

TITLE	Capital Monitoring 2019/20 - end of June 2019
FOR CONSIDERATION BY	The Executive on Thursday, 25 July 2019
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance and Housing - John Kaiser

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 Capital Monitoring report for the 1st quarter of 2019/20 as set out in Appendix A to the report.

EXECUTIVE SUMMARY

This report informs the Executive of the progress of the Council in delivering its capital programme for the financial year 2019/20. The Executive have previously agreed to consider Capital Monitoring Reports on a quarterly basis and this report highlights the capital monitoring as at the end of the first quarter of the financial year (30 June 2019).

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

In February 2019, Council approved the capital programme for 2019/20. Including reprofiling from prior years, the current approved capital budget for this year is £311.929 million. Following a review by officers, the council's plan is that £218.764 million will be spent this financial year. The remaining budget of £93.167 million will be reprofiled into the next financial year, 2020/21.

Against the reprofiled in-year budget of £218.764 million, as at the 30 June 2019, services have spent £39.078 million, which represents 17.9% of the revised budget.

Major items of expenditure to date are (over £2m spend year to date):

Wokingham Town Centre Regeneration - Elms Field (Construction) £4.5m
Investment Fund - Stapletons Peterborough £18.1m

Major budgets that have been reprofiled to later years are:

See Appendix A (Comments column)

Detailed capital monitoring is contained in Appendix A.

Uncommitted Capital balances (capital resources received, but not yet allocated to the capital programme) are currently estimated to be £0 as at 30 June 2019 (prior to any announcement about funding cuts and on the assumption that the level of capital receipts will be achieved). The estimated capital receipts for 2019-20 that are expected to be received in year are £13.4 million.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	£218.764m	Yes	Capital
Next Financial Year (Year 2)	£93.167m	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.

List of Background Papers

See attached Appendix A, Capital Monitoring Summary Report to June 2019.

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