

Written response to: Business and Transformation Scrutiny Panel

Resolution:

4) That further details on each of the carry forward requests be circulated to Members prior to the full Council meeting.

Written response from: Corporate Director of Finance and Resources

Response:

Further details on each of the carry forward requests have been attached in reports:
RD.13/19 – Provisional General Fund Revenue Outturn 2018/19 – Carry Forwards
RD.14/19 – Provision Capital Outturn 2018/19 – Carry Forwards

Date:10 June 2019

Report to Executive

Agenda
Item:

A.1(a)

Meeting Date: 17 June 2019
Portfolio: Finance, Governance and Resources
Key Decision: Yes
Within Policy and Budget Framework YES
Public / Private Public

Title: PROVISIONAL GENERAL FUND REVENUE OUTTURN 2018/19
– CARRY FORWARDS
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD 13/19

Purpose / Summary:

Following consideration of the draft outturn position at its meeting on 29 May the Executive asked that the Business and Transformation Scrutiny Panel consider the carry forward requests before they made a formal decision and recommendation to Council in July.

Requests have been made to carry forward committed expenditure of £406,700. The feedback from scrutiny was that although they were generally supportive of all the carry forwards requests they still had some reservations.

This report is to consider the feedback from Scrutiny relating to the carry forwards in the light of the updated outturn position.

Recommendations:

The Executive is asked to:

- (i) Consider the feedback from BTSP and consider the committed expenditure totalling £406,700, to be incurred in 2019/20, funded by a release from the General Fund Reserve in 2019/20 as detailed in Appendix 1 of the report, for recommendation to Council;
- (ii) Approve the creation of new reserves and transfers into and from the new and existing reserves of £206,275, in addition to the transfer from the building control reserve of £32,637, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report, for recommendation to Council;

- (iii) Approve, for recommendation to Council, the revised delegations for the release of the Building Control Reserve.

Tracking

Executive:	29 May 2019, 17 June 2019
Scrutiny:	BTSP 30 May 2019
Audit Committee:	8 July 2019
Council:	16 July 2019

1. BACKGROUND

- 1.1 This report is to consider feedback from the Business and Transformation Scrutiny Panel on the proposed carry forward of revenue budgets as set out in the Council's Provisional General Fund Outturn (RD01/19 refers) considered by the Executive on 29 May and BTSP on 30 May, prior to the Executive making a formal recommendation to Council in July.
- 1.2 Following the preparation of the provisional outturn reports, the next stage in the year-end process is the production of the Statutory Statement of Accounts and associated working papers for submission to the External Auditors by 31st May. As part of the quality review of these accounts, additional year-end accruals and other minor adjustments to the outturn position have been required. The total of these adjustments equates to £478,000. The revised outturn position is therefore as follows:

Directorate / Appendix	Original Budget £	Net Updated Budget £	Net Spend to Date £	Variance £	Carry Forwards £	Reserves £	Adjusted Variance £
Community Services	7,603,800	9,357,900	9,626,387	268,487	61,700	25,123	355,310
Corporate Support	2,889,700	1,472,000	1,375,684	(96,316)	10,000	0	(86,316)
Economic Development	889,100	1,808,900	1,786,269	(22,631)	34,800	38,687	50,856
Finance & Resources	2,592,500	1,115,300	839,403	(275,897)	6,300	54,100	(215,497)
Governance & Regulatory Services	254,900	880,800	848,620	(32,180)	43,600	88,365	99,785
Corporate Management	(1,603,000)	408,800	(197,273)	(606,073)	250,300	0	(355,773)
Service Expenditure	12,627,000	15,043,700	14,279,090	(764,610)	406,700	206,275	(151,635)
Transformation & Base Budget Savings	(1,242,000)	(837,100)	0	837,100	0	0	837,100
Service Expenditure	11,385,000	14,206,600	14,279,090	72,490	406,700	206,275	685,465
Parish Precepts	613,100	613,100	613,051	(49)	0	0	(49)
Total	11,998,100	14,819,700	14,892,141	72,441	406,700	206,275	685,416
Transfers to/(from) Reserves							
Car Park Improvement Reserve	0	(106,600)	(106,600)	0	0	0	0
Building Control Reserve	0	(32,300)	(64,937)	(32,637)	0	0	(32,637)
City Centre Reserve	0	(32,800)	(32,800)	0	0	0	0
Cremator Replacement Reserve	0	113,500	113,507	7	0	0	7
Carry Forward Reserve	(235,000)	(415,100)	(415,100)	0	0	0	0
Promoting Carlisle Reserve	0	(10,000)	(10,000)	0	0	0	0
Revenue Grants Reserve	0	(918,800)	(918,933)	(133)	0	0	(133)
General Fund Reserve	817,800	(543,000)	(448,930)	94,070	(406,700)	(206,275)	(518,905)
Planning Services Reserve	0	121,600	121,600	0	0	0	0
Prosecution Fund	0	(15,300)	(15,300)	0	0	0	0
Total Transfer to/(from) Reserves	582,800	(1,838,800)	(1,777,493)	61,307	(406,700)	(206,275)	(551,668)
Financed by:							
Precept from Collection Fund	(7,600,700)	(7,600,700)	(7,600,643)	57	0	0	57
Business Rate Retention	(4,531,700)	(4,931,700)	(5,065,464)	(133,764)	0	0	(133,764)
Revenue Support Grant	(448,500)	(448,500)	(448,541)	(41)	0	0	(41)
Total Grants	(12,580,900)	(12,980,900)	(13,114,648)	(133,748)	0	0	(133,748)
Total	(11,998,100)	(14,819,700)	(14,892,141)	(72,441)	(406,700)	(206,275)	(685,416)

