

AUDIT COMMITTEE

27TH JUNE 2016

REPORT OF DIRECTOR OF FINANCE & CORPORATE SERVICES

SECTION B – MATTER FOR INFORMATION

WARDS AFFECTED - ALL

CLOSURE OF ACCOUNTS 2015/16

1. Purpose of the report

- 1.1 This report introduces the information in relation to the Council's Outturn position for Revenue and Capital and the Statement of Accounts for 2015/16.

2. Background

- 2.1 The Council's financial year ends on 31st March and following this date, the exercise starts to complete the annual accounts.
- 2.2 The Council prepares its revenue and capital position which provides financial information reflecting the structure and operations of the Council. A draft Statement of Accounts is also produced to comply with the current Accounting Code of Practice which is issued by the Chartered Institute of Public Finance and Accounting.
- 2.3 The Accounts and Audit (Wales) Regulations 2014 require that by the 30th June, the Section 151 officer, our Director of Finance and Corporate Services, signs and dates the accounts to certify that they present a true and fair view.

3. Closure of Accounts 2015/16

- 3.1 The Revenue Outturn and Reserves Position Statement 2015/16 and the Capital Programme Outturn 2015/16 reflect the Council's management budget and are included as Addendum 1. This report reflects the information provided for decision by Cabinet on 8th June 2016.
- 3.2 The draft Statement of Accounts 2015/16 is included as Addendum 2 (separate copy) and members should note that they have already

been forwarded to the Auditors to enable them to commence their audit work.

4. Next Steps

- 4.1 This report is now subject to audit by the Wales Audit Office culminating in the final report being signed by the Chair of this Committee at the meeting on 23rd September 2016.

5. Summary

- 5.1 These reports and the draft Statement of Accounts for 2015/16 are forwarded to members for information and for review by the Audit Committee.

6. List of Background Papers

- 6.1 Closing working papers 2015/16

7. Appendices

Addendum 1 Revenue Outturn and Reserves Position Statement and Capital Programme Outturn

Addendum 2 Draft Statement of Accounts 2015/16 – (*this is available via the link below if you are unable to access please contact Jayne Woodman, Democratic Services on 01639 763713.*)
http://www.npt.gov.uk/pdf/Draft_Statement_of_Accs_2015_2016.pdf

8. Wards Affected

All

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ADDENDUM 1

CABINET

8th JUNE 2016

REPORT OF DIRECTOR OF FINANCE & CORPORATE SERVICES

SECTION A – MATTER FOR DECISION

WARDS AFFECTED – ALL

REVENUE OUTTURN AND RESERVES POSITION STATEMENT 2015/16

1. Introduction

- 1.1. The purpose of this report is to provide details relating to the Council's General Fund Revenue Outturn and Reserves position for the 2015/16 financial year.
- 1.2. As Members will recall the amount of funding received for 2015/16 from the Welsh Government Revenue Support Grant Settlement was 2.4% lower than 2014/15. The net budget was £268.292m which represented a cash reduction of £1.6m on 2014/15 and required Directorate savings of over £14m.
- 1.3.

EXECUTIVE SUMMARY

The Council's Outturn position for its Directorates shows a net underspend (after reserve transfers) of £1.856m, when compared to the Revised Budget reported in February 2016.

The opening balance on the General Reserve was £13.8m and following the reserve movements set out in this report, the balance at 31st March 2016 will have increased by £2.8m to £16.59m.

The 31st March 2016 closing balance on Specific Reserves is also up by £3m to £31.464m.

2. Service Outturn Position 2015/16

2.1. The initial outturn position for the Directorates Service budgets, indicates an under spend of £2,315m (-1.02%), as outlined below.

	Original Budget £'000	Revised Budget £'000	Outturn Position £'000	Variance %
Education, Leisure & Lifelong Learning	101,584	101,376	101,935	0.55%
Social Services, Health & Housing	79,946	79,931	76,874	-3.82%
Bad Debt Provision - Social Services	0	0	500	N/A
Environment	28,542	28,431	28,772	1.20%
Corporate Services	17,056	17,186	16,528	-3.83%
Net Position	227,128	226,924	224,609	-1.02%

A further summary of the under spend of £2.315m is included in Appendix 1. It should be noted that in line with accounting standards an additional £500k has been provided for historical social services bad debt.

