



POLICY AND RESOURCES SCRUTINY COMMITTEE – INFORMATION ITEM

SUBJECT: CAPITAL OUTTURN 2019/20

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND
CORPORATE SERVICES**

1. PURPOSE OF REPORT

- 1.1 To provide information to Members relating to the capital outturn for the 2019/20 financial year.

2. SUMMARY

- 2.1 The report provides details of actual capital expenditure for the 2019/20 financial year and slippage that has been requested to be carried forward into 2020/21.

3. RECOMMENDATIONS

- 3.1 Members are asked to note the contents of this report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To advise Members of the outturn of the 2019/20 Capital Programme.

5. THE REPORT

- 5.1 The approved Capital Programme for the 2019/20 financial year totalled £71.148m, consisting of £14.530m for the General Fund and £56.618m 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 2019/20 to £129.430m. This is summarised in the table below: -

| | General Fund £000s | HRA £000s | Total £000s |
|---|-------------------------------|----------------------|------------------------|
| Approved 2019/20 Budget | 14,530 | 56,618 | 71,148 |
| Slippage Brought Forward from 2018/19 | 38,158 | 3,953 | 42,111 |
| In Year Grants, Contributions | 13,469 | 135 | 13,604 |
| S106 Funding | 6 | 51 | 57 |
| Revenue Contribution to Capital Outlay (RCCO) | 1,085 | 0 | 1,085 |
| Other Funding | 1,425 | 0 | 1,425 |
| Total: - | 68,673 | 60,757 | 129,430 |

5.2 The following table provides a summary of the 2019/20 outturn against each service area: -

| Capital Programme | Revised Estimated Target Spend £000s | Outturn Capital Spend £000s | Variance £000s |
|-------------------------------------|---|--|---------------------------|
| Community & Leisure Services | 3,231 | 1,947 | 1,284 |
| Corporate Finance | 4,298 | 0 | 4,298 |
| Corporate Services | 18,620 | 49 | 18,571 |
| Economic Development & Regeneration | 1,991 | 1,460 | 531 |
| Education | 9,464 | 4,704 | 4,760 |
| Infrastructure | 13,263 | 9,479 | 3,784 |
| Land Reclamation | 238 | 0 | 238 |
| Private Housing | 5,274 | 1,768 | 3,506 |
| Property Services | 2,507 | 1,280 | 1,227 |
| Public Protection | 2,979 | 2,608 | 371 |
| Social Services | 3,856 | 788 | 3,068 |
| Urban Renewal | 2,952 | 1,427 | 1,525 |
| General Fund Total: - | 68,673 | 25,510 | 43,163 |
| HRA Total: - | 60,757 | 50,750 | 10,007 |
| Total Capital Programme: - | 129,430 | 76,260 | 53,170 |

5.3 The 2019/20 Housing Revenue Account (HRA) underspend of £10.007m has been carried forward into the 2020/21 financial year to support the ongoing programme of works to meet the Welsh Housing Quality Standard (WHQS).

5.4 The General Fund variance of £43.163m can be split between schemes that are ongoing or have been delayed in 2019/20 (slippage), ring-fenced budgets and schemes that have resulted in overspends or underspends as at 31 March 2020.

- 5.5 **Slippage:** Schemes to the value of £13.385m have been slipped into 2020/21 as a result of an ongoing program of works and delays in contractual arrangements. Appendix 1 sets out the schemes where slippage has occurred.
- 5.6 **Ring-fenced budgets:** As at 31 March 2020, a number of ring-fenced budgets remained unspent to the value of £30.313m. 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 £30.313m.
- 5.7 **Overspends:** As at 31 March 2020, overspends of £544k were reported. Further details are provided in Appendix 3.
- 5.8 **Underspends:** As at 31 March 2020 an underspend of £8k was reported. Further details are provided in Appendix 3.

6. ASSUMPTIONS

- 6.1 The details set out in the report are based on actuals that have occurred between 1st April 2019 and 31st March 2020.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 This report is for information purposes, so the Council's Integrated Impact Assessment (IIA) process does not need to be applied.

8. FINANCIAL IMPLICATIONS

- 8.1 As detailed throughout the report.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications arising from this report.

10. CONSULTATIONS

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

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2003.

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Appendices:

Appendix 1 – 2019/20 Slippage
Appendix 2 – 2019/20 Ring-fenced Budgets
Appendix 3 – 2019/20 Overspends/Underspends

Background Papers:

Special Council (21/02/19) – Budget Proposals for 2019/20 and Medium-Term Financial Plan 2019/20 to 2023/24.

Appendix 1: 2019/20 Slippage

| Service Area | Scheme | Outturn Position 31/03/2020 £000s | Comments |
|------------------------------|---|---|---|
| Community & Leisure Services | Various Capital Schemes | 194 | Ongoing delivery of programme (Sports pitches and Countryside) |
| Corporate Services | Various Capital Schemes | 259 | Ongoing delivery of programme (IT Services and Customer Services) |
| Economic Development | Cwmcarn Forest Drive Reinstatement | 400 | Works to commence in 2020/21 |
| Economic Development | Various Capital Schemes | 201 | Works programmed for Summer 2020 |
| Education | Various Capital Schemes | 1,998 | Ongoing delivery of programme |
| Infrastructure | Infrastructure Retaining Walls | 208 | Ongoing delivery of programme |
| Infrastructure | Bridge Strengthening | 345 | Ongoing delivery of programme |
| Infrastructure | Various Capital Schemes | 431 | Ongoing delivery of programme |
| Infrastructure | A472 Drainage Nelson | 310 | Works to complete 2020/21 |
| Infrastructure | Corporate Maintenance – Tips, Mines and Spoils | 590 | Works ongoing |
| Infrastructure | Monmouth & Brecon Canal. | 503 | Ongoing delivery of programme |
| Infrastructure | Passenger Transport Capital | 227 | Ongoing delivery of programme |
| Private Housing | Disabled Facility Grants | 709 | Ongoing delivery of programme |
| Private Housing | Home Improvement Grants/Misc. | 299 | Ongoing delivery of programme |
| Private Housing | Home Repair Grant | 837 | Ongoing delivery of programme |
| Property Services | Corporate Asset Management | 68 | Ongoing delivery of programme |
| Property Services | Demolition - Pontllanfraith and Oakdale Schools | 834 | Ongoing delivery of programme |
| Property Services | Former Meals On Wheels Pengam | 215 | Scheme under review |
| Public Protection | Various Capital Schemes | 170 | Ongoing delivery of programme |
| Public Protection | Ty Llwyd Landfill Site | 200 | Drainage solution at design stage. Works to commence late Spring 2021 |

| | | | |
|--------------------------|---------------------------------|---------------|---|
| Social Services | Children's Centre Complex Needs | 3,069 | Scheme at design stage |
| Urban Renewal | Various Capital Schemes | 191 | Ongoing delivery of programme |
| Urban Renewal | ERDF schemes | 1,127 | Ongoing delivery of programme (Ty Du and Lawns Industrial Estate) |
| Gen Fund Slippage | | 13,385 | |
| WHQS | | 10,007 | Ongoing delivery of Programme |
| Total Slippage: - | | 23,392 | |

Appendix 2: 2019/20 Ring-fenced Budgets

| Service Area | Scheme | Outturn Position 31/03/2020 £000s | Comments |
|------------------------------|--|---|---|
| Community & Leisure Services | Playground Reinstatement | 321 | S106 carried forward |
| Education | Asset Management (s106) | 188 | S106 carried forward |
| Infrastructure | Various s106 Schemes | 363 | S106 carried forward |
| Urban Renewal | Risca s106 | 9 | S106 carried forward |
| Community & Leisure Services | Ty Duffryn | 769 | Under review |
| Corporate Finance | Earmarked capital budgets | 917 | Earmarked funding for future schemes |
| Corporate Finance | Unallocated Amounts (Underspend Given up) | 1,474 | Cumulative underspends. |
| Corporate Services | Corporate Projects | 16,798 | Funding to be carried forward to support the Placeshaping Agenda. |
| Corporate Services | Edtech | 1,514 | Funding to be utilised in 2020/21 |
| Education | Asset Management | 2,574 | Capital maintenance Grant received in March 2020 that has been carried forward into 2020/21 to progress schemes |
| Infrastructure | Various Schemes | 1,128 | Earmarked funding for historical liabilities and grant funded schemes |
| Infrastructure | Various - Land Reclamation Funding for liabilities | 2,145 | Earmarked funding for historical liabilities at land reclamation sites |
| Private Housing | Home Improvement Loans | 1,299 | WG loan funding |
| Private Housing | Various Schemes | 360 | Various Grant Breaches funding |
| Property Services | Penallta House Car Park Extension | 130 | Use of funding under consideration |
| Property Services | Newbridge Leisure Centre Refurbishment | 192 | Works to complete in 2020/21 |

| | | | |
|---|-----------------|---------------|---|
| Urban Renewal | Various Schemes | 132 | Funding to progress a number of capital schemes |
| Total Ring-Fenced Budgets 2019/20: - | | 30,313 | |

Appendix 3: 2019/20 Overspends/Underspends

| Service Area | Scheme | Outturn Position 31/03/2020 £000s | Comments |
|------------------------------|----------------------------|--|---|
| Community & Leisure Services | Cwmcarn Subway Feeder Road | (78) | Overspend to be funded from 2020/21 budget allocations. |
| Property | Corporate Asset Management | (145) | Overspend to be funded from 2020/21 budget allocations. |
| Infrastructure | Salix Scheme | (321) | To be funded from 2020/21 loan |
| Economic Development | Blackwood Miners Institute | 8 | Scheme completed |
| | | | |
| Net Position: - | | (536) | |