

Report

Cabinet



Part 1

Date: 13 February 2019

Item No: 6

Subject **Capital Programme Monitoring and Additions December 2018**

Purpose To submit to Cabinet for approval, requests for new capital schemes to be added to the Council's Capital Programme, which will form the basis for new remaining 4 years of the 5 year programme to be included in the new capital strategy, treasury management strategy and its revenue funding within the 2019/20 MTFP budget report.

To update Cabinet on current spending against the Capital Programme schemes highlighting the forecast outturn position for the programme as at December 2018.

Author Assistant Head of Finance

Ward All

Summary In 2018/19 a substantial 5-year capital programme to enable service delivery and invest in the City. The capital programme is also a key enabler in delivering the ambitious plans set out in the Corporate Plan and commitments set out within it. As we approach the end of the first year of the five-year programme, the original programme has been built upon and updated as new demands/opportunities have been forthcoming.

The programme includes some substantial schemes to help deliver the service objectives of the organisation, and the commitments set out in the Corporate Plan, these include:

- inclusion of £70m investment in 21st Century Schools Band B project;
- investment in various regeneration schemes across the City, such as the market arcade and commercial street;
- substantial fleet replacement programme
- investment into new children's homes
- delivery of Civil Parking Enforcement

The development of the capital programme needs to be made up in the context of affordability and sustainability and capital expenditure can place a long term revenue commitment on the authority. This is set out in the capital strategy to be approved by full Council in its February meeting.

This report updates Cabinet on the current capital expenditure position as at the end of December 2018 along with the forecast outturn for the remainder of 2018/19. The position shows an overall variance of £4,662k, this is broken down into slippage into 2019/20 of £4,469k and an underspend of £192k. It is requested that the slippage is moved from 2018/19 into the 2019/20 budget.

Included within 2018/19 capital additions of £4,436k which is requested to be added into the overall 5-year programme, these are funded by a variety of borrowing, grants and

section 106 monies. The overall 5-year programme has increased by £25,214k the detail of which is included in Appendix C. The additions are still within the affordability headroom for capital expenditure.

The report also updates Cabinet on the current position regarding capital receipts. To date £223k of capital receipts have been received this year, it is anticipated there will be approximately £1.74m of capital receipts received by the end of 2018/19.

Proposal To approve the additions to the Capital Programme requested in the report (Appendix C) and approve slippage from 2018/19 budget into 2019/20.

To note the available remaining headroom over the life of the capital programme and the need to prioritise capital expenditure within this envelope to ensure the programme remains affordable.

To note the capital expenditure forecast position as at December 2018.

To note the balance of and approve the allocation of in-year capital receipts.

Action by Assistant Head of Finance

Timetable Immediate

This report was prepared after consultation with:

- Heads of Service
- Accountancy teams for relevant service areas
- Relevant Service Area Project Managers
- NORSE Property Services

Signed

Background

The table below shows the updates of the Capital Programme since the original was approved as part of the budget report in February 2018. Since the last report which was the monitoring for September, there has been an additional £25,214k added to the programme, taking the total 5-year programme to £159,283k (detailed in Appendix C). Additions to the programme to date have all been within the headroom available, which is detailed later in the report.

Report	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	Total £000's
	Budget	Budget	Budget	Budget	Budget	
Original Programme	35,805	24,884	23,309	23,606	19,282	126,885
Outturn Report (29.05.2018)	48,877	24,884	23,309	11,606	19,282	127,958
Monitoring Report – July	50,629	29,163	27,192	6,810	18,110	131,904
Monitoring Report – Sept	34,417	35,540	27,192	18,810	18,110	134,069
This Report	34,383	56,788	28,892	20,110	19,110	159,283

Changes to the approved Capital Programme

- The changes to the capital programme identified in this report have decreased the overall size of the current year programme by £34k since reported in the Monitoring and Additions Report in September. This includes both additions of £4,436k, offset by slippage into 2019/20 of £4,469k, taking the total amount that has been slipped from 2018/19 during the year to £9,968m. These budget changes and their associated funding are listed in Appendix C and are requested to be approved by Cabinet, whilst Appendix B shows the capital expenditure and detailed forecast for 2018/19. The additions to the programme are summarised in the paragraphs below.

Education

- **21st Century Schools (Band B)** – Whilst this is not an addition to the programme it should be noted that since the Monitoring and Additions Report in September, Welsh Government have changed the intervention rate awarded for any Band B programme from 50% to 65%, this has enabled the overall headroom to increase across the capital programme but has not increased the Band B programme further than that what has already been approved.
- **Welsh Medium Primary** – This is a grant funded by Welsh Government to establish a new Welsh-medium Primary School with nursery and SEN facilities.

Regeneration, Investment & Housing

- **Arva Investment (£720k)** – This is a loan to Arva Investments for the development of 195-198 Upper Dock Street which is funded by repayable funding. This funding is from Welsh Government as a one off amount to support town centre regeneration to Newport City Centre. The project will renovate three commercial units on the ground floor as well as converting eight apartments on the upper floors with a new entrance. There was a delay to the project due to waiting for planning consent but all matters have now been resolved and the expected completion date is October 2019, this potentially means that some of the funding will be slipped into 2019/20.
- **Renewable Energy (£1,729k)** – This scheme has been added to the programme in 2019/20 to explore opportunities for investment in renewable energy.

