

Cabinet

19 May 2021



Title	Capital Monitoring Report 2020/21 – 31 March 2021
Purpose of the report	To note the report
Report Author	Paul Taylor – Chief Accountant
Cabinet Member	Councillor Sati Buttar
Confidential	No
Corporate Priority	Financial Sustainability
Recommendations	Cabinet is asked to note the current level of actual spend, committed spend and projected underspend capital expenditure in 2020/21 as at 31 March 2021.
Reason for Recommendation	Not applicable

1. Capital Expenditure to 31 March 2021 and Outturn for 2020/21

- 1.1 Following discussions with a number of Councillors and reviewing reports submitted by other similar districts and boroughs, we present our streamlined report for the year to 31 March 2021 (Please see notes section below).
- 1.2 Attached as Appendix A & B is the agreed capital budgets, cumulative actual spend to date, projected outturn and variance between budget and outturn.
- 1.3 Appendix A provides a summary for capital schemes by portfolio and Appendix B provides a detailed summary of the progress against each capital scheme from inception.
- 1.4 For the period up to 31 March 2021, there is an under spend of (£19.8m) on the Council approved £298.7m Capital Programme for 2020/21. Actual capital expenditure to the end of March is £51.2m, with a projected outturn of £278.9m.
- 1.5 There have been some delays in the overall progress of capital schemes in 2020/21 which inevitably occurs as part of a development programme with contractors, this has been magnified by the impact of COVID-19, for example reducing the number of tradespeople who can safely work on site at any one time, which the Council have been actively monitoring. A number of projects scheduled to be completed by 31 March 2021, have been rolled over into 2021/22 in accordance with our constitution.
- 1.6 The decision to pause three Staines-upon-Thames development schemes made at the Extraordinary Cabinet meeting on 21 January will result in delays in obtaining approval for planning permission and this will make it

difficult for some schemes to progress in line with the budget. Once the planning outcomes are known, officers will revise the Outturn projections accordingly.

- 1.7 Any significant variances over £50k or over 20%, whichever is the higher between budget and the latest outturn projections are highlighted below.

1.8 **Councillor Attewell – Community Wellbeing and Housing**

No significant change since last quarter and nothing to report.

1.9 **Councillor Barratt – Compliance, Risk and Waste**

No significant change since last quarter and nothing to report.

1.10. **Councillor Chandler – Leisure Services, Leisure Centre Development**

No significant change since last quarter and nothing to report.

1.11 **Cllr McIlroy - Deputy Leader, Housing Regeneration**

A projected overspend of £3.0m against the original budget on Benwell House Phase I as the original design was changed from 39 to 55 units, to include more two-bedroom apartments in order to align with our housing policy.

An underspend of (£5.0m) on building improvements was not utilised and monies released.

Current expenditure on the White House Residential scheme is delayed until after approval of the Local Plan later in the year. In the event that the project is stopped, all costs to date will be written back to the revenue account.

An estimated overspend of £100k in respect of West Wing as a result of subsequent requests for SULO bins and arc fault detections.

An estimated overspend of £250k in respect of White House Hostel due to an increased specification including a fire sprinkler system.

An estimated overspend of £1.47m in respect of Ashford Victory Place Residential scheme due to delays caused by the pandemic and planning committee decisions for enhanced energy efficiency over and above planning policy requirements.

1.12 **Councillor Boughtflower – Leader**

As reported in Q3 after accounting for the miscoding, there was an underspend of (£19.3m), which is being released.

1.13 **Councillor Noble – Communications, Corporate Management & Environment**

No significant change since last quarter and nothing to report.

2. **Financial implications**

- 2.1 Once completed, any underspend on the approved Capital Programme enables the authority to invest the monies to gain additional treasury management investment income or can be used to fund additional schemes.

3. Notes

- 3.1 The cumulative period covers from 1 April 2017 through to 31 March 2021 (four financial years).
- 3.2 Revised Budget – represents the aggregate of the original and any supplementary budgets approved by Council for this capital project.
- 3.3 Actual expenditure – represents cumulative expenditure to date for the capital project.
- 3.4 Outturn Projections – represents officers best estimate of likely Outturn of the project and includes all known variations to the approved budget at the time of the report.
- 3.5 Variance – represents the difference between 3.2 and 3.4 above with explanations.

4. Timetable for implementation

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

Background papers:

Appendix A – Summary Capital Monitoring Report at 31 March 2021

Appendix B - Detailed Capital Monitoring Report at 31 March 2021