
Capital Financing Report Financial Year 2023/24 Quarter Two

Committee considering report:	Executive
Date of Committee:	14 December 2023
Portfolio Member:	Councillor Iain Cottingham
Date Portfolio Member sent to/agreed report:	24 November 2023
Report Author:	Shannon Coleman-Slaughter
Forward Plan Ref:	EX4363

1 Purpose of the Report

The capital financing performance report provided to Members presents the provisional outturn position for financial year 2023/24 against the Council's approved capital programme. This report focuses on the capital financing and future borrowing requirement generated by the Quarter Two forecast position.

2 Recommendations

2.1 Members are asked:

- (a) To note the quarter two underspend position of £15.4 million and reprofiling proposals of £10.7 million. Reprofiling proposals are included in appendix C.
- (b) To note the budget changes included in the quarter two position detailed in appendix A, which include revisions for schemes approved by Executive at quarter one as well as other variation to grant funded schemes. The changes result in a net increase in expenditure budgets of £4.4 million and an increase in the Council funded element of the programme of £2.2m million.

2.2 Members are asked to approve the following recommendation:

- (a) The transfer of £164k of software licence costs from the ICT revenue budgets to be added to the cost of the 2023/24 council funded ICT capital programme:

The Council already capitalise core Microsoft licence costs and the recommendation is to adopt a consistent approach for other similar system licence costs. This would require an uplift in council funded capital expenditure in the current financial year of £164k, with ongoing capitalisation to apply in subsequent financial years, as appropriate (appendix B).

3 Implications and Impact Assessment

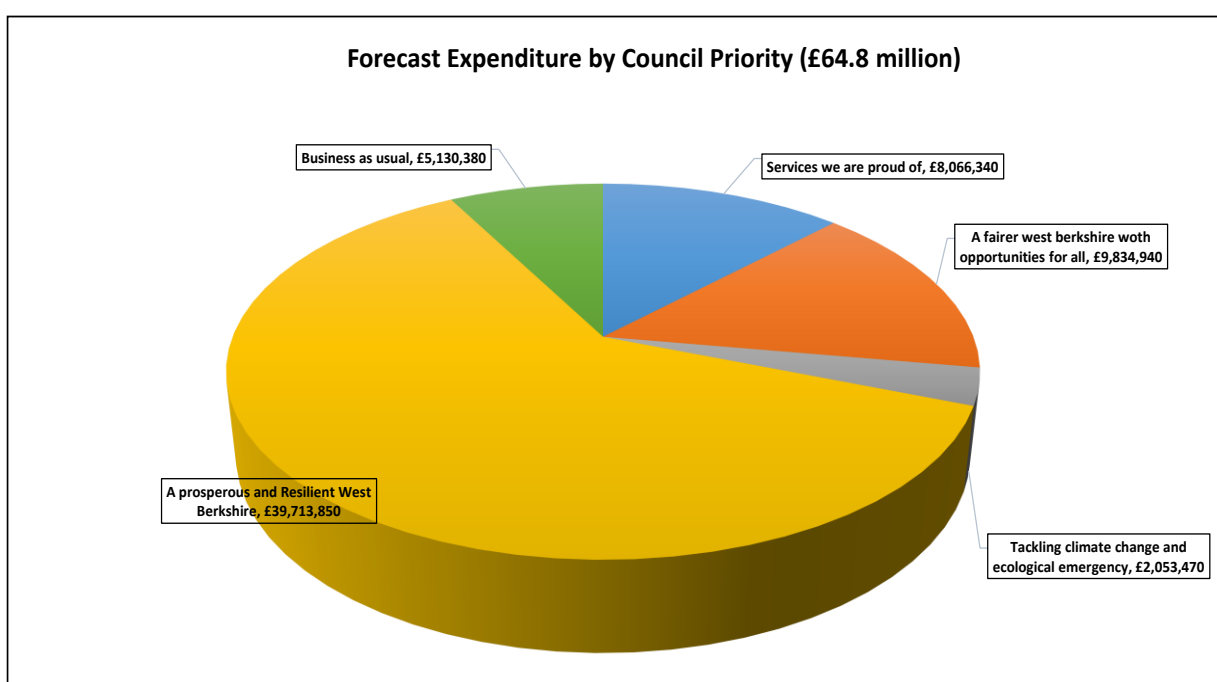
Implication	Commentary
Financial:	<p>The forecast outturn position is expenditure of £64.8 million against a planned programme budget of £80.2 million, an overall forecast underspend of £15.4 million. £10.7 million of future expenditure is proposed to be reprofiled into financial year 2024/25.</p> <p>Public Work Loan Board (PWLB) rates remain more than 5% compared to a recent historic borrowing average of 2 - 3%. In a rising interest environment, the Council will face risks of increased cost on any new external borrowing undertaken. The Council has sought to mitigate risk and keep interest costs low through a strategy of internal borrowing (utilisation of own resources and short-term borrowing). The Investment and Borrowing Strategy for financial year 2023/24 which supports delivery of the capital programme has been set with the same underlying principles.</p>
Human Resource:	Not applicable
Legal:	<p>The Prudential Code requires authorities to look at capital and investment plans in light of overall organisation strategy and resources to ensure that decisions are made with sufficient regard to the long term financing implications and risks to the Council. To demonstrate that local authorities have fulfilled these objectives, the code sets out a number of indicators, although the Code does not include suggested indicative limits or ratios. Local Authorities are to set their own limits and ratios, subject to controls under section 4 of the Local Government Act 2003. The Council's capital programme is a key driver of the treasury management activity.</p>
Risk Management:	<p>The Council is also exposed to inflationary cost pressures across the capital programme as a whole. Furthermore, any rise in PWLB borrowing rates resulting from increases in Bank rate will result in increased interest cost on any new borrowing undertaken. Both of these external risks are largely outside the Council's ability to control, although the Council will take appropriate advice from our external treasury consultants, to determine the optimum time and structure for any new borrowing to be undertaken.</p>

Property:	Not applicable			
Policy:	Not applicable			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		

Data Impact:		X		
Consultation and Engagement:	Joseph Holmes – Executive Director for Resources and s151 Officer. Capital Strategy Group (CSG).			

