

# FULL COUNCIL

7 FEBRUARY 2018

## REPORT OF DIRECTOR FOR CORPORATE SERVICES

### CAPITAL PROGRAMME 2018/19

#### 1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to approve the Council's Capital Programme for 2018/19 for all funds and the sources from which that funding will be taken as proposed by the Strategic Planning Away Day held on 10 January 2018 and Policy Finance and Administration committee.

#### 2.0 RECOMMENDATIONS

**It is recommended that:**

- 2.1 **Funding for capital schemes in respect of General Expenses for 2018/19 and the sources that funding will be taken from, be as set out in Appendix A, and;**
- 2.2 **Funding for capital schemes in respect of the Housing Revenue Account (HRA) and the sources that funding will be taken from be as approved by the Community and Social Affairs committee and set out in Appendix B.**
- 2.3 **Delegated authority is given to the Director of Corporate Services to amend the amount in the capital programme for DFG's once funding confirmation has been received.**

#### 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 10 January 2018 and the Policy Finance and Administration Committee at its meeting on 24 January 2018 have considered and made recommendations on the projects for General Expenses to be funded in the capital programme for 2018/19 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 Council agenda.
- 3.2 The projects recommended for funding in addition to those which have already had funding approved are set out in Appendix A along with the sources that funding is recommended to be taken from. Members will note that within the proposed capital programme for 2018/19 that there is a limited number of capital schemes at present with no proposals in respect of special Expenses Melton Mowbray. However, the Council will be undertaking further prioritisation work and preparing project mandates / business cases which will come forward during the forthcoming financial year.
- 3.3 In respect of disabled facilities grants (DFGs) the Lightbulb project went live in October 2017 and the service is now being hosted through Blaby DC. The current amount included in the capital programme for 2018/19 is £237k, but final funding figures have yet to be confirmed. Should there be any minor changes to the capital programme is it requested that delegation be given to the Director for Corporate Services to amend the amount in the capital programme once funding confirmation has been received.

- 3.4 In respect of the Housing Revenue Account this is included as Appendix B as approved by the Community and Social Affairs Committee at its meeting on 23 January 2018 which has been updated in line with the refreshed Housing Asset Management Plan which was also approved at the same committee meeting.
- 3.5 For members information a full list of the capital programme for 2017/18 and later years 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 C to F.
- 3.6 Members may be aware that there is a new waste management contract due to commence on 1<sup>st</sup> October 2018, of which tenders are currently being evaluated and included in the tender was an optional variation requesting tenderers submit information showing the contract saving they can offer to the council, should the Council procure the waste vehicles for the life of the contract. Prudential borrowing will be undertaken to finance the vehicles for the life of the contract, should it be decided this offers the best value for money for the Council. Any decisions with regard to this will be reported to the appropriate decision making body at the next available opportunity and as such no allowance has been made in this report as the outcome is not known at this stage. This would therefore appear in the capital programme as a new item.

#### **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 G 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 2017 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.

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Date: 23 January 2018

Appendices: Appendix A – B Recommended Funded Capital Programme 2018-19  
Appendix C – F Capital Programme 2017-22

Background Papers: Capital Programme 2017-22  
Statement of Revenue & Capital Reserves  
Strategic Planning Away Day Notes

Reference: X: Committee, Council & Sub Committees/Council Meetings/2017-18/07-02-18/DG – Capital Programme 2018-19