

Appendix 4 Requests for Supplementary Capital Estimates and Virements

Capital Programme 2017/21

- Since the third quarter review the overall programme has increased by £26.0m as shown in the table below. A summary of the capital programme and funding is shown at table 4.

Table 1 - Summary Capital Programme

	Revised Total TQR Forecast Budget 2017/21 £m	Amendments to TQR Forecast Budget 2017/21 £m	Amended TQR Forecast Budget 2017/21 £m	Budget TQR Reductions £m	SCE's £m	Revised Total Forecast Budget 2017/21 £m
People Directorate	44.0	-	44.0	-	0.9	44.9
Place Directorate	284.0	22.9	306.9	(0.1)	0.7	307.5
Corporate Directorate	71.9	(1.5)	70.4	-	3.1	73.5
	399.9	21.4	421.3	(0.1)	4.7	425.9

- A number of projects have been approved at the Finance Portfolio holder meeting to move budgets from the Capital Addendum to the main capital programme totalling £20.2m. This amount primarily relates to the Strategic Site Development project where £20.0m was approved.
- There has been an overall reduction in Corporate of £1.5m which is in the main in respect of a £2.0m virement from the Strategic Capital Projects budget to the Highways Improvement Programme to increase expenditure on resurfacing.

- There are a number of Supplementary Estimates that require approval at Outturn of £4.7m. This relates in the main to an increase in the Best for Business Project run jointly with Cheshire West and Chester Council of £3.1m to take in to account their share of the costs so far on the project that is being hosted by Cheshire East.
- Two other significant Supplementary Capital Estimate requests at Outturn are for £0.594m a Department of Education grant, Special Provision Capital Funding which will allow Councils to invest in adults and children aged 0 to 25 years old who have special educational needs. Then there is a request for £0.539m which is additional funding from the Department of Transport from the Pothole Action Fund 2017/18.
- The revised programme is funded from both direct income (grants, external contributions) and the Council's own resources (prudential borrowing, revenue contributions, capital reserve). A funding summary is shown in **Table 2**.

Table 2 - Capital Funding Sources

	TQR Total Forecast Budget £m	Outturn Total Forecast Budget £m	Change £m
Grants	182.0	189.6	7.6
External Contributions	55.2	59.6	4.4
Cheshire East Resources	162.7	176.7	14.0
	399.9	425.9	26.0

Capital Budget 2017/18

7. At Outturn the Council had actual expenditure of £88.2m against an in-year forecast position of £110.9m, with an overall slippage figure of £22.7m. **Table 4** gives a summary of the Capital Programme and **Table 5** shows transfers from and to the Capital Addendum.
8. Since the start of 2017/18, slippage on the capital programme has been measured on schemes that are at the Gateway 2 stage. These are classed as committed schemes as these schemes should have commenced prior to or during 2017/18 and have a detailed forecast expenditure plan in place. Schemes have been monitored on their progress during the year and re-categorised quarterly. This includes the net impact in 2017/18 of supplementary capital estimates, virements and budget reductions listed in **Tables 6 to 9**.
9. **Table 3** shows the actual expenditure incurred on those schemes against the revised Outturn Budget.

Table 3 - Changes to the 2017/18 Capital Budget

Committed Schemes	Revised TQR Budget £m	Revised Outturn Budget £m	Forecast Expenditure £m	Current Over / Underspend £m
People Directorate	8.9	8.9	7.8	(1.1)
Place Directorate	55.8	56.9	41.3	(15.6)
Corporate Directorate	32.8	34.1	23.8	(10.3)
Total Committed Schemes	97.5	99.9	72.9	(27.0)

10. At the Outturn Stage the actual expenditure was £72.9m on the committed schemes against a forecast of £99.9m which means slippage in to future years of £27.0m. The main areas of slippage are within the ICT projects of £6.7m, £2.4m on Place client Commissioning projects, £2.7m within the Corporate Environment Commissioning Projects and £1.1m within the Premises Capital budget.
11. **Table 6** details requests of Supplementary Capital Estimates (SCE) up to and including £500,000 and Capital Virements up to and including £1,000,000 approved by delegated decision which are included for noting purposes only.
12. **Table 7** details requests of Supplementary Capital Estimates (SCE) between £500,000 and including £1,000,000 and Capital Virements up to and including £5,000,000 approved by delegated decision which are included for noting purposes only.
13. **Table 8** details requests of Supplementary Capital Estimates (SCE) over £1,000,000 which is for the increase in budget on the Best for Business Project to include the share of the costs due from Cheshire West and Chester Council for 2017/18.
14. **Table 9** lists details of reductions in Approved Budgets where schemes are completed and surpluses can now be removed. These are for noting purposes only.

Table 4 - Summary Capital Programme and Funding

Service	In-Year	SCE's	SCE's	Revised	Actual	Forecast Expenditure		
	Budget	Virements	Virements	In-Year		Expenditure	2018/19	2019/20 and
	Outturn	Reductions	Reductions	Budget	2017/18		Future Years	
	2017/18	During	Outturn	Outturn				
	£000	Quarter	2017/18	2017/18	£000	£000	£000	
People Directorate								
Adults, Public Health and Communities								
Committed Schemes - In Progress	111	-	-	111	108	836	-	
New Schemes and Option Developments	-	-	-	-	-	-	-	
Children's Social Care (Incl. Directorate)								
Committed Schemes - In Progress	109	-	-	109	-	385	-	
New Schemes and Option Developments	-	-	-	-	-	-	-	
Education and 14-19 Skills								
Committed Schemes - In Progress	8,522	-	(84)	8,438	7,482	6,587	1,767	
New Schemes and Option Developments	1,593	-	-	1,593	858	24,122	396	
Prevention and Support								
Committed Schemes - In Progress	250	-	-	250	169	347	-	
New Schemes and Option Developments	1,375	-	-	1,375	1,117	709	-	
Total People Directorate	11,960	-	(84)	11,876	9,734	32,986	2,163	

Service	In-Year Budget Outturn 2017/18 £000	SCE's	SCE's	Revised	Actual Expenditure 2017/18 £000	Forecast Expenditure		
		Virements Reductions During Quarter £000	Virements Reductions Outturn 2017/18 £000	In-Year Budget Outturn 2017/18 £000		2018/19 £000	2019/20 and Future Years £000	
Place Directorate								
Infrastructure and Highways (inc Car Parking)								
Committed Schemes - In Progress	38,283	627	433	39,343	31,622	34,255	117,119	
New Schemes and Option Developments	13,106	-	-	13,106	11,218	16,533	11,272	
Growth and Regeneration								
Committed Schemes - In Progress	14,948	-	70	15,018	7,747	19,709	29,628	
New Schemes and Option Developments	2,060	3	-	2,063	1,244	2,713	19,000	
Rural and Cultural Economy								
Committed Schemes - In Progress	2,536	-	-	2,536	1,926	2,218	1,274	
New Schemes and Option Developments	-	-	-	-	-	-	-	
Total Place Directorate	70,933	630	503	72,066	53,757	75,428	178,293	

Service	In-Year	SCE's	SCE's	Revised	Actual	Forecast Expenditure	
	Budget	Virements	Virements	In-Year	Expenditure	2018/19	2019/20 and
	Outturn	Reductions	Reductions	Budget	2017/18		Future Years
	2017/18	During	Outturn	Outturn			
	£000	Quarter	2017/18	2017/18	£000	£000	£000
Corporate Directorate							
Customer Operations							
Committed Schemes - In Progress	2,918	-	(70)	2,848	2,103	1,275	-
New Schemes and Option Developments	-	-	-	-	-	-	-
Finance and Performance							
Committed Schemes - In Progress	2,883	(2,000)	-	883	6	877	-
New Schemes and Option Developments	-	-	-	-	-	-	-
ICT							
Committed Schemes - In Progress	14,101	-	3,099	17,200	11,353	17,867	3,564
New Schemes and Option Developments	-	15	-	15	15	-	-
Client Commissioning - Environmental							
Committed Schemes - In Progress	11,843	148	-	11,991	9,949	2,935	150
New Schemes and Option Developments	1,650	-	-	1,650	570	3,724	9,400

Service	In-Year Budget Outturn 2017/18 £000	SCE's	SCE's	Revised	Actual Expenditure 2017/18 £000	Forecast Expenditure		
		Virements Reductions During Quarter £000	Virements Reductions Outturn 2017/18 £000	In-Year Budget Outturn 2017/18 £000		2018/19 £000	2019/20 and Future Years £000	
Corporate Directorate								
Client Commissioning - Leisure								
Committed Schemes - In Progress	1,149	-	-	1,149	384	3,288	5,403	
New Schemes and Option Developments	720	-	2	722	353	369	-	
Total Corporate Directorate	35,264	(1,837)	3,031	36,458	24,733	30,335	18,517	
Committed Schemes - In Progress	97,653	(1,225)	3,448	99,876	72,849	90,579	158,905	
New Schemes and Option Developments	20,504	18	2	20,524	15,375	48,170	40,068	
Total Net Position	118,157	(1,207)	3,450	120,400	88,224	138,749	198,973	

Funding Sources	2017/18	2018/19	2019/20 and
	£000	£000	Future Years £000
Grants	30,787	58,320	100,550
External Contributions	6,677	10,588	42,297
Cheshire East Council Resourc	50,760	69,841	56,126
Total	88,224	138,749	198,973

Table 5 – Transfers from and to the Capital Addendum

Capital Scheme	Amount	Amount	Amount	Amount	Reason / Comment
	Transferred	Transferred	Transferred	Transferred	
	Q1	Q2	Q3	Q4	
	£	£	£	£	
Budgets Transferred from the Addendum to the Main Capital Programme					
Education and 14-19 Skills					
To Expand 'in borough' SEN placement Capacity (Feasibility)	(600,000)				Element moved to main programme to undertaken an expansion of Springfield Special School.
Prevention and Support					
Development of Hurdsfield Family Centre		(700,000)			Approved for transfer to main programme
Infrastructure and Highways (inc Car Parking)					
Middlewich Eastern Bypass Add	-	(1,500,000)			Approved for transfer to main programme
Northern Gateway Infrastructure	(2,955,500)	-			During the First Quarter, £2,955.5k has been transferred from the Addendum to the main programme as Crewe HS2 Hub Project Development
Growth and Regeneration					
Crewe Town Centre Regeneration	(295,936)	(24,659,064)			Approved for transfer to main programme
Strategic Site Development			(1,875,600)	(20,000,000)	Approved for transfer to main programme
Housing Development				(188,000)	
Alderley Road, Wilmslow – A34 Junction and pedestrian access improvements				(45,796)	£46k was spent in 2017-18 on preparation work before the scheme was put on hold
Total Budgets Transferred to Main Capital Programme	(3,851,436)	(26,859,064)	(1,875,600)	(20,233,796)	

Capital Scheme	Amount	Amount	Amount	Amount	Reason / Comment
	Transferred	Transferred	Transferred	Transferred	
	Q1	Q2	Q3	Q4	
	£	£	£	£	
Capital Budget removed from the Addendum					
Education and 14-19 Skills					
Education - Community Hub (formerly Knutsford Achievement)			(9,400,000)		Removed following third quarter review of capital programme.
Rural and Cultural Economy					
Playing Fields Strategy	-	(1,000,000)			Removed following mid year review of capital programme.
Growth and Regeneration					
Supplier Park			(40,000)		Removed following Place Capital Challenge
ICT					
Elections Replacement System			(100,000)		Amount amended as part of the Business Planning process
Revs & Bens Doc Mgmt System			(2,000,000)		Amount amended as part of the Business Planning process
Planning and Sustainable Development System			(368,000)		Amount amended as part of the Business Planning process
Regulatory Services and Environmental Health System			(370,000)		Amount amended as part of the Business Planning process
Total Capital Budget Removed from the Addendum	-	(1,000,000)	(12,278,000)	-	

Capital Scheme	Amount	Amount	Amount	Amount	Reason / Comment
	Transferred	Transferred	Transferred	Transferred	
	Q1	Q2	Q3	Q4	
	£	£	£	£	
Capital Budgets transferred from the Main capital Programme to the Addendum					
Infrastructure and Highways (inc Car Parking)					
Alderley Road, Wilmslow – A34 Junction and pedestrian access improvements			1,162		Moved to Addendum from main programme following Third Quarter Review of capital programme.
Growth and Regeneration					
Astbury Marsh Caravan Site Works		200,000			} Moved to Addendum from main programme following mid year review of capital programme.
Gypsy and Traveller Sites		2,401,142			
Housing Development Fund		1,211,766			
Modular Construction (Gawsworth)		1,653,538			
Volumetric Construction (Redroofs/Hole Farm)		1,766,000			
Supplier Park		40,000			
Total Capital Budget Transferred to the Addendum	-	7,272,446	1,162	-	
Capital Budgets transferred from one Directorate's Addendum to another.					
Infrastructure and Highways (inc Car Parking)					
Handforth Garden Village (formerly known as A34 Corridor)	(15,500,000)				Moved to Growth and Regeneration Addendum, associated with North Cheshire Garden Village (NCGV).
North West Crewe (Leighton West)	6,000,000				£6m moved from Growth & Regeneration Addendum.
Growth and Regeneration					
Handforth Garden Village (formerly known as A34 Corridor)	15,500,000				Moved from Highways and Infrastructure Addendum, associated with NCGV.
Strategic Site Development	(6,000,000)				Moved to Highways and Infrastructure Addendum, as part of North West Crewe (Leighton West) works.
Total Capital Budget Transferred between Directorates	-	-	-	-	
Net Change to the Addendum	(3,851,436)	(20,586,618)	(14,152,438)	(20,233,796)	

Table 6 - Approved Supplementary Capital Estimates up to £500,000 and Virements up to £1,000,000

Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Supplementary Capital Estimates that have been made up to £500,000		
Education and 14-19 Skills		
Schools Condition Capital Grant	55,331	The capital programme contain an estimate of the schools condition grant for 2018-19. The SCE is being actioned to match the budget within the programme to the actual award announced by the department of Education
Healthy Pupils Capital Fund	212,673	The Department for Education are providing capital funding for local authorities to improve children's and young people's physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions.
Infrastructure and Highways (inc Car Parking)		
S278s		
A51 Reaseheath Spine Road	5,311	To match budgets to works undertaken, covered by developer contributions
Pool Lane, Winterley	662	
S278 Turning Heads, Sandbach	3,888	
S106s		
S106 Portland Drive	1,062	To align the additional funding available in the S106 into the budget so that it can contribute to the expenditure in year.
TRO - Co-op, Bollington	29	
A54/A533 Leadsmithy St, Mwich	38,114	
Car Parking Improvements	53,090	Revenue contribution to capital towards flooding issues at Wilmslow Sainsbury's car park.

Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Supplementary Capital Estimates that have been made up to £500,000		
Client Commissioning - Environmental		
Park Development Fund	9,000	Increase in budget due to £9,000 contribution from Friends of Stanley Park
Client Commissioning - Leisure		
Sandbach Leisure Centre Gym Conversion	1,840	Increase in budget required due to additional expenditure on R&D Survey, provision of fire extinguishers and a temporary security guard.
Total Supplementary Capital Estimates Requested	381,000	

Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Capital Budget Virements that have been made up to £1,000,000		
Education and 14-19 Skills		
Disley Primary School (Basic Needs)	7,999	Virement of Schools Condition grant to meet the cost of Children & Families staff time spent on projects.
Hungerford Primary School	17,582	
Mablins Lane Primary School - Phase 2	583	
Monks Coppenhall Primary School - Basic Needs	18,480	
Poynton HS - Condition Works	583	
Pupil Referral Unit - New Site	15,453	
The Dingle Primary School	250	
Weaver Primary School - Mobile	5,249	
Wilmslow High School	5,416	
Chelford Planning Area (Primary Schools - 30 Places)	18,884	
Shavington Planning Area (Primary Schools - 210 Places)	12,205	
Monks Coppenhall Primary School - Basic Needs	5,573	The cost of this scheme has exceeded the original funding. Virement to be actioned from Basic Needs Grant to meet the overspend.
Schools Condition Capital Grant - Wilmslow High School	29,501	The cost of this scheme have exceed the original funding. Wilmslow High School has provided some of its capital balance toward the additional costs
Wilmslow High School	13,563	
The Quinta Primary School	650,000	Virements from Future Years Basic Need to add a new scheme to the capital programme for works to create three additional classrooms at The Quinta Primary High School .

Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Capital Budget Virements that have been made up to £1,000,000		
Infrastructure and Highways (inc Car Parking)		
S278 Parkers Rd Crewe Ghost Isl	15,849	Increased so that several projects can be amalgamated as the detail is no longer required.
Gurnett Bridge Reconstruction	2,086	Budget transferred from the Part 1 claim LTP funded budget to cover the expenditure at Gurnett Bridge.
Highways Investment Network	159,991	To address shortfalls in budget due to the allocation of costs coming across via the Ringway Jacobs contract
Highway Investment Programme	58,677	
Surface Water Mgt Schemes	281	
Congleton Public Realm	698	
Walking routes to school	1,220	
S106 Portland Drive	14,397	
TRO - Co-op, Bollington	2,482	
Programme Management	106,952	
Growth and Regeneration		
Corporate Landlord - Operational	70,000	The cost of works at Delamere House is being split 50/50 between Corporate Landlord - Operational budget and the Digital Programme budget
Rural and Cultural Economy		
Tatton Inv Ph 2 - Stable yard	1,819	Carry forward of the residue from Tatton Vision after the balance of the overspend on EPOS has been removed to place the monies into Tatton vision Phase 2. This will fund the electrical circuit construction in the Stable yard as part of the Stableyard project being planned for 18/19.
Tatton EPOS	618	
Total Capital Budget Virements Approved	1,236,391	
Total Supplementary Capital Estimates and Virements	1,617,391	

Table 7 - Request for Supplementary Capital Estimates above £500,000 and Virements above £1,000,000

Capital Scheme	Amount Requested £	Reason and Funding Source
Cabinet are asked to approve the Supplementary Capital Estimates and Virements		
Supplementary Capital Estimates above £500,000 up to and including £1,000,000		
Education and 14-19 Skills		
Special Provision Fund Capital Grant	593,690	The Department for Education are providing capital funding, over a three year period, to support local authorities to invest in provision for children and young people with SEN and disabilities aged 0-25 to improve the quality and range of provision available to the local authority.
Infrastructure and Highways (inc Car Parking)		
Highway Investment Programme	538,896	To increase the budget so that the additional Department for Transport 17/18 Pothole Action Fund is included.
Total Supplementary Capital Estimates Requested	1,132,586	
Capital Budget Virements above £1,000,000 up to and including £5,000,000		
Education and 14-19 Skills		
Nantwich Planning Area (Secondary Schools - 300 Places)	2,250,000	To increase the number of Secondary Schools places within the Nantwich Planning Area. This scheme is being split into two; the first at Malbank High School (£1.2K); decisions are still in progress for the remaining (£2.25m).
Total Capital Budget Virements Requested	2,250,000	
Total Supplementary Capital Estimates and Virements	3,382,586	

Table 8 - Request for Supplementary Capital Estimates above £1,000,000 and Virements above £5,000,000

Capital Scheme	Amount Requested £	Reason and Funding Source
Cabinet are asked to request Council to approve the Capital Virements and SCEs		
Supplementary Capital Estimates over £1,000,000		
ICT		
Best4Business	3,099,349	To increase the budget to encompass the contribution received from Cheshire West and Chester for this joint venture.
Total Supplementary Capital Estimates Requested	3,099,349	
Capital Budget Virements over £5,000,000		
Total Capital Budget Virements Requested	-	
Total Supplementary Capital Estimates and Virements	3,099,349	

Table 9 - Capital Budget Reductions

Capital Scheme	Approved Budget £	Revised Approval £	Reduction Reason and Funding Source £
Cabinet are asked to note the reductions in Approved Budgets			
Infrastructure and Highways (inc Car Parking)			
S278s			
Havannah St, Congleton	3,500	2,598	(902) No further expenditure on this project - can now be closed
S278 Flowers Lane, Crewe	15,000	60	(14,940)
S278 Barrows Green, Crewe	20,000	-	(20,000)
Smithy Lane, Crewe	20,000	15,849	(4,151)
} These projects will no longer go ahead as they will now become part of the North West Crewe Major.			
S106 Audlem Rd, Audlem	10,000	-	(10,000) This project is no longer expected to go ahead.
S106 Minshull New Rd Lay-By	200,000	95,164	(104,836) The scheme at Minshull New Rd is complete with costs lower than predicted.
Client Commissioning - Environmental			
Refurbishment at Bollington Arts Centre	14,024	14,004	(20) No further expenditure on this project - can now be closed
Y.P.U. Victoria Road, Macclesfield	34,994	34,888	(106) No further expenditure on this project - can now be closed
Total Capital Budget Reductions	317,518	162,563	(154,955)