People and Business Change

- **Customer Relationship Management (CRM) system (£681k)** – This scheme is for the development of a customer facing system which integrates and rationalises a number of council systems. This scheme has been profiled across two financial years, with the majority of the spend occurring in this financial year. There are four phases to this rollout with phases 1 – 2 due to be completed this financial year.
- **Local Full Fibre Network (£10,000k)** – Newport City Council have submitted a bid to the Department for Digital, Culture, Media & Sport for the development and implementation of a Full Fibre Network. Newport is the lead authority for the bid and this is expected to be funded by both grant funding and contributions from the other authorities.

Children's and Families Services

- **Children's Residential Home (£650k)** – A bid has now been approved for ICF funding to purchase a four bed residential home for children with complex needs within Newport. A property has been located and is expected to complete by the middle of February 2019.
- **Oaklands Children's Respite (£505k)** – This is another bid which has been approved by ICF grant funding. This is to carry out renovations to the building following on from the feasibility study which was carried out by Norse last year. The scheme is expected to complete by the end of March 2019.

City Services

- **Road Safety Grant (£1,800k)** – Following the announcement from Welsh Government for additional grant funding being made available for highway refurbishment works, Newport have received £600k in 2018/19, 2019/20 and 2020/21. Due to how late the confirmation of the funding allocation has been given, not all spend will be able to be achieved, so it is expected that this grant will be awarded on a capital displacement basis. This money can be spent on any non grant funding within 2018/19, provided that within 2019/20 the money is spent on highway refurbishment.
- **Increased Recycling (£1,250k)** – This scheme has been agreed as a result of the MTFP budget proposal for 'Increased Recycling'. This is for the purchase of new bins and food caddies to increase recycling from household collections to allow the Council to achieve statutory recycling targets. The scheme has been profiled across two financial years with £1,128k requested to be added to the capital programme in 2019/20 as part of the Capital and Treasury Management Strategy report. This is due to the fact that whilst the food caddies can be delivered by the end of March, because the tenders for the bins have only just been awarded the cost of the bins will now come out of 2019/20.
- **Newport Station Footbridge (£3,077k)** – This is a new grant through the Local transport which was awarded in Newport for a new footbridge from Devon Place into the town centre, full spend is forecast this year, and we have also received indicative figures for 2019/20 and 20/21.
- **18-19 Correction Collaborative Change Programme (£1,175k)** – This is grant from Welsh Government which has been paid directly over to Wastesavers for improvements to infrastructure and the recycling equipment. Full spent has been achieved.
- **Local Transport Fund Monkey Island Bridge Lliswerry (£30k)** – This scheme is again funded by LTF which was awarded at the end of November to set up a project group and undertake feasibility studies on the proposed scheme to build a bridge across Monkey Island in Lliswerry. Full spend is expected.
- **LTF Sustainable Transport (£25k)** – This grant has been awarded by LTF at the end of November for the purpose of undertaking a Sustainable Transport Study within Newport. The project is on track and full spend is expected, with the view to be able to complete a 'continuation' bid once the study has been finalised.

Update on available headroom

The budget report set by Cabinet in February 2018 set out a framework to ensure the Council would maximise its capital expenditure while keeping within the current affordability envelope, "headroom", which would not cause additional pressure on the revenue budget to that currently set.

The headroom is impacted by capital expenditure that is not funded by external resources i.e. grants or cannot be funded through the revenue savings it achieves. The framework approved at Council agreed the following:

- Funding from sources other than borrowing needs to be maximised, by securing grant funding whenever possible and, maximising capital receipts
- Regeneration schemes would be funded from ring-fencing the capital expenditure reserve only and Joint Venture funds. Other kinds of support through making of loans etc. would then be considered to support schemes, where it was needed and appropriate.
- Any change and efficiency schemes or schemes which save money requiring capital expenditure would be funded by netting off the savings achieved
- Schemes and projects which generate new sources of income would need to fund any capital expenditure associated with those schemes.

The table below gives the latest position on the available headroom as at December 2018/19 across the five-year programme.

The headroom as increased since the September monitoring report due, in the main, to the increased intervention rate for 21st Century Band B and additional capital grants within the final settlement over three years, starting 2018/19.

Capital Headroom to 2023/24	£'000	
Uncommitted Borrowing Headroom	8,514	Where capital cannot be funded from external sources (i.e. grants) or through the savings it makes, it will need to be funded by borrowing or capital receipts. This source of funding will reduce the headroom available.
Uncommitted Usable Capital Receipts*	289	
Forecast Capital Receipts**	2,258	
Uncommitted Headroom	11,060	
Uncommitted JV Receipts	1,150	As per framework available JV receipts and the capital expenditure reserve will be earmarked for regeneration schemes.
Uncommitted Capital Expenditure Reserve	5,022	
Available for Regeneration schemes	6,172	
Total Available	17,232	

*Usable Capital Receipts only include the amount that has actually been received by the authority through disposals.

