



POLICY AND RESOURCES SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: 2018/19 CAPITAL EXPENDITURE MONITORING REPORT (PERIOD 7)

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To inform Members of projected capital expenditure for the 2018/19 financial year.

2. SUMMARY

- 2.1 The report provides details of actual and projected capital expenditure based on information available as at month 7 of the 2018/19 financial year.

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 22nd February 2018.
- 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 2018/19 financial year totalled £69.45m, consisting of £13.65m for the General Fund and £55.80m for the Housing Revenue Account (HRA). Appendix 1 provides details of the 2018/19 approved budget, the 2017/18 slippage carried forward and additional in-year funding for 2018/19 as at period 7.
- 4.2 Actual expenditure as at period 7 has been reviewed and budget holders have provided updates on anticipated spend for the remainder of the financial year. Schemes totalling £39.10m have been identified that are unlikely to be delivered in 2018/19. Consequently, these schemes will be carried forward as slippage into the 2019/20 financial year. Members will note from the table below that the majority of the slippage relates to Corporate Projects; Infrastructure schemes; Social Services and the HRA WHQS programme.

Service Area	Scheme	£'000
Corporate Services	Corporate Projects	8,251
Corporate Services	Various Corporate Services	123
Corporate Finance	2019/20 Capital Programme	326
Education	Asset Management	745
Education	Various Education Schemes	455
Environment - Community & Leisure Services	Cemeteries	946
Environment - Community & Leisure Services	Playground Reinstatement	294
Environment - Community & Leisure Services	Ty Duffryn WTS	769
Environment - Community & Leisure Services	Various CLS Schemes	180
Environment -Economic Development & Regeneration	Cwmcarn Forest	159
Environment -Economic Development & Regeneration	Voluntary Sector Grants	40
Environment- Infrastructure	Infrastructure Retaining Walls	141
Environment- Infrastructure	Bridge Strengthening	307
Environment- Infrastructure	A472 Drainage Nelson	569
Environment- Infrastructure	Land Drainage- Corporate	100
Environment- Infrastructure	Land Drainage- Non Corporate	184
Environment- Infrastructure	Corporate Maintenance Tips Mines & Spoils	393
Environment- Infrastructure	Engineer's Former Liabilities	993
Environment- Infrastructure	Monmouth & Brecon Canal	334
Environment- Infrastructure	Various Infrastructure Schemes	74
Environment- Infrastructure	Various Highways Grants	372
Environment- Infrastructure	Various Highways S106 Schemes	752
Environment- Land Reclamation/ Engineers	Bedwas Colliery	237
Environment- Land Reclamation/ Engineers	Unfunded Liabilities Former Land Reclamation Sites	1,907
Environment - Urban Renewal	Bargoed Cinema Development – Under Review	411
Environment - Urban Renewal	Risca S106	475
Environment - Urban Renewal	Various Urban Renewal	194
Environment - Urban Renewal	ERDF Ty Du Nelson	360
Environment - Urban Renewal	ERDF Lawns Industrial Estate Rhymney	665
HRA	WHQS	9,938
Private Housing	Disabled Facility Grants	200
Private Housing	Various Private Housing	285
Private Housing	Home Repair Grant	722
Private Housing	Home Improvement Loans	1,400
Property Services	Demolition Pontllanfraith & Oakdale School	641
Property Services	Various Property Services Schemes	284
Property Services	Penallta House Car Park Extension- Under Review	255
Property Services	Frmr Meals On Wheels Pengam- Under Review	227

Property Services	Longbridge Baths Risca- Under Review	999
Public Protection	Carbon Reduction Schemes	124
Public Protection	Ty Llwyd Landfill Site	200
Social Services	Children's Centre For Complex Needs	3,072
Total: -		39,103