An explanation of the main budget variances for all service areas is included in Appendix 2.

This report seeks approval to transfer £459k of that underspend to Specific Reserves to fund identified future cost pressures, thus reducing the overall Directorate underspend to £1.856m.

3. Specific Reserves 2015/16

3.1. The outturn position has been prepared based on a range of contributions to reserves which have been made in accordance with the following principles.

- The schedule of interim specific reserve balances projected as at 31st March 2016 was agreed by Council on 2nd February 2016 as part of the 2015/16 Revised Budget deliberations.
- The final reserve balances will be further reviewed following audit and as part of the annual budget process for 2016/17.

- School Reserves (£3.408m) – delegated school budget reserves must be carried forward in accordance with current legislative requirements. Reserve balances have increased by £470k during the year and a small number of Schools are in a deficit position. The Authority will not allow a school to set a deficit budget without a fully costed recovery plan in place. The recovery plans are signed off by the Director of Education and Lifelong Learning, the Head Teacher and Chair of Governors and reviewed on an annual basis. Schools are required to provide the Authority with details on how they intend to utilise their reserves.

3.2. Approval is sought to transfer some of the net underspend reported to specific reserves to meet identified future cost pressures. Full details of these reserve requests are included as Appendix 3.

Directorate	£'000
Education, Leisure and Lifelong Learning	0
Social Services, Health and Housing	83
Environment	211
Corporate Services	165
Other	820
Total	1,279

3.3. Following the approval of these proposals, the Specific reserves position is as follows:

	£'000
Opening Balance 1 st April 2015	28,386
Net reserve movements (Appendix 4)	1,799
	<hr/> 30,067
Additional Transfers (from para 3.2)	1,279
Closing Balance as at 31st March 2016	31,464

Full details of Specific Reserve balances are given in Appendix 4.

4. Revenue Account and General Reserves 2015/16

4.1. ER/VR Reserve

Members will note following a review of capital financing undertaken during 2015/16, a sum of £2.958m was transferred to the ERVR transitional reserve, of which £2.015m was used to

meet the cost of staff opting to take early retirement/ redundancy during 2015/16.

The closing balance on the ERVR reserve is therefore £7.773m, and is included in the schedule set out in Appendix 4.

- 4.2 If the recommended contributions to reserves detailed above are approved, the Council's closing General Reserve position will be £16.590m, made up as follows:

	£'000
Opening Balance 1 st April 2015	Cr 13,814
Reserve Movements	Cr 2,776
Closing Balance 31st March 2016	Cr 16,590

Full details of the movement in the General Reserve are shown in Appendix 5.

Members should note that the above-mentioned General Reserve and Specific Reserves balances are provisional as they are subject to confirmation following external audit of the Statement of Accounts due to be finalised at the end of September 2016.

5. Recommendations

- 5.1. It is recommended that Cabinet approve the following:

- the Revenue Outturn position for 2015/16
- the Specific Reserves attached at Appendix 4
- the General Reserve attached at Appendix 5
- The draft Statement of Accounts incorporate these proposals

6. Reason for Proposed Decision

To agree the revenue outturn position and reserve schedules for 2015/16

7. Implementation of Decision

The decision is proposed for implementation after the three day call in period.

8. List of Background Papers

Outturn Working Papers 2015/16

9. Appendices

Appendix 1 – Revenue Outturn Summary 2015/16

Appendix 2 – Variance Statement

Appendix 3 – Additional Reserve Movements

Appendix 4 – Specific Reserves Schedule

Appendix 5 – General Reserve Statement

10. Officer Contact

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REVENUE OUTTURN SUMMARY 2015/16