2. CARRY FORWARD REQUESTS

- 2.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to facilitate the achievement of more strategic five-year budgeting which requires greater flexibility of budgets between years as set out in the Medium-Term Financial

Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:

- *the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*
- *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation Scrutiny Panel and to the Council.*

This delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.

2.2 Details of the carry forward requests, which itemise committed expenditure, are contained within **Appendix 1**. The requests have been subject to the scrutiny of the Business and Transformation Scrutiny Panel.

2.3 The formal minutes from BTSP are provided elsewhere on this agenda; however, the Panel made the following comments in relation to the carry forwards in the provisional outturn report:

- That future General Fund Revenue Outturn reports include more details on the schemes set out in the carry forward request table.
- That further details on each of the carry forward requests be circulated to Members prior to the full Council meeting.
- That the Panel had some reservation regarding the approval of the carry forward requests and felt it would be prudent for the Senior Management Team to investigate the possibility of alternative funding streams for the schemes.

2.4 Given the provisional outturn position on Council Services, the Executive can either:

- approve the carry forward requests for recommendation to Council as a supplementary estimate (£406,700 if all requests were approved). This would have an impact on the revenue reserves, or
- decide not to approve the carry forward requests or limit the request to the level of budget available. This would result in any carry forward request refused being a first call on Directorates' 2019/20 budgets, which would reduce the amount available to support service expenditure in 2019/20.

3. IMPACT ON RESERVES

3.1 The level of Council reserves was approved by Council in February. As a result of the outturn position, and if all of the carry forward requests and transfers to/from earmarked reserves are approved, the revised reserves position would be as follows:

	31/03/2019 £'000s	31/03/2020 £'000s	31/03/2021 £'000s	31/03/2022 £'000s	31/03/2023 £'000s	31/03/2024 £'000s
Prudent Level of Reserves	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)
Council Resolution General Fund Reserve	(4,867)	(4,354)	(3,327)	(3,655)	(3,861)	(4,248)
Overspend position to be taken from Reserves	72	0	0	0	0	0
Additional Funding from Business Rates	(134)					
Additional Use of Carry Forward Reserve	125					
Transfer (from)/to earmarked reserves & provisions: ⁽¹⁾						
- see paragraph 3.2	206					
- see paragraph 3.4	(33)					
Committed Carry Forwards	0	407	0	0	0	0
Revised Reserves Balance	(4,631)	(3,711)	(2,684)	(3,012)	(3,218)	(3,605)

Note 1: Transfers to/(from) earmarked reserves subject to approval

The Council's policy on reserves is that wherever possible reserves should not be used to fund recurring expenditure, nor dip below minimum recommended levels; however, in situations where this does occur, this should be made explicit and steps take to replenish reserves and to address the situation in future years.