4 Executive Summary

4.1 The capital programme enables delivery of key Council schemes focused on supporting the approved Council Strategy. As at quarter two £64.8 million of expenditure has been forecast across capital schemes for financial year 2023/24.



4.2 As part of the forecast outturn position, £10.7 million of future planned expenditure is proposed to be reprofiled into financial year 2024/25, a detailed breakdown of which is included in Appendix C. This is comprised of £5.0 million of Council funded expenditure (i.e. to be financed through external borrowing) and £5.6 million of externally funded expenditure.

4.3 In respect of financing the capital programme, as at 31st March 2023, the Council's total level of long term borrowing to fund capital spend stood at £181.9 million.

4.4 Whilst the Bank of England (BoE) kept Bank Rate unchanged at 5.25% in September, this followed a consecutive series of rate increases which have seen rates rise from a low of 0.25% in December 2021. Movement in Bank Rate has been driven by high levels of inflation and this has been reflected in increases in Local Government borrowing costs through increases in PWLB borrowing rates. At the time of writing, rates for a 25 year annuity loan are comfortably in excess of 5%, compared to a recent historic borrowing average of 2-3%.

- 4.5 The Council will face risks of increased cost on any new external borrowing undertaken to support delivery of planned capital works, in addition to general cost inflationary pressures as inflation remains high. The BoE consider the current inflationary situation to be a consequence of supply issues - and so higher prices - caused by the Covid pandemic, the Russian invasion of Ukraine – which led to large increases in energy and food prices - and a fall in number of people looking for work – which has kept wage demands higher. The headline rate of Consumer Prices Index (CPI) inflation was 6.7% in the year to August 2023, down slightly from July but still significantly higher than the BoE target rate of 2%. The rate of ‘core’ inflation (a measure excluding trends in energy, food, alcohol and tobacco) rose by 6.2% in the 12 months to August 2023. The BoE is forecasting inflation will still be around 5% by the end of 2023, beginning to fall in 2024 and to reach their 2% target in the first half of 2025.
- 4.6 The capital programme approved by Council Committee in March 2023 was set with the expectation to undertake new external borrowing to support delivery. Currently the Council has sought to mitigate risk through a strategy of not undertaking long term borrowing in respect of PWLB financing and, instead focusing on supporting delivery of the capital programme through short term borrowing and cash balances. The strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, has reduced risk and helps keep interest costs low. The Investment and Borrowing Strategy for financial year 2023/24 has been set with the same underlying principles.
- 4.7 Capital financing costs are incurred a year in arrears hence the cost of financing 2023/24 capital expenditure will fall into financial year 2024/25. Capital expenditure in the current financial year will result in an increased borrowing requirement of £34.3 million. This assumes a requirement to maintain minimum investment balances of £10 million.

5 Supporting Information

Introduction

- 5.1 Capital expenditure and its supporting financing have financial consequences for the Council for many years into the future. Expenditure is therefore subject to both a national regulatory framework and to local policy framework.

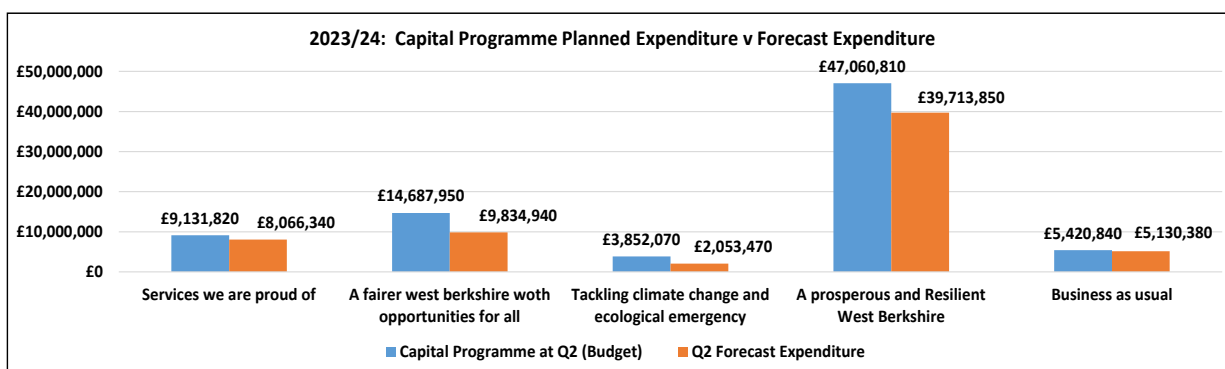
Background

- 5.2 The 2023/24 capital programme was agreed by Council in March 2023 with a gross expenditure budget of £69.5 million split between externally funded expenditure of £38.8 million and £30.7 million of Council funded expenditure (i.e. application of capital receipts and external borrowing). The repayment of principal sums and interest on loans used to fund capital expenditure are met from the revenue budget for capital financing and risk management. Included within the capital programme for 2023/24 was £22.8 million of expenditure reprofiled from the 2022/23 approved capital programme, with an additional £16.4 million of expenditure subsequently reprofiled into 2023/24 at the end of 2022/23. During the financial year budget changes may occur, mainly as a result of budgets brought forward from prior financial years, additional grants, s106 and Community Infrastructure Levy (CIL) allocations received in year or expenditure re-profiled in future financial years. As part of the budget monitoring process, the forecast

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year end position of the capital projects is reviewed and proposals for unutilised budgets to be re-profiled is reviewed by CSG. As at quarter two the revised capital programme budget pre-proposed reprofiling into financial year 2024/25 is £80.2 million. A detailed breakdown of budget changes is included in appendix A.

