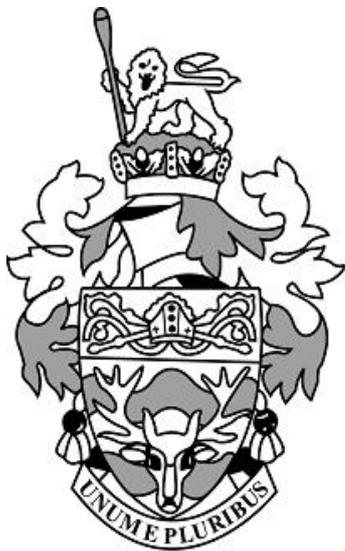


WOKINGHAM BOROUGH COUNCIL



WOKINGHAM BOROUGH COUNCIL

CAPITAL PROGRAMME 2018/19 OUTTURN REPORT

WOKINGHAM BOROUGH COUNCIL
Capital Programme 2018/19 Outturn

INDEX

1.0	Capital budget	3
2.0	Capital Investments in the borough	3
2.1	Investment in Sustainable towns and parishes	4
2.2	Encouraging physical and mental wellbeing	4
2.3	Provide affordable homes	4
2.4	Traffic congestion	4
2.5	Ensuring opportunity for all children	4
2.6	Economic prosperity	4
2.7	Clean, green and enjoyable spaces	4
2.8	Promoting quality of life for vulnerable adults	4
3.0	Financial summary	5
3.1	debt repayment	5
4.0	Performance	6

Appendices

Appendix B Carry forwards

Appendix C adjustments to the capital programme

1.0 Capital Budget

In February 2018, the Council approved the Capital Programme of £179.97m for 2018/19. Following the closure of accounts in April 2018, the programme was further increased by £51.01m as a result of agreed reprofiling from the previous years. During the year Executive have approved a further £15.92m of new budget (match-funded by grants/contributions).

During the year, officers profile a working (deliverable) budget. As at 31 March 2019, the **working budget was set at £146.5m**; this is the budget that the Council monitors to and records against. The surplus above the working budget is reprofiled to later years, and agreed by Executive.

2.0 Capital Investments in the borough

During 2018-19 the council has invested in the following key areas:

Table (A) investments by key priority

key priority	Outturn (£000)
Sustainable towns and parishes	36,844
Encouraging physical and mental wellbeing	5,583
Provide affordable homes;	18,180
Traffic congestion	32,476
Ensuring opportunity for all children	7,491
Economic prosperity	29,711
Clean, green and enjoyable spaces	1,138
Promoting quality of life for vulnerable adults	763
Total	132,186

2.1 Investment in Sustainable towns and parishes

The impact of development affects each of Wokingham Borough communities in different ways. New communities are being formed, as a result of growth in the Borough, and existing communities are changing. To meet this challenge and ensure thriving, strong local communities. The councils has invested in the following:

- £34.7m Town Centre Regeneration
- £2.1m Strategic asset enhancement (e.g., street lighting, flood alleviation etc.)

2.2 Encouraging physical and mental wellbeing

The council has invested the following area to improve emotional and mental health, reduce self-harm and increase physical activity for adults and children.

- £5.6m Leisure facilities

2.3 Provide affordable homes

The borough has a growing population and increasing demand for affordable and appropriate need housing. To meet this challenge the council and its companies have invested in the following:

- £12.6m Social Housing
- £5.6m Affordable housing (Wokingham Housing Limited)

2.4 Traffic congestion

Nationally, traffic levels are predicted to grow by a further 55% by 2040 and Wokingham is no different. Many people consider congestion in the borough to be a serious or very serious problem to add to traffic caused by our new developments a high volume of traffic goes through the Borough to neighbouring areas or to join the motorway network. To address the situation the council has invested in the following:

- £25.3m Road & Highways infrastructure improvement scheme
- £4.7m Highways and Maintenance
- £2.0m Foot/bridle/cycle ways enhancements/new build
- £0.4m Car parking
- £0.1m Highways Footway Structural Maintenance & improvement

2.5 Ensuring opportunity for all children

The borough has a vision that all children and young people should have the opportunity to achieve their full potential. To meet this objective the council has invested in the following:

- £7.5m Schools & Enhancing Provision for Children & Young People with Disabilities

2.6 Economic prosperity

The council has ambitious plans to maximise opportunities to generate additional income to fund key services and to encourage growth in the borough at the same time attracting new businesses to Wokingham Borough. The following capital investments are key:

- £28.1m commercial investment and economic regeneration (providing an revenue return of £0.5m in 18/19 increasing to £2.8m annually)
- £1.6m IT Systems (including hardware/software)