** The forecast for future capital receipts only includes ones where there is a high level of certainty that they will be achieved in the year. The above headroom does not include any receipts gained through selling vehicles; this work is currently being undertaken.

Any decision to add projects to the programme must be aware of the impact that it will have on the headroom until 2023/24. As the table shows above, there is £11,060k available headroom that has not been earmarked for other purposes. Over the remaining life of the programme this is a very challenging amount. Therefore, when making decisions on capital expenditure, officers and Cabinet need to be mindful of the available headroom and the affordability of the programme, and will need to prioritise expenditure accordingly. Any expenditure over the value of the headroom will cause a pressure on the revenue medium term financial plan. A capital strategy has been drafted, which outlines the long-term challenge the Council faces in regards to capital expenditure, this is to be approved by Full Council alongside the Treasury Strategy 2019/20 at February Council.

Any slippage or re-profiling of budgets within the 5-year programme does not affect the headroom, as it focuses on the overall funding required over the life of the programme and not on an individual year basis.

2018/19 Capital Expenditure Position as at December 2018

- The 2018/19 capital programme allocation now totals £34,383k after slippage. Capital expenditure incurred up to the end of December 2018 totalled £13,618k, which is still quite low at 39.6% of the overall budget with three quarters of the year gone. Whilst it is appreciated that a significant level of capital expenditure tends to be incurred in the final quarter of the financial year, as has been the trend for many years, this is still low. Considering, as well, the level of slippage which occurred in 2017/18, it is vital that budget holders forecast their outturn accurately. Project managers will be expected and are obliged to continue to control their schemes robustly and monitor them closely to ensure accurate forecasting. Failure to do so has a detrimental impact on the Council's medium term capital planning.
- The forecast outturn position for the 2018/19 programme is currently estimated to be £34,191k as detailed in the following table. This includes additions of £4,436k, additional slippage of £4,469k and an underspend of £192k. An update on the headline/ high value schemes is provided in the next section; Appendix B summarises the progress on the remainder of this year's programme.

Service Area	Updated Budget 2018/19 £000's	Forecast Outturn £000's	Slippage £000's	(Under)/Over Spend £000's
Education	12,133	10,495	(1,546)	(92)
Regeneration, Investment & Housing	12,029	10,761	(1,268)	0
People & Business Change	884	794	(90)	0
Adult & Community Services	195	195	0	0
Children & Young People Services	1,831	1,831	0	0
City Services	11,780	10,115	(1,565)	(100)
Total	38,852	34,191	(4,469)	(192)
Budget following slippage	34,383	34,191	N/A	(192)

Update on Headline / High Value Schemes

Education

- Within the 21st Century Schools Band A Programme, two of the original six project streams remain ongoing: Maes Ebbw Special School expansion, and Ysgol Gyfun Gwent Is Coed (YGGIC) / John Frost School. All works are complete in relation to the demountables, nursery and Welsh-medium primary programmes. The Caerleon Lodge Hill Primary rebuild was handed over to the Council in October half-term with all furniture and IT systems installed prior to the pupils entering the school. The infant building is now vacant and currently being managed by Education. Work is ongoing to consider the future use of the building. Following a delay, the contractor working on Maes Ebbw is working hard to reduce the delay and is confident that the project will be completed by Easter 2019. Following a meeting in December the final account position for Ysgol Gyfun is Coed is near to being agreed. Once the figure is agreed a report will be issued to consider options for the remaining budget.
- Newport Norse and the Education Department have been working closely together in order to robustly plan the 21st Century Schools Band B. Four schools have been identified as projects to commence in this financial year. Is Coed Secondary Band B (£75k), Bassaleg Secondary (£105k), Caerleon (£100k) and Whiteheads Primary (£110k). Reports from the scoping workshops have been issued to the schools. The information will now be used to develop the individual school briefs. This information will also support the development of costs for the programme Costs have been developed for Ysgol Gyfun is Coed and the outline business case is due to be submitted at the end of January. Costs have come in significantly more than the original indication and schemes will need to be prioritised to keep the programme within the £70m envelope.
- Due to the delay in the opening of Glan Llyn, the budget required for the furniture fixtures and equipment has largely been slipped in 2019/20.

Regeneration, Investment and Housing

- Gypsy/ Traveller Site Development – The project is progressing well with the majority of the ground works completed and the building of the plots are due to finish mid-March with handover expected by 31st March 2019. Some slippage has been requested into 2019/20 for archaeology fees and

refurbishment to the community centre on site, however all Welsh Government grant monies are expected to be spent by the end of the financial year.