- 5.3 The capital programme is planned and mapped against the Council's currently approved Council Strategy. At quarter two, expenditure of £64.8 million has been forecast to be incurred against the revised capital programme of £80.2 million, generating a forecast underspend of £15.4 million.



- 5.4 Forecast expenditure indicates an overall programme delivery of 80.8%, with reprofiling proposals of £10.7 million (13.3% of the revised programme) and an underspend (post reprofiling) of £4.7m (5.9%). From a directorate and service level perspective the forecast position is as follows:

Directorate	Approved Programme (inc reprofiling from 2022/23)	Quarter Two Budget	Quarter Two Forecast Expenditure	Forecast (Under)/Over spend at Quarter Two	Expenditure Reprofiling at Quarter Two	Revised Budget	Adjusted Outturn Position
People	£31,283,590	£25,193,130	£17,631,720	(£7,561,410)	£3,882,740	£21,310,390	(£3,678,670)
Place	£45,653,680	£44,410,400	£36,910,560	(£7,499,840)	£6,640,540	£37,769,860	(£859,300)
Resources	£10,867,450	£10,549,960	£10,256,700	(£293,260)	£130,000	£10,419,960	(£163,260)
Total Council	£87,804,720	£80,153,490	£64,798,980	(£15,354,510)	£10,653,280	£69,500,210	(£4,701,230)

The People Directorate

- 5.5 The Directorate is forecasting total expenditure of £17.6 million against a budget of £25.2 million, creating an underspend of £7.6 million at outturn, before adjustment for reprofiling. £3.9 million of future anticipated expenditure is proposed to be reprofiled into financial year 2024/25 of which £1.7 million is funded externally and £2.2 million is proposed funding through Council Borrowing.

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People Directorate	Approved Programme (inc reprofiling from 2022/23)	Quarter Two Budget	Quarter Two Forecast Expenditure	Forecast (Under)/Over spend at Quarter Two	Expenditure Reprofiling at Quarter Two	Revised Budget	Forecast (Under)/Over spend adjusted for Re-Profiling
Adult Social Care	£5,117,630	£5,341,220	£2,631,300	(£2,709,920)	£1,272,990	£4,068,230	(£1,436,930)
Children's & Family Services	£30,000	£30,000	£	(£30,000)	£	£30,000	(£30,000)
Education	£14,224,770	£12,151,480	£8,732,680	(£3,418,800)	£2,609,750	£9,541,730	(£809,050)
Communities & Wellbeing	£11,911,190	£7,670,430	£6,267,740	(£1,402,690)	£	£7,670,430	(£1,402,690)
Total Directorate	£31,283,590	£25,193,130	£17,631,720	(£7,561,410)	£3,882,740	£21,310,390	(£3,678,670)

- 5.6 In Adult Social Care, underspends are forecast on Care Home Feasibility (£182k) and Care Home works at Notrees (£584k) and Willows Edge (£491k), as projects have been placed on hold. In addition, the Walnut Close Supported Living scheme is being deferred to 24/24 for which £750k of related reprofiling has been requested. The other key variance in Adult Social Care relates to the upgrade to the Care Director system (£523k). It should be noted that continuation of that scheme still to be determined. Presently, proposals from the Service anticipate reprofiling of this underspend into 24/25.
- 5.7 Children & Family Services have in year provision of £30k budgeted for potential adaptations/building works to foster homes. This is a demand led budget and currently is forecast to not be spent in year. No reprofiling request has been made by the service.
- 5.8 Education services are forecasting variances across several schemes where spend has been delayed due to impact of internal staff shortages or contractor availability. Of these, key underspends include Education Planned Maintenance (enhancement works across various School sites) of £1.2m and Brookfields Schools Accessibility (£506k). Other significant underspends include Brookfields School Accessibility (£506k – due to tendering delays) and Castle Schools Ways of Working Facility (£456k – scheme paused to evaluate additional pupil place demand). Except for the Castle Schools project, all of these schemes have been proposed for reprofiling at quarter two.
- 5.9 Communities & Wellbeing have forecast a quarter one underspend of £1.4 million. This is primarily due to the Newbury Sports Hub scheme being halted. A year end underspend of £1.3m has been forecast with no reprofiling proposed for that particular scheme.

The Place Directorate

- 5.10 The Directorate is forecasting total expenditure of £36.9 million, creating an underspend of £7.5 million. Of this, £6.6 million is proposed for reprofiling into financial year 2024/25, of which £3.9 million is externally funded and £2.7 million is due to be funded through Council borrowing.