2.7 Clean, green and enjoyable spaces

The borough objective is to maintain and enhance its local environment while providing best value for money services, the following capital investments have been provide to meet this objective:

- £1.0m Country parks / play areas and
- £0.1m Waste Schemes

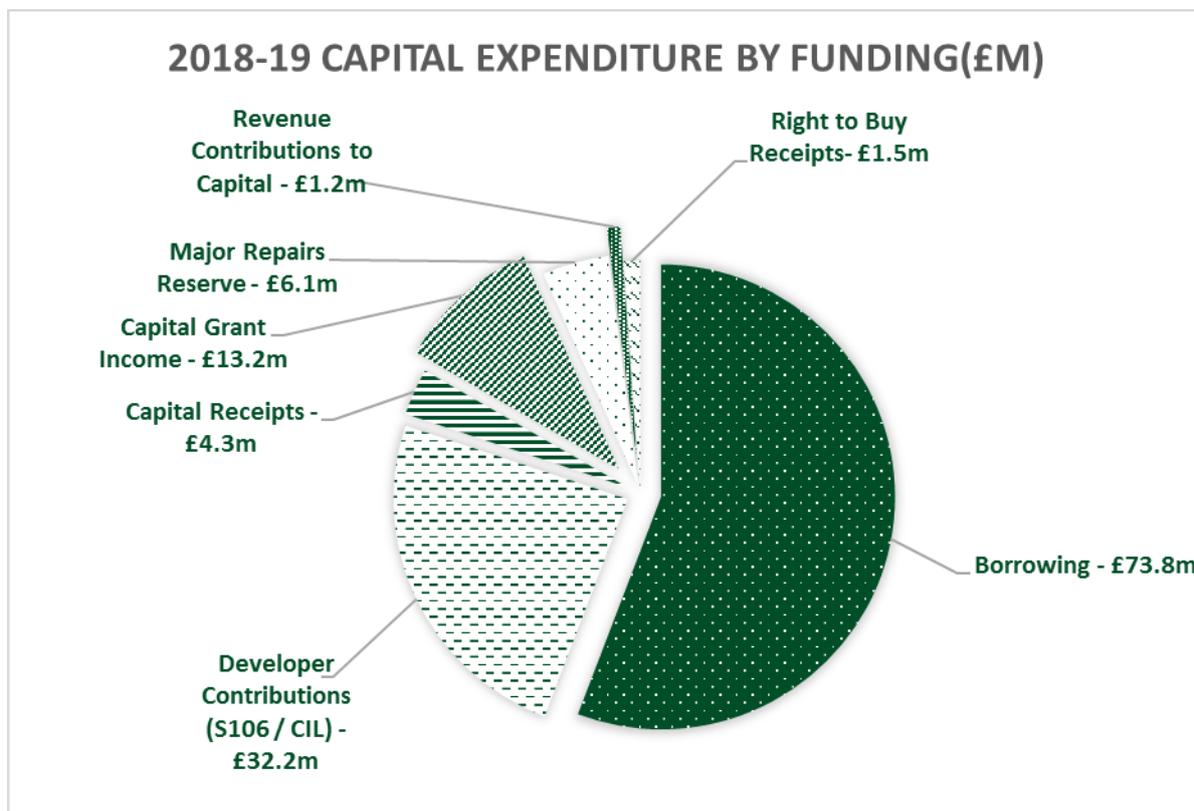
2.8 Promoting quality of life for vulnerable adults

In accordance with national trends people in the borough are living longer which creates greater demand for Social Care services. To meet this challenge the council has invested in the following:

- £0.6m Disabled Facility Grants
- £0.2m Adult social care asset enhancement/new build

3.0 Financial summary

As mention in section 2 the Council has invested £132m in capital projects. The Council has financed this expenditure through a number of different sources outlined in the charts below:



£16m grants received in 18/19

£13.2m utilised in 18/19

The Council has been successful in securing total grants of £16m

£60.9m S106 received in 18/19

£22m utilised in 18/19

The council has utilised over £22m of s106 contributions received from developers to fund improvements in various projects.

