

## Delegated Cabinet Member Decision Report

<b>Decision Maker and Portfolio area:</b>	<b>Cllr A Jabbar MBE – Deputy Leader and Cabinet Member for Finance &amp; Corporate Resources</b>
<b>Meeting Date:</b>	<b>16 July 2019</b>
<b>Subject:</b>	<b>2019-2024 Capital Programme Update and Rephasing as at 30 June 2019</b>
<b>Report Author:</b>	<b>Lee Walsh, Finance Manager (Capital &amp; Treasury)/ Jit Kara, Senior Accountant (Capital &amp; Treasury)</b>
<b>Ward(s) Affected:</b>	<b>N/A</b>

**Summary:** The briefing note presents an updated position in relation to the current expected outturn of the 2019/20 Capital Programme.

**Recommendation:** Cabinet Member notes the Capital position as at 30 June 2019.

**Implications:**  
*What are the **financial** implications?* The revised capital programme projections show that further realigning/rephasing is required which would result in a net decrease £16.758m of resources in 2019/20 (detailed in Appendix A). The realigning is based on current forecast outturn and will allow for more accurate monitoring of the 2019/20 capital programme.

The overall net movement including approved changes since the approval of the 2019-2024 Capital Strategy is a net reduction of £10.347m (£10.644m - £0.297m), are made up of;

- a) Rephasing of scheme within service areas as presented in the table below:

<b>Service Area</b>	<b>£000</b>
Corporate Services	393
Children, Young People & Families	81
Adult Services	80

Asset Management - Education Premises	2,889
Boroughwide Developments	2,651
District Partnership - Boroughwide	84
Env - Countryside	122
IT	453
Parks & Playing Fields	50
Housing	7
Public Realm	233
Strategic Acquisitions	191
Town Centre Developments	518
Transport Services	5,434
District Investment Fund	51
<b>Total Rephasing of Schemes</b>	<b>13,237</b>

b) An acceleration of schemes within two areas as presented below

<b>Service Area</b>	<b>£000</b>
Schools	(1,742)
Housing Revenue Account	(1,149)
<b>Total Acceleration of Schemes</b>	<b>2,891</b>

In addition, further schemes requiring rephasing and approval totalling £16.758m, are detailed in Appendix A.

(L Walsh & J Kara)

What are the **procurement** implications?

N/A

What are the **legal** implications?

None (Colin Brittain)

What are the **Human Resources** implications?

N/A

**Equality and Diversity Impact Assessment** attached or not required because (please give reason)

N/A

What are the **property** implications

N/A

**Risks:**

N/A

**Co-operative agenda**


Schemes approved are included within the 2019-2024 Capital Strategy.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? N/A

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

**There are no background papers for this report**

<b>Report Author Sign-off:</b>	
	
<b>Date:</b> 16/7/19.	

Please list any appendices:-

<b>Appendix number or letter</b>	<b>Description</b>
A	Expenditure and matching funding streams to be realigned at 30 June 2019.

**1 Background**

1.1 Following on from the revised Capital Monitoring process and the move to quarterly reporting to Cabinet, a revised approval approach has been introduced to review monthly rephasing of the capital programme.

**2 Current position**

2.1 The Capital Programme has been realigned to reflect the new management arrangements effective from May 2019 and therefore is only comparable in total (not detail) to that approved at the February Council meeting. The current 2019/20 indicative capital programme, as at 30 June 2019 is as follows:

Directorate	Original Budget 2019/20 £000	Budget changes approved to 31/3/19 £000	Outturn Position £000	Revised Budget 2019/20 £000	Proposed Virement/ Rephase £000	Revised Budget (M03) £000	Forecast £000	Variance £000
Corporate Services	12,000	1,565	(1,172)	12,393	(4,849)	7,544	7,544	0
Children's Services	23,825	1,666	(2,735)	22,756	(180)	22,576	22,576	0
Community Services & Adult Social Care	2,682	(438)	71	2,315	11	2,325	2,325	0
Housing Revenue Account	4,235	0	(1,149)	3,086	(817)	2,269	2,269	0
People and Place	41,489	7,848	4,640	53,977	(10,922)	43,056	42,278	(778)
Reform	100	3	48	151	0	151	151	-
<b>Grand Total</b>	<b>84,332</b>	<b>10,644</b>	<b>(297)</b>	<b>94,678</b>	<b>(16,758)</b>	<b>77,921</b>	<b>77,143</b>	<b>(778)</b>

