


Agenda Item No:	<b>6</b>	
Committee:	Cabinet	
Date:	14 September 2017	
Report Title:	Capital Programme Update	

## Cover sheet:

### 1 Purpose

- To consider the updated capital programme and variations in resources since February 2017.

### 2 Key issues

- Updated capital programme and resources statement for 2018-21 is presented.
- The programme agreed in February 2017 has been updated and re-profiled to ensure expenditure is consistent with current resource forecasts.
- Subject to the realisation of £1.183m of capital receipts by 2020/21, the updated programme detailed at Appendix A is fully funded.
- A broader update of the capital programme and available resources will be undertaken during the autumn of 2017 as part of the budget setting process for 2018/19.

### 3 Recommendations

- It is recommended that the updated capital programme and funding schedule at Appendix A is approved.

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr John Clark, Leader Cllr Chris Seaton, Portfolio Holder, Finance
<b>Report Originator(s)</b>	Brendan Arnold, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Brendan Arnold, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	2018/21 Capital Programme working papers

## Report:

### **4 Introduction**

- 4.1 The Council's 2017-20 capital programme was approved by Cabinet and Council in February 2017, with the capital outturn for 2016/17 being reported to Cabinet on 15 June 2017.
- 4.2 This report addresses amendments to the programme since February, including re-profiling schemes from 2016/17 and a re-assessment of resources available in the period 2018-21. In addition, a further year, 2020/21 has been added to the forecast programme as a result of re-profiling forecast resources. Indicative figures have been included for this year subject to finalising during the forthcoming budget setting process.
- 4.3 A broader update of the capital programme and available resources will be undertaken during the autumn of 2017 as part of the budget setting process for 2018/19.

### **5 Updated Capital Programme**

- 5.1 The updated programme detailed at Appendix A is fully funded subject to the realisation of £1.183m of capital receipts by 2020/21.
- 5.2 The main changes to the programme since February, is the increase in resources from the Better Care Fund for the agreed delivery of an enhanced Disabled Facilities Grant programme and to fund the Council's Minor Works Grant programme. In addition, indicative figures for 2020/21 have been added.
- 5.3 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure. Reviews of the programme and resources available are carried out regularly during the year.
- 5.4 No further new schemes have been included in the programme, however there are a number of essential projects currently being assessed by Officers which may result in new schemes being put forward for member's consideration during the next financial year. These include maintenance and improvement of assets (mini-factories, car parks, industrial estates, open spaces, leisure centres etc.) as detailed in the Asset Management Plan 2017-20 presented to Council on 15 December 2016.
- 5.5 Alternative methods of funding the capital programme, such as prudential borrowing, may require consideration. These methods, however, will incur significant additional annual revenue costs on the Council which will need consideration in the context of the Council's forecast financial position.
- 5.6 Members are also reminded of the impact on the revenue account of using uncommitted capital resources. Whilst they remain uncommitted, the resources are invested and generate revenue income to the general fund. Consequently, for every £1m spent the revenue account loses around £6,000 per annum at current interest rates. At the interest rates projected over the Medium Term Financial Strategy (1 – 1.5%), the reduction in investment interest is between £10,000 - £15,000 per annum for every £1m of capital resources spent.

## CAPITAL PROGRAMME AND FUNDING 2018- 2021

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>CURRENT FORECAST EXPENDITURE</b>	<b>2,576</b>	<b>1,529</b>	<b>1,195</b>	<b>1,195</b>
<b>FORECAST RESOURCES AVAILABLE</b>				
Capital Grants	983	950	950	950
Usable Capital Receipts - In Year	278	415	245	245
Usable Capital Receipts - B/fwd	39	0	0	0
Reserves used in year to fund Capital	867	100	0	0
Section 106's	44	0	0	0
Finance Leases	160	0	0	0
Borrowing - Internal	205	64	0	0
<b>Total Forecast Resources</b>	<b>2,576</b>	<b>1,529</b>	<b>1,195</b>	<b>1,195</b>

**CAPITAL PROGRAMME SUMMARY 2018 - 2021**

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>Leisure Centres</b>								
1 Energy Plan - RE:FIT	27				27	27		
2 Essential Buildings Safety Improvements	6				6	6		
<b>Regeneration Programmes</b>								
3 Fenland Renaissance and Place Shaping	30				30	30		
4 Heritage Lottery Fund - Match Funding bid	50	100			150	150		
5 Heritage Lottery Fund - 24 High Street, Wisbech	100	49			149	149		
<b>Parks and Open Spaces</b>								
6 Wisbech Park, Bandstand	9				9	0	9	£9k Section 106
<b>Highways</b>								
7 Street Light Improvements - FDC	100				100	100		
8 Street Light Improvements - Parishes (Categories 1 & 2)	163				163	163		£163k Capital Reserve
9 Street Light Improvements - Wimblington Road, March	10				10	10		£10k Capital Reserve
10 Street Name Plates/District Facilities Signage	24				24	24		
<b>Port</b>								
11 Mooring & Fuelling Facilities, Sutton Bridge	134				134	134		
<b>Vehicles and Plant</b>								
12 Vehicles	507	170	170	170	1,017	1,017		£160k Finance Lease Facility
<b>ICT System Replacement Programme &amp; Upgrades</b>								
13 Replacement & Upgrade Programme	115	75	75	75	340	331	9	£9k Travellers Sites Reserve
<b>Improvement of Assets</b>								
14 Sewage Treatment Works Refurbishment	10				10	10		
15 Energy Plan - Invest to Save Projects	18				18	18		
<b>Economic Estates</b>								
16 Mini-Factories Refurbishment	40				40	40		
<b>Community Fund</b>								
17 March Athletics Club		8			8	8		
18 Estover Playing Field Sports Provision, March		100			100	100		£100k Management of Change Reserve
<b>Sub -Total</b>	<b>1,343</b>	<b>502</b>	<b>245</b>	<b>245</b>				

**CAPITAL PROGRAMME SUMMARY 2018 - 2021**

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>B/FWD</b>	<b>1,343</b>	<b>502</b>	<b>245</b>	<b>245</b>				
<b>Rural Community Fund</b>								
19 Coates Athletic Football Club - Changing Facilities	14				<b>14</b>	14		
20 Friday Bridge Play/Skate Park & MUGA		77			<b>77</b>	77		
<b>Community Safety</b>								
21 Wireless CCTV	171				<b>171</b>	171		£171k Management of Change Reserve
22 Wenny Road Chatteris CCTV	35				<b>35</b>		35	£35k Section 106
23 Alarm Receiving Centre	30				<b>30</b>	30		£30k Management of Change Reserve
<b>Private Sector Housing Support</b>								
24 Private Sector Renewal Grants	40	40	40	40	<b>160</b>		160	£160k Govt Grant
25 Disabled Facilities Grants	943	910	910	910	<b>3,673</b>		3,673	£3.673m Govt Grant
<b>Total - Current Approved Programme</b>	<b>2,576</b>	<b>1,529</b>	<b>1,195</b>	<b>1,195</b>	<b>6,495</b>	2,609	3,886	