£13.5 CIL received 18/19

£10.2m utilised in 18/19

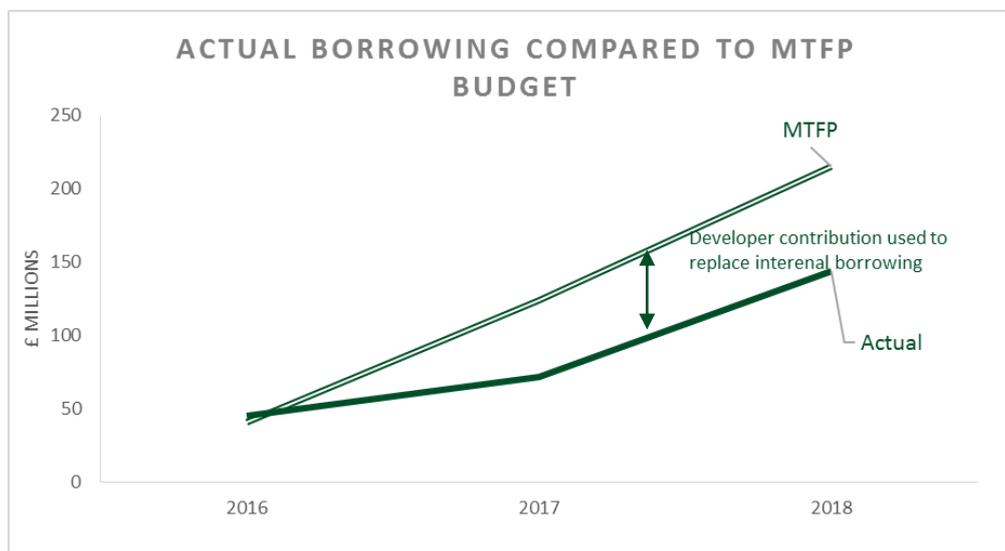
The council has utilised over £10.2 in community infrastructure levies (CIL)

£73.8 Prudential
Borrowing in 2018/19

The Council used £73.8m of prudential borrowing to fund capital expenditure in 2017/18. The £30.0m of this funding is from internal borrowing. Forward funded internal borrowing will be replaced by developer contributions when the council receives them.

3.1 Forward funding

Over the last three years the council planned to fund several large infrastructure scheme with borrowing as the following graph shows how the actual borrowing was less than originally forecast this is due in to developer contributions once received being used instead of borrowing.



4.0 Performance

Complex capital build budgets that span a number of years can be difficult to profile accurately and in order to ensure smooth delivery of projects, profiles are generally weighted towards the fastest possible delivery timeline; in practice, these are not always achievable. This budget is then re-profiled into future years, and often later expenditure also slips back to match the expected project delivery timescales.

2018/19 Capital investments has increased by 49.2% to £132.2M from 2017/18 outturn

Creation of the working budget is broken down below:

Budget time line

- £179.9m February 2018 MTFP approved budget.
- £99.7m 17-18 approved carry forwards
- (£48.7m) 17-18 carry forwards moved into future years.
- (£98.2m) re-phasing of capital budgets
- £13.8m additional budgets added during 18-19

Total working budget for 18-19 of **£146.5m**

Table (A) Performance by key priority

key priority	Working Budget	Forecast Outturn	Carry Forward	Current Year (Under)/Overspend	Performance
Sustainable towns and parishes	34,391	36,844	(4,659)*	(2,206)	107%
Traffic congestion	39,527	32,476	6,913	(138)	82%
Economic prosperity	23,511	29,711	(5,498)*	702	126%
Provide affordable homes;	26,957	18,180	4,877	(3,900)	67%
Ensuring opportunity for all children	12,732	7,491	5,179	(62)	59%
Encouraging physical and mental wellbeing	5,254	5,583	(1,436)*	(1,107)	106%
Clean, green and enjoyable spaces	3,055	1,138	1,915	(2)	37%
Promoting quality of life for vulnerable adults	1,082	763	233	(86)	70%
Total	146,509	132,186	7,524	(6,799)	90%

*Please note these schemes expenditure have accelerated from the working budget but still within the approved MTFP budget including carry forwards.

The performance (actual compared with the budget) by key priority is shown in table (B) As expected and explained above, spend lags behind budget across all areas, although forecast outturn is within 0.76% of the forecast outturn of £132.2m reported to executive at the end of quarter three.

Table (B) Performance by service

	Working Budget	Outturn	Carry Forward	Current Year (Under)/Overspend	Performance
	£'000	£'000	£'000	£'000	%
Children's Services	12,455	7,449	4,949	(57)	60%
Corporate Services	10,159	8,835	918	(406)	87%
Chief Executive	52,847	63,418	(10,571)	0	120%
Locality & Customer Services	70,073	51,933	11,899	(6,241)	74%
Adult Services	975	551	329	(95)	57%
	146,509	132,186	7,524	(6,799)	90%

*Please note these schemes expenditure have accelerated from the working budget but still within the approved MTFP budget including carry forwards.

This page is intentionally left blank