

Agenda Item 26.

TITLE	Capital Monitoring 2018/19 - end of June 2018
FOR CONSIDERATION BY	The Executive on 26 July 2018
WARD	None Specific;
DIRECTOR	Director of Corporate Services - Graham Ebers
LEAD MEMBER	Deputy Leader - Julian McGhee-Sumner

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Effective use of our capital resources to meet service investment priorities, offering excellent value for residents' council tax.

RECOMMENDATION

The Executive is asked to note the quarter one position for the capital budget as set out in Appendix A to the report.

EXECUTIVE SUMMARY

To consider the 2018/19 Capital Monitoring Report to the end of June 2018. Executive agreed to consider Capital Monitoring Reports on a quarterly basis. This report is to the end of the 1st quarter, and shows a nil variance forecast against budget.

BACKGROUND

The forecast variance has been arrived at by analysing the actual commitments to date and assessing how expenditure may continue to the end of the year based on the latest information available.

The current approved Capital Budget for year 1 is £222,026k. It is now estimated that £133,787k will be spent this financial year. The remaining budget of £88,239k will be carried forward into 2019/20.

Analysis of Issues

Effective monitoring of budgets is an essential element of providing cost effective services and enables any corrective action to be undertaken, if required.

Uncommitted Capital balances (capital resources received, but not yet allocated to the capital programme) are currently estimated to be £0.5m as at 31st June 2018 (prior to any announcement about funding cuts and on the assumption that the level of capital receipts will be achieved). The estimated capital receipts received for 2018-19 are expected to be £2m.

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)	£133,787k	Yes	Capital
Next Financial Year (Year 2)	£88,239k	Yes	Capital
Following Financial Year (Year 3)			

Other Financial Information

None

Stakeholder Considerations and Consultation

Stakeholders should be reassured of the effective management of the Council's resources.

Resourcing and Timeline for Next Steps

Update will be provide for quarter 2 at October Executive

Timeline for Review and Evaluation

Reports are reviewed on a monthly basis by CLT and reported to Executive at the next quarter.

List of Background Papers
See attached Appendix A, Capital Monitoring Summary Report to May 2018

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