- The Renovation Grants budget, currently split between Disabled Facilities Grants (£765k) and Safety at Home (£346k) but can be flexed as necessary. Expected slippage has reduced from September report by £61k due to a slight increase in expected applications. The DFG budget is enhanced yet again by the ENABLE Support for Independent Living grant (£197k) awarded by Welsh Government.
- The asset maintenance programme is showing further slippage of £56k into 2019/20. This is due to it being looked at as a two-year programme by Norse, and the size and complexity of the projects means the weighting of the spend is shifted towards 2019/20.
- The redevelopment of 123-129 Commercial Street continues on programme. The completed scheme will be named Liberty Gardens. The next phase will start in 2019/20 which will see the external facades of the now completed structural shell installed.
- Market Arcade - HLF have agreed to a partial 'permission to start' in light of ongoing complexities with the scheme as a result of the disparate ownerships involved. Newport City Council can proceed with technical development and tender the scheme in order that all stakeholder have clarity over costs before committing to the full refurbishment. This has effectively introduced a third stage to the project which allows some ability to reclaim abortive costs incurred in reaching this stage, which largely relate to professional fees. The technical design is scheduled to be completed and tender docs issued by June 2019.
- Neighbourhood hubs – The Ringland pilot is incorporated within the TRI capital programme and the application is to go to February panel for approval, however, it is uncertain whether approval will be given in this financial year, but it is likely to be approved in 2019/20. Full spend of the MALD and Flying Start grants are expected this financial year.
- Transporter Bridge - HLF have given permission to start on development stage. A new project co-ordinator has been appointed and consultants have been also employed to develop the interpretation plan. Norse are going out to tender, and look to have all appointed by April 2019. The programme is currently on target despite some delays with HLF confirming funding.

People and Business Change

- The IT System & Equipment Replacement Programme budget was reduced in 2018/19 from £225k to £150k in line with the SRS business case. Following the September report, £167k was slipped into 2019/20 with additional slippage now requested of £90k.

Adult and Community Services

- Both the Telecare Service Equipment and GWICES schemes are progressing as planned. Full spend forecast.

Children and Family Services

- Children's Residential homes – Following approval by Cabinet, work has been ongoing to procure three new properties which will be suitable for use as children's residential homes. One property has already been purchased. We have now received confirmation of ICF funding to purchase another four bed property for use as a residential home for children with complex needs. A further potential property has been identified, and a grant of £41k has been awarded by ICF to carry out feasibility works. £900k from the original budget has been slipped into 2019/20, but the programme has been updated the £650k grant that has been approved by ICF.

City Services

- Fleet Replacement Programme – Detailed work has been undertaken to understand the total requirement for the Fleet replacement, and whilst this may change slightly as demands change, such as moving more towards the use of Electric vehicles, all known requirements have been included. Due to the lead time of vehicles needed to be purchases, slippage further slippage is expected.
- LFT Eco Stars (£55k) – This is a grant that has been awarded by Local Transport Fund in order for the council to carry out public transport enhancements to undertake work with a company called EcoStars, and an underspend of £12.5k is forecast due to a delay in the project and work not being able to commence until quarter three of 2018/19.
- Decriminalised Parking – The Council is looking to introduce Civil Parking Enforcement in 2019. The signs and lines statutory review has now been finalised. The review conducted divided the city into 9 zones, a significant amount of slippage is requested, but the project is on track. Because of the varied nature of the zones, there was no real clarity until recently on how best to phrase the scheme. The 'Sign' element of the project is due commence soon when the tender is awarded by procurement and it is hoped that potentially, up to two of the nine zones will be able to be completed by the end of March. The 'Lines' element of the project has completed two out of the nine zones. However, both elements of the scheme are dependent on the weather and contractor resource. The forecast has assumed that a proportion of the work will carry over into 2019/20 together with some associated staff and equipment costs. It must be stressed that this is a best estimate due to how heavily weather and resource dependant the project is. It is anticipated at this time that the full budget will be required to deliver this project.
- Streetlighting LEDs – Due to delays in being able to award the contract, testing requirements and the wait to get specialist contractors on site to carry out the testing as well as bad weather, the scheme is now behind schedule. However, the contact was awarded at the beginning of January and orders for the LED's are expected to be placed soon, but there is a six weeks lead time, therefore installation is now expected to begin in late March. Salix have confirmed that they are able to make an interim payment based on orders raised, but a significant amount of slippage is forecast.
- Schemes have been identified under the sub-headings of road safety, street-wide improvements and lighting column replacement, within the £500k annual budget allocation for Highways Capital Maintenance. Full spend is anticipated for 2018/19.

Update on Capital Receipts

The table below shows the latest position in regards to capital receipts. Capital Receipts of £223k have been received to date with another £1.74m is forecast to be received this financial year. The table below also shows capital receipts held for Newport Unlimited, which are attributable to the previous joint arrangement between Newport City Council and Welsh Government. As previously reported to Cabinet, these funds are earmarked for city centre regeneration.

