

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

24 MAY 2018

6c

Report Title	CAPITAL OUTTURN REPORT 2017/18
Purpose of Report	To advise the capital outturn for 2017/18. To seek authority to carry forward capital budgets and corresponding finance into the 2018/19 capital programme. To report the latest capital programme and funding position.
Decision(s)	That the Strategy and Resources Committee: <u>RESOLVES</u> : - a) that the capital expenditure outturn statement for 2017/2018 is approved; b) that carry forward budgets identified in Appendix A, together with the sources of finance, are approved and added to the 2018/19 capital programme; c) the revised capital programme and funding for 2018/19 is agreed.
Consultation and Feedback	Budget holders.
Financial Implications & Risk Assessment	There are no direct financial implications arising from this report. The capital budgets and associated financing for schemes that have slipped will need to be carried forward for the projects to be completed. The revised Capital Programme reflects decisions taken on the Merrywalks shopping centre and Brimscombe Port. It is expected that expenditure profiles on other elements of the capital programme will need to be amended (e.g. Canal, Brimscombe Port) and will have an impact on the capital financing options and the MTFP. An updated capital programme will be included in the Budget Strategy report to Strategy and Resources committee in October 2018. David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk
Legal Implications	None beyond the legal requirement upon the Council to ensure that it monitors and reviews its capital expenditure in line with approved budgets for the relevant year. Karen Trickey, Head of Legal Services (Ref:RCD11.5,D10.11C1.5)
Report Author	Graham Bailey, Principal Accountant Tel: 01453 754133 Email: graham.bailey@stroud.gov.uk

Options	Carry forward of capital budget not spent in 2017/2018 is required to successfully deliver the schemes' required outcomes.
Performance Management Follow Up	Further budget monitoring reports during 2018/19.
Background Papers Appendices	<ul style="list-style-type: none"> A. Capital Outturn Statement 2017/2018 B. Revised Capital Programme 2018/2019 C. Capital Programme 2018/2019 – 2022/2023 D. Capital Financing Statement

Background

1. This report sets out the capital expenditure outturn for 2017/18 and budget carry forwards that need to be included, with finance, into the 2018/19 capital programme.
2. The Council budget meeting on 25 January 2018 approved funding for the Council's current four year capital programme together with the latest housing revenue account capital programme. A number of schemes were removed or reprofiled during 2017/18.

Outturn 2017/2018

3. Members have received regular Capital Monitoring reports during the financial year in addition to the financial reports. These have provided members with an update on each scheme. The capital outturn report largely confirms the financial performance across the capital programme, and in light of the regular monitoring reports does not provide detailed explanations for variations.
4. Details of the schemes and the variations from the budget are set out in Appendix A to this report. The total capital expenditure in 2017/18 was £10.480m compared with a budget of £14.034m, a difference of £3.554m. This expenditure equates to 75% of the budget. Overall there is a requirement to carry forward £0.692m to increase planned expenditure in 2018/19. This is set out in detail at Appendix A.
5. In total General Fund capital expenditure is £0.367m (7.5%) under spent. A total slippage of £0.665m that includes Affordable Housing – Support to Registered Providers (£30k), Canal (53k), Multi-Service Contract Vehicles (£268k), Health Through Warmth Grants (£140k), and Brimscombe Port (£212k).
6. Housing Revenue Account capital expenditure was £6.002m compared with a budget of £9.189m. This is a £3.187m (34.7%) under spend in 2017/18. There is a separate report to this meeting setting out the detail.

Summary of capital carry forwards

7. The final column in Appendix A totals £0.692m, and lists 2017/18 budgets recommended for carry forward into 2018/19.

Revised capital programme 2018/2019

8. The revised capital programme of £18.609m for 2018/19 is shown in detail in Appendix B.
9. Appendix C has details of the latest budgets for capital schemes for the period 2018/19 to 2021/22. No changes have been made to the existing capital expenditure profiles. These will be considered during the financial year with an update to be included in the Budget Strategy report to Strategy and Resources committee in October 2018.

Funding

10. A summary of capital expenditure and financing is shown in the capital financing statement at Appendix D.

New Schemes

11. This report includes new schemes Merrywalks Redevelopment and Brimscombe Port additional funding approved since the budget was set by Council 25 January. Canal HLF funding bid for development funding was successful.