



AGENDA ITEM: 8

NORTH WALES FIRE AND RESCUE AUTHORITY

15th December 2008

PROVISIONAL CAPITAL OUTTURN 2008-2009

**Report by Dawn Docx,
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Purpose of Report

- 1.** This report is to provide Members with an estimated provisional capital outturn for the financial year 2008-2009.

Introduction

- 2.1** In addition to the revenue budget the Fire and Rescue Authority also has a capital budget. The funding for capital is by means of Prudential borrowing, which like any mortgage, is a cost to the revenue budget in the year following completion of each project.
- 2.2** Although every attempt is made to complete each project in the year of allocation, this is often not possible with large complex building and ICT projects taking several years. When a project takes over one year to complete the budget allocation remaining is rolled forward into the next financial year. This is different to the revenue budget which must be spent within the financial year of allocation.
- 2.3** If monies are rolled forward into the next financial year, it will delay the effects on the revenue budget as the acquisition of the loan will not be incurred until a later date and likewise the repayments costs funded from the revenue budget.

Capital Budget Allocation 2008-09

- 3.1** For the financial year 2008-09 the capital programme budget was set at £3,837,300 plus £4,811,387 which was rolled forward from previous years. In addition £650,000 in grant monies for Rhyl community station was received from the Welsh Assembly Government.
- 3.2** In order to assist members' understanding of capital expenditure a provisional capital outturn report is attached.

Summary

- 4.** Overall it is expected that the Service will spend £6.4 million by the end of the financial year and roll over approximately £2.5 million into the next year in order to complete outstanding projects. Overall it is anticipated that there will be an underspend of £0.4 million due to savings made on the cost of water tenders through an all Wales procurement contract.

Recommendations

- 5.** It is recommended that:
- (i) Members note the contents of this report.