Asset Disposed	Receipts Received in Year	Total Available Receipts 2017/18
	£	£
GENERAL CAPITAL RECEIPTS		
Balance b/f from 2017/18		7,251,703
Clevedon Road	122,000	122,000
Ebenezer Terrace	26,000	26,000
Land at Willenhall Street	60,000	60,000
Land at Usk Way	15,115	15,115
Total Committed – 21 st Century Schools		(3,451,794)
Total Committed – Fleet Replacement Programme		(3,734,200)
Total Amount Uncommitted		288,824
NEWPORT UNLIMITED		
Balance b/f from 2017/18		1,649,570
Total Committed from JV monies		(500,000)
Total Amount Uncommitted		1,149,570

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Overspend against approved budget	M	L	Regular monitoring and reporting of expenditure in accordance with the timetables set by Cabinet/Council should identify any issues at an early stage and allow for planned slippage of spend.	Corporate Directors / Heads of Service / Head of Finance
Programme growing due to unforeseen events	M	M	Good capital monitoring procedures and effective management of the programme should identify issues and allow for plans to defer expenditure to accommodate urgent works. Priority asset management issues are now being dealt with through a specific programme allocation.	Corporate Directors / Heads of Service / Head of Finance

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The programme supports a large number of the Council's aims and objectives

Options Available and considered

- To approve the changes to the Capital Programme and note the monitoring position as set out in the report, including the use of capital receipts.
- To note the current available headroom and prioritise future capital expenditure in order to maintain spend within the current affordability envelope.
- The Cabinet has the option not to put forward some or all of the changes to the Capital Programme set out in the report.

Preferred Option and Why

- To approve the changes to the Capital Programme and note the monitoring position as set out in the report, including the use of capital receipts.
- Agree to prioritise capital expenditure to maintain spend within current affordability envelope.

Comments of Chief Financial Officer

The overall position shows that as in previous years there is anticipated to be significant slippage on the capital programme into future years. Service managers are required to be robust in their forecasting and modelling as this has a significant impact on treasury management decision making.

As the report highlights, the available non-earmarked headroom available across the life of the programme is low considering the expected demands on capital in the future. Therefore prioritisation of capital spend is essential, and any capital spend over and above this headroom will have a significant impact on the revenue pressures on the MTFP.

Comments of Monitoring Officer

There are no legal issues arising from this report.

Comments of Head of People and Business Change

There are no direct HR implications associated with the report.

The prioritisation of the capital spend will need to continue be considerate of the requirements of the Well-being of Future Generations Act

Comments of Cabinet Member

N/A

Local issues

As the report deals with the Capital Programme for the Authority as a whole, there are no local issues.

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

N/A

Children and Families (Wales) Measure

N/A

Wellbeing of Future Generations (Wales) Act 2015

This update is against a backdrop of prolonged pressure on public services as a combination of reduced income, increased expectations, compliance with new legislation and the increasing costs of developing an affordable capital programme. Any changes to the capital programme will need to reflect and be consistent with the five principles underpinning the Wellbeing of Future Generation (Wales) Act 2015.

An effective capital programme enables the Council to support long term planning in line with the sustainable development principle of the Act.

Consultation

N/A

Background Papers

2018/19 Budget & Medium Term Financial Plan – February 2018
Capital Programme Outturn 2017/18 – June 2018
Monitoring and Additions Report – July 2018
Monitoring and Additions Report – September 2018

Dated: 23rd January 2019

APPENDIX A – Changes to 2018/19 Capital Programme

SCHEME	2018/19 Budget at Council	July Monitoring (September Cabinet)		September Monitoring (November Cabinet)		December Monitoring (February Cabinet)		Final Adjusted (Outturn)	Adjusted 2018/19	Under / Overspend
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
		Additions	Slippage	Additions	Slippage	Additions	Slippage			
EDUCATION										
21C Schools - School Reorganisation - Lodge Hill New Build	4,351				(655)		(442)		3,254	
21C Schools - Ysgol Gyfun Gwent Is Coed / John Frost School	1,958								1,958	
21C Schools - Special Sector Maes Ebbw	3,178			(40)	(378)				2,760	
Gaer Unit Floor				40					40	
Iscoed Secondary Band B	554				(37)				517	
Bassaleg Secondary Band B	703				72		(670)		105	
Caerleon Secondary Band B	0						100		100	
Whiteheads Primary Band B	285				(47)		(128)		110	
Maesglas Primary - Band B									0	
St Woolos Primary - Band B				8					8	
21st Century Schools - Band B		100		(8)			(92)		0	
Jubilee Park Primary FF&E	87								87	(64)
Glan Llyn FF&E Works	615				(515)		(50)		50	
St Gabriels RC Primary IT Replacement	10								10	
Pentrepoeth - IT Replacement	7								7	
John Frost School ICT Hardware Investment	52								52	(52)

Blaen-y-Pant Bungalow (Educational Use)	60								60	
St Mary's Toilet Refurbishment	15								15	
Somerton Primary - ICT Equipment	12								12	
Feminine hygiene hardware & toilet facilities	34								34	
Llswerry High (106 Funds)		172					(67)		105	
Llswerry High (IT Replacement Programme)				54					54	(1)
Reducing Classroom Size - Maesglas		521					(471)		50	
School Asset Improvements	890	21		288	(274)		274		1,199	25
Prior Scheme Accruals									0	
Total Education	12,811	814	0	342	(1,834)	0	(1,546)	0	10,587	(92)
REGENERATION, INVESTMENT & HOUSING										
Gypsy Traveller Site Development	2,736	400			(200)				2,936	
HLF Market Arcade Townscape Heritage Scheme	562	(368)			(115)		(42)		37	
Indoor Market Facilities Improvements	48	(48)							0	
Civic Centre / Info Station Service Relocations	694						(96)		598	
Info Station NSA Enabling	479						96		575	
123 - 129 Commercial Street (Pobol Regen)	1,692	(446)					(623)		623	
City Deal	1,738								1,738	
Mill Street Development	12,000			(12,000)					0	
Neighbourhood hubs	0			842			(438)		404	
Arva Investment Loan	0					750			750	
Disabled Facilities	1,200				(450)		15		765	