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Place Directorate	Approved Programme (inc reprofiling from 2022/23)	Quarter Two Budget	Quarter Two Forecast Expenditure	Forecast (Under)/Over spend at Quarter Two	Expenditure Reprofiling at Quarter Two	Revised Budget	Forecast (Under)/Over spend adjusted for Re-Profiling
Development & Regulation	£13,893,310	£15,321,590	£12,901,270	(£2,420,320)	£2,663,350	£12,658,240	£243,030
Environment	£31,760,370	£29,088,810	£24,009,290	(£5,079,520)	£3,977,190	£25,111,620	(£1,102,330)
Directorate Totals	£45,653,680	£44,410,400	£36,910,560	(£7,499,840)	£6,640,540	£37,769,860	(£859,300)

5.11 Development & Regulation are forecasting a net underspend for the year of £2.4 million, with in-year savings on Four Houses Corner (delays caused by discovery of slow worms on site) and delays affecting the London Road Industrial Estate scheme (£705k). Reprofiling of these budgets to 2024/25 has been requested. The net position for Development & Regulation as a whole is reflective of a £243k forecast overspend on Disabled Facilities works, driven by increased demand and rise in operational costs.

5.12 The Environment Service are projecting an in-year underspend of £5.1m across a number of projects, the largest of which is a £1.5m variance on works to improve Theale Station; delivery has been delayed by the external partner (Great Western Railway) and a request has been submitted to re-profile. In addition, a £930k underspend on the district wide Bus Service Improvement Plan has been forecast and proposed for reprofiling to 2024/25. Delay is due to a variety of factors including ongoing discussion with a Parish Council (Pangbourne Bus Turning Circle), delay in finalising consultancy requirements (Calcott) and at Robin Hood Roundabout – the latter site also subject to a separate programme of capital works (£484k) where contractor start date has slipped to 2024/25. Other notable underspends are primarily attributable to a shortage of staff time to progress, including Faraday Road Improvements (£320k) and Active Travel Infrastructure (£279k), among others. Reprofiling has been requested.

The Resources Directorate

5.13 The Resources Directorate is forecasting total expenditure of £10.2 million against a budget of £10.5 million, generating a forecast underspend of £293k. Reprofiling of budget to 2024/25 totalling £130k has been proposed, after which the Directorate would be underspent by £163k.

Resources Directorate	Approved Programme (inc reprofiling from 2022/23)	Quarter Two Budget	Quarter Two Forecast Expenditure	Forecast (Under)/Over spend at Quarter Two	Expenditure Reprofiling at Quarter Two	Revised Budget	Forecast (Under)/Over spend adjusted for Re-Profiling
ICT	£7,573,600	£7,160,060	£7,004,430	(£155,630)	£130,000	£7,030,060	(£25,630)
Finance & Property	£2,573,860	£1,897,620	£1,897,790	£170	£	£1,897,620	£170
Strategy & Governance	£719,990	£1,492,280	£1,354,480	(£137,800)	£	£1,492,280	(£137,800)
Directorate Totals	£10,867,450	£10,549,960	£10,256,700	(£293,260)	£130,000	£10,419,960	(£163,260)

5.14 The ICT Service is projecting an underspend of £156k. Variances are projected across several distinct project areas, such as Telephony Infrastructure (£100k underspend), and other planned updates (improvements for Remote Working £10k; Helpdesk System £18k and Data Warehouse Capacity £20k) have been purposefully scaled back to help

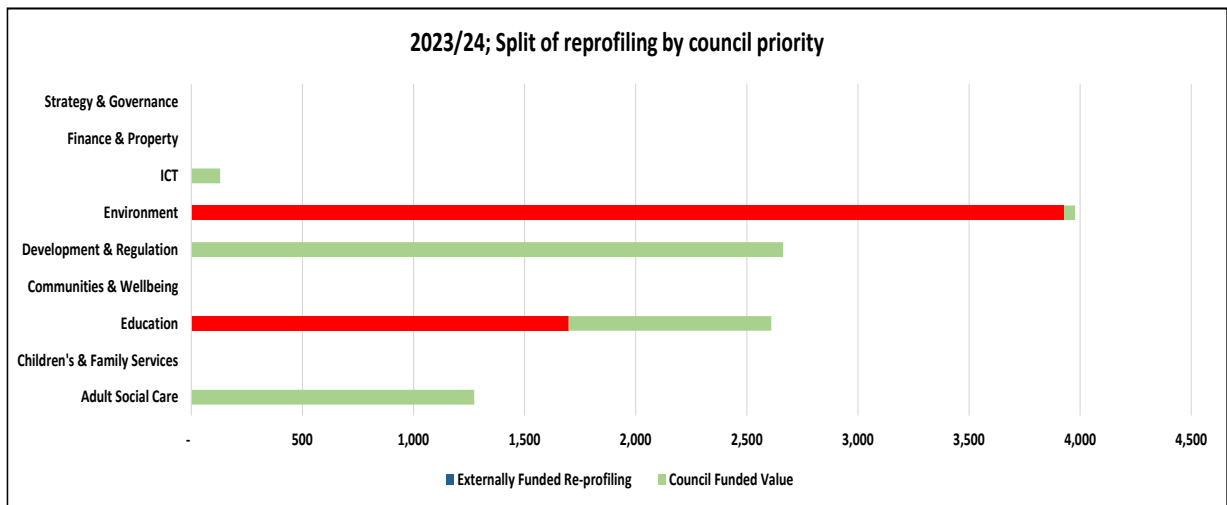
reduce costs of the Council funded capital programme, due to the absence of available external funding. Other key variances include deferment of works to Refresh DC and AC Generator, for which a £100k underspend is proposed for reprofiling to 2024/25. These savings offset an overspend of £75k due to higher demand for Corporate IT Replacement equipment.