3.2 Details of transfers into and from new/existing reserves and provisions requested as part of the outturn process are contained within **Appendix 2** and are summarised below.

	Net Approval Requested £
Apprentice Infrastructure (new)	54,100
Prosecution Reserve	10,000
Revenue Grants Reserve	142,175
Total Additional Transfers to Reserves	206,275

- 3.3 The creation of the Apprentice Infrastructure Reserve is to hold allocated budgets for Apprentice posts that is committed but will not be required until future years.
- 3.4 In accordance with statutory requirements any surplus generated by the Building Control function is required to be held as an identified earmarked reserve and can only be utilised for Building Control. In 2018/19 the required amount to be transferred from the Building Control Reserve is £32,637. This is in addition to £32,300 released during 2018/19 to fund eligible costs.
- 3.5 It is recommended that the delegations for the release of this reserve are amended to allow the Corporate Director of Economic Development to authorise release of the reserve through an Officer Decision Notice. The reserve is ring-fenced by statute to support improvements to the Building Control Service and is not available for general use by the Council and any release will be in line with this condition.

4. RISKS

- 4.1 Risks to future years' budget and development of ongoing impact of issues identified will be monitored carefully in budget monitoring reports and appropriate action taken.

5. CONSULTATION

- 5.1 Consultation to date.
Portfolio Holders, SMT and the Business and Transformation Scrutiny Panel have considered the issues raised in this report.

6. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 6.1 The Executive is asked to:
- (i) Consider the feedback from BTSP and consider the committed expenditure totalling £406,700, to be incurred in 2019/20, funded by a release from the General Fund Reserve in 2019/20 as detailed in Appendix 1 of the report, for recommendation to Council;

- (ii) Approve the creation of new reserves and transfers into and from the new and existing reserves of £206,275, in addition to the transfer from the building control reserve of £32,637, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report, for recommendation to Council;
- (iii) Approve, for recommendation to Council, the revised delegations for the release of the Building Control Reserve.

7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

7.1 The Council's budget is set in accordance with the priorities of the Carlisle Plan and the 2018/19 outturn shows the delivery of these priorities within budget.

Contact Officer: Steven Tickner

Ext: 7280

Appendices
attached to report:

- 1. Carry Forward Requests**
- 2. Reserve Requests**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is required for the use of revenue reserves to fund expenditure commitments as set out in the report.

FINANCE – Financial implications are contained within the main body of the report.

EQUALITY – This report raises no explicit issues relating to the public sector Equality Duty.

INFORMATION GOVERNANCE – There are no information governance implications.

Appendix 1 – Carry Forward Requests

Directorate/Section	Description	Requests into			Total
		2019/20 £	2020/21 £	2021/22 £	
<u>Corporate Support</u>					
ICT	For the provision of new card payment devices and associated software to enable point-to-point encryption which is crucial to ensuring the Council can comply with the Payment Card Industry Data Security Standard. The Council may be liable for non-compliance fines if it does not work towards compliance with our acquirer and ultimately our acquirer may be forced to terminate our relationship, which will prevent us from accepting payments by card. The supplier of the P2PE solution suffered a delay in the approval of the software by the PCI Security Standards Council. In turn, this delayed the project to implement the solution. The project is now due for completion in September 2019.	10,000			10,000
		10,000	0	0	10,000
<u>Finance and Resources</u>					
Internal Audit	To provide dedicated support of a specialist IT auditor to undertake a risk assessment of where IT audit work should be undertaken in future. This piece of work was completed in April 2019. The work could be funded from base budgets in 2019/20 however no further IT audit work would be able to be undertaken until the 2020/21 financial year.	6,300			6,300
		6,300	0	0	6,300
<u>Corporate Management</u>					
Direct Revenue Financing	Budgets allocated to fund capital programme where expenditure has slipped into 2019/20 and resources are required to be carried forward. <ul style="list-style-type: none"> £94,000 Council contribution for the now withdrawn Bitts Park Tennis Facilities scheme that is now planned to be utilised on the reinstatement of Bitts Park Lodge; £150,000 was allocated for a property purchase that has now completed at the end of May 2019; £6,300 relates to the provision of green gyms at Yewdale 	250,300			250,300
		250,300	0	0	250,300
<u>Community Services</u>					
Policy & Communications	Two-year fixed term Apprentice appointed (OSA044-18/19), part funded from Apprentice Infrastructure Fund and part from own budgets.	11,800			11,800
Neighbourhood Services	To ensure continuation of the apprentice scheme for approved posts in Neighbourhood Services. Funding was identified within Neighbourhood services budgets for 3 apprentices to match the funding available from the Apprenticeship Levy. The posts supported are an Apprentice Mechanic	47,900			47,900