Safety at Home	300						46		346	
ENABLE Adaptations Grant		197							197	
Homelessness Grant	98								98	
Asset Management	1,901	48			(594)		(56)		1,299	
Flying Start Schemes	20	(20)							0	
FS Maintenance 1819		30							30	
FS Shaftsbury Community Centre		185							185	
Central Library Structural Safety Works	663				(563)		(20)		80	
Transporter Bridge		250					(150)		100	
Prior Scheme Accruals									0	
Total R I & H	24,131	228		(11,158)	(1,922)	750	(1,268)	0	10,761	0
PEOPLE & BUSINESS CHANGE										
IT Replacement Schemes	317				(117)		(90)		110	
Corporate EDMS Rollout	13								13	
CRM						461			461	
Replacement of High Volume Printing/ Copying Machines	210								210	
Total P & BC	540	0	0	0	(117)	461	(90)	0	794	0
ADULT & COMMUNITY SERVICES										
Telecare Service Equipment	30								30	
Appliances/Equipment for Disabled	165								165	
Total A & CS	195	0	0	0	0	0	0	0	195	0
CHILDREN & FAMILIES SERVICES										
3 New Homes	1,500	0			(900)	650		0	1,250	
Oaklands Respite Home		35				505			540	
Windmill farm Feasibility						41			41	

Total C & YP	1,500	35	0	0	(900)	1,196	0	0	1,831	0
CITY SERVICES										
Fleet Replacement Programme	1,033	1,225			(458)				1,800	
Bus station - Friars Walk Development				103					103	
Flood Risk Regulation Grant		91							91	
Local Transport Fund - Active Travel 2017/18									0	
Cemetery Infrastructure Improvements	138								138	
Peterstone Sewage Scheme	223						(198)		25	
Road Safety Capital 2018/19	0					600			600	
Composting	665								665	(88)
Docksway Cell 4 Development	1,301						200		1,501	
Smaller Bins MTRP BC	0					122			122	
Newport Station Footbridge LTF	0					77			77	
Decriminalised Parking	1,386				(86)		(723)		577	
Update Facilities in Parks		56							56	
Decommissioning of Cemetery Office & Toilets	20	(10)							10	
Building Improvements to Lodges		80							80	
Small Scale Works Grant		34							34	
Road Refurbishment Grant Scheme	1,038								1,038	
Street Lighting LEDs	3,158	(1,658)					(865)		635	
Local Transport Fund - Active Travel Northern 2018/19		270							270	
Local Transport Fund - Active Travel Design 2018/19		243							243	
LTNF - ECO Stars		55							55	(13)
Safe Routes - St David's RC Primary		84							84	

Gwastad Mawr Flood Attenuation Improvement Works		43						43		
18-19 Collection Collaborative Change Programme	0					1,175		1,175		
LTF Monkey Island Bridge Lliswerry Pill	0					30		30		
LTF Sustainable Transport	0					25		25		
Pye Corner Development Works	21			(21)			21	21		
Road Safety and Training	49							49		
General Traffic Management	33							33		
Streetwide Improvements	224							224		
Street Lighting Column Replacement	230							230		
Lliswerry Recreation Ground Changing Rooms	181	162		(161)				182		
Prior Year Schemes								0		
Total City Services	9,700	675	0	103	(726)	2,029	(1,565)	0	10,216	(101)
TOTAL EXPENDITURE	48,877	1,752		(10,713)	(5,499)	4,436	(4,469)	0	34,384	(193)
Funded By:										
General Capital Grant	2,465	0		0	0	2,300		0	4,765	
Supported Borrowing	4,051	0		0	0	0		0	4,051	
Unsupported/ Prudential Borrowing	26,388	(1,261)		(11,843)	(4,478)	(2,178)	(2,043)	0	4,585	
Capital Receipts	4,092	1,225		0	0	0	(979)	0	4,338	
External Grants	7,958	1,803		842	0	3,853	(1,536)	0	12,920	
Revenue/ Reserve Contributions	2,573	182		0	(563)	461	(118)	0	2,535	
S106 & Other Contributions	1,140	(197)		288	(458)	0	207	0	980	
Finance Lease	210	0		0	0	0		0	210	
TOTAL FUNDING	48,877	1,752	0	(10,713)	(5,499)	4,436	(4,469)	0	34,384	0