5.15 The Strategy & Governance Service is forecasting a £138k underspend against two projects: Education Management System (£135k) and the Schools Participatory Budget Exercise (£3k). No reprofiling has been proposed.

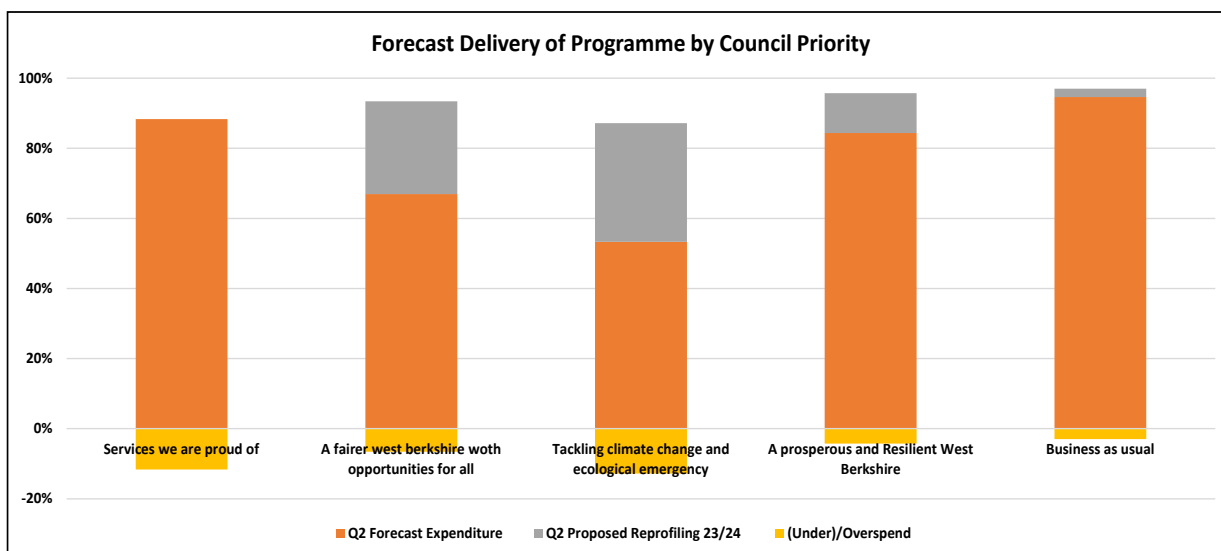
Proposals

5.16 The Council finances capital a year in arrears in accordance with the approved Investment & Borrowing Strategy. The Investment & Borrowing Strategy for financial year 2023/24 was approved by Council in March 2023. Expenditure against the capital programme incurred in 2023/24 will be financed in financial year 2024/25.

5.17 Appendix C details the reprofiling proposals as at quarter two. Total reprofiling proposals of £10.7 million will adjust the currently forecast underspend position from £15.4 million to a revised underspend of just over £4.7 million. Proposed reprofiling is split between external funding of £5.7 million and Council funding of £5.0 million. The graphic below details proposed reprofiling by service split between external and Council funding.



5.18 In respect of overall programme delivery, 80.8% of the programme is forecast to be delivered, 13.3% of planned expenditure reprofiled into financial year 2024/25. 5.9% of the programme relates to projects that are forecast to be underspent at the year end and do not require reprofiling. The graphic below details percentage delivery on a Council priority basis.



5.19 Reprofiting throughout the financial year is incorporated into the annual capital programme budget setting process to ensure all capital financing assumptions remain robust and sustainable.

6 Other options considered

Not applicable.

7 Capital Financing Implications

- 7.1 The capital programme is subject to a number of financial risks. Construction inflation (8.5% in the 12 months to March 2023 compared to an assumed level of 2%) potentially resulting in current contracts being subject to a reduction in scope to deliver within agreed financial terms and tender cost for new projects subject to significant increases. The scale of the programme itself is also dependant on sufficient resourcing both internally and externally being available to support delivery. At quarter two £10.7 million of expenditure is proposed to be reprofiled into 2024/25 which equates to 13.3% of the current 2023/24 capital programme.
- 7.2 All capital expenditure must be financed, the CIPFA Prudential Code requires authorities to look at capital and investment plans in light of overall organisation strategy and resources to ensure that decisions are made with sufficient regard to the long term financing implications and risks to the Council. A key indicator is the Council's Authorised Limit for external for debt which was approved at Council in March 2023, at £378.9 million for the current financial year. As well as the level of borrowing needed to fund capital expenditure, the Limit also allows for debt embedded in the Waste PFI contract and any temporary borrowing which is required for cash flow purposes during the year.
- 7.3 As at 31st March 2023, the Council's total level of long term borrowing to fund capital spend stood at £181.9 million. During financial year 2022/23 a strategy of not undertaking long term borrowing in respect of PWLB financing was pursued, (enabled by in year reprofiling of expenditure), instead focusing on supporting delivery of the capital programme through short term borrowing and cash balances. The strategy of keeping borrowing and investments below their underlying levels, sometimes known as

'internal borrowing', in order to reduce risk and keep interest costs has minimised the impact of rising PWLB rates on the Council. This strategy has continued in the first two quarters of 2023/24.

- 7.4 In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility and CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the Capital Financing Requirement – “CFR” - (which represents an authority’s underlying need to borrow for capital purposes), unless directly and primarily related to the functions of the authority. The 2023/24 capital programme is expected to increase the Council’s CFR to £298.7 million.

