

Committee: Cabinet

Agenda Item

Date: 17 February 2015

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Title: Capital Programme 2015/16 – 2019/20

Portfolio Holder: Councillor Robert Chambers

Item for decision

Summary

1. The Capital programme is for the next 5 years, 2015/16 to 2019/20.
2. Capital Expenditure relates to spending on schemes and assets that have a long term value and exceeds cost of £10,000.
3. The programme details planned Capital Expenditure on the Council's buildings, vehicles and ICT assets.
4. The programme includes Capital Grants to other organisations and individuals.
5. The programme is for both General Fund and Housing Revenue Account assets and schemes.
6. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendation

7. The Cabinet is requested to approve, for recommendation to Full Council, the Capital Programme and associated financing of the programme as set out in this report.

Financial Implications

8. The revenue costs of financing the Capital Programme have been built into the HRA and General Fund budgets detailed elsewhere on the agenda.

Background Papers

9. None

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Capital Programme 2014/15 – 2019/20

10. Appendix A shows a summary table of all the capital projects and their costs for each year.
11. Appendix B details all the capital programmes by Portfolio and gives details of the type of expenditure and the scheduled programme of works for each year.
12. The Capital Programme is an evolving and rolling programme year on year.
13. Appendix C details the financing of the Capital Programme.
14. The schemes of works detailed in the programme are proposed to be funded by the following means:
 - Grants
 - S106 contributions
 - Revenue contributions
 - Capital receipts and internal borrowing
 - The HRA will also use the 'Financial Headroom' available
15. No external borrowing is required to finance the 5 year Capital Programme detailed in this report.

16. The HRA capital financing includes a contribution from the Major Repairs Reserve which is the equivalent to the annual depreciation charge on council dwellings and other HRA assets. This funding is used to support the annual capital repairs budget.
17. A regular update on the capital programme and associated financing is included in the Budget Monitoring reports presented to Cabinet throughout the year.
18. The robustness of the capital programme and a review of each scheme have been undertaken by the officers of the Capital Programme Working Group at regular intervals.

Capital Programme – Key points

19. General Fund

- Castle renovation – the programme of works are being carried out to comply with English Heritage requirements. The original expectation was that this project would be 50% funded by English Heritage. This funding has now been cut and an application for a £200k grant contribution from English Heritage has been submitted and we are awaiting confirmation.
- London Road Offices - A conditions