

5 FEBRUARY 2014

REPORT OF HEAD OF CENTRAL SERVICES

CAPITAL PROGRAMME 2014/15

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to approve the Council's Capital Programme for 2014/15 for all funds and the sources from which that funding will be taken as recommended at the Strategic Planning Away Day held on 16 January 2014.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that funding for capital schemes in respect of General and Special Expenses and the sources that funding will be taken from, be as set out in Appendices A and B subject to the changes recommended at the Strategic Planning Away Day outlined in paragraph 3.2 below, and;
- 2.2 It is recommended that the Community Facilities Small Grants Scheme and Community Facilities Large Grants scheme be merged into the Community Facilities Grants Scheme as discussed at the away day and noted in paragraph 3.2 below, and;
- 2.3 It is recommended that funding for capital schemes in respect of the Housing Revenue Account (HRA) and the sources that funding will be taken from be as set out in Appendix C subject to paragraph 3.3 below, and;
- 2.4 It is recommended that the Special Expenses proposed cemetery chapel works be brought forward into 2013/14 from 2014/15 as per paragraph 3.5 below.

3.0 KEY ISSUES

- 3.1 It is good financial practice to incorporate the financial effects of capital spending plans into revenue budgets prior to the consideration and approval of the revenue budgets. As such Members at the Strategic Planning Away Day on 16 January 2014 have considered and made recommendations on the projects for both General and Special Expenses to be funded in the capital programme for 2014/15 in addition to those which have already had funding approved. The impact of these recommendations has been incorporated into the revenue budget and prudential indicators being separately considered on this Full Council agenda.
- 3.2 The projects recommended for funding in addition to those which have already had funding approved are set out in Appendices A and B along with the sources that funding is recommended to be taken from. A number of changes to the capital programmes approved by the individual policy committees were discussed at the away day as follows:

- Recommend that the Community Facilities Small Grants Scheme and Community Facilities Large Grants scheme be merged into the Community Facilities Grants Scheme,
- Transformation – CRM Development be reduced from £15k to £10k and

The following schemes are subject to approval of project mandates by the Policy, Finance and Administration Committee (PFA):

- Commissioning of Dog Sculptures, Parkside Offices
- Accommodation Works, Learning & Skills Centre (Me and my learning)

- Transformation, Digital Architecture – My Account

The following schemes were not recommended for funding at the Away Day as follows:

- Wilton Road Bus Park resurfacing – awaiting outcome of the review of the Car Park Strategy
- Home Owner Loan Scheme – awaiting report to Communities & Social Affairs (CSA) Committee regarding a review of this scheme
- Transformation – CRM Development – to be considered at a later date within the transformation process.

Members also expressed concern at the Away Day about the level of resources required to maintain assets within the Special Expenses account and requested that consideration be given to use of a sinking fund to meet future requirements.

3.3 A provisional 2014/15 capital programme in respect of the HRA was approved by the Community & Social Affairs (CSA) Committee at a meeting held on 13 November 2013. This is attached at Appendix C and includes the sources that funding will be taken from.

3.4 For members information a full list of the capital programme for 2014/15 by committee including those schemes previously funded, those proposed for funding and those where funding will be determined following further consideration by members is set out in Appendices D to F.

3.5 Members approved the project mandate for the capital improvement works to the Cemetery chapel at the November meeting of the Communities and Social Affairs committee of £10k for 2014/15. This was then recommended for funding from the Special Expenses reserve at the Away Day. Recently there has been a leak to the roof and although there have been temporary repairs it is now recommended that these capital works are brought forward to prevent further deterioration. This is subject to the business case going to PFA on 12 February 2014.

4.0 **POLICY & CORPORATE IMPLICATIONS**

4.1 Policy and corporate implications are considered for each proposed new scheme as part of the Council's priority assessment process. The results of this are reported to members as part of the budget setting process prior to finalising the capital programme.

4.2 A capital receipt can only be utilised for the repayment of debt or to fund capital expenditure. As such when members consider the use of these funds they should consider maximising the flexibility provided by revenue reserves such as the Corporate Priorities Reserve by funding capital expenditure from capital receipts in the first instance. The recommended funding for the capital programme follows this guidance.

5.0 **FINANCIAL & OTHER RESOURCE IMPLICATIONS**

5.1 The impact of the capital programme proposals on the Council's reserves and balances can be seen further in Appendix E to the Revenue Budget report shown elsewhere on this agenda.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 Any legal implications arising from new schemes will have been addressed at the Project Mandate stage.

7.0 **COMMUNITY SAFETY**

7.1 Individual schemes could have links to community safety issues. These are covered in any associated reports and forms linked to these schemes as they progress through the decision making process. As community safety is a corporate priority this is considered as

part of the priority assessment and budget setting process when considering individual schemes.

8.0 **EQUALITIES**

8.1 The equality issues of each individual scheme are considered as they progress through the approval process.

9.0 **RISKS**

9.1 There will be risks associated with each of the individual projects and these are considered as part of the consideration of these individual schemes through the decision making process.

10.0 **CLIMATE CHANGE**

10.1 Individual schemes could have climate change issues but these are considered individually as they progress through the approval process.

11.0 **CONSULTATION**

11.1 The proposed capital programme was made available on the Council's website during January/February 2014 for the benefit of business ratepayers. No comments have been received to-date but should any be received prior to the meeting the Council will be updated verbally.

11.2 Proposed capital schemes are considered by the Programme Board and by other internal groups as appropriate prior to submission to policy committees.

12.0 **WARDS AFFECTED**

12.1 To varying degrees, all wards are affected by the Council's Capital Programme.

Contact Officer:	Carol King
Date:	20 January 2014
Appendices:	Appendix A – C Recommended Funded Capital Programme 2014-15 Appendix D – F Capital Programme 2013-18
Background Papers:	Capital Programme 2013-18 Statement of Revenue & Capital Reserves
Reference:	X: Committee, Council & Sub Committees/Council Meetings/2013-14/05-02-14/DG – Capital Programme 2014-15