	Original Budget	Revised Budget	Actual	Interim Variance	Add Reserve	Final Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Directly Controlled Expenditure						
Education Leisure & Lifelong Learning	101,584	101,376	101,935	559	0	559
Social Services Health & Housing	79,946	79,931	76,874	-3,057	83	-2,974
Bad Debt Provision - Social Services	-	-	500	500	0	500
Environment	28,542	28,431	28,772	341	211	552
Corporate Services	17,056	17,186	16,528	-658	165	-493
Total Directly Controlled Expenditure	227,128	226,924	224,609	-2,315	459	-1,856
Other Budget Movements						
Levies and Contributions	6,965	6,965	6,959	-6	0	-6
Capital Financing	16,826	17,080	17,080	0	0	0
Housing Benefit	0	0	-13	-13	0	-13
Council Tax Support	17,436	17,436	16,732	-704	0	-704
Contingencies/Miscellaneous	1,410	1,360	1,856	496	820	1,316
Reserves	-21	-21	-21	0	0	0
Outcome Agreement Grant	-1,452	-1,452	-1,452	0	0	0
Total Expenditure	268,292	268,292	265,750	-2,542	1,279	-1,263
Revenue Support Grant	-164,447	-164,447	-164,447	0	0	0
NNDR	-40,630	-40,630	-40,630	0	0	0
Discretionary Rate Relief	175	176	196	20	0	20
Council Tax income	-63,390	-63,391	-63,391	0	0	0
Total Grant & Council Tax Income	-268,292	-268,292	-268,272	20	0	20
Net Expenditure from/-to General Reserve	0	0	-2,522	-2,522	1,279	-1,243

Variances

	Service Area	Value £000	Reason/Action
ELLL	Home to school transport	Un 57	Rationalisation of home to school transport routes
ELLL	Outdoor Education	Ov 58	Fewer pupils attended the provision in 15/16 than anticipated resulting in a reduction of income for NPT. This reduction is in part a result of changes to the curriculum delivery.
ELLL	Out of county placements	Ov 208	The over spend is due to a change in banding for a number of pupils within Heronsbridge Special School and six new high cost independent sector placements.
ELLL	Afan Nedd Franchise	Un 64	This under spend has been achieved through careful budget management and maximisation of available grant, to help offset identified pressures in other ELLL services.
ELLL	Training-Skills and training unit	Un 54	This under spend has been achieved through improved performance and careful budget management, to help offset identified pressures in other ELLL services.
ELLL	NPT Works programme	Un 111	Income levels within this service have exceeded targets and further savings have been identified by strict control of costs.
ELLL	Margam Country Park	Ov 53	This over spend has arisen due to a shortfall in income. A restructure has recently been implemented in the park to deliver an improved trading performance in the future.
ELLL	Community Centres	Ov 69	A delay in transferring Community Centres to community organisations has resulted in this one off over spend.
ELLL	Leisure Trust	Ov 175	The over spend is due to additional start-up costs for the new Aberafan Leisure and Fitness Centre together with legal and professional fees for the new contract.

Variances

	Service Area	Value £000	Reason/Action
SSHH	Children's - Social Work	Un 293	The under spend is due to vacant posts
SSHH	Children's Residential Care - External Provision	Ov 54	The number of children in residential care has remained around 11 throughout the year. However the over spend has arisen due to changes in placement type and cost.
SSHH	Hillside - Secure Accommodation	Un 451	The under spend is due to savings on staff costs, and increased income as a result of an increase in the number of welfare placements.
SSHH	Internal Fostering Service	Un 589	The under spend is due to a reduction in the number of children in internal foster placements, the budget was based on 240, at the end of the financial year there were 203. The average for the year is 222.
SSHH	External Foster Placements	Un 425	The under spend is due to a reduction in the number of children in external foster placements, the budget was based on 101, currently there are 78. The average for the year is 87.
SSHH	Youth Offending Team	Un 67	The under spend is a result of less children being placed on remand, and a delay in expenditure on a new IT system.
SSHH	Central Services	Un 165	The under spend is due to staff savings including the vacant Head of Service post.
SSHH	Child & Family Management	Un 204	The under spend is due to a reduction in projected staff costs and a saving on legal fees.
SSHH	Community Care Social Work	Un 63	The under spend is due to staff savings
SSHH	Business Support Services	Un 122	The under spend is due to savings on staff costs
SSHH	Elderly services - Social Work	Un 130	The under spend is a result of staff savings and car allowances.