Directorate/Section	Description	Requests into			Total
		2019/20 £	2020/21 £	2021/22 £	
Small Scale Community Projects	(Started 2018), Business Admin Apprentices (x2) (Started May and June 2019) Agreed contribution from 2018/19 allocation to Cowans Sheldon Art Project which is due to be paid across in 2019/20.	2,000			2,000
		61,700	0	0	61,700
<u>Economic Development</u>					
Community Infrastructure Levy	Project was unable to progress during 2018/19 as anticipated. Further certainty from Government will now allow project to proceed and establish mechanism (CIL) for the recovery of contributions to infrastructure from developers. Such contributions are essential to ensure infrastructure including for example local school places can keep pace with demand arising from much needed housing growth. The money is now committed having appointed Aspinall Verdi as external specialists to lead on undertaking the first phase of the work. There is no alternative budget which could be relied upon to fund the now committed work with the level arguably beyond what could reasonably be generated from savings in the Local Plans base revenue budget. Consequently, a failure to carry forward the previously allocated budget would result in a financial pressure.	34,800			34,800
		34,800	0	0	34,800
<u>Governance & Regulatory</u>					
Homelessness Prevention Funding	Ringfenced monies that are to support Homeless Prevention Services in line with legislative/strategic requirements and objectives. The funding will be used flexibly in utilising our specialist support staff more effectively across the services to assist in community prevention initiatives, and service developments	28,600			28,600
Electoral Registration	Income received to cover the additional costs of Individual Electoral Registration (EIR) however it is anticipated that it will instead be required in 2019/20.	15,000			15,000
		43,600	0	0	43,600
Total General Fund Carry Forward Requests		406,700	0	0	406,700

Appendix 2 – Reserve requests

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2019/20 In to Reserve £	2019/20 From Reserve £	Total £
NEW Apprentice Infrastructure	To establish a reserve for the committed balances from the annual Apprentice Infrastructure budget that will be required in future years of the employment contracts.	Management of the Reserve Rests with the Corporate Director of Finance and Resources	Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.	54,100		54,100
EXISTING Prosecution Fund	For future anticipated Barrister & Legal fees.	Management of the Reserve rest with the Corporate Director of Governance & Regulatory Services	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Governance & Regulatory Services in consultation with the Chief Executive, Portfolio Holder & Corporate Director of Finance and Resources.	10,000		10,000
Revenue Grants Reserve	A reserve to hold revenue grant funds received by the Council which have not yet been utilised.	Management of the Reserve rests with the Corporate Director of Finance and Resources	Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.			142,175
Community Services	Health and Wellbeing: Grazing Land Management			15,774		
Community Services	Health and Wellbeing: Parks Improvement Funding			16,995		
Community Services	Health and Wellbeing: Art Centre				(19,000)	
Community Services	Health and Wellbeing: Woodland Grants				(4,800)	

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2019/20 In to Reserve £	2019/20 From Reserve £	Total £
Community Services	Neighbourhood Services: High Street			5,854		
Community Services	Community Clean Up			200		
Community Services	Partnerships: Doorstep Walks			500		
Community Services	Partnerships: Food City			1,500		
Community Services	Partnerships: Food Coordinator			8,100		
Governance & Regulatory	Partnerships: Sugar Smart					
Governance & Regulatory	Property Services: Land Lettings				(65,559)	
Governance & Regulatory	Regulatory Services: Rogue Landlords			33,856		
Governance & Regulatory	Regulatory Services: Gas Safe 2018/19			6,033		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	Flexible Homelessness Support & Prevention Grant			78,185		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	New Burdens			16,745		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	Homeless Prevention Top Up			4,000		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	Flexible Homelessness Support top up			1,000		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	New Burdens top up			3,631		
Governance & Regulatory	Homeless Prevention and Accommodation:					
Governance & Regulatory	Preventing Homelessness			474		
Economic Development	Investment & Policy: Brownfield Register			3,687		
Economic Development	Burden Funding					
Economic Development	Investment & Policy: Self/Custom Build			30,000		
Economic Development	Assistance Grant Year 3					
Economic Development	Investment & Policy: Wetheral			5,000		
Economic Development	Neighbourhood Planning Stage 1					
	TOTAL RESERVE REQUESTS			295,634	(89,359)	206,275
	TOTAL REQUESTS FOR RESERVES			295,634	(89,359)	206,275