Appendix B – Update on Capital Programme

SCHEME	BUDGET 2018/19 (excl Slippage)	ACTUAL 2018/19	FORECAST OUTTURN	TOTAL VARIANCE	SLIPPAGE	(UNDER)/ OVER SPEND	COMMENT
EDUCATION							
21C Schools - School Reorganisation - Lodge Hill New Build	3,696	3,681	3,696	(0)	(0)	0	Scheme progressing, slippage expected due to delays and completion due in 18/19
21C Schools - Ysgol Gyfun Gwent Is Coed / John Frost School	1,958	874	1,958	(0)	(0)	0	School is now operational, underspend to be utilised on other areas of John Frost buildings per approval.
21st Century Schools - Special Sector Maes Ebbw	2,760	1,091	2,760	(0)	(0)	0	Scheme progressing as planned slight underspend which is being vired to Ysgol Bryn Derw
Gaer Flooring	40		40	0	0		Health and Safety works to be done on flooring
Iscoed Secondary - Band B	517	17	75	(442)	(442)	0	Surveys and Feasibility works to begin this financial year. Band B to commence 19/20
Bassaleg Secondary - Band B	775	69	105	(670)	(670)	0	Surveys and Feasibility works to begin this financial year. Band B to commence 19/20
Caerleon Secondary Band B	0	38	100	100	100	0	
Whiteheads Primary - Band B	238	39	110	(128)	(128)	0	Surveys and Feasibility works to begin this financial year. Band B to commence 19/20
Rogerstone Primary B		0	0	0	0	0	
Malpas Primary B		0	0	0	0	0	
St Woolos Primary B	100	8	8	(92)	(92)	0	Surveys and Feasibility works to begin this financial year. Band B to commence 19/20
Jubilee Park Primary FF&E	87	11	23	(64)	0	(64)	Majority spent in 17/18 IT costs to come through in 18/19
St Julian's High Building Improvements	0	(36)	0	0	0	0	Final Retentions to be paid
Glan Llyn FF&E Works	100	6	50	(50)	(50)	0	Small budget this Financial Year as school opening delayed until Sept 19.
St Gabriel's RC Primary IT Replacement	10	0	10	(0)	(0)	0	Funded by school

Neighbourhood hubs	842	112	404	(438)	(438)	0	Scheme delayed due to discussions with WG, reprofiled and new cashflow provided
Arva Investment Loan	750	235	750	0	0	0	
Disabled Facilities	750	352	765	15	15	0	Due to Backlog of OT recommendations PSH has not had the same level of applications to ensure full committal of budget but slippage of budget will be required in to 19/20
Safety at Home	300	272	346	46	46		On-going scheme – an anticipated overspend of circa £45K can be covered within the Disabled Facilities budget
ENABLE Adaptations Grant	197	148	197	0	0	0	On going scheme - full spend expected
Homelessness Grant	98	98	98	0	0	0	Scheme complete full spend.
Asset Management	1,355	569	1,300	(55)	(55)	0	Scheme progressing but slippage expected
FS Maintenance 1819	30	10	30	0	0		Scheme progressing as planned, full spend expected
FS Shaftsbury Community Centre	185	5	185	0	0		Scheme progressing as planned, full spend expected
Central Library Structural Safety Works	100	13	80	(20)	(20)	0	Additional spend has been identified in connection with Toilets and Children's Library
Transporter Bridge	250	13	100	(150)	(150)		Permission to start granted surveys and feasibility works to begin.
Prior Year Scheme Accruals		(162)	0	0	0		17/18 Outstanding Accruals under 20K
Subtotal Regeneration, Investment & Housing	12,029	3,370	10,761	(1,268)	(1,268)	0	
PEOPLE & BUSINESS CHANGE							
IT System & Equipment replacement	200	43	110	(90)	(90)	0	Delayed, slippage into 19/20
Corporate EDMS Roll Out	13	0	13	(0)	(0)	0	Scheme ongoing
CRM	461	0	461	0	0	0	
Replacement of High Volume Printing/Copying Machines	210	0	210	0	0	0	3 year lease @ £70k per annum.
Subtotal People & Business Change	884	43	794	(90)	(90)	0	
ADULT & COMMUNITY SERVICES							

Telecare Service Equipment	30	5	30	0	0	0	Change in supplier has delayed the service causing slippage
Appliance/Equipment for Disabled	165	165	165	0	0	0	Ongoing Scheme one payment per year for management fee.
ICF Centrica Lodge Improvements	0	(12)	0	0	0	0	Scheme completed 17/18 supps only
Subtotal Adult & Community Services	195	158	195	0	0	0	
CHILDREN & YOUNG PEOPLE SERVICES							
3 New Homes	1,250	478	1,250	0	0	0	One home purchased, looking likely to purchase another before year end, refurbishment works ongoing
Oaklands Respite Home	540	0	540	0	0	0	Scheme ongoing
Windmill Farm Feasibility Study	41	0	41	0	0	0	
	1,831	478	1,831	0	0	0	
CITY SERVICES							
Fleet Replacement Programme	1,800	340	1,800	0	0	0	Annual allocation, slippage due to lead times on vehicles
Bus station - Friars Walk Development	103	16	103	0			Final infrastructure works to be completed in 18/19
Flood Risk Regulation Grant	91	21	91	0			Scheme progressing as planned full spend expected
Local Transport Fund - Active Travel 2017/18	0	7	0	0	0	0	17/18 Scheme supps only
Cemetery Infrastructure Improvements	138	13	138	0	0	0	Scheme ongoing.
Peterstone Sewage Scheme	223	0	25	(198)	(198)	0	Scheme currently being developed further, additional budget likely to be required.
Road Safety Capital 2018/19	600	0	600	0	0	0	
Composting	665	567	577	(88)	0	(88)	Scheme complete
Docksway Cell 4 Development	1,301	1,471	1,501	200	200	0	Scheme progressing
Smaller Bins - MTRP BC	122	0	122	0	0	0	