Variances

	Service Area	Value £000	Reason/Action
SSHH	Elderly services - Residential Care	Ov 71	The over spend is due to a reduction in income due to a drop in the number of service users in residential care.
SSHH	Community Resource Team	Un 448	The under spend is due to the inclusion of £484k additional ICF funding from Health.
SSHH	Elderly - External Placements - residential /domiciliary	Ov 437	The over spend is due to an increase in the bad debt provision for residential care.
SSHH	Physical & sensory disabilities - Residential Care - External Provision	Ov 96	The over spend is due to the reallocation of costs, included against the elderly residential care service at the time the budget was set.
SSHH	Trem y Mor / Respite	Un 52	The under spend has arisen due to additional Continuing Health Care income received from Health, regarding 2 new clients.
SSHH	Renovation Grants/Renewal Area	Un 137	The under spend is a result of staff savings and increased levels of fees generated
ENVT	Highways Maintenance - Network Management	Un 195	The under spend is due to less winter maintenance being required due to the mild winter. There is a proposal to transfer monies to the winter maintenance reserve.
ENVT	Refuse Collection	Ov 58	The over spend is due to a shortfall in trade waste income, as reported through the year.
ENVT	Household Waste Recycling Centres	Ov 76	The over spend has arisen because of delay in reducing the opening hours of the centres, required to achieve the FFP savings included against the budget. Changes now implemented for 2016-17
ENVT	Civic Buildings	Un 108	The under spend has arisen due to a refund on the water rates.

Variances

	Service Area	Value £000	Reason/Action
ENVT	Engineering Consultancy	Ov 103	The over spend has arisen due to a shortfall in income. As reported in year, the income that the service is able to generate is governed by a formula based on total costs.
ENVT	Architectural Consultancy	Ov 88	The over spend has arisen due to a shortfall in income. As reported in year, the income that the service is able to generate is governed by a formula based on total costs.
CORP	Exchequer Payroll	Un 52	The under spend is due to staff savings arising from vacant posts
CORP	Land Charges	Un 82	The under spend is due to income contribution of £88k from WG re land charges compensation claims
CORP	Childcare	Un 176	The under spend is due to staff savings arising from vacant posts, maternity leave and to income of £125k from Cardiff Council regarding childcare work.
CORP	One Stop Shops / Customer Services	Un 51	The under spend is due to staff savings arising from early re-deployment of staff

Additional Reserve Requests

	Service Area/Reserve	To (+) From (-) Reserve £000	Reason/Action
SSHH	Youth Offending Team	46	Transfer additional funding received from YJB for remand placements to the Youth Offending Team Reserve to fund a new IT system committed to in 2015/16 but implemented in 2016/17
SSHH	External Placements - residential /domiciliary	37	Transfer funding to the Community Care transformation reserve to fund temporary staff to assist with setting up direct payments
ENVT	Winter Maintenance	195	Transfer the underspend arising from a mild winter to the Winter Maintenance Reserve to fund costs arising in harsh winters.
ENVT	New Deal Employed Options	16	Due to pressures in relation to the newly established Enterprise Zone and Tata Steel, it is proposed to transfer the under spend of £16k into the Economic Development Reserve.
CORP	Exchequer Payroll	30	Contribution to the Corporate Equalisation Reserve contribution to underpin the Directorate budget in 2016-17.
CORP	ICT	25	Contribution to ICT Renewals Reserve to fund mentor replacement project costs
CORP	Legal Services	40	Contribution to Corporate Equalisation Reserve to underpin the Directorate budget in 2016-17.
CORP	Electoral Services	36	Transfer to Elections Equalisation Reserve to fund costs of local Elections in May 2017
CORP	Democratic Services	5	Transfer to Corporate Equalisation Reserve re legal costs.

Additional Reserve Requests

	Service Area/Reserve	To (+) From (-) Reserve £000	Reason/Action
CORP	Democratic Services	29	Transfer to Development Fund for Modernisation Reserve to fund costs of member training and IT equipment following the local Elections in May 2017.
CORP	ICT	0	Correct previous reserve movement of £70k from Corporate Equalisation Reserve to Digital Modernisation Reserve
CORP	Democratic Services	0	Close the Transformation, Management Capacity Reserve and transfer balance of £21k to Elections Equalisation Reserve
OTH	Gwalia contract - abortive costs	390	Create reserve to fund costs arising from contract negotiations
OTH	Digital by choice project	180	Transfer to Digital Modernisation Reserve to fund staff costs required to implement the project
OTH	Income generation project	200	Create reserve to enable work to be undertaken to improve income generation across the Council.
OTH	Swansea Bay City Deal	50	Create reserve to fund contribution to the scheme.
	Grand Total	1,279	