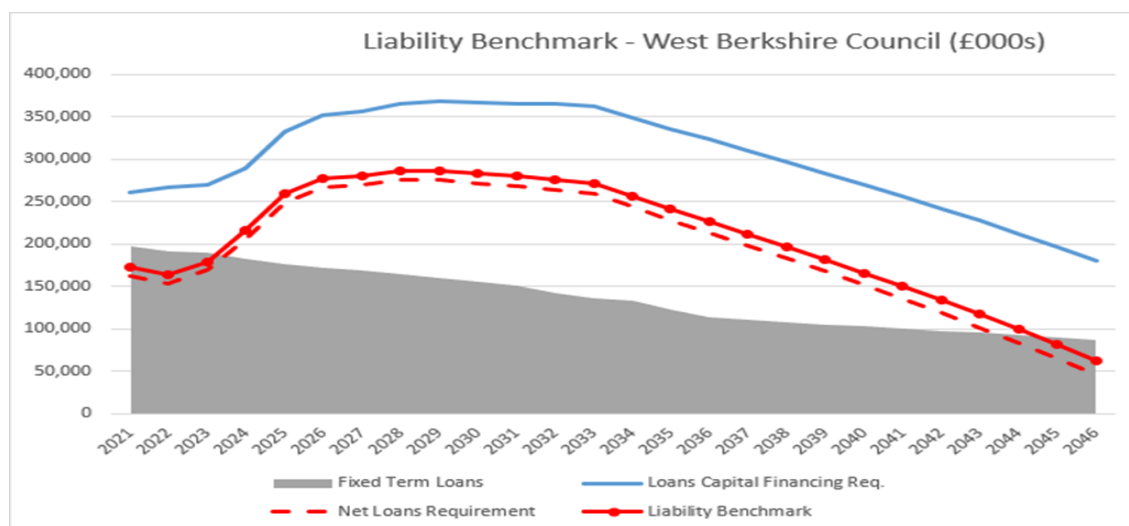
FY ending	2023 Actual £'000	2024 Projection £'000	2025 Projection £'000	2026 Projection £'000
Capital Financing requirement	279,896	298,728	342,146	359,593
Less: other debt liabilities	(10,670)	(9,807)	(8,892)	(7,920)
Loans Capital Financing Req.	269,226	288,921	333,254	351,673
Less: Existing External Borrowing	(189,890)	(181,973)	(177,241)	(172,732)
Internal (Over) Borrowing	79,336	106,948	156,013	178,941
Less: Balance Sheet Resources	(100,006)	(82,646)	(83,646)	(84,646)
Investments / (New Borrowing)*	20,670	(24,302)	(72,367)	(94,295)

*Note: estimates exclude £10m liquidity allowance

- 7.5 Capital financing costs are incurred a year in arrears hence the cost of financing 2023/24 capital expenditure will fall into financial year 2024/25. Based on the outturn position, the Council’s Balance Sheet forecast indicates that further borrowing will be required in financial year 2024/25 and current planning indicates a £34.3 million borrowing requirement in 2023/24. It should be noted that the Balance Sheet resources assumption are based on draft 2022/23 accounts, taking into consideration the current balances of usable reserves (£47.6 million) and working capital (debtors and creditors of £52.4 million). Until such time the accounts are finalised, and an audit opinion provided by the Council’s external auditors, the figures remain draft and hence are subject to adjustment.
- 7.6 To compare the Council’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as the table above, but that cash and investment balances are kept to a minimum level of £10 million at each year-end to maintain sufficient liquidity. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow. Councils are now required as part of in year reporting to publish the liability benchmark.

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FY ending	2023 Actual £'000	2024 Projection £'000	2025 Projection £'000	2026 Projection £'000
Loans Capital Financing Req.	269,226	288,921	333,254	351,673
Less: Balance Sheet Resources	(100,006)	(82,646)	(83,646)	(84,646)
Net Loans Requirement	169,220	206,275	249,608	267,027
Preferred Year-end Position	10,000	10,000	10,000	10,000
Liability Benchmark	179,220	216,275	259,608	277,027



7.7 Based on the Council's CFR and the liability benchmark, the Council is a long-term borrower. The Council is required to ensure that capital financing is reasonable and affordable in the long term. CIPFA recommends that the optimum position for external borrowing should be at the level of the Liability Benchmark (i.e., all balance sheet resources should be used to maximise internal borrowing). If the outputs show future periods where external loans are less than the Liability Benchmark, then this indicates a borrowing requirement thus identifying where the authority is exposed to interest rate, liquidity and refinancing risks. Conversely where external loans exceed the Liability Benchmark then this will highlight an over borrowed position which will result in excess cash in the organisation requiring investment thus exposing the authority to credit and reinvestment risks and a potential cost of carry. The table below sets out the Council's borrowing position compared to its Liability Benchmark.

FY ending	2023 Actual £'000	2024 Projection £'000	2025 Projection £'000	2026 Projection £'000
Existing External Borrowing	189,890	181,973	177,241	172,732
Liability Benchmark	179,220	216,275	259,608	277,027

7.8 Based on the outturn position, the Council, currently is in an over borrowed position. However, as set out in the Investment and Borrowing Strategy for 2023/24 (as approved by Council in March 2023), the Council is currently utilising cash flows to maintain an internally borrowed position, resulting in the external borrowing levels reducing against the Liability Benchmark. On this basis, alongside a position of borrowing remaining

lower than the Council's Capital Financing Requirement, the s151 Officer is confident that capital expenditure is affordable in the longer term.

