

## Delegated Cabinet Member Decision Report

<b>Decision Maker and Portfolio area:</b>	<b>Cllr A Jabbar MBE - Cabinet Member for Finance &amp; Corporate Resources</b>
<b>Date of Decision:</b>	<b>6 August 2018</b>
<b>Subject:</b>	<b>2018-2022 Capital Programme Update and Rephasing as at 31 July 2018</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>

<b>Reason for the decision:</b>	To realign/rephase capital scheme budgets across the life of the 2018-2022 capital programme.
<b>Summary:</b>	Update of the current expected outturn of the 2018-22 Capital Programme.
<b><i>What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):</i></b>	<p>Option 1 – To approve all the proposals contained in Appendix A.</p> <p>Option 2 – To approve some of the proposals contained in Appendix A.</p> <p>Option 3 – To approve none of the proposals contained in Appendix A.</p>
<b>Recommendation(s):</b>	That the Cabinet Member for Finance & Corporate Resources approves the rephasing and/or adjustment of scheme budgets as detailed in Appendix A
<b>Implications:</b> <i>What are the financial implications?</i>	The proposed realigning/rephasing are a net £0.101m reduction of resources with a further £7.212m being rephased into future years (detailed in appendix A) of the overall 2018-2022 capital programme. The realigning is based on current forecasted outturn and will allow a more accurate monitoring of the 2018/19 capital programme.

The £0.101m reduction is following a re-evaluation of Devolved Formula Capital (DFC) budgets and schools contributions.

The rephrasing within the Corporate and Commercial Services and People and Place Directorates is summarised by service area below:

- £1.73m Asset Management.
- £0.04m Boroughwide Development
- £0.94m Public Realm
- £1.09m IT Programme.
- £3.41m Town Centre Developments

(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 have been subject to CIPB review and are included within the 2018-2022 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> 6/8/2018	

Please list any appendices:-

Appendix number or letter	Description
A	Expenditure and matching funding streams to be realigned at 31 July 2018.

## Background:

### 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 and approve monthly rephasing of the capital programme.
- 1.2 The CIPB is best placed to review and approve these movements, as this allows CIPB more oversight of the strategic position of the capital programme on a more regular and timely basis.

### 2 Current position

- 2.1 The current 2018/19 indicative capital programme, as at 31 July 2018 is as follows:

Portfolio	Revised Budget (M02) £000	Approved Amendments (to M04) £000	Proposed Additions & Virement £000	Revised Budget (M04) £000	Forecast £000	Variance £000
Corporate and Commercial Services	15,997	0	(1,095)	14,902	14,902	0
People and Place	44,069	1,285	(6,218)	39,136	39,136	0
Community Health & Social Care Services	2,227	6	0	2,233	2,233	0
Reform	215	(6)	0	209	209	0
Housing Revenue Account	3,231	0	0	3,231	3,231	0
Funds Yet to be Allocated	613	(302)	0	311	311	0
<b>Grand Total</b>	<b>66,352</b>	<b>983</b>	<b>(7,313)</b>	<b>60,022</b>	<b>60,022</b>	<b>0</b>

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

- 2.2 The approved virement to M04 of £0.983m represents changes following the approval of the 2018-2022 Capital Programme Update Re-Phasing Month 2 (May 2018) on 19 June 2018.
- 2.3 During the preparation of this capital monitor a number of schemes were identified that required the realignment of budgets within existing schemes, the detail of which are disclosed at Appendix A. Whilst the proposed virements represent no change to

the overall programme or directorate there are adjustments between individual schemes.

2.4 Actual expenditure to 31 July 2018 was £13.344m (22.23% of forecast outturn). This spending profile is in line with previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.

2.5 The current and future years' position is summarised below:

Portfolio	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Corporate and Commercial Services	14,902	4,963	1,418	1,249
People and Place	39,136	136,552	31,289	3,595
Community Health & Social Care Services	2,233	1,400	400	400
Reform	209	100	100	700
Housing Revenue Account	3,231	650	0	0
Funds Yet to be Allocated	311	5,898	5,000	5,312
<b>Grand Total</b>	<b>60,022</b>	<b>149,563</b>	<b>38,207</b>	<b>11,256</b>

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

### 3 Options/Alternatives

3.1 There are three options being proposed.

Option 1 – To approve all the proposals contained in Appendix A.

Option 2 – To approve some of the proposals contained in Appendix A.

Option 3 – To approve none of the proposals contained in Appendix A.