Specific Reserves

Description	Reserve at 1st April 2015	Budget movements	Interim Balance at 31st March 2016	Additional Requests	Final Balance at 31st March 2016
	£000	£000	£000	£000	£000
EDUCATION, LEISURE & LIFELONG LEARNING					
<i>Delegated Schools Cash Reserves</i>					
LLAN ER Scheme Primary	Cr14	Cr17	Cr31	0	Cr31
Primary Schools Reserve A/C	Cr2,124	Cr198	Cr2,322	0	Cr2,322
Secondary Schools Reserve A/C	Cr519	Cr244	Cr763	0	Cr763
Special Schools Reserve A/c	Cr120	Cr11	Cr131	0	Cr131
Repair & Maintenance reserve	Cr161	0	Cr161	0	Cr161
	Cr2,938	Cr470	Cr3,408	0	Cr3,408
<i>Education, Leisure and Lifelong Learning</i>					
School Improvement Reserve	Cr147	147	0	0	0
Equalisation Account-Education	Cr1	0	Cr1	0	Cr1
Home to School Transport	0	Cr92	Cr92	0	Cr92
	Cr148	55	Cr93	0	Cr93
Total Education Leisure & Lifelong Learning	Cr3,086	Cr415	Cr3,501	0	Cr3,501

Specific Reserves

Description	Reserve at 1st April 2015	Budget movements	Interim Balance at 31st March 2016	Additional Requests	Final Balance at 31st March 2016
	£000	£000	£000	£000	£000
SOCIAL SERVICES, HEALTH & HOUSING					
<i>Hillside Secure Unit</i>					
Hillside General Reserve	Cr1,670	Cr105	Cr1,775	0	Cr1,775
	Cr1,670	Cr105	Cr1,775	0	Cr1,775
<i>Other</i>					
Substance Misuse Joint Committee	0	Cr34	Cr34	0	Cr34
Asset Recovery Incentive Scheme Initiative	Cr86	0	Cr86	0	Cr86
Homecare ECM Equipment reserve	Cr13	Cr19	Cr32	0	Cr32
Community Care Transformation Reserve	Cr350	350	0	Cr37	Cr37
Social Services Equalisation	Cr173	133	Cr40	0	Cr40
Residential Care - Rent Reserve	Cr751	439	Cr312	0	Cr312
Youth Offending Team Reserve	Cr87	0	Cr87	Cr46	Cr133
	Cr1,460	869	Cr591	Cr83	Cr674
Total Social Services, Health and Housing	Cr3,130	764	Cr2,366	Cr83	Cr2,449

Specific Reserves

Description	Reserve at 1st April 2015	Budget movements	Interim Balance at 31st March 2016	Additional Requests	Final Balance at 31st March 2016
	£000	£000	£000	£000	£000
ENVIRONMENT					
Concessionary Fare - bus pass replacement reserve	Cr122	0	Cr122	0	Cr122
Local Development Plan	Cr266	140	Cr126	0	Cr126
Economic Development	0	Cr69	Cr69	Cr16	Cr85
Winter Maintenance Reserve	Cr342	0	Cr342	Cr195	Cr537
Building Maintenance Reserve	Cr175	88	Cr87	0	Cr87
European Fund	Cr2	2	0	0	0
Environment Equalization Reserve	Cr70	Cr78	Cr148	0	Cr148
SWTRA Reserve	Cr60	0	Cr60	0	Cr60
	Cr1,037	83	Cr954	Cr211	Cr1,165
Operating Accounts					
Operating Account -Equalisation	Cr97	97	0	0	0
Fleet Sentinel Maintenance Reserve	Cr100	0	Cr100	0	Cr100
Vehicle Tracking	Cr14	2	Cr12	0	Cr12
Operating Accounts -Vehicle Renewals	Cr1,446	Cr298	Cr1,744	0	Cr1,744
	Cr1,657	Cr199	Cr1,856	0	Cr1,856
Total Environment	Cr2,694	Cr116	Cr2,810	Cr211	Cr3,021