8 Appendices

8.1 Appendix A – Budget Changes as at Quarter Two

8.2 Appendix B – New Council Funded Projects

8.3 Appendix C – Proposed Reprofiling

Subject to Call-In:

Yes: X No:

- The item is due to be referred to Council for final approval
- Delays in implementation could have serious financial implications for the Council
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Scrutiny Commission or associated Committees, Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Wards affected: All

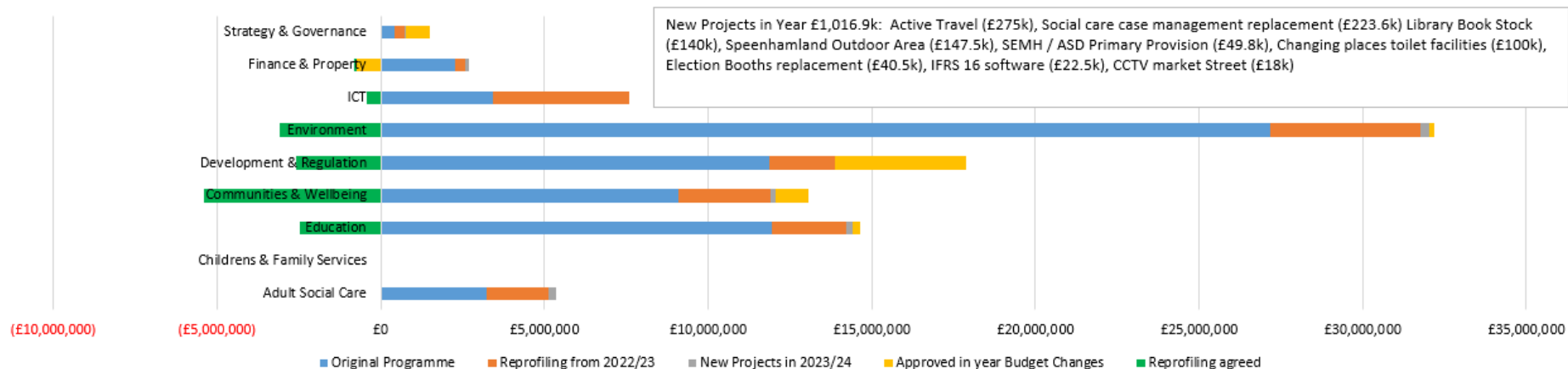
Officer details:

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Budget Changes as at Quarter Two

	Original Programme	Reprofiling from 2022/23	New Projects in 2023/24	Approved in year Budget Changes	Reprofiling agreed	Revised Service Budget
Adult Social Care	£3,227,530	£1,890,100	£223,590	£0	£0	£5,341,220
Childrens & Family Services	£30,000	£0	£0	£0	£0	£30,000
Education	£11,966,010	£2,258,760	£197,300	£210,730	(£2,481,320)	£12,151,480
Communities & Wellbeing	£9,085,160	£2,826,030	£140,000	£1,029,860	(£5,410,620)	£7,670,430
Development & Regulation	£11,867,160	£2,026,150	£0	£4,001,220	(£2,572,940)	£15,321,590
Environment	£27,162,380	£4,597,990	£275,000	£143,000	(£3,089,560)	£29,088,810
ICT	£3,415,630	£4,157,970	£0	£0	(£413,540)	£7,160,060
Finance & Property	£2,255,850	£318,010	£140,500	(£731,740)	(£85,000)	£1,897,620
Strategy & Governance	£438,320	£281,670	£40,550	£731,740	£0	£1,492,280
Total Council	£69,448,040	£18,356,680	£1,016,940	£5,384,810	(£14,052,980)	£80,153,490

Financial Year 2023/24: Revised Capital Programme Budgets by Service



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Cost Centre Description / Project Name	Original Budget	Additional Expenditure Budget	Revised Expenditure Budget	Original External Funding	Additional External Funding	Revised External Funding Budget	Capital Strategy Group (CSG) Approvals
Playing Pitch Action Plan	426,000	(143,000)	283,000	0	0	0	Net change £0
Faraday Road Open Spaces Project	0	143,000	143,000	0	0	0	Net change £0
Local Authority Housing Fund	6,000,000	3,251,220	9,251,220	(2,500,000)	(1,313,110)	(3,813,110)	Approved by Executive 08.06.23
HR/Payroll System	516,630	231,740	748,370	0	0	0	Net change £0
Enterprise Resource Planning System	731,740	(231,740)	500,000	0	0	0	Net change £0
HR/Payroll System	748,370	500,000	1,248,370	0	0	0	Net change £0
Enterprise Resource Planning System	500,000	(500,000)	0	0	0	0	Net change £0
Changing Places Toilet Facilities	0	100,000	100,000	0	(100,000)	(100,000)	Approved by Executive 21.09.23
Polling booth replacement	0	40,550	40,500	0	0	0	Approved by Executive 21.09.23
Social Care Case Management System	0	223,590	223,590	0	0	0	Approved by Executive 21.09.23
CCTV Market street	0	18,000	18,000				Approved by Executive 21.09.23
IFRS16 Software	0	22,500	22,500	0	0	0	Approved by Executive 21.09.23
Bond Riverside Environmental Improvements	748,660	375,000	1,123,660	0	(375,000)	(375,000)	Approved at CSG 24.08.23
Newbury Wharf Improvements	246,640	375,000	621,640	(50,000)	(375,000)	(425,000)	Approved at CSG 24.08.23
Total Changes at Quarter Two		4,405,860			(2,163,110)		