Newport Station Footbridge LTF	77	0	77	0	0	0	
Decriminalised Parking	1,300	67	577	(723)	(723)	0	Scheme progressing as planned full spend expected
Update Facilities in Parks	56	6	56	0	0	0	Scheme due to commence
Decommissioning of Cemetery Office & Toilets	10	10	10	0	0	0	Scheme complete
Building Improvements to Lodges	80	0	80	0	0	0	Scheme due to commence
Small Scale Works Grant	34	8	34	0	0	0	Scheme progressing as planned full spend expected
Road Refurbishment Grant Scheme	1,038	705	1,038	0	0	0	Scheme due to commence
Streetlighting LEDs	1,500	8	635	(865)	(865)	0	Scheme progressing as planned, full spend expected
Local Transport Fund - Active Travel Northern 2018/19	270	25	270	0	0	0	Scheme progressing as planned, full spend expected
Local Transport Fund - Active Travel Design 2018/19	243	0	243	0	0	0	Scheme progressing as planned, full spend expected
LTNF - ECO Stars	55	0	43	(13)		(13)	Scheme progressing as planned, underspend expected - Grant funded
Safe Routes - St David's RC Primary	84	15	84	0	0	0	Scheme progressing as planned, full spend expected
Gwastad Mawr Flood Attenuation Improvement Works	43	0	43	(1)	(1)	0	Scheme progressing as planned, full spend expected
18-19 Collection Collaborative Change Programme	1,175	0	1,175	0	0	0	
LTF Monkey Island Bridge Lliswerry Pill	30	0	30	0	0	0	
LTF Sustainable Transport	25	0	25	0	0	0	
Pye Corner Railway Station Development Works	0	21	21	21	21	0	Full spend of remaining WG funding anticipated this year on Japanese Knot Weed Treatment and Landscaping. (To be transferred to revenue).
Road Safety and Training 18/19	49	1	49	0	0	0	Annual allocation 18/19 full spend expected
General Traffic Management	33	(5)	33	(0)	(0)	0	Annual allocation 18/19 full spend expected
Streetwide Improvements	224	4	224	0	0	0	Annual allocation 18/19 full spend expected
Street Lighting Column Replacement	230	118	230	(0)	0	(0)	Annual allocation 18/19 full spend expected

Liswerry Recreation Ground Changing Rooms	181	4	181	(0)	(0)	0	Scheme ongoing.
Prior Year Scheme Accruals	0	(61)	0	0	0	0	Prior year retentions waiting to be paid.
Sub total City Services	11,780	3,361	10,115	(1,665)	(1,564)	(101)	
TOTAL COST OF PROGRAMME	38,852	13,615	34,191	(4,662)	(4,469)	(192)	

Appendix C - Changes to the 5-year Programme

Report / Scheme Change	Funding Source	Service Area	18/19 Budget Change (£000's)	19/20 Budget Change (£000's)	20/21 Budget Change (£000's)	21/22 Budget Change (£000's)	22/23 Budget Change (£000's)	Total Budget Change (£000's)
2018/19 budget - September monitoring report to Cabinet			34,416	35,542	27,192	18,810	18,110	134,069
Welsh Medium Primary	Grant	Education		600	600	1,300	1,000	3,500
Arva Investment Loan	Repayable Grant Funding	Regeneration, Investment & Housing	750					750
Customer Relationship Manager	Reserves	Regeneration, Investment & Housing	461	220				681
Renewable Energy Investment	Borrowing (Repayable by Service)	Regeneration, Investment & Housing		1,729				1,729
Local Full Fibre Network	Grant / Revenue Contributions	People and Business Change		10,000				10,000
New Children's home	ICF Funding	Children and Family Services	650					650
Oaklands Refurbishment	ICF Funding	Children and Family Services	505					505
Feasibility Study - ICF Funding	ICF Funding	Children and Family Services	41					41
Road Safety Capital 2018/19	Grant	City Services	600	600	600			1,800
Smaller Bins - MTRP Business Case	Borrowing (Repayable by Service)	City Services	122	1128				1,250
Newport Station Footbridge	Grant	City Services	77	2500	500			3,077
18-19 Collection Collaborative Change Programme	Grant	City Services	1175					1,175
LTF Monkey Island Bridge Lliswerry Pill	Grant	City Services	30					30
LTF Sustainable Transport	Grant	City Services	25					25
Additional Slippage	N/A	Various	-4,469	4,469				0
Updated Budget 2018/19			34,383	56,788	28,892	20,110	19,110	159,283