



## **POLICY AND RESOURCES SCRUTINY COMMITTEE – FOR INFORMATION**

**SUBJECT: CAPITAL OUTTURN 2016/17**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

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### **1. PURPOSE OF REPORT**

1.1 To provide information to Members relating to the capital outturn for the 2016/17 financial year.

### **2. SUMMARY**

2.1 The report provides details of actual capital expenditure for the 2016/17 financial year and slippage that has been requested to be carried forward into 2017/18.

### **3. LINKS TO STRATEGY**

3.1 The contents of this report are in accordance with the Budget Strategy agreed by Council at its meeting on the 24<sup>th</sup> February 2016.

3.2 Prudent financial management contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:-

- A prosperous Wales.
- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

### **4. THE REPORT**

4.1 The approved Capital Programme for the 2016/17 financial year totalled £55.69m, consisting of £17.10m for the General Fund and £38.59m for the Housing Revenue Account (HRA). During the year specific grants, slippage and contributions were received for various service areas taking the total available capital resources for 2016/17 to £94.09m. This is summarised in the table below: -

	General Fund £000s	HRA £000s	Total £000s
<b>Approved 2016/17 Budget</b>	<b>17,099</b>	<b>38,592</b>	<b>55,691</b>
Slippage Brought Forward from 2015/16	21,530	0	21,530
In Year Grants, Contributions	12,784	0	12,784
S106 Funding	218	0	218
Revenue Contribution to Capital Outlay (RCCO)	967	0	967
Other Funding	2,903	0	2,903
<b>Total:</b>	<b>55,501</b>	<b>38,592</b>	<b>94,093</b>

4.2 The following table provides a summary of the 2016/17 outturn against each service area: -

Capital Programme	Revised Estimated Target Spend £000s	Outturn Capital Spend £000s	Variance £000s
Education	22,926	20,089	2,837
Social Services	3,653	496	3,157
Private Housing	4,814	3,388	1,426
Urban Renewal & Countryside	1,532	391	1,141
Engineers	9,715	5,474	4,241
Land Reclamation	2,133	5	2,128
Property Services	3,859	1,736	2,123
Community & Leisure Services	4,669	2,583	2,086
Public Protection	702	370	332
Economic Dev & Regeneration	283	219	64
Corporate Services	352	239	113
Corporate Finance Balances	864	0	864
<b>General Fund Total: -</b>	<b>55,502</b>	<b>34,990</b>	<b>20,512</b>
<b>HRA Total: -</b>	<b>38,592</b>	<b>32,317</b>	<b>6,275</b>
<b>Total Capital Programme: -</b>	<b>94,094</b>	<b>67,307</b>	<b>26,787</b>

4.3 The 2016/17 Housing Revenue Account (HRA) underspend of £6.28m will be carried forward into the 2017/18 financial year to support the ongoing programme of works to meet the Welsh Housing Quality Standard (WHQS).

4.4 The General Fund variance of £20.51m can be split between schemes that are ongoing or have been delayed in 2016/17 (slippage), ring-fenced budgets, schemes that were underspent as at 31 March 2017 and schemes that have resulted in overspends.

4.5 **Slippage:** Schemes to the value of £13.30m have been slipped into 2017/18 as a result of an ongoing program of works and delays in contractual arrangements. Appendix 1 sets out the schemes where slippage has occurred.

4.6 **Ring-fenced budgets:** As at 31 March 2017, a number of ring-fenced budgets remained unspent to the value of £6.97m. These budgets relate to specific grants, contributions and Section 106 monies or earmarked revenue funding transferred to a capital reserve. Appendix 2 provides a breakdown of the £6.97m.

4.7 **Underspends:** As at 31 March 2017, underspends totalling £307k were declared by budget holders upon the completion of capital schemes. Urban renewal have requested that £23k relating to the underspend on Town Centres and the Voluntary sector Grant Scheme to be retained to fund the ongoing ERDF liabilities at Newbridge subject to a Cabinet report to Members highlighting the change in circumstances. £284k is to be released into capital balances to fund the future capital programme. Details are provided in Appendix 3.

4.8 **Overspends:** As at 31 March 2017 Education reported overspends against capital schemes to the value of £67k. Appendix 4 details the schemes and the proposed funding correction required as agreed with budget holders.

## 5. WELL-BEING OF FUTURE GENERATIONS

5.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

## 6. EQUALITIES IMPLICATIONS

6.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

## 7. FINANCIAL IMPLICATIONS

7.1 As detailed throughout the report.

## 8. PERSONNEL IMPLICATIONS

8.1 There are no direct personnel implications arising from this report.

## 9. CONSULTATIONS

9.1 There are no consultation responses that have not been reflected in this report.

## 10. RECOMMENDATIONS

10.1 Members are asked to note the contents of this report.

## 11. REASONS FOR THE RECOMMENDATIONS

11.1 Compliance with the CIPFA "Code of Practice for Treasury Management in the Public Services".

## 12. STATUTORY POWER

12.1 Local Government Acts 1972 and 2003.

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Background Papers:  
Budget Monitoring Reports 2016/17  
Capital Outturn Report 2015/16

Appendices:  
Appendix 1 – 2016/17 Slippage  
Appendix 2 – 2016/17 Ring-fenced Budgets  
Appendix 3 – 2016/17 Underspends  
Appendix 4 – 2016/17 Overspends