

<b>TITLE</b>	<b>Capital Monitoring 2019/20 - end of September 2019</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 31 October 2019
<b>WARD</b>	None Specific;
<b>LEAD OFFICER</b>	Deputy Chief Executive - Graham Ebers
<b>LEAD MEMBER</b>	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:-

- 1) note the quarter two position for the capital budget as set out in Appendix A to the report, which shows a £2k variance forecast underspend against budget.
- 2) approve and note new budget adjustments in the capital programme for 2019/20, as set out in Appendix B.

## **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 second quarter of the financial year (30 September 2019).

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

## 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.

## BUSINESS CASE

The current approved Capital Budget is £313.124 million. It is now estimated that £220.030 million will be spent this financial year. The remaining budget of £93.093 million will be carried forward into 2020/21.

Uncommitted Capital balances (capital resources received, but not yet allocated to the capital programme) are currently estimated to be £0 as at 30 September 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)	£220.030m	Yes	Capital
Next Financial Year (Year 2)	£93.093m	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.

### Public Sector Equality Duty

An equalities impact assessment is not required for this report.

### List of Background Papers

None

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