Report to Executive

Agenda
Item:

A.1(b)

Meeting Date: 17 June 2019
Portfolio: Finance, Governance and Resources
Key Decision: Yes
Within Policy and Budget Framework YES
Public / Private Public

Title: PROVISIONAL CAPITAL OUTTURN 2018/19 – CARRY FORWARDS
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD14/19

Purpose / Summary:

Following consideration of the draft outturn position at its meeting on 29 May the Executive asked that the Business and Transformation Scrutiny Panel consider the carry forward requests before they made a formal decision and recommendation to Council in July.

Requests have been made to carry forward committed expenditure of £2,253,900. The Scrutiny panel resolved that the information contained within the provisional capital outturn report be noted and received.

This report is to consider the feedback from Scrutiny relating to the carry forwards in the light of the outturn position.

Recommendations:

The Executive is asked to:

- (i) Consider the feedback from BTSP and consider the committed expenditure totalling £2,253,900, as set out at Appendix A, to be incurred in 2019/20, for recommendation to Council;
- (ii) Consider, for recommendation to Council, the ring-fencing of £120,000 capital receipts for repayment of a previous grant as set out in paragraph 3.1;
- (iii) Consider the revised programme for 2019/20, together with the proposed methods of financing, as detailed at paragraph 3, for recommendation to

Council, subject to any future decisions made on the Sands Centre
Redevelopment.

Tracking

Executive:	29 May 2019 & 17 June 2019
Scrutiny:	BTSP 30 May 2019
Audit Committee:	8 July 2019
Council:	16 July 2019

1. BACKGROUND

- 1.1 This report is to consider feedback from the Business and Transformation Scrutiny Panel on the proposed carry forward of capital budgets as set out in the Council's Provisional Capital Outturn report (RD02/19 refers) considered by the Executive on 29 May and BTSP on 30 May, prior to the Executive making a formal recommendation to Council in July.

2. CARRY FORWARD REQUESTS

- 2.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to facilitate greater flexibility of budgets between years as set out in the Medium-Term Financial Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:
- *the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*
 - *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year, and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation Scrutiny Panel and to the Council.*
- 2.2 The delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.
- 2.3 Carry forwards at the end of the year have been analysed to assess the year of potential expenditure to enable better profiling of budgets for future years. Of the committed carry forwards shown in **Appendix A**, it is estimated that the full £2,253,900 will be spent in 2019/20.

- 2.4 The formal minutes from BTSP are provided elsewhere on this agenda, however, the Panel did not make any specific comments with regard to the carry forward requests and resolved to note and receive the outturn report.

3. 2019/20 CAPITAL PROGRAMME AND FINANCING

- 3.1 Included in the 2018/19 receipts is £120,000 from Durranhill Industrial Estate which is required to be ring-fenced for repayment of a grant in respect of a previous Durranhill capital project. It is recommended that the funds are earmarked for this purpose and release of the funds is delegated to the Corporate Director of Economic Development following consultation with the Chief Executive, the Corporate Director of Finance and Resources and the Portfolio Holder.
- 3.2 The updated Capital Programme for 2019/20 is detailed in **Appendix A** totalling £28,739,700 and is based upon the programme as agreed by Council in February 2019 of £25,071,200, the commitments brought forward from 2018/19 as identified in this report of £2,253,900, the commitments brought forward from 2018/19 already approved of £982,100 and an increase of £432,500 for additional Disabled Facilities Grant awarded which has only recently been advised and totals £1,899,764.
- 3.4 The 2019/20 programme will be continually reviewed to ensure the Council has the capacity to deliver this level of programme. The programme for 2019/20 and 2020/21 may be amended depending upon decisions made in respect of the Sands Centre Redevelopment.
- 3.5 If all of the carry forward requests are approved, it is suggested that the revised programme for 2019/20 is financed as follows:

