

WOKINGHAM BOROUGH COUNCIL



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CAPITAL PROGRAMME 2017/18 OUTTURN REPORT

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Capital Programme 2017/18 Outturn**

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1.0 Capital Budget

For 2017/18 the capital outturn is being reported in line with the Council plan's key priorities and underpinning principles. The Council approved the 2017/18 capital budget of £138,936k in February 2017. In May 2017 Executive agreed to carry forward £41,135k into 2017/18 which was not spent in the previous year. During the year further changes of £10,828k were made to support the latest updates of the capital programme such as recognising new ring-fenced funding, or additional spend in key areas.

Complex capital build budgets are notoriously hard to profile accurately and in order to ensure smooth delivery of projects, profiles are weighted towards the fastest possible delivery timeline, although these are not always achievable. This budget is then carried forward into the next financial year, and often later expenditure also slips back to match the expected project delivery timescales.

Overall these resulted in a final 2017/18 budget 37% higher than the original 2017/18 budget of £138,936k as shown in table 1.1 below.

The breakdown by key priorities of the total programme budget for 2017/18 is shown in table 1.1 below.

Table 1.1

Key priority	Approved Budget 2017/18 £'000	Cfwd from 2016/17 £'000	In Year Movements & Additions* £'000	Total 2017/18 Budget £'000
Ensure strong sustainable communities that are vibrant and supported by well-designed development	13,007	3,114	1,225	17,346
Improve the customer experience when accessing services	13,900	1,296	-8,512	6,685
Deliver quality in all that we do	1,672	2,711	744	5,127
Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth	52,167	16,736	63	68,965
Improve health, wellbeing and the quality of life	9,069	448	4,076	13,592
Improve educational attainment and focus on every child achieving their potential	21,180	9,686	-552	30,315
Provide affordable homes	21,238	5,229	14,170	40,636
Look after the vulnerable	732	168	-591	308
Tackle traffic congestion in specific areas	5,887	1,692	206	7,786
Maintain and improve waste collection, recycling and fuel efficiency	85	55	0	140
Total	138,936	41,135	10,828	190,900

Note: * This funding movement is for new schemes, additional funding for current schemes and to release WBC/un-ring-fenced grants for use in future years.

The total 2017/18 budget has been forecast to be spent across varying time periods, with expectations reported quarterly to Executive. The table below shows how the amount expected to be carried forward and spent in future years has increased from £92.2m in the quarter three outturn report up by £7.5m to £99.7m as shown in the table below.

2.0 Financial summary

Table 2.1, below, illustrates the Council's capital outturn 2017/18 by key priority

Table 2.1

	Budget 2018/19	Actual spend 2018/19	Cfwd to future years	(Under) /Over spend
Key priority	£'000	£'000	£'000	£'000
Ensure strong sustainable communities that are vibrant and supported by well-designed development	17,346	7,495	9,548	(303)
Improve the customer experience when accessing services	6,685	3,050	3,618	(17)
Deliver quality in all that we do	5,127	3,109	2,022	5
Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth	68,965	38,031	31,077	143
Improve health, wellbeing and the quality of life	13,592	5,379	8,196	(17)
Improve educational attainment and focus on every child achieving their potential	30,315	14,368	15,148	(799)
Provide affordable homes	40,636	13,155	25,961	(1,520)
Look after the vulnerable	308	21	221	(67)
Tackle traffic congestion in specific areas	7,786	3,843	3,869	(73)
Maintain and improve waste collection, recycling and fuel efficiency	140	98	41	0
Ensure strong sustainable communities that are vibrant and supported by well-designed development	17,346	7,495	9,548	(303)
Improve the customer experience when accessing services	6,685	3,050	3,618	(17)
Total	190,990	88,551	99,701	(2,648)

In December 2017 the projected year end outturn was £855k underspend. This has increased to an underspend of £2,648k at the end of March 2018. See below for a breakdown of underspends:

- £1,500k Nursing home – the multi-year scheme of £8.2m has been withdrawn, as the project has failed to progress. This scheme may be reviewed in the future via a new bid
- £850k Highways Infrastructure Flood Alleviation Schemes – modelling determined the current scheme is not feasible, with future options to be investigated
- £270k Street Lighting – LED Project
- £28k net underspend – other small under and overspends

A breakdown of all under and overspends by service is shown in table 2.2, below.

Table 2.2 Capital outturn by service

	Budget 2018/19	Actual spend 2018/19	Cfwd to future years	(Under)/ Over spend
SERVICE	£'000	£'000	£'000	£'000
Chief Executive	45,912	18,500	27,412	0
Corporate Services	65,406	34,850	30,531	(25)
Localities and Customer Services	47,755	20,864	25,722	(1,168)
People Services	31,828	14,337	16,036	(1,455)
TOTAL	190,900	88,551	99,701	(2,648)

A breakdown of all carry forwards and under and overspends by asset types is shown in table 2.3 below.

Table 2.3

	Budget 2018/19	Actual spend 2018/19	Cfwd to future years	(Under)/ Over spend
Asset type	£'000	£'000	£'000	£'000
Adult social care asset enhancement/new build	1,605	0	105	(1,500)
Affordable housing	10,596	9,911	686	0
Car parking	1,015	312	703	0
Country parks & play areas	2,289	317	1,972	(1)
Cultural enhancement/new build	873	49	824	0
Cycle infrastructure improvement scheme	3,015	568	2,452	5
Enhancing provision for children & young people with disabilities	192	41	152	(0)
Flood alleviation / drainage	1,424	479	96	(849)
Foot/bridle/cycle ways enhancements/new build	1,095	613	482	(0)
Highway bridges	711	350	359	(2)
Highways and maintenance	3,251	2,713	689	151
Highways footway structural maintenance & improvement	146	1	0	(145)
ICT equipment for children in care	26	21	5	0
IT systems (including hardware/software)	5,127	3,109	2,022	5
Leisure facilities	12,124	5,680	6,427	(16)
Mandatory disabled facility grants	870	338	305	(227)
Road & highways infrastructure improvement scheme	16,561	6,959	9,581	(21)
Safety / crash barriers	836	115	720	0
Schools	29,081	14,126	15,007	51
Social housing	33,743	8,506	25,440	203
Strategic asset enhancement/new build	6,617	3,001	3,597	(19)
Strategic capital reserve	2,020	0	2,020	0
Strategic development	8,821	4,467	4,354	0
Street lighting asset replacement & column testing	2,959	1,692	982	(284)
Town centre regeneration	37,686	12,152	25,534	0
Waste schemes	140	98	41	0
Wokingham Housing Limited	8,076	12,929	(4,853)	0
Youth provision	0	1	0	1
Total	190,900	88,551	99,701	(2,648)

Performance

The performance (actual compared with the budget) by key priority is shown in table 2.4. As expected and explained above, spend lags behind budget across all areas, although forecast outturn is within 7% of the forecast outturn of £95,337k reported to executive at the end of quarter three.

Table 2.4 – Outturn performance

	£'000
Forecast outturn at end of December	95,337
Actual outturn	88,551
Variance	6,786 (7%)

An exercise is currently underway to profile the carry forwards into 2018/19 and later years. This is because it is not always possible to be able to spend the full value of the carry forwards on top of the existing 2018/19 programme budgets, with re-phasing occurring across the life of each capital project. Updated figures will be provided to Executive alongside the first quarter capital monitoring report.