant amount is expected to be re-profiled in October during the capital challenge process so we are estimating a year end spend of around £52m.

Further significant investment includes projects such as the County Hall refurbishment, the leisure facilities improvement programme, and the changes to the waste and recycling collection arrangements, which will all lead to improved facilities and deliver long term, year on year revenue savings.

In addition to these one off projects, the council has continued its annual investment in the highways network, housing programme, fire appliances, and infrastructure projects in order to improve the delivery of services to the island. The graph below demonstrates the project capital spend for this financial year in relation to the previous seven years