(subject to rounding – tolerance +/- £1k)

- 2.2 The approved virement of £10.644m (an increase to the 2019/20 budget) represents changes following the approval of the 2019-2024 Capital Strategy and Capital Programme at Cabinet on 11 February 2019 to the year-end as at 31 March 2019.
- 2.3 During the preparation of this capital monitor a number of schemes were identified that required the realignment/rephasing of existing budgets into future years. These totalled £16.758m including additional funding of £0.135m, of which £0.010m was from private contributions for Disabled Facilities Grant funded schemes and £0.125m from revenue funding to support an IT project. Details of the proposed changes are presented at Appendix A.
- 2.4 There is a forecast variance of £0.778m projected within the Transport capital programme. Following the approval of the Transport Capital Programme Budget Update Report 1, (later on the agenda) the Capital Programme 2019/20 will be updated and the variance will be removed.
- 2.5 Actual expenditure to 30 June 2019 was £6.297m (8.08% of forecast outturn). This spending profile is slightly higher than in previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.
- 2.6 The current and future years' position, taking into account the above and the recent organisational restructure, is summarised below:

## 2019/2024 - Capital Programme

Directorate Budget	Revised Budget 2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Corporate Services	7,544	6,760	3,661	2,700	1,700
Children's Services	22,576	13,525	10,585	5,000	0
Community Services & Adult Social Care	2,325	1,400	400	400	400
Housing Revenue Account	2,269	2,450	922	800	0
People and Place	43,056	64,086	67,645	7,110	3,864
Reform	151	239	400	0	0
<b>Grand Total</b>	<b>77,921</b>	<b>88,460</b>	<b>83,612</b>	<b>16,010</b>	<b>5,964</b>

(subject to rounding – tolerance +/- £1k)

### 3 Options/Alternatives

3.1 N/A

### 4 Preferred Option

4.1 N/A

### 5 Consultation

5.1 Capital Programme Investment Board.

### Proposals:

To approve the rephasing and/or adjustment of scheme budgets as detailed in Appendix A

### Conclusions:

That the Deputy Leader and Cabinet Member for Finance & Corporate Resources approves the rephasing and/or adjustment of scheme budgets as detailed in Appendix A, in consultation with the Director of Finance.

APPENDIX A

Expenditure and matching funding streams to be realigned at 30 June 2019

Portfolio / Service / Cost Centre	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Comment
<b>Corporate Services</b>					
Funding for Emerging Priorities	(4,500,000.00)	1,500,000.00	2,000,000.00	1,000,000.00	Rephrase
Provision for CPOs	(326,906.50)	350,000.00			Rephrase/Realign
Strategic Investment	(22,222.00)				Realign
<b>Corporate Services TOTAL</b>	<b>(4,849,128.50)</b>	<b>1,850,000.00</b>	<b>2,000,000.00</b>	<b>1,000,000.00</b>	
<b>Children's Services</b>					
2 YO- General Provision	(50,000.00)	50,000.00			Rephrase
Essential Condition Works (Nov 2012) - Royton & Crompton Secondary - Mechanical, Electrical and Roofing works	(130,000.00)	130,000.00			Realign
<b>Children's Services TOTAL</b>	<b>(180,000.00)</b>	<b>180,000.00</b>			
<b>Community Services &amp; Adult Social Care</b>					
ASC Resource Allocation System	(1,695.00)				Realign
Disabled Facilities Grant - Boroughwide	10,555.97				Additional Contribs
Social Care- General Provision	1,695.00				Realign
<b>Community Services &amp; Adult Social Care TOTAL</b>	<b>10,555.97</b>				
<b>Housing Revenue Account</b>					
HRA Capital Strategy	(817,208.00)	817,208.00			Rephrase
<b>Housing Revenue Account TOTAL</b>	<b>(817,208.00)</b>	<b>817,208.00</b>			
<b>People and Place</b>					
A62 Oldham Road Corridor- Manchester Boundary to M60					
Motorway- District Centres Business Support (Neighbourhood Developments)	(68,000.00)	68,000.00			Rephrase
Car Park Provision at the former Oldham Sports Centre site	(91,857.60)			91,857.60	Rephrase

