

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

18th September 2018

**REPORT AUTHOR: County Councillor Aled Davies
Portfolio Holder for Finance**

SUBJECT: Capital Programme Update for the period to 31st July 2018

REPORT FOR: Decision / Discussion / Information

1. Summary

- 1.1 The Capital Governance Framework identifies multiple points within a project's life cycle where decisions have to be made to progress. These decisions vary from approval of options for further analysis, to final investment decisions and change control.

This monthly Capital report on the status of all projects within the Capital strategy is an integral part of the Governance Framework for Capital development works. It ensures that stakeholders are engaged in evaluation and decision making and encourages a disciplined governance that includes approval gateways at which prudence, affordability and sustainability are reviewed.

- 1.2 The Revised working budget for the 2018/19 Capital Programme, after accounting for approved virements, is £123.396m (The Original budget was £87.703m). The Increase in budget is largely due to virements from previous year's programme that have lapsed into 2018/19.
- 1.3 The actual spend to the end of July is £12.758m and a further £36.210m has been committed.
- 1.4 Table 1 below summarises the position for each portfolio and service.

Table 1 Capital Table as at 31st July 2018

Service	Original Budget	Virements Approved	Virements Required by Cabinet	Virements Required by Council	Revised Working Budget 2018/19 as at 31st July 2018 after virements	Actuals	Commitments	Actuals & Commitments	Remaining Budget	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	%
People										
Adult Services & Commissioning	819	502	0	0	1,321	53	210	263	1,058	80.1%
Childrens Services	0	61	0	0	61	-211	216	5	56	91.8%
Schools and Inclusion	39,367	5,780	0	0	45,147	3,022	23,038	26,060	19,087	42.3%
Leisure & Recreation	3,357	5,783	0	0	9,140	1,971	1,549	3,520	5,620	61.5%
Workforce, OD and Comms	0	0	0	0	0	0	0	0	0	
Resources										
Business Services	0	298	0	0	298	18	53	71	227	76.2%
Information Services	1,610	947	0	0	2,557	63	199	262	2,295	89.8%
Legal Services	0	19	0	0	19	0	0	0	19	100.0%
Financial Services	578	-378	0	0	200	0	0	0	200	100.0%
Corporate Activities	0	0	0	0	0	0	0	0	0	
Place										
Highways, Transport & Recycling	16,380	7,771	278	0	24,429	3,932	1,301	5,233	19,196	78.6%
Regeneration	380	286	0	0	666	14	59	73	593	89.0%
Housing	1,825	1,029	0	0	2,854	485	773	1,258	1,596	55.9%
Property, Planning And Public Protection	3,248	2,077	-278	0	5,047	174	748	922	4,125	81.7%
Total Capital	67,564	24,175	0	0	91,739	9,521	28,146	37,667	54,072	58.9%
Housing Revenue Account	20,139	13,308	0	-1,790	31,657	3,237	8,064	11,301	20,356	64.3%
TOTAL	87,703	37,483	0	-1,790	123,396	12,758	36,210	48,968	74,428	60.3%

1.5 The funding of the capital programme is shown in Table 2. It has been revised from the original budget of £87.703m to £123.396m as at 31st July 2018 to reflect virements and re-profiling of the capital programme. This matches the projected expenditure to ensure a balanced budget

1.6 Table 2 Funding of the Capital Budget as at 31st July 2018

Revised Working Budget 2018/19 as at 31st May 2018 (after virements approved and required)						
Funding Source	Supported Borrowing £'000	Prudential Borrowing £'000	Grants £'000	Revenue Contributions To Capital £'000	Capital Receipts £'000	Total £'000
Council Fund	-16,731	-34,126	-24,039	-12,037	-4,806	-91,739
HRA	0	-19,847	-6,191	-5,085	-534	-31,657
Total	-16,401	-53,973	-30,230	-17,122	-5,340	-123,396

2. Proposal

- 2.1 That Cabinet will note the contents of this report and approve all virements and request for new funding herein.
- 2.2 A virement is requested to allocate the sum of £278k from the Property, Planning And Public Protection programme to the Highways, Transport and

Recycling programme. This is a contribution from Property Services to Waste Services in respect of Abermule Business Park.

- 2.3 A new virement is requested to transfer £1,790k from 2018/19 to 2019/20. This relates to the Welsh Housing Quality Standards (WHQS) review within HRA, and is no longer required in the current financial year. This virement therefore seeks to reprofile the spending plan within the 5 year strategy. It has no effect on the WHQS review.

3. Options Considered / Available

- 3.1 N/A

4. Preferred Choice and Reasons

- 4.1 N/A

5. Impact Assessment

- 5.1 Is an impact assessment required? Yes/No

6. Corporate Improvement Plan

- 6.1 To achieve the Corporate Improvement Plan (CIP) objectives the Council undertakes forward planning with its medium term financial strategy (MTFS) - this sets out the financial requirements to deliver the short and longer term council vision. These capital and revenue monitoring reports, are used to ensure the funding identified to deliver the council priorities is spent appropriately and remains within a cash limited budget.

7. Local Member(s)

- 7.1 This report relates to all service areas across the whole County.

8. Other Front Line Services

- 8.1 This report relates to all service areas across the whole County

9. Communications

Have Communications seen a copy of this report? Yes/No

Have they made a comment? If Yes insert here.

10. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

- 10.1 This report has no specific impact on support services other than reporting on those service areas with capital programmes. Financial

Services work closely with all service areas in monitoring financial performance on capital programmes against budgets.

10.2 **Finance**

This monthly Capital report on the status of all projects within the Capital strategy is an integral part of the Governance Framework for Capital development works.

The virements requested are to align the actual works expected to be done in the current financial year to the funding required to finance such Capital works. This is a prudent approach to ensure that the Council only makes available what is required to finance the Capital expenditure. There are no exceptional financial implications to be reported at this time.

11. **Scrutiny**

11.1 Has this report been scrutinised? Yes / No?

12. **Data Protection**

N/A

13. **Statutory Officers**

The Head of Financial Services & Deputy Section 151 Officer notes the contents in the report.

The Deputy Monitoring Officer notes the content of the report and makes no specific comment upon the same.

14. **Members' Interests**

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest, they should declare it at the start of the meeting and complete the relevant notification form.

15. **Future Status of the Report**

Members are invited to consider the future status of this report and whether it can be made available to the press and public either immediately following the meeting or at some specified point in the future.

Recommendation:	Reason for Recommendation:
a. The contents of this	To outline the capital budget position

<p>report are noted by Cabinet.</p> <p>b. That Cabinet approves the virements proposed in section 2.2 of this report.</p> <p>c. That Cabinet approves the virement in section 2.3 and recommends it to Council for approval.</p>	<p>as at 31st July 2018.</p> <p>To ensure appropriate virements, if any, are carried out to align budgets with spending plans.</p>
--	--

Relevant Policy (ies):			
Within Policy:	Y / N	Within Budget:	Y / N

Relevant Local Member(s):	
---------------------------	--

Person(s) To Implement Decision:	
Date By When Decision To Be Implemented:	

Is a review of the impact of the decision required?	Y / N
If yes, date of review	
Person responsible for the review	
Date review to be presented to Portfolio Holder/ Cabinet for information or further action	

<p>Contact Officer: Jane Thomas</p> <p>Tel: 01597-826290</p> <p>Email: jane.thomas@powyscc.gov.uk</p>

Background Papers used to prepare Report: