

Agenda Item 8.

TITLE	Capital Outturn 2017-18
FOR CONSIDERATION BY	The Executive on 31 May 2018
WARD	None Specific;
DIRECTOR	Director of Corporate Services - Graham Ebers
LEAD MEMBER	Executive Member for Finance - Julian McGhee-Sumner

OUTCOME / BENEFITS TO THE COMMUNITY

Effective and safe use of our resources to deliver service improvements and service continuity through capital investments

RECOMMENDATION

The Executive is asked to:

- 1) note the Capital Outturn, as set out in Appendix A to the report;
- 2) approve the carry forwards into future financial years, as set out in Appendix A to the report.

SUMMARY OF REPORT

The report informs members of the outturn and performance of the capital programme for 2017/18. (See Appendix A for breakdown of expenditure).

Background

In 2017/18 the Council's capital investment was in the following key priorities:

- £38.0m - Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth
- £14.4m - Improve educational attainment and focus on every child achieving their potential
- £13.2m - Provide affordable homes
- £7.5m - Ensure strong sustainable communities that are vibrant and supported by well-designed development
- £5.4m - Improve health, wellbeing and the quality of life
- £3.8m - Tackle traffic congestion in specific areas
- £3.1m - Deliver quality in all that we do
- £3.0m - Improve the customer experience when accessing services
- £0.1m - Maintain and improve waste collection, recycling and fuel efficiency

This gives a total investment in services of £88.6m, the highest investment that the Council has made in any single year.

Budget and Performance

In 2017/18 the Council's capital performance was:

Budget	£190.9m
Expenditure	£88.6m
Carry forward to future years	£99.7m
Under spend	(£2.6m)

The amount expected to be carried forward and spent in future years has increased by £7.5m compared to the quarter three outturn report figure of £92.2m.

Please see Appendix A for an analysis of the above figures.

During closedown the capital programme has been reviewed and the Council is planning to re-phase £99.7m to future years of the capital vision. The table below illustrates the distribution of the phasing requested.

	Total carry forward
Key priority carry forwards	£'000
Ensure strong sustainable communities that are vibrant and supported by well-designed development	9,548
Improve the customer experience when accessing services	3,618
Deliver quality in all that we do	2,022
Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth	31,077
Improve health, wellbeing and the quality of life	8,196
Improve educational attainment and focus on every child achieving their potential	15,148
Provide affordable homes	25,961
Look after the vulnerable	221
Tackle traffic congestion in specific areas	3,869
Maintain and improve waste collection, recycling and fuel efficiency	41
Total	99,701

Capital outturn

The table below illustrates capital investment by asset type.

	Actual spend 2018/19
Asset type	£'000
Affordable housing	9,911
Car parking	312
Country parks & play areas	317
Cultural enhancement/new build	49
Cycle infrastructure improvement scheme	568
Enhancing provision for children & young people with disabilities	41
Flood alleviation / drainage	479
Foot/bridal/cycle ways enhancements/new build	613
Highway bridges	350
Highways and maintenance	2,713
ICT equipment for children in care	21
IT systems (including hardware/software)	3,109
Leisure facilities	5,680
Mandatory disabled facility grants	338
Road & highways infrastructure improvement scheme	6,959
Safety / crash barriers	115
Schools	14,126
Social housing	8,506
Strategic asset enhancement/new build	3,001
Strategic development	4,467
Street lighting asset replacement & column testing	1,692
Town centre regeneration	12,152
Waste schemes	98
Wokingham housing limited	12,929
Total	88,551

Analysis of Issues

The analysis of capital spend and funding of the capital programme 2017/18 is shown in Appendix A.

Schemes in the capital programme have previously been approved, and therefore, if they are not releasing any under or over spends, unspent funds will be carried forward into future years to enable the continued delivery of the previously agreed project.

These are listed in Appendix A.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	n/a	Yes	Capital
Next Financial Year (Year 2)	n/a	Yes	Capital
Following Financial Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

None

Cross-Council Implications

None

List of Background Papers

Appendix A – Capital programme outturn analysis

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