

CYNGOR SIR POWYS COUNTY COUNCIL.

**Powys County Council
19th October 2017**

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

SUBJECT: Virement for 21st Century Schools Programme

REPORT FOR: Decision

1.1 Summary

1.1 This report is to request a capital virement for the 21st Century Schools programme. Work has been taking place over the last 6 months to progress the Brecon High School new build, Gwernyfed High School refurbishment, the two new primary schools in Welshpool and the all through School in Machynlleth. The forecasts for the projects have been refined and this virement requests that the changes are made to the project budgets.

2. Proposal

2.1 Table 1 shows the current budget for the 21st Century schools. A number of changes have been recommended by the Schools Transformation Board which will amend the budget for some of the projects. Welsh Government have been kept informed of the changes.

Table 1 Current Budgets for 21st Century schools

	2017/18 Budget	2018/19 Estimate	2019/20 Estimate	Total
	£000	£000	£000	£000
Brecon High School	1,450	15,341	4,965	21,756
Ysgol Bro Hyddgen	1,301	8,689	0	9,990
Gwernyfed HS Refurbishment	31	0	0	31
Welshpool	2,892	10,888	0	13,779
Federation Carno etc	274	1,623	0	1,897
Gwernyfed Primary Schools	21,720	0	0	21,720
Total	27,975	36,540	4,965	69,481

a. Table 2 shows the revised budget. Apart from the Gwernyfed Primary Schools virement the other virements involve moving the budgets to the appropriate project and as a whole balance back to zero. The

Federation - Carno, Glantwymyn and Llanbryn-mair was approved by Cabinet on 11th July (item 8) but is included here for completeness.

Table 2 Revised Budgets for 21st Century schools

	2017/18 Budget	2018/19 Estimate	2019/20 Estimate	Total
	£000	£000	£000	£000
Brecon High School	800	15,497	2,759	19,056
Ysgol Bro Hyddgen	1,115	4,135	0	5,250
Gwernyfed HS Refurbishment	150	6,522	0	6,672
Welshpool	2,793	10,862	0	13,655
Federation Carno etc	295	2,526	0	2,821
Gwernyfed Primary Schools	20,587	0	0	20,587
Total	26,047	39,542	2,759	68,348

b. The virements are detailed below

- Brecon High School – The budget for this project has been reduced by £2.7m following receipt of the tender.
- Welshpool Primaries – The budget for this project has been reduced by £875k following receipt of the tenders. This item has been amended since the Cabinet report was approved on 19th September. Further costs have been identified due to changes to the project and this is reflected in the lower level of virement now required. It is recommended that the budget is reduced by £125k instead of the agreed £825k.
- Gwernyfed High School – The budget of £6.672m for this project had been moved to Band B, however, it is now possible to progress this project and the Board have moved the project back to Band A.
- Ysgol Bro Hyddgen – This has always been the balancing project which spans Band A and Band B. The budget in Band A is reduced £3.99m and increased in Band B.
- A reconciliation of the overall Gwernyfed primary Schools budgets has been carried out and there is £1.133m too much in these budgets due to the confusion with the timing of the grant in 2016/17.

c. Table 3 shows the virements for the project and across the financial years.

Table 3 Virements Required for 21st Century Schools

	2017/18 Budget	2018/19 Estimate	2019/20 Estimate	Total
	£000	£000	£000	£000
Brecon High School	-650	156	-2,206	-2,700
Ysgol Bro Hyddgen	-186	-4,554	0	-4,740
Gwernyfed HS Refurbishment	119	6,522	0	6,641

Welshpool	-99	-26	0	-125
Carno Federation	21	903	0	924
Gwernyfed Primary Schools	-1,133	0	0	-1,133
Total	-1,928	3,002	-2,206	-1,133

3. **Options Considered/Available**

3.1 No alternative options are considered appropriate as a result of this report.

4. **Preferred Choice and Reasons**

4.1 None to consider.

5. **Impact Assessment**

5.1 Is an impact assessment required? No

5.2 If yes is it attached? 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**

9.1 This report has no specific communication considerations. Detailed finance reports are presented to Heads of Service, Cabinet and the Audit Committee. These reports are public and are part of a range of statutory and non-statutory financial information documents including the Statement of Accounts.

10 **Support Services (Legal, Finance, HR, ICT, BPU)**

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 The Capital and Financial Planning Accountant confirms these project are included in the Capital Programme and the funding in place.

11 **Scrutiny**

11.1 This report presents financial information which will help inform the future capital strategy and therefore has implications for any related organisation.

12 **Statutory Officers**

The Strategic Director, Resources (Section 151 Officer) notes the overall capital position.

The Monitoring Officer has no specific concerns with this report.

13. 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.

Recommendation:	Reason for Recommendation:
To approve the virements set out in Table 3.	To ensure appropriate virements are carried out that reflect the forecasted capital spend.

Relevant Policy (ies):	Schools Transformation		
Within Policy:	Y	Within Budget:	Y

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

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Background Papers used to prepare Report:

Cabinet Report 19th September 2017 Item 5 Capital Programme Update for July 2017