

Report to	Cabinet
Date of meeting	21 February 2023
Lead Member / Officer	Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets / Steve Gadd, Head of Finance and Property
Report author	Steve Gadd, Head of Finance and Property
Title	Recommendations of the Budget Board - Capital

1. What is the report about?

Block Allocation capital bids received for inclusion in the 2023/24 Capital Plan.

2. What is the reason for making this report?

The Strategic Investment Group ceased to exist at the end of 2021/22 and a new Capital approval process is currently being developed. In the interim the Budget Board – Capital has met to consider bids prepared by each service.

3. What are the Recommendations?

That Cabinet supports the projects shown in Appendix 1 for inclusion in the 2023/24 Capital Plan, and recommends accordingly to full Council.

4. Report details

4.1 The available funding for 2023/24 is shown below:

Source	Amount £000
General Capital Grant	3,105
Un-hypothecated Supported Borrowing	3,024
Prudential Borrowing – Highways	4,000
Contribution from capital reserves	2,056
2022/23 underspend not rolled forward	683
Unused contingency b/f	500
Total Funds Available 2023/24	13,368

- 4.2 The Capital Plan spends money on two types of project. Firstly there are one-off projects such as a new school; the second type is a 'block allocation'. These are on-going programmes of work that stretch over several years (and may never be complete) e.g. schools maintenance. Elements of this work may be paid for from repair and maintenance budgets but a significant part is funded through the Capital Plan.
- 4.3 Appendix 1 shows the projects listed with the recommended funding source for each highlighted in the appropriate column. For additional clarity, the following points should be noted:
- PB Highways Column - £4.000m. This is supported from the revenue budget as a corporate priority, as approved by Full Council on 31 January 2023.
 - Council Funds column – these are funds such as general grants and contributions from the capital financing budget.
 - Welsh Government capital funding settlement is similar to 2022-23.
- 4.4 A narrative to support the recommendations of the Budget Board - Capital is included as Appendix 2.
- 4.5 The membership of the Budget Board - Capital is as follows:
- Cabinet Member – Leader of the Council and Lead Member for Economic Growth and Tackling Deprivation
 - Cabinet Member – Lead Member for Finance, Performance and Strategic Assets
 - Chief Executive
 - Corporate Director – Communities
 - Corporate Director – Economy and Environment
 - Corporate Director – Governance and Business
 - Head of Finance (S.151) and Property

5. How does the decision contribute to the Corporate Priorities?

Projects have been reviewed to ensure that they satisfy the Council's corporate objectives.

6. What will it cost and how will it affect other services?

6.1 Cost Implications

The costs of the schemes are shown in Appendix 1. The Prudential Borrowing costs will be met through the 2023/24 revenue budget.

6.2 Staffing/ICT/Accommodation Implications

Each new project is required to complete a Project Business Case form and any specific implications are discussed at that stage.

6.3 Assessment of impact on Climate Change – Mitigation and Adaptation

New capital projects are subject to scrutiny by the Budget Board - Capital. Each business case will show, where relevant carbon tonne emission pre and post project, thus identifying whether the project is carbon emission positive, negative or neutral. In addition, it is necessary to ensure new capital projects are future proof and able to adapt to climate change.

7. What are the main conclusions of the Well-being Impact Assessment?

A full Impact Assessment has been completed for each capital bid reviewed by the Budget Board - Capital. A copy of each individual Wellbeing Assessment is available in the members' library on the Modern.gov system.

8. What consultations have been carried out with Scrutiny and others?

Heads of Service approved the submission of the bids and were reviewed by the Budget Board – Capital while the new capital approval process was going through the approval process. Next year the bids will be reviewed by the new Capital Scrutiny

Group. If approved by Cabinet these proposals will form part of the full Capital Budget which will go to Council for approval on 28 February.

9. Chief Finance Officer Statement

The Council must continue to invest appropriately in its assets. Not to do so can incur more significant costs in the long term. With the continuing reduction in the real value of Welsh Government supported borrowing, the Council must rely on its own resources more and more.

10. What risks are there and is there anything we can do to reduce them?

- 10.1 Possible risks would include schemes not progressing, loss of grant and disruptions to services. The condition of assets would continue to deteriorate if investment is not made, and this may lead to the loss of important services.
- 10.2 No capital project is without risk. However, all schemes are reviewed by the Budget Board – Capital and also subject to on-going monthly monitoring and reporting.

11. Power to make the decision

Local Authorities are required under section 151 of the Local Government Act (1972) to make arrangements for the proper administration of their financial affairs.