

Monthly Budget Monitoring Report

(Extracted paragraphs 58-61 from the submitted report)

Revisions to the capital programme budget

58. To ensure the capital programme aligns with its long term strategy and priorities, the Council conducted a deep dive review of the 2018-21 capital programme. The review assessed the assurances the Council can take in the delivery of the capital programme, specifically in areas with a history of significant underspending. The outputs from the review include actions to confirm the need to spend on schemes and to match capital budgets more closely to known and anticipated spending patterns and timescales.

59. In summary, after taking account of £24.4m residual capital carry forwards from 2017/18 plus current virements and other adjustments in 2018/19, the review recommends: reprofiling -£22.0m into future years (+£21.9m into 2020/21); and reducing budgets by -£22.8m to give a proposed 2018/19 capital budget of £135.0m. Table 3 outlines these changes give the proposed 2018/19 service capital programme budget.

Table 3 Proposed 2018/19 capital programme budget

	Current full year budget £m	Residual 2017/18 carry forwards £m	Virements £m	Reprofiling £m	Reductions £m	Proposed budget £m
Schools basic need	47.6	4.0		-7.4	-17.1	27.1
Property Services	42.0	10.6	-1.6	-14.6	-5.5	30.9
IT & Digital	4.5	2.0				6.5
Highways & Transport	42.0	0.0		0.0		42.0
Place Development & Waste	14.9	2.3				17.2
Other capital projects	6.0	5.4			-0.1	11.3
Service capital programme	157.0	24.4	-1.6	-22.0	-22.8	135.0

Note: All numbers have been rounded - which might cause a casting difference

60. The full year service capital programme forecast as at 31 July 2018 would show -£1.0m variance against the proposed budget, in other capital projects.
61. Table 4 shows the outline capital programme expenditure for 2018-21 and the corresponding funding. The three year programme has increased from £322m to £338m mainly because of: £29m carry forwards from 2017/18 brought into 2018/19; -£23m reductions to the programme following the deep dive review; and £10m other movements, including £7m additional highways maintenance, plus grant changes.

Table 4 Proposed capital programme expenditure and funding 2018-21

	2018/19 proposed £m	2019/20 proposed £m	2020/21 proposed £m	2018-21 proposed £m
Expenditure programme				
Schools basic need	27.1	36.6	31.5	95.2
Property Services	30.8	28.7	21.8	81.3
Highways & Transport	41.9	29.7	24.2	95.9
Place Development & Waste	17.2	9.1	1.1	27.5
IT & Digital	6.5	3.5	6.9	16.8
Other capital projects	11.5	4.7	5.3	21.5
Total expenditure	135.0	112.4	90.8	338.2
Programme funding				
Government Grants	81.3	65.3	50.6	197.3
Reserves	3.2	0.5	3.8	7.6
Capital Receipts	21.0	0.9	0.3	22.3
Third Party Contributions	8.3	7.3	2.7	18.4
Borrowing	21.1	38.3	33.3	92.7
Total funding	135.0	112.4	90.8	338.2

Note: All numbers have been rounded - which might cause a casting difference