Specific Reserves

Description	Reserve at 1st April 2015	Budget movements	Interim Balance at 31st March 2016	Additional Requests	Final Balance at 31st March 2016
	£000	£000	£000	£000	£000
CORPORATE SERVICES					
Elections Equalisation Fund	Cr130	Cr15	Cr145	Cr57	Cr202
Health & Safety/Occupational Health	Cr52	Cr8	Cr60	0	Cr60
Development Fund for Modernisation	Cr56	Cr5	Cr61	Cr29	Cr90
Transformation , Management Capacity, Development, Advisors etc.	Cr55	34	Cr21	21	0
IT Renewals Fund	Cr1,648	31	Cr1,617	Cr25	Cr1,642
Corporate Equalisation Reserve	Cr677	Cr51	Cr728	Cr5	Cr733
Building Capacity & Capability	Cr336	105	Cr231	0	Cr231
Digital Modernisation	0	Cr150	Cr150	Cr250	Cr400
Total Finance and Corporate Services	Cr2,954	Cr59	Cr3,013	Cr345	Cr3,358

Specific Reserves

Description	Reserve at 1st April 2015	Budget movements	Interim Balance at 31st March 2016	Additional Requests	Final Balance at 31st March 2016
	£000	£000	£000	£000	£000
CORPORATE					
Insurance-Claims Reserve	Cr2,223	Cr1,457	Cr3,680	0	Cr3,680
Swansea Bay City Deal	0	0	0	Cr50	Cr50
Gwalia Abortive costs Reserve	0	0	0	Cr390	Cr390
Income Generation Project Reserve	0	0	0	Cr200	Cr200
Housing Warranties Reserve	Cr220	0	Cr220	0	Cr220
Fire Reserve	Cr94	21	Cr73	0	Cr73
Waste Reserve	Cr733	310	Cr423	0	Cr423
LAWDC Contingency Reserve	Cr988	0	Cr988	0	Cr988
Treasury Management Equalisation Reserve	Cr2,516	97	Cr2,419	0	Cr2,419
ERVR Transitional Reserve	Cr6,829	Cr944	Cr7,773	0	Cr7,773
Accommodation Strategy	Cr2,919	0	Cr2,919	0	Cr2,919
OTHER	Cr16,522	Cr1,973	Cr18,495	Cr640	Cr19,135
TOTAL ALL REVENUE RESERVES	Cr28,386	Cr1,799	Cr30,185	Cr1,279	Cr31,464

General Reserve

	Revised 2015/16	Actual 2015/16	Difference 2015/16
		£000	£000
Opening Balance 1 April	Cr 13,814	Cr 13,814	Ov 0
Council Tax increased income	Cr 1,400	Cr 2,260	Un 860
Capital Financing Costs- Accommodation	370	370	Ov 0
Doubtful Debt Provision	160	Cr 117	Un 277
Economic Development Fund	200	200	Ov 0
Community Councils Grant Scheme	25	25	Ov 0
Elderly Residential - Gwalia contract - delay in closure of homes	96	96	Ov 0
Contribution to ENVT for delay in implementation of FFP saving re waste contract	100	100	Ov 0
School Improvement Programme	80	80	Ov 0
NPT Home Inspection services Ltd - surplus arising on cessation of trade	Cr 84	Cr 90	Un 6
Job Evaluation - Equal pay claims	0	63	Ov 63
Net underspends	0	Cr 1,243	Un 1,243
Closing Balance	Cr 14,267	Cr 16,590	Un 2,323

CABINET

8th JUNE 2016

REPORT OF HEAD OF FINANCIAL SERVICES

SECTION A – MATTER FOR DECISION

WARDS AFFECTED – ALL

CAPITAL PROGRAMME OUTTURN 2015/16

1. Purpose of Report

- 1.1 This report sets out the financial outturn position for the Capital Programme for 2015/16.

2. Budget Outturn

- 2.1 For 2015/16 the approved revised Capital Programme totalled £66.729m, the actual expenditure for the year was £62.999m which represents approximately 94% delivery of the Programme.

- 2.2 A summary of this position can be found in Appendix 1 of this report with the main variations between budget and actual being:

- Port Talbot Town Centre Regeneration
The delay in delivering the redevelopment of the former Police Station is the major contributor to the £1.472m underspend in this area. The delay has resulted due to Natural Resources Wales requiring additional flood mapping and modelling.
- Major Bridge Strengthening
The requirement to re-tender both projects led to a delay in delivery resulting in an underspend of £0.543m. The projects which are the A474 River Bridge Neath and Bont Fawr Aqueduct will now be delivered in 2016/17.