Portfolio / Service / Cost Centre	2019/20		2020/21		2021/22		2022/23	
	£	£	£	£	£	£	£	£
Coalshaw Green Park - replacement storage and mess facilities	(871.50)							Realign
Eastern Gateway Improvements (Prince's Gate)	(1,000,000.00)	(3,650,000.00)			(4,900,000.00)			Realign
Equity Homes Loans	(265,539.50)	265,539.50						Realign
Failsworth DC - Outstanding Compensations - General Provision	(91,963.00)	91,963.00						Realign
Fleet Replacement Vehicles 7 years	(444,360.00)	444,360.00						Realign
Foxdenton Redevelopment	(729,084.12)	729,084.12						Realign
GM Fibre	(1,500,000.00)	1,500,000.00						Realign
Hollinwood / Langtree Regeneration	(1,000,000.00)	1,000,000.00						Realign
Investment Property Purchase	(1,500,000.00)	1,500,000.00			1,500,000.00			Realign
IT - Creating an Agile & Efficient Council	125,000.00							Additional RCCO
IT - Harnessing the Power of Data	60,000.00		(60,000.00)					Acceleration
Oldham Coliseum Theatre – Phase C	(1,207,130.27)						1,207,130.27	Realign
Oldham Heritage & Arts Centre – Off Site Storage (Prince of Wales Units A&B)	(1,701,275.27)	1,701,275.27						Realign
Oldham Heritage & Arts Centre – Phase A	(250,000.00)				250,000.00			Realign
Princes Gate Site C	1,000,000.00	3,650,000.00			4,900,000.00			Realign
Royton Town Centre Development	(293,526.33)	293,526.33						Realign
Royton Town Hall	(1,000,000.00)	1,000,000.00						Realign
Shaw & Lees District Centres Business Support (Neighbourhood Developments)	(50,000.00)	50,000.00						Realign
Strategic Acquisitions- General Provision	(500,000.00)				500,000.00			Realign
Strategic regeneration Site Purchases	(113,132.47)	113,132.47						Realign
Town Centre Masterplan	(300,000.00)						300,000.00	Realign
<b>People and Place TOTAL</b>	<b>(10,921,740.06)</b>	<b>7,196,880.69</b>	<b>7,196,880.69</b>	<b>2,250,000.00</b>	<b>2,250,000.00</b>	<b>1,598,987.87</b>		
<b>TOTAL</b>	<b>(16,757,520.59)</b>	<b>10,044,088.69</b>	<b>10,044,088.69</b>	<b>4,250,000.00</b>	<b>4,250,000.00</b>	<b>2,598,987.87</b>		

Financing Budgets Fund Source	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Grants and Contributions	239,444.03	0	(250,000.00)	0
Prudential Borrowing	10,653,260.46	(6,492,239.99)	(1,769,162.87)	(2,391,857.60)
Revenue Contribution	817,208.00	(817,208.00)	0	0
Capital Receipts	5,047,608.10	(2,734,640.70)	(2,230,837.13)	(207,130.27)
<b>TOTAL</b>	<b>16,757,520.59</b>	<b>(10,044,088.69)</b>	<b>(4,250,000.00)</b>	<b>(2,598,987.87)</b>