



**CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2015/16
– SECOND QUARTER REVIEW**

Jane Robinson, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to inform of the latest position on the 2015/16 capital programme and Prudential Indicators at the end of the second quarter to 30 September 2015. The report assesses reasons for the variances from the approved programme and details the proposed financing of the capital programme. In addition, the report also considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.
2. The original budget for the capital programme for 2015/16, agreed by Council on 26 February 2015, totalled £82.311m, which was revised to £84.015m as part of the first quarter review. The second quarter review now projects the year-end expenditure to be £78.821.
3. The £5.194m variance is due to a combination of slippage occurring within the current programme, reviewing existing schemes, the receipt of additional resources and other variances. All variations in the programme during the second quarter are detailed in Appendix 2 of the attached report.
4. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2015/16 were agreed by Council on 26 February 2015. Borrowing and investment levels have remained within the limits set by Council.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATIONS

6. It is recommended that Council:
 - i) Agrees that all variations to the 2015/16 Capital Programme as detailed in Appendix 2 of the attached report as the revised programme
 - ii) Agrees the financing of the revised programme

- iii) Confirms that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2015/16 have been breached