

CYNGOR SIR POWYS COUNTY COUNCIL

CABINET EXECUTIVE 15th September 2020

REPORT AUTHOR: James Evans, Portfolio Holder for Economic Development, Housing and Public Protection

REPORT TITLE: Machynlleth Gypsy and Traveller Site

REPORT FOR: Decision

1. Purpose

A project to build a Gypsy and Traveler site in Machynlleth was approved by Full Council in February 2020 based on the details set out in the Capital Strategy. Although the scheme cost was estimated at £1.285 million at that time, only £0.87 million was set out in the Capital Strategy leaving a funding gap of £0.415 million.

After a tender process the winning bid has been returned with an increased cost of £41k, due to additional COVID-19 measures required, therefore the scheme cost is now £1.326 million. In total the project requires additional funding approval of £0.456 million.

2. Capital Requirements

This scheme was included in the capital programme with an allocation of £0.87 million, comprising of £0.75 million from Welsh Government grant funding and £0.12 million supported borrowing. The project costs are now estimated at £1.326 million. It is proposed to fund the £0.456 million shortfall from the Homefinder Receipts Reserve.

A grant bid has been submitted to Welsh Government for £0.75 million but has not yet been confirmed. In order to fund any gap between the grant request and subsequent offer; and to allow the scheme to progress as planned without grant confirmation, it is proposed that up to an additional £0.75 million funding is approved in principle.

If the grant offered is less than £0.75 million, a formal virement will be submitted to address any shortfall in funding. This would be funded from the balance remaining in the Homefinder reserve and supported borrowing if necessary.

A request is made that the remainder of the project be funded by £0.456 million which is to be vired from the Homefinder Receipts Reserve. The balance of the reserve currently stands at £1.186 million.

3. Resource Implications

The Head of Finance (Section 151 Officer) acknowledges that the full cost of this scheme should have been included in the capital strategy approved by Council in February and recommends that the scheme funding is based on grant, Homefinder reserve and supported borrowing.

4. Legal implications

The Monitoring Officer has no specific concerns with this report.

5. Comment from local member(s)

Cllr Michael Williams has been informed of the virement and supports this in order that the development can be progressed.

6. Integrated Impact Assessment

No impact assessment is required.

7. Recommendation

- That the contents of this report are noted.
- That Cabinet approves the virement request for £0.456 million.
- That Cabinet approves in principle a virement of up to a further £0.75 million, should the value of grant award be less than anticipated.

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