- 4.3 The slippage of £8.25m on Corporate Projects to is yet to be allocated to a specific scheme. A report will be presented to Members later in the year that will identify new capital schemes that require funding from this budget allocation.
- 4.4 The slippage of £0.769m held against Ty Duffryn relates to funding that was initially set aside for the potential Waste Transfer Station. The funding is to remain ring-fenced pending the outcome of the ongoing waste strategy review.
- 4.5 The slippage on the WHQS programme could potentially be greater at the end of the financial year due to ongoing issues relating to procurement, condition surveys and asbestos. This slippage will be ring-fenced to the WHQS.
- 4.6 The Children's Centre for Complex Needs is currently at design phase. The capital budget has been requested to be carried forward as slippage into 2019/20 financial year when construction works is likely to commence.
- 4.7 The table below summarises identified projected underspends totalling £980k: -

Service Area	Scheme	£'000
Corporate Finance	Unallocated underspends	980
Total: -		980

- 4.8 The underspends identified in the table above will be monitored throughout the year and will be made available to support the Capital Programme in future years.
- 4.9 As at 31st October 2018 overspends against schemes to the value of £33k were identified: -

Service Area	Scheme	£'000	Comments
Education	School Boiler Replacement Programme	12	Emergency repairs. Overspend to be carried forward and funded from 2019/20 programme.
Environment-Infrastructure	Traffic Calming	20	Pedestrian crossing to encompass other works. Overspend to be funded from in year underspends.
Environment-Infrastructure	River Bridge Newbridge Tc	2	Works complete. Overspend to be funded from in year underspends.
Total: -		34	

- 4.10 As indicated above, the projected overspends totalling £34k will be met from within existing capital budgets or other identified funding.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The establishment of budget monitoring is a key element of effective financial management which assists the achievement of the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015.

6. EQUALITIES IMPLICATIONS

- 6.1 This report is for information purposes only. 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 requested to note the contents of the report.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure that Members are advised of projected spend for the 2018/19 Capital Programme.

12. STATUTORY POWER

- 12.1 Local Government Act 1972.

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Appendices:
Appendix 1 Capital Monitoring 2018/19 – Period 7

Service Area	B/f Funding 2017.18	B/f Funding Adjustments	Revised B/f Funding 2017.18	Approved Budget 2018-19	Virements	Additional In Year Funding 2018-19	Total Available Funding 2018-19	Expenditure to 31.10.2018	Projected Expenditure to 31 March 2019	Slippage (committed & non- committed)	Projected Outturn Variance Underspend (+); Overspend (-)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Finance- Unallocated Balances	1,474	0	1,474	0	0	0	1,474	0	168	326	980
Corporate Services	3,458	0	3,458	5,437	-162	0	8,733	59	359	8,373	0
Education	1,832	0	1,832	1,434	0	3,611	6,877	3,019	5,689	1,200	-12
Environment- Community and Leisure Services	2,559	0	2,559	260	162	124	3,105	600	917	2,188	0
Environment- Economic Regeneration	-39	0	-39	99	0	264	324	-51	125	199	0
Environment- Infrastructure	5,173	0	5,173	2,599	0	7,394	15,166	3,735	10,968	4,220	-22
Environment- Land Reclamation	2,145	0	2,145	0	0	0	2,145	0	0	2,145	0
Environment- Urban Renewal	1,689	0	1,689	89	0	518	2,296	12	191	2,105	-0
Private Housing	1,530	0	1,530	2,183	0	1,135	4,848	1,159	2,241	2,608	0
Property Services	4,025	0	4,025	708	0	403	5,136	1,321	2,731	2,405	0
Public Protection	332	0	332	496	0	160	988	303	665	324	0
Social Services	3,226	0	3,226	347	0	170	3,743	275	671	3,072	0
General Fund Total	27,404	0	27,404	13,652	0	13,779	54,835	10,432	24,725	29,165	946
HRA	0	0	0	55,801	0	364	56,164	24,461	46,227	9,938	0
Total	27,404	0	27,404	69,453	0	14,143	110,999	0	34,893	0	946