Budget Changes: New Council Funded Projects

Service	Cost Centre Description / Project Name	Original gross expenditure budget	Additional Expenditure Budget	New gross expenditure budget	Original Council Funding	Additional Council Funding	New Council Funding Budget	Original External Funding	Additional External Funding	Revised External Funding	Comment
ICT	Capitalisation of ICT System Licences	0	164,000	164,000	0	164,000	164,000	0	0	0	New project per CSG meeting 24.08.23

Proposed Reprofiling

Directorate	Service	Project Title	Gross Expenditure Budget	Forecast Outturn at Q2	Underspend at Q2	Re-profiling Request	Externally Funded Re-profiling	Council Funded Value	Approved 2024/25 Budget	2024/25 Budget inc Re-profiling
			£	£	£	£	£	£	£	£
People	Adult Social Care	Care Director V6	704,510	181,520	(522,990)	522,990	0	522,990	0	522,990
People	Adult Social Care	Learning Disability Supported Living (Walnut Close) Transformation Project	750,000	0	(750,000)	750,000	0	750,000	0	750,000
Adult Social Care Total			1,454,510	181,520	(1,272,990)	1,272,990	0	1,272,990	0	1,272,990
People	Education	Calcot Schools Remodelling	225,940	48,880	(177,060)	175,940	(175,940)	0	5,331,160	5,507,100
People	Education	Falkland Primary School - Classroom Replacement	262,030	0	(262,030)	262,030	(215,600)	46,430	3,663,060	3,925,090
People	Education	Brookfields School - Accessibility	524,840	18,640	(506,200)	506,200	0	506,200	14,120	520,320
People	Education	SEMH/ASD Resourced Provision - Primary	1,478,230	1,121,890	(356,340)	356,340	(299,980)	56,360	818,490	1,174,830
People	Education	North Newbury - New primary school	50,000	6,490	(43,510)	43,510	(43,510)	0	4,521,710	4,565,220
People	Education	Engaging Potential	20,000	0	(20,000)	20,000	(20,000)	0	192,630	212,630
People	Education	Brookfields Expansion	190,600	128,600	(62,000)	62,000	(62,000)	0	637,400	699,400
People	Education	Education - Pmp	2,556,630	1,387,900	(1,168,730)	1,168,730	(879,830)	288,900	2,627,170	3,795,900
People	Education	Modular Building Replacement	15,000	0	(15,000)	15,000	0	15,000	50,000	65,000
Education Total			5,323,270	2,712,400	(2,610,870)	2,609,750	(1,696,860)	912,890	17,855,740	20,465,490
People	Communities & Wellbeing	0	0	0	0	0	0	0	0	0
Communities & Wellbeing Total			0	0	0	0	0	0	0	0
People Total			6,777,780	2,893,920	(3,883,860)	3,882,740	(1,696,860)	2,185,880	17,855,740	21,738,480
Place	Development & Regulation	Four Houses Corner	2,577,350	619,000	(1,958,350)	1,958,350	0	1,958,350	2,266,000	4,224,350
Place	Development & Regulation	London Road Industrial Estate	1,123,660	418,660	(705,000)	705,000	0	705,000	0	705,000
Development & Regulation Total			3,701,010	1,037,660	(2,663,350)	2,663,350	0	2,663,350	2,266,000	4,929,350
Place	Environment	Pay Machine Replacement	50,000	0	(50,000)	50,000	0	50,000	0	50,000
Place	Environment	Bus Services Improvement Plan (BSIP)	993,800	64,030	(929,770)	929,770	(929,770)	0	669,053	1,598,823
Place	Environment	Theale Station Improvements	1,900,000	400,000	(1,500,000)	1,500,000	(1,500,000)	0	1,969,560	3,469,560
Place	Environment	Active Travel Infrastructure	1,029,420	750,000	(279,420)	279,420	(279,420)	0	700,000	979,420
Place	Environment	Robin Hood Roundabout & A4	489,160	5,000	(484,160)	484,000	(484,000)	0	1,000,000	1,484,000
Place	Environment	Aldermaston Footways	230,300	80,000	(150,300)	150,000	(150,000)	0	0	150,000
Place	Environment	On Street Electrical Charge Point	474,800	250,000	(224,800)	225,000	(225,000)	0	150,000	375,000
Place	Environment	Theale Bypass Noise Investigation Feasibility	15,000	5,000	(10,000)	10,000	(10,000)	0	0	10,000
Place	Environment	A4 Faraday Road Improvements	320,000	0	(320,000)	320,000	(320,000)	0	0	320,000
Place	Environment	Vehicle Management System/Intelligent Traffic Signs	40,000	11,000	(29,000)	29,000	(29,000)	0	460,000	489,000
Environment Total			5,542,480	1,565,030	(3,977,450)	3,977,190	(3,927,190)	50,000	4,948,613	8,925,803
Place Total			9,243,490	2,602,690	(6,640,800)	6,640,540	(3,927,190)	2,713,350	7,214,613	13,855,153
Resources	ICT	Corporate Database Server Replacement	52,000	20,000	(32,000)	30,000	0	30,000	102,000	132,000
Resources	ICT	Refresh DCA/C & Generator	100,000	0	(100,000)	100,000	0	100,000	100,000	200,000
ICT Total			152,000	20,000	(132,000)	130,000	0	130,000	202,000	332,000
Resources Directorate Total			152,000	20,000	(132,000)	130,000	0	130,000	202,000	332,000
Q2 - Council Total			16,173,270	5,516,610	(10,656,660)	10,653,280	(5,624,050)	5,029,230	25,272,353	35,925,633