### 4 Preferred Option

4.1 The preferred option is option 1 - To approve all the proposals contained in Appendix 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 Cabinet Member for Finance & Corporate Resources approves the rephasing and/or adjustment of scheme budgets as detailed in Appendix A

In consultation with

Anne Ryans (Director of Finance) \_\_\_\_\_ Date: \_\_\_\_\_

APPENDIX A

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 JUNE 2018		2018/19	2019/20	2020/21	
Directorate / Scheme		£	£	£	
<b>Corporate and Commercial Services</b>					
IT Programme		(1,095,000)	515,000	580,000	Realign and Rephase to 2019/20
<b>Corporate and Commercial Services TOTAL</b>		<b>(1,095,000)</b>	<b>515,000</b>	<b>580,000</b>	
<b>People and Place</b>					
Moorhey Street Depot – Re-wire		(200,000)	200,000		Rephase to 2019/20
A62 Oldham Road Corridor- Manchester Boundary to M60 Motorway-District Centres Business Support (Neighbourhood Developments)		(40,000)	40,000		Rephase to 2019/20
Backlog Maintenance - Civic Centre 2nd Lift		(330,500)	330,500		Rephase to 2019/20
Essential Condition Works - General Provision		(1,200,000)	1,200,000		Rephase to 2019/20
Town Centre Public Realm		(940,907)	940,907		Rephase to 2019/20
Oldham Coliseum Theatre – Phase C		(2,000,000)	2,000,000		Rephase to 2019/20
Oldham Heritage & Arts Centre – Phase A		(1,000,000)	1,000,000		Rephase to 2019/20
Oldham Heritage & Arts Centre – Off Site Storage		(406,000)	406,000		Rephase to 2019/20
Corporate Property – Asset Management schemes		10,621			Realignment within Service
Corporate Property – Education Premises schemes		(10,621)			Realignment within Service
Schools - General Provision		(44,533)			Removal of budget
Schools - Primary		(48,166)			Removal of budget
Schools - Secondary		(2,553)			Removal of budget
Schools - Special		(5,260)			Removal of budget
<b>People and Place TOTAL</b>		<b>(6,217,919)</b>	<b>6,117,407</b>	<b>0</b>	
<b>TOTAL</b>		<b>(7,312,919)</b>	<b>6,632,407</b>	<b>580,000</b>	

<b>FINANCING BUDGETS TO BE REPROFILED AS AT 30 JUNE 2018</b>			
<b>Fund Source / Scheme</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Grants and Contributions</b>			
Essential Condition Works - General Provision	1,200,000	(1,200,000)	Rephrase to 2019/20
Oldham Heritage & Arts Centre – Phase A	1,000,000	(1,000,000)	Rephrase to 2019/20
Corporate Property – Asset Management schemes	(10,621)		Realignment within Service
Corporate Property – Education Premises schemes	10,621		Realignment within Service
Schools - General Provision	44,533		Removal of budget
Schools - Primary	48,166		Removal of budget
Schools - Secondary	2,553		Removal of budget
Schools - Special	5,260		Removal of budget
<b>Grants and Contributions TOTAL</b>	<b>2,300,512</b>	<b>(2,200,000)</b>	
<b>Prudential Borrowing</b>			
Moorhey Street Depot – Re-wire	200,000	(200,000)	Rephrase to 2019/20
A62 Oldham Road Corridor- Manchester Boundary to M60 Motorway-District Centres Business Support (Neighbourhood Developments)	40,000	(40,000)	Rephrase to 2019/20
IT Programme	882,408	(422,408)	Realign and Rephase to 2019/20
Town Centre Public Realm	940,907	(940,907)	Rephrase to 2019/20
Backlog Maintenance - Civic Centre 2nd Lift	173,072	(173,072)	Rephrase to 2019/20
<b>Prudential Borrowing TOTAL</b>	<b>2,236,387</b>	<b>(1,776,387)</b>	<b>(460,000)</b>
<b>Capital Receipts</b>			
IT Programme	212,592	(92,592)	Realign and Rephase to 2019/20
Oldham Coliseum Theatre – Phase C	2,000,000	(2,000,000)	Rephrase to 2019/20
Backlog Maintenance - Civic Centre 2nd Lift	157,428	(157,428)	Rephrase to 2019/20
Oldham Heritage & Arts Centre – Off Site Storage	406,000	(406,000)	Rephrase to 2019/20
<b>Capital Receipts TOTAL</b>	<b>2,776,020</b>	<b>(2,656,020)</b>	<b>(120,000)</b>
<b>TOTAL</b>	<b>7,312,919</b>	<b>(6,632,407)</b>	<b>(580,000)</b>