

# NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

## CABINET

### REPORT OF THE HEAD OF FINANCIAL SERVICES

26<sup>th</sup> July 2017

#### SECTION A – MATTERS FOR DECISION

#### WARDS AFFECTED – ALL

#### CAPITAL BUDGET MONITORING 2017/18

##### **Purpose of Report**

1. To provide Members with information in relation to delivery of the 2017/18 Capital Programme.

##### **Background**

2. On 1<sup>st</sup> February 2017 Council approved its Capital Programme for 2017/18, the report detailed planned Capital Expenditure totalling £59.273m for the financial year.

The purpose of this report is to update Members as to the delivery of this Programme as at 30<sup>th</sup> June 2017 and to seek approval for a further updated budget position.

##### **Targeted Achievements**

3. As Members are aware the following achievements are being targeted during this financial year:
  - Construction of a new Welsh Medium Secondary School in the South of the County (Ysgol Gymraeg Bro Dur) with a budget of £17.5m and £31m for a new Comprehensive School in Margam to replace the Lower and Upper sites of Dyffryn Comprehensive as well as Groes Primary School (Ysgol Newydd Margam). Members should also note that Bae Baglan has won Welsh Project of the Year at the Construction Excellence awards and will be going forward to the UK Awards in November. It has also won Local Authority Building Control Awards for Wales and is going forward for the UK

Final and has been short listed for the Eisteddfod Architectural awards which will be announced on 4<sup>th</sup> August.

- Construction of a £7.6m new primary school in Briton Ferry, 'Ysgol Newydd Briton Ferry', on the site of the former Cwrt Sart Comprehensive School. The project will see three primary schools (Brynhyfryd, Llansawel and Ynysmaerdy) with significant surplus capacity and backlog maintenance issues close and be replaced by a new 21st Century school.
- Continuation of the construction and re-modelling works at the Welsh Medium 3-16 School Site in Ystalyfera, Ysgol Newydd Gymunedol Gymraeg.
- Ongoing improvements to the Council's Street Lighting Infrastructure.
- Town Centre Regeneration including the commencement of the next phase of the redevelopment of Neath Town Centre.
- Completion of the Integrated Transport Hub in Port Talbot. The Hub will improve access to employment on strategic sites and integrate public transport connecting bus and rail services and will improve public transport's viability as a realistic alternative for commuting.
- Further investment of £3m into Disabled Facility Grants to assist people to live at home.
- Investment of c£3m in Schools Capital Maintenance and Highways and Engineering Maintenance improvements.

### **Changes to the approved Budget**

4. The updated Capital Programme now totals £64.708m with the main changes proposed being:
  - Projects and funding carried forward from 2016/17 totalling £2.951m, the majority of which relates to the phasing of the delivery of the Regeneration Programme.
  - Grant approvals received after the setting of the original budget namely:

- Local Transport Fund £0.837m which will be spent on improvements to bus routes and cycle ways.
- Transport Grant £0.5m to fund ongoing land compensation claims relating to the PDR 2 road scheme.
- Road Safety Grant £0.582m which will fund a number of road safety initiatives within the County Borough.

## 2017/18 Capital Expenditure

5. Details of Capital Expenditure as at 30<sup>th</sup> June 2017 is outlined in the table below:

**Table 1 – Capital Budget and Spend 2017/18**

	Original Budget £'000	Proposed Budget £'000	Actual @ 30 <sup>th</sup> June 2017
Ysgol Bae Baglan *	1,339	869	-537
Ysgol Newydd Gymunedol Gymraeg	4,497	3,472	218
Ysgol Newydd Briton Ferry	5,210	4,951	253
Ysgol Gymraeg Bro Dur	10,196	10,125	1,007
Ysgol Newydd Margam	19,418	19,488	935
Schools Capital Maintenance	1,100	1,083	182
Highways and Engineering Maintenance	1,625	2,035	175
Integrated Transport Hub	2,539	2,539	0
Bridge Strengthening – Alltwen Hill	715	779	0
Retaining Edge Work – Afan Valley	360	299	0
Health and Safety	850	1,080	491
Street Lighting	1,650	1,482	147
Vehicle Replacement Programme	1,596	1,596	533
Regeneration	532	3,380	158
Neath Town Centre Redevelopment	2,000	2,000	2
PDR 2 – Land Compensation		500	2
Bus Routes and Cycle Ways (LTF)		837	1
Road Safety Improvements		582	0
Safe Routes in Communities		250	0
Disabled Facilities Grants	3,000	3,063	637
Housing Energy Efficiency Works		477	346
Contingency	381	601	0
Remaining Capital Programme	2,265	3,220	480
<b>Total</b>	<b>59,273</b>	<b>64,708</b>	<b>5,030</b>

\* The negative actual relates to contract retention accounted for in 2016/17 but not yet paid.

## **Revenue Budget Virement**

6. In order to fund the next phase of the street lighting replacement programme a further revenue budget virement of £190k 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.

## **Risk Management**

7. 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.

## **Consultation**

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

## **Recommendations**

9. It is recommended that Members:
  - As outlined in Table 1, approve and commend to Council the proposed 2017/18 budget totalling £64.708m
  - Note the position in relation to expenditure as at 30<sup>th</sup> June 2017.

## **Reason for proposed decisions**

10. To update the capital programme for 2017/18 and inform Members of the current year spend to date.

## **Implementation of Decision**

11. The decisions are proposed for implementation after consultation with the Scrutiny Committee and approval by Council.

## **List of Background Papers**

12. Capital Programme working files

## **Officer Contact**

13. For further information on this report item, please contact:

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