	<u>Original Budget</u> £	<u>Revised Budget</u> £
Original Programme	25,071,200	25,071,200
Add: Carried forward from 2018/19 (in Year)	0	982,100
Add: Carried forward from 2018/19 (Year End)	0	2,253,900
Add: Other adjustments to programme	0	432,500
Total Expenditure to be financed	25,071,200	28,739,700
<u>Financed by:</u>		
Capital Grants		
• DFG	1,467,300	1,899,800
• General	2,000,000	2,024,700
Capital Receipts	1,700,000	1,700,000
Contributions from other bodies	0	130,900
Direct Revenue Financing	1,316,400	1,566,700
Borrowing Requirement (In Year)	18,587,500	21,417,600
Total Financing	25,071,200	28,739,700

4. RISKS

- 4.1 Individual capital schemes have different risks involved.

5. CONSULTATION

- 5.1 Consultation to Date.

Portfolio Holders, SMT and Business and Transformation Scrutiny Panel have considered the issues raised in this report.

6. CONCLUSIONS AND REASONS FOR RECOMMENDATIONS

- 6.1 The Executive is asked to:

- (i) Consider the feedback from BTSP and consider the committed expenditure totalling £2,253,900, as set out in Appendix A, to be incurred in 2019/20, for recommendation to Council;
- (ii) Consider, for recommendation to Council, the ring-fencing of £120,000 capital receipts for repayment of a previous grant as set out in paragraph 3.1;
- (iii) Consider the revised programme for 2019/20, together with the proposed methods of financing, as detailed at paragraph 3, for recommendation to Council, subject to any future decisions made on the Sands Centre Redevelopment.

7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 7.1 The Council's capital programme supports the current priorities in the Carlisle Plan.

Contact Officer: Steven Tickner

Ext: 7280

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is required for the use of capital reserves to fund expenditure commitments as set out in the report.

FINANCE – Financial implications are contained in the main body of the report.

EQUALITY – This report raises no explicit issues relating to the public sector Equality Duty. It is worth noting that the report includes the increase in funding for the Disabled Facilities Grants (DFGs).

INFORMATION GOVERNANCE – There are no information governance implications.

**2019/20 CAPITAL
PROGRAMME**

APPENDIX A

Scheme	Original Capital Programme 2019/20 £	Carry Forwards from 2018/19 £	Carry Forwards from 2018/19 £	Other Adjustments £	Revised Capital Programme 2019/20 £
<u>Current non-recurring commitments</u>					
Gateway 44	6,500,000	0	(40,800)	0	6,459,200
Play Area Green Gyms	0	25,000	7,800	0	32,800
Open Space Improvements	0	84,500	0	0	84,500
Bitts Park (Tennis/Reinstatement)	0	0	94,000	0	94,000
Cemetery Infrastructure	0	0	11,200	0	11,200
Affordable Homes	0	0	46,400	0	46,400
Planning Software	0	0	150,000	0	150,000
Property Purchase	0	0	150,000	0	150,000
Flood Reinstatements Projects	0	0	(68,100)	0	(68,100)
	6,500,000	109,500	350,500	0	6,960,000
<u>Recurring commitments</u>					
Planned Enhancements to Council Property	250,000	0	79,600	0	329,600
Vehicles, Plant & Equipment	896,000	0	828,800	0	1,724,800
Recycling Containers	45,000	0	0	0	45,000
ICT Infrastructure	102,900	0	14,000	0	116,900
	1,293,900	0	922,400	0	2,216,300
<u>Housing Related Grants</u>					
Private Sector Grants	1,467,300	872,600	407,100	432,500	3,179,500
Minor Works Grants	0	0	23,200	0	23,200
	1,467,300	872,600	430,300	432,500	3,202,700
TOTAL	9,261,200	982,100	1,703,200	432,500	12,379,000
<u>Capital Reserves to be released</u>					
Sands Centre Redevelopment	15,395,000	0	550,700	0	15,945,700
Play Area Improvements	35,000	0	0	0	35,000
Public Realm Improvements	380,000	0	0	0	380,000
	15,810,000	0	550,700	0	16,360,700
REVISED TOTAL	25,071,200	982,100	2,253,900	432,500	28,739,700