- Ysgol Newydd Bae Baglan
This £40.7m project remains on-time and on-budget, the underspend of £0.491m is a result of the phasing of the project between financial years.
- Aberafan Leisure and Fitness Centre
Expenditure on the Centre was incurred sooner than anticipated meaning that £0.5m planned for 2016/17 was spent in 2015/16.
- PDR Land Compensation Claims
The value of land compensation claims settled during 2015/16 was lower than expected resulting in a £0.48m underspend in this area.
- Housing Renewal Area and Arbed Eco Efficiency Projects
The additional expenditure incurred on these two projects will be funded by contributions received from residents who benefited from work to their properties.

2.3 This £63m expenditure represents significant investment within the County Borough which has led to community and service improvements, the following bullet points note some of the significant achievements during the year:

- Progressing with the building of Ysgol Bae Baglan, the £40.7m '3-16' new build school at Western Avenue, Baglan Bay which will open in September 2016.
- Construction and re-modelling works at the existing Ysgol Gyfun Ystalyfera site.
- Completion of the Aberafan Leisure and Fitness Centre which opened in January 2016.
- Completion of the first phase of the re-development of Neath Town Centre which included the construction of a new multi storey car park and the first 23,000 square feet of retail space.
- The continuing improvement in street lighting through the investment of over £4m.
- Investing £3.7m through regeneration and infrastructure improvements in the Port Talbot area supported via VVP grant.

- Further investment of £3m into Disabled Facility Grants to assist people to live at home.
- Investment of £1.9m in general council and recycling vehicles
- Together with the investment of £2.6m in Schools Capital Maintenance and Highways and Engineering Maintenance Programme improvements.

3. 2016/17 Capital Programme

3.1 Work is ongoing to deliver the 2016/17 Capital Programme totalling £40.631m which was approved by Members as part of the Council's budget setting process in February 2016. This Programme will be continually updated and revised as changes to profiles and funding are identified. Updated information will be reported to Members as part of the 2016/17 budget monitoring cycle.

4. Risk Management

The capital programme is actively managed by managers and the Capital Programme Steering Group to comply with all relevant planning conditions, legislation, regulations and health and safety

5. Consultation

There is no requirement under the Constitution for external consultation on this item.

6. Recommendation

It is recommended that the 2015/16 Capital Programme outturn position be noted.

7. Reason for Proposed Decision

To agree the capital outturn position for 2015/16.

8. Implementation of Decision

The decision is proposed for implementation after the three day call in period.

9. List of Background Papers

Capital Programme Working Files

10. Appendices

Appendix 1 – Details of 2015/16 Capital Expenditure

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Appendix 1 – Details of 2015/16 Capital Expenditure

Project Description	Revised Budget £'000	Actual Spend £'000	Variance £'000
Ysgol Newydd Bae Baglan	22,020	21,529	-491
YG Ystalyfera Re-modelling	4,971	4,883	-88
School Transport Infrastructure	152	145	-7
Schools Capitalised Maintenance	1,044	982	-62
Aberafan Leisure and Fitness Centre Including Equipment	6,875	7,413	538
Highways and Engineering Maintenance Programme	1,724	1,654	-70
PDR Land Compensation	649	169	-480
Major Bridge Strengthening	640	97	-543
Bryn Road – Embankment	375	179	-196
Afan Valley – Retaining Wall	375	51	-324
Safe Routes / Road Safety Grant	743	891	148
Health and Safety	1,027	601	-426
Street Lighting	4,100	4,093	-7
Vehicle Replacement Programme	1,072	1,046	-26
Recycling Collection Vehicles	804	886	82
Caegarw Gypsy Site Extension	1,500	1,515	15
Port Talbot Regeneration Including Vibrant and Viable Places Grant (VVP)	5,170	3,698	-1,472
Neath Town Centre Regeneration	2,869	2,845	-24
NPT Regeneration – Convergence Funded Projects	1,442	1,250	-192
Disabled Facilities Grants	3,000	2,969	-31
Arbed – Eco Energy Efficiency Improvements	1,399	1,523	124
Housing Renewal Area	920	960	40
Remaining Capital Programme	3,858	3,620	-238
Total	66,729	62,999	-3,730