

Cabinet

23 September 2020



Title	Capital Monitoring Report		
Purpose of the report	To note		
Report Author	Grantley Miles (Interim Chief Accountant)		
Cabinet Member	Councillor Sati Buttar	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	Cabinet to note the current level of spend.		
Reason for Recommendation	Not applicable		

1. Capital Expenditure to date and Estimated Outturn

- 1.1 Attached as Appendix A & B is the actual spend to date on capital covering the period April to July 2020. Appendix A provides a summary for capital schemes by portfolio. Appendix B provides a summary of the progress against each capital scheme, with comments on progress.
- 1.2 For the period ending July 2020, the approved 2020/21 Capital Budget including slippage is £142.2m. Actual capital expenditure including commitments to the end of July is £22.1m, with a projected outturn of £31.5m at the end of the year leading to an expected underspend of £110.7m.
- 1.3 It should be noted that Covid-19 has impacted on the overall progress of capital schemes in 2020/21 and has caused delays in the procurement of contractors and supplies. It is anticipated that key planning and economic development schemes will be further delayed due to the impact of Covid-19 upon Planning Committee meetings. It is likely delays in obtaining approval for planning decisions will occur and this will make it difficult for some schemes to progress in line with the budget. A summary of the main highlights of each portfolio follows.
- 1.4 **Councillor Attewell – Community Wellbeing and Housing**

An underspend of £0.035m is projected at year end. This relates to an underspend of £0.065m on the Landlord Guarantee Scheme which is not now required. It is proposed to vire these monies to fund Sharepoint a scheme in

Councillor Noble's Portfolio which will enable the redesign and relaunch of Sharepoint. There is also an overspend shown of £0.030m resulting from a late invoice received in 2020/21 in respect of Home Improvements for 2018/19. This additional expenditure will be funded by a Surrey County Council contribution.

1.5 Councillor Barratt – Compliance, Risk and Waste

An overspend of £0.291m is projected at year end. This principally relates the acquisition of replacement waste vehicles at the end of its life which it was agreed to be funded from revenue reserves and additional CCTV which it is planned to fund from S106 funding.

1.6 Councillor Chandler- Leisure Services & Leisure Centre Development

An underspend of £1.98m is forecast on the new Leisure Development project at the end of the year. The project is moving forward and the necessary approvals for planning permissions will be sought within the next few months. Any underspend will be carried forward at year end.

1.7 Councillor McIlroy – Deputy Leader, Housing Regeneration

An underspend of £89.7m is forecast at year end. The underspend at year end relates to delays in a number of major redevelopments; Thameside House, Oast House, Ashford Hospital, Elmsleigh Centre. Redevelopments by their nature are subject to delay and the impact of Covid-19 on the building industry contributes significantly to the delays. Any underspend will be carried forward at year end.

1.8 Councillor Boughtflower – Leader

An underspend of £19.2m is forecast at year end. At the end of July it is anticipated that £0.8m will be incurred on acquisitions in 2020/21.

1.9 Councillor Noble – Communications, Corporate Management & Environment

An overspend of £0.055m is projected at year end. This overspend is mainly due to a £66,000 overspend on IT homeworking costs resulting from the need to deliver effective working from home for staff during the Covid-19 pandemic. These costs will be funded from the Covid-19 Grant as a revenue contribution to fund capital expenditure.

2. Financial implications

2.1 Any underspend on the approved Capital Programme enables the authority to invest the monies to gain additional investment income or can be used to fund additional schemes.

3. Timetable for implementation

- 3.1 Monthly monitoring reports are prepared for Management team which incorporate regular updates on the progress of capital schemes.

Background papers: None

Appendices: A&B