

THE VALE OF GLAMORGAN COUNCIL

CABINET: 24TH JANUARY, 2022

REFERENCE FROM CORPORATE PERFORMANCE AND RESOURCES
SCRUTINY COMMITTEE: 22ND DECEMBER, 2021

“710 INITIAL CAPITAL PROGRAMME PROPOSALS 2022/23 TO 2026/27 (REF) –

The reference from Cabinet on 22nd November, 2021 was presented to the Committee by the Interim Head of Finance / S151 Officer in conjunction with the Operational Manager for Accountancy.

There had been a reduction in terms of general capital funding in 2021/22, meaning an unallocated asset renewal of £1.068M in 2022/23. However, from 2022/24 onwards funding throughout Wales would start to increase again, plus money for decarbonisation would also be provided.

The key issues in terms of capital funding and the allocation of limited resources for the Council lay with the level of funding required for resurfacing of roads, waste transfer and the fleet parking schemes. There was also the potential increase in costs for the 21st Century Schools programme as a result of the rise in construction costs, materials, transportation etc, and the Council was applying to the Welsh Government for additional funding wherever possible, but there may be some match funding required from the Council as part of those schemes.

Current capital bids totalled £16m and so the Council needed to review these robustly and to look at various options including the use of reserves, capital receipts and applying for alternative sources of funding, as well as consideration being given to pushing back some of the schemes into 2023/24 or beyond when the funding situation would be improved.

Following the presentation of the report, the subsequent comments and questions were raised by the Committee:

- Councillor Dr Johnson referred to the Welsh in Education Strategic Plan (WESP) in relation to the Capital Programme and the transition to this from the ending of the Band B 21st Century Schools programme in terms of timescales, etc. The Interim Head of Finance / S151 stated that Welsh-medium schools were considered as part of the programme going forward and more details on this had been shared with the members of the Committee via email. The Deputy Leader and Cabinet Member for Education and Regeneration wished to reassure the Councillor that there were a wide range of considerations for the transition from 21st Century Schools to WESP, not least the criteria to be given by WG i.e. look at rebuilding or retrofitting existing schools in terms of carbon neutral policies. The Vale had been ‘ahead of the game’ regarding the building of schools as part of the 21st Century Schools

programme, which would give the Council more scope to look at further building or development at the end of the 21st Century Schools Programme, should there be finance available.

- Councillor John referred to the recommendation raised at the meeting of the Environment and Regeneration Scrutiny Committee around the importance of prioritising capital bids within the area of Neighbourhood Services relating to statutory services such as Waste and Highway Maintenance and cited the disintegrating wall near to the highway in Boverton as an example of where capital funding was most needed for the safety of drivers and pedestrians.
- The Chair wished to add that due to the current position on capital funding, it may be necessary to reprofile certain capital schemes over more years going forward and to look at the rules regarding procurement in order to make some savings, as well as alternative sources of funding. Road surfacing, waste management and other similar projects may incur costs at the beginning but ultimately achieved savings i.e., by reducing maintenance costs longer term and preventing the Council incurring penalties on recycling.

Scrutiny Committee, having considered the report and all the issues and implications contained therein

RECOMMENDED –

(1) T H A T Cabinet be informed of the comments of the Committee on the Initial Capital Programme Proposals for 2022/23 to 2026/27.

(2) T H A T the Committee supported the emphasis placed on the importance of prioritising capital bids within the area of Neighbourhood Services relating to statutory services such as Waste and Highway Maintenance, as recommended by the Environment and Regeneration Scrutiny Committee in order to reduce risk and improve public health and safety.

(3) T H A T the Healthy Living and Social Care Scrutiny Committee recommendation as above regarding the report be noted.

Reasons for recommendations

(1) In order that Cabinet be informed of the comments of Corporate Performance and Resources Scrutiny Committee before making a final proposal on the 2022/23 Capital Programme.

(2) In order to fund capital bids relating to statutory services which reduce risk and improve public safety.

(3) Having regard to the contents contained therein and discussions at the meeting.”