

CABINET BOARD

REPORT OF THE HEAD OF FINANCIAL SERVICES

23RD SEPTEMBER 2015

SECTION A – MATTER FOR DECISION

WARDS AFFECTED: ALL

CAPITAL BUDGET MONITORING 2015/16

1. Purpose of Report

To provide Members with information in relation to delivery of the 2015/16 Capital Budget.

2. Background

On 4th February 2015 Council approved its Capital Programme for 2015/16, the report detailed planned Capital Expenditure totalling £66.821m for the financial year. The purpose of this report is to update Members as to the delivery of this Programme as at 30th June 2015 and to seek approval for the updated budget position.

3. Targeted Achievements

As Members are aware the following achievements are being targeted during this financial year:

- Progressing with the building of Ysgol Bae Baglan, the £40.7m '3-16' new build school at Western Avenue, Baglan Bay.
- Construction and re-modelling works at the existing Ysgol Gyfun Ystalyfera Comprehensive School site.
- The construction of a replacement leisure facility at Aberafan Seafront.
- Completion of the first phase of the re-development of Neath Town Centre which includes the construction of a new multi storey car park and the first 23,000 square feet of retail space.

4. Changes to the approved budget

The proposed budget shown in the table below includes changes to the programme approved by Council in February 2015. The main changes are:

- Inclusion of £2.111m in relation to a Welsh Government grant for local transport initiatives.
- A grant award of £1.5m from the Welsh Government to develop an 11 pitch extension at the Caegarw Traveller Site.

5. 2015/16 Capital Expenditure

Details of Capital Expenditure as at 30th June 2015 is outlined below:

	Original Budget £'000	Proposed Budget £'000	Actual @ 30th June 2015 £'000
Ysgol Newydd Bae Baglan	24,000	24,000	2,175
Ysgol Gyfyn Ystalyfera 3-18	5,900	5,900	390
Aberafan Seafront – Replacement Leisure Facility	5,393	5,393	2,418
Engineering and Transport – Rolling Maintenance Programme	1,500	1,500	145
Local Transport Fund, Road Safety and Safe Route is Communities		2,111	0
Gypsy and Traveller Grant – Caegarw Site Pitch Extension		1,500	0
Major Bridge Strengthening	1,040	1,040	0
Neath Town Centre – Phase 1	4,600	4,600	1,567
Physical Regeneration Programme	6,211	6,211	90
Vibrant and Visible Places	4,412	4,162	143
Street Lighting Replacement	4,000	4,000	398
Disable Facilities Grants	3,000	3,000	563
Housing Renewal Areas	920	920	49
Contingency	1,132	382	
Remaining Capital Programme	4,713	6,034	1,518
Total	66,821	70,753	9,456

6. Revenue Budget Virement

In order to continue with the next phase of the street lighting replacement programme a further revenue budget virement of £254k is required between the Environment Directorate Budget and the Capital Financing budget. Member approval for this virement is sought within the Revenue Budget Monitoring report.

7. Harbour Way – European Funding

The Council has received formal notification from the Welsh European Funding Office (WEFO) that the amount of eligible European grant funding for this project has been reduced by £2.209m. Due to the requirement to close the 2014/15 financial accounts the Council has had to fund this shortfall temporarily from its own resources namely un-applied general capital grants.

Discussions are ongoing with the Transport Grant arm of the Welsh Government to reimburse the Council in current and future years. To date the Welsh Government have confirmed that they have £1.5m contingency funding set aside for this project and are reviewing other funding arrangements for the remaining balance.

8. Recommendations

It is recommended that Members:

- Approve the proposed budget outlined in section 5 above and refer the updated capital programme to Council for determination.
- Note the position in relation to expenditure as at 30th June 2015.

9. Reason for proposed decision

To inform Members of the latest projected variances against budget and action being taken to manage resources.

10. Background Papers

Capital Programme working files

11. Wards Affected

All

12. Officer Contact

For further information on this report item, please contact:

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COMPLIANCE STATEMENT

CAPITAL BUDGET MONITORING 2015/16

(a) **Implementation of Decision**

The decisions are proposed for implementation immediately after consultation with the Cabinet Scrutiny Committee and determination by Council.

(b) **Sustainability Appraisal**

Community Plan Impacts:

Economic Prosperity	Positive
Education and Lifelong Learning	Positive
Better Health and Well Being	Positive
Environment and Transport	Positive
Crime and Disorder	Positive

Other Impacts:

Welsh Language	Positive
Sustainable Development	Positive
Equalities	Neutral
Social Inclusion	Neutral

(c) **Consultation**

There is no consultation required in respect of this report.