

Agenda Item No:	10	
Committee:	Cabinet	
Date:	19 July 2018	
Report Title:	Capital Programme Update	

Cover sheet:

1 Purpose

- To consider the updated capital programme and variations in resources since February 2018.

2 Key issues

- Updated capital programme and resources statement for 2018-21 is presented.
- The programme agreed in February 2018 has been updated and re-profiled to ensure expenditure is consistent with current resource forecasts.
- Subject to the realisation of £0.836m 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 2018 as part of the budget setting process for 2019/20.

3 Recommendations

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

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Seaton, Leader Cllr Anne Hay, Portfolio Holder, Finance
Report Originator(s)	Peter Carpenter, Interim Chief Finance Officer Mark Saunders, Chief Accountant
Contact Officer(s)	Peter Carpenter, Interim Chief Finance Officer Mark Saunders, Chief Accountant
Background Paper(s)	2018/21 Capital Programme working papers

Report:

4 Introduction

- 4.1 The Council's 2018-21 capital programme was approved by Cabinet and Council in February 2018, with the capital outturn for 2017/18 being reported to Cabinet on 17 May 2018.
- 4.2 This report addresses amendments to the programme since February, including re-profiling schemes from 2017/18 and a re-assessment of resources available in the period 2018-21.
- 4.3 A broader update of the capital programme and available resources will be undertaken during the autumn of 2018 as part of the budget setting process for 2019/20.

5 Updated Capital Programme

- 5.1 The updated programme detailed at Appendix A is fully funded subject to the realisation of £836,000 of capital receipts by 2020/21.
- 5.2 The main changes to the programme since February 2018 is an acceleration of the vehicle replacement programme with spending budgeted for 2019/20 due to happen in this financial year. Re-profiling adjustments consistent with the variations reported to Council and Cabinet as part of the outturn report on 17 May 2018 have also been reflected.
- 5.3 The anticipated expenditure funded from disabled facilities grants has increased to take account of the confirmed allocation from government and a brought-forward underspend from the prior year. A scheme to develop the Skate Park at Wisbech using section 106 monies has also been added to the capital programme for the 2018/19 financial year.
- 5.4 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.
- 5.5 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 as detailed in the Asset Management Plan 2017-20 presented to Council on 15 December 2016.
- 5.6 Cabinet and Council approved the use of prudential borrowing to fund the capital programme in each of the next three financial years, totalling £1.887m over the three-year period.
- 5.7 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

	2018/19 £000	2019/20 £000	2020/21 £000
CURRENT FORECAST EXPENDITURE	3,852	2,201	1,195
FORECAST RESOURCES AVAILABLE			
Capital Grants	1,106	973	950
Usable Capital Receipts - In Year	311	300	225
Usable Capital Receipts - B/fwd	6	0	0
Reserves used in year to fund Capital	994	64	0
Section 106's	96	0	0
Finance Leases	336	0	0
Borrowing	1,003	864	20
Total Forecast Resources	3,852	2,201	1,195

CAPITAL PROGRAMME SUMMARY 2018 - 2021

	2018/19 £000	2019/20 £000	2020/21 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
Leisure Centres							
1 Essential Buildings Safety Improvements	6			6	6		
2 Condition Survey Improvemets	150	32		182	182		£182K R&M Reserve
Regeneration Programmes							
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	129	29		158	158		£50K Conservation Reserve
Cemetries							
6 Rebuild Front Wall - Manea Churchyard	15			15	15		
Car Parks							
7 March and Wisbech - Surface, Drainage and Landscaping	200	150		350	350		
Parks and Open Spaces							
8 West End Park - Replace Skate Park Ramps	120			120	90	30	£30K WREN
9 Wisbech Park - Resite Zip Wire, Multi Play Module		40		40	40		
10 Refurbish Wall, The Pound, Whittlesey		20		20	20		
11 Wisbech Skate Park	75			75		75	£75k Clarion S106 Monies
Highways							
12 Street Light Improvements - FDC	241	260		501	501		£47k Invest to Save Reserve
13 Street Light Improvements - Parishes (Categories 1 & 2)	163			163	163		£163k Capital Reserve
14 Street Name Plates/District Facilities Signage	9			9	9		
Port							
15 Mooring & Fuelling Facilities, Sutton Bridge	130			130	130		
16 Suspended Quay - Structural Repairs/Fender Piles	135			135	135		
17 Boats/Vessels - Replacement Deck, Hull and Engines	42	30		72	72		
18 Replacement and Review of Navigation Aids	53			53	53		
Vehicles and Plant							
19 Vehicles	506	170	170	846	846		£336k Finance Lease Facility
Office Accommodation							
20 Fenland Hall - Passenger Lift Replacement	22			22	22		
21 The Base - CCTV	20			20	20		
Sub-Total	2,096	831	170	3,097	2,992	105	

APPENDIX A

	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/FWD	2,096	831	170	3,097	2,992	105	
ICT System Replacement Programme & Upgrades							
22 Replacement & Upgrade Programme	121	75	75	271	271		
Improvement of Assets							
23 Sewage Treatment Works Refurbishment	292			292	292		
24 Energy Plan - Invest to Save Projects	7			7	7		
25 Eastwood Chatteris - Car Park Improvements		65		65	65		
26 Lattersey Nature Reserve - Capping Layer		40		40	40		
27 March SWMP - Eastwood Cemetery Flood Prevention		70		70	47	23	£23k Grants/Levy
Economic Estates							
28 Longhill, March - Drainage	40			40	40		
29 Staton Road, Whittlesey - Carriageway Resurfacing		40		40	40		£12k Station Road Reserve
Community Safety							
30 Control, Recording and Matrix Replacement to Analogue		110		110	110		
31 Camera Replacements		20		20	20		£20k CCTV Reserve
Community Fund							
32 March Athletics Club	8			8	8		
33 Estover Playing Field Sports Provision, March	100			100	100		£100k Management of Change Reserve
Rural Community Fund							
34 Coates Athletic Football Club - Changing Facilities	14			14	14		
35 Friday Bridge Play/Skate Park & MUGA	98			98	77	21	£21K S106 Monies
Private Sector Housing Support							
36 Private Sector Renewal Grants	40	40	40	120		120	£120k Govt Grant
37 Disabled Facilities Grants	1,036	910	910	2,856		2,856	£2856K Govt Grant
Total - Current Approved Programme	3,852	2,201	1,195	7,248	4,123	3,125	