

**CYNGOR SIR POWYS COUNTY COUNCIL.
CABINET EXECUTIVE**

9th October 2018

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

**SUBJECT: Capital Programme Update for the period to 31st August
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 £124.240m (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 August is £17.897m and a further £36.356m has been committed.
- 1.4 Table 1 below summarises the position for each portfolio and service.

Table 1 Capital Table as at 31st August 2018

Service	Original Budget	Virements Approved	Virements Required by Cabinet	Virements Required by Council	Revised Working Budget 2018/19 as at 31st August 2018 (after virements approved and required)	Actuals	Commitments	Remaining Budget	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	%
People									
Adult Services & Commissioning	819	502	0	0	1,321	67	196	1,058	80.1%
Childrens Services	0	61	0	0	61	-211	216	56	91.8%
Housing	1,825	1,016	0	0	2,841	889	650	1,302	45.8%
Schools and Inclusion	39,367	5,780	0	0	45,147	5,052	21,446	18,649	41.3%
Workforce, OD and Comms	0	0	0	0	0	0	0	0	
Resources									
Business Services	0	298	0	0	298	75	73	150	50.3%
Information Services	1,610	947	0	0	2,557	128	476	1,953	76.4%
Legal Services	0	19	0	0	19	0	0	19	100.0%
Financial Services	578	-378	0	0	200	0	0	200	100.0%
Corporate Activities	0	0	0	0	0	0	0	0	
Place									
Highways, Transport & Recycling	16,380	8,806	278	0	25,464	4,921	3,567	16,976	66.7%
Leisure & Recreation	3,357	5,779	0	0	9,136	2,297	1,322	5,517	60.4%
Regeneration	895	-678	0	0	217	77	78	62	28.6%
Property, Planning And Public Protection	2,733	3,042	-453	0	5,322	179	770	4,373	82.2%
Total Capital	67,564	25,194	-175	0	92,583	13,474	28,794	50,315	54.3%
Housing Revenue Account	20,139	13,308	0	-1,790	31,657	4,423	7,562	19,672	62.1%
TOTAL	87,703	38,502	-175	-1,790	124,240	17,897	36,356	69,987	56.3%

1.5 The funding of the capital programme is shown in Table 2 below. It has been revised from the original budget of £87.703m to £124.240m as at 31st August 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 August 2018

Revised Working Budget 2018/19 as at 31st August 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	-34,053	-25,056	-12,037	-4,706	-92,583
HRA	0	-19,847	-6,191	-5,085	-534	-31,657
Total	-16,401	-53,900	-31,247	-17,122	-5,240	-124,240

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 **Office Accommodation** – Works at County Hall are progressing but a virement request is made to roll £175,000 into 2019-20 to match the intended works schedule.

3. Project Update

3.1 **21st Century Schools**

Work on the Band A phase of the 21st Century Schools programme is progressing well. The only exception is the Welshpool catchment area schools. The decision by Cadw to list the Ysgol Maesydre has had a huge impact, on both the Budget and the timelines of the project. Consequently, the Welsh Medium School has been deferred to Band B of the programme.

3.2 **Housing:** The WHQS Schemes are progressing well with a total spend of £3.8m to date which represents 25% of the budget for 2018/19 financial year. As reported in July, the spend profile for the WHQS has been revised, with a virement of £1.789m from 2018-19 to 2019-20, in line with current projection.

3.3 **Highways, Transport and Recycling (HTR):** have a working budget of £25m. Total spend at the end of August, including commitment is £8.488m, representing 33% of budget. Finance are monitoring the project performance with project officers to ensure that work is progressed in line with expectation.

4. Options Considered / Available

4.1 N/A

5. Preferred Choice and Reasons

5.1 N/A

6. Impact Assessment

6.1 Is an impact assessment required? Yes/No

7. Corporate Improvement Plan

7.1 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.

8. Local Member(s)

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

9. Other Front Line Services

9.1 This report relates to all service areas across the whole County

10. Communications

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

Have they made a comment? If Yes insert here.

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

11.1 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.

11.2 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.

12. Scrutiny

12.1 Has this report been scrutinised? Yes / No?

13. Data Protection

N/A

14. 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.

15. 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.

16. 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 report are noted by Cabinet.	To outline the capital budget position as at 31st August 2018.
b. That Cabinet approves the virement proposed in section 2.2 of this report.	To ensure appropriate virements, are carried out.to align budgets with spending plans.

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

Relevant Local Member(s):	
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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	

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Background Papers used to prepare Report: