



**COUNCIL MEETING  
24 JANUARY 2019**

**CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS  
2018/19 – THIRD QUARTER REVIEW**

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**Sheena Ramsey, Chief Executive**

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**EXECUTIVE SUMMARY**

1. The purpose of this report is to set out the latest position on the 2018/19 Capital Programme and Prudential Indicators at the end of the third quarter to 31 December 2018. The report assesses reasons for the variances and details the proposed financing of the capital programme. In addition, the report considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.
2. The original budget for the capital programme for 2018/19, as agreed by Council on 22 February 2018, totalled £102.862m, which was revised at the second quarter review to £94.975m to reflect the scheme projections. The third quarter review of progress of schemes has resulted in a revised estimate for total capital expenditure of £87.897m.
3. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2018/19 were agreed at Council on 22 February 2018 and borrowing and investment levels have remained within these limits.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

**RECOMMENDATION**

5. It is recommended that Council:
  - (i) approves all variations to the 2018/19 Capital Programme as detailed in Appendix 2 as the revised programme;
  - (ii) approves the financing of the revised programme; and
  - (iii) notes that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2018/19 have been breached.