

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

REPORT OF THE HEAD OF FINANCIAL SERVICES

8th NOVEMBER 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 1st February 2017 Council approved its Capital Programme for 2017/18; the report detailed planned Capital Expenditure totalling £59.273m for the financial year. An updated Programme totalling £64.708m was approved by Council on 6th September 2017.

The purpose of this report is to update Members as to the delivery of this Programme as at 30th September 2017 and to seek approval for an updated budget position.

Targeted Achievements

3. As Members are aware the following achievements are being targeted during this financial year:
 - Construction of a new 3-16 School in Margam to replace the Lower and Upper sites of Dyffryn Comprehensive as well as Groes Primary School (Ysgol Newydd Margam) with a budget of £31m.
 - Continuation of the construction and re-modelling works at the Welsh Medium 3-18 North Campus site in Ystalyfera (Ysgol Gymraeg Ystalyfera). Also, commencement of the new Welsh Medium 11-16 South Campus (Ysgol Gymraeg Bro Dur) on the site of the former Sandfields Comprehensive School.

- Members should also note that Ysgol 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 the prestigious Gold Medal for Architecture at the National Eisteddfod of Wales 2017.
- 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.
- 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 and 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 £76.366m with the main additions being:
 - A budget increase of £10m which represents the capital contribution required as a result of the recently re-negotiated residential care contract with Pobl Group/Gwalia. Full details regarding this arrangement can be found in the report to the Social Care, Health and Housing Cabinet Board on 16th March 2017.
 - A grant award of £617k from the Welsh Government's Local Transport Network Fund (LTNF) which will enable the continuation of bus corridor improvements.

- Re-profiled expenditure in relation to the Vehicle Renewals fund programme resulting in an increase in expenditure of £817k this financial year.
- The Council has recently been successful with a funding application to the Welsh European Funding Office (WEFO) to progress with the development of the Harbourside area of Port Talbot. The total project cost is £5.3m of which £3.5m will be funded through European Grant with the match funding coming from existing resources earmarked within the regeneration programme. In relation to this financial year a budget of £199k has been included within the programme.

2017/18 Capital Expenditure

5. Details of Capital Expenditure as at 30th September 2017 are outlined in the table below:

Table 1 – Capital Budget and Spend 2017/18

	Current Budget £'000	Proposed Budget £'000	Actual @ 30th Sept 2017
Ysgol Bae Baglan *	869	0	-531
Ysgol Gymraeg Ystalyfera (Welsh Medium North Campus)	3,472	4,025	1,063
Ysgol Newydd Briton Ferry	4,951	5,385	695
Ysgol Gymraeg Bro Dur (Welsh Medium South Campus)	10,125	12,439	3,177
Ysgol Newydd Margam	19,488	18,549	4,393
Schools Capital Maintenance	1,083	1,083	806
Highways and Engineering Maintenance	2,035	2,153	991
Integrated Transport Hub	2,539	2,539	887
Bridge Strengthening – Alltwen Hill	779	864	297
Retaining Edge Work – Afan Valley	299	409	102
Health and Safety	1,080	1,080	564
Street Lighting	1,482	1,482	681
Vehicle Replacement Programme	1,596	2,413	682
Regeneration	3,380	2,952	145
Neath Town Centre Redevelopment	2,000	500	6
PDR 2 – Land Compensation	500	500	11
Bus Corridor Improvements		617	0
Bus Routes and Cycle Ways (LTF)	837	847	50
Road Safety Improvements	582	582	174

Table 1 - Continued	Current Budget £'000	Proposed Budget £'000	Actual @ 30th Sept 2017
Safe Routes in Communities	250	250	5
Harbourside Development		199	19
Disabled Facilities Grants	3,063	3,063	1,444
Housing Energy Efficiency Works	477	477	
Residential Care Contract Contribution		10,000	10,000
Contingency	601	401	
Remaining Capital Programme	3,220	3,557	1,963
Total	64,708	76,366	27,624

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

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.

Consultation

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

Recommendations

- Cabinet commends to Council:
 - The approval of the proposed 2017/18 budget totalling £76.366m
 - And note the position in relation to expenditure as at 30th September 2017.

Reason for proposed decisions

- 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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