

ISLE OF ANGLESEY COUNTY COUNCIL

Report to:	EXECUTIVE COMMITTEE
Date:	3 MARCH 2022
Subject:	FINAL CAPITAL BUDGET 2022/23
Portfolio Holder(s):	COUNCILLOR R WILLIAMS
Head of Service / Director:	MARC JONES
Report Author: Tel: E-mail:	MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER 01248 752601 rmjfi@ynysmon.gov.uk
Local Members:	n/a

A –Recommendation/s and reason/s

1. PURPOSE OF THE REPORT

1.1 The Executive is required to propose a capital budget for 2022/23, which will be presented to full Council for approval at its meeting on 10 March 2022.

2. RECOMMENDATIONS

2.1 To recommend to the full Council the following capital programme for 2022/23:-

	Ref (within draft Capital Budget Report 2022/23, Executive 24 January 2022)	£'000
2021/22 Schemes Brought Forward	Para 4.1 & Table 2	1,322
Refurbishment / Replacement of Assets	Para 4.2.	5,042
New One Off Capital Projects	Para 5.2 & Table 3	1,432
New One Off Capital Projects (Funded from Reserves and Unsupported Borrowing)	Para 5.3 & Table 4	783
21 st Century Schools	Para 6	8,598
Housing Revenue Account	Para 7	18,784
Total Recommended Capital Programme 2022/23		35,961
Funded By:		
General Capital Grant		1,486
Supported Borrowing General		2,157
General Balances		1,681
21 st Century Schools Supported Borrowing		1,168
21 st Century Schools Unsupported Borrowing		5,261
HRA Reserve & In Year Surplus		10,099
HRA Unsupported Borrowing		6,000
Capital Receipts		600
External Grants		4,854
Earmarked Reserves		1,195
General Fund Unsupported Borrowing		138
2021/22 Funding Brought Forward		1,322
2022/23 Total Capital Funding		35,961

B – What other options did you consider and why did you reject them and/or opt for this option?

A number of additional schemes are to be considered in the capital programme, with the main driving factor in funding being affordability and the maximisation of external grant funding.

C – Why is this a decision for the Executive?

The matter is delegated to the Executive to propose the capital budget.

CH – Is this decision consistent with policy approved by the full Council?

Yes

D – Is this decision within the budget approved by the Council?

N/A

Dd – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	The capital budget ensures funding to maintain the Council's assets and forms part of the strategy to meet the objectives set out in the Council's corporate plan.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Continued maintenance of the Council's assets will prevent larger costs in the future.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Capital projects in respect of 21st Century Schools and the HRA are aligned to priorities set out by the Welsh Government.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The capital budget has been subject to a formal budget consultation prior to final approval by the Council in March 2022.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The capital budget ensures funding to maintain the Council's assets and forms part of the strategy to meet the objectives set out in the Council's corporate plan.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	None identified.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact identified.

E - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	Comments from the SLT have been incorporated into the report.
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer’s report.
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a Member of the SLT and any comments made have been taken into account in discussions on this report in the SLT.
4	Human Resources (HR)	Any proposals which impact on staff will have been identified and discussed with the HR Team
5	Property	Any proposal which impacts on the Council’s property and related budgets will have been discussed with the Property Team.
6	Information Communication Technology (ICT)	Any proposal which impacts on the Council’s information technology systems and related budgets will have been discussed with the ICT Team.
7	Scrutiny	TBC
8	Local Members	Proposals are applicable to all Members.
9	Any external bodies / other/s	
F - Appendices:		
Appendix 1 – Report on the Capital Budget 2022/23 Appendix 2 – Final Proposed Capital Budget 2022/23		
FF - Background papers (please contact the author of the Report for any further information):		
Capital Strategy Report – full Council 9 March 2021 Capital Budget 2021/22 – full Council 9 March 2021		

1. INTRODUCTION

- 1.1. At its meeting on 24 January 2022, the Executive recommended to approve the following provisional Capital Programme for 2022/23, as shown in Table 1 below. The draft Capital Budget for 2022/23, set out below in Table 1, takes into account the principles set out in the Capital Strategy, which was approved by the Executive in March 2021 and the full Council in March 2021. It also meets the principles of the Draft Capital Strategy 2022/23, which will be considered alongside this Capital Programme and will be presented to full Council on 10 March 2022.

Table 1

**Summary Recommended Capital Programme 2022/23
Recommended at the Executive 24 January 2022**

	Ref (within draft Capital Budget Report 2022/23, Executive 24 January 2022)	£'000
2021/22 Schemes Brought Forward	Para 4.1 & Table 2	1,322
Refurbishment / Replacement of Assets	Para 4.2.	5,042
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2. OUTCOME OF PUBLIC CONSULTATION PROCESS

2.1. A number of comments relating to the Draft Capital Programme 2022/23 were received during the budget consultation 2022/23, which closed on 9 February 2022.

2.1.1 Many people questioned the amount to be spent on upgrading public conveniences, while others were in agreement that this was a priority.

2.1.2 Repairs to Melin Llynnon were generally not supported, specifically due to using education reserves to fund the repairs.

2.1.3 Some people were keen to see an investment in visitor facilities, embracing tourism and the provision and improvement of car parking facilities for tourists.

2.1.4 Respondents would like to see an improvement in the state of Council houses and garages that already exist.

2.1.5 A significant number of the responses received wanted to see an improvement to their roads and an investment in the roads network, not just by filling potholes.

2.1.6 A number of people questioned the need to build external canopies at schools and whether the money would be better being spent on education resources and equipment. In general, more education resources was suggested.

2.1.7 Respondents suggested an improvement to Home Care and care for the elderly to prevent unnecessary hospital stays, and a general investment in Care Homes to provide better facilities.

2.1.8 Decarbonisation was mentioned and tackling the challenge of decarbonising the local authority's activities and assets for future generations.

3. UPDATING THE CAPITAL PROGRAMME SINCE DRAFT CAPITAL BUDGET WAS PRESENTED IN JANUARY 2021

3.1 There have been no changes made to the proposed capital budget since it was last presented to this Committee on 24 January 2022.

4. 2021/22 SLIPPAGE

4.1 There is a forecast underspend of £26.17m on the current Capital Programme for 2021/22 schemes (£12.169m HRA and £14.001m General Fund). This figure is based on the projected outturn position at the end of quarter 3. The actual outturn position at the end of quarter 4 will be presented to this Committee in a separate capital outturn report, and any slippage amounts requested to be carried forward to 2022/23 will be subject to this Committee's approval at that stage. Committed schemes that are due to run for a number of years, from the current year and beyond, have been factored in to this programme due to new budgets being required.

FINAL PROPOSED CAPITAL BUDGET 2022/23

Scheme	Budget £'000	External Grants £'000	General Capital Grant £'000	Supported Borrowing £'000	Unsupported Borrowing £'000	HRA Reserve £'000	Capital Receipts Reserve £'000	Earmarked Reserves £'000	General Balances £'000
2021/22 Committed schemes b/f									
Penrhos Phase 2	493	493	0	0	0	0	0	0	0
Llangefni Gateway Joint Venture	119	119	0	0	0	0	0	0	0
Tourism Gateway	170	170	0	0	0	0	0	0	0
Holyhead Landscape Partnership	190	190	0	0	0	0	0	0	0
Holyhead Regeneration (THI Ph II)	350	350	0	0	0	0	0	0	0
Total 2021/22 Committed Schemes	1,322	1,322	0	0	0	0	0	0	0
Refurbishment / Replacement of Assets									
Disabled Facilities Grant	750	0	750	0	0	0	0	0	0
Refurbishment of Schools	1,000	0	0	1,000	0	0	0	0	0
Refurbishment of Non School Buildings	700	0	450	0	0	0	0	250	0
Highways Resurfacing	2,000	0	14	876	0	0	0	0	1,110
Vehicles	300	0	100	0	0	0	0	200	0
IT Assets	292	0	0	0	0	0	292	0	0
Total Refurbishment / Replacement of Assets	5,042	0	1,314	1,876	0	0	292	450	1,110
New One Off Capital Projects									
Flood Relief Schemes	281	0	0	281	0	0	0	0	0
Economic Dev – Match Funding	100	0	100	0	0	0	0	0	0
Upgrade of Public Toilets	480	0	72	0	0	0	308	100	0
External Canopies (3 Secondary Schools)	371	0	0	0	0	0	0	0	371
Maritime Infrastructure	200	0	0	0	0	0	0	0	200
Total New One Off Capital Projects	1,432	0	172	281	0	0	308	100	571
Other One Off Capital Projects (Funded from Earmarked Reserves, Service Reserves & Unsupported Borrowing)									

Scheme	Budget £'000	External Grants £'000	General Capital Grant £'000	Supported Borrowing £'000	Unsupported Borrowing £'000	HRA Reserve £'000	Capital Receipts Reserve £'000	Earmarked Reserves £'000	General Balances £'000
Coastal Infrastructure	200	0	0	0	0	0	0	200	0
Repairs to Melin Llynnon	103	0	0	0	38	0	0	65	0
Upgrade Waste Recycling Equipment	380	0	0	0	0	0	0	380	0
Fitness Equipment – David Hughes LC	100	0	0	0	100	0	0	0	0
Total Other One Off Capital Projects	783	0	0	0	138	0	0	645	0
21st Century Schools									
Band A	3,768	0	0	0	3,768	0	0	0	0
Band B	4,830	2,169	0	1,168	1,493	0	0	0	0
Total 21st Century Schools	8,598	2,169	0	1,168	5,261	0	0	0	0
TOTAL GENERAL FUND	17,177	3,491	1,486	3,325	5,399	0	600	1,195	1,681
Housing Revenue Account									
WHQS Planned Maintenance Programme	9,555	2,685	0	0	0	6,870	0	0	0
New Developments & Re-Purchase of Right to Buy Properties	9,229	0	0	0	6,000	3,229	0	0	0
TOTAL HOUSING REVENUE ACCOUNT	18,784	2,685	0	0	6,000	10,099	0	0	0
TOTAL CAPITAL PROGRAMME 2022/23	35,961	6,176	1,486	3,325	11,399	10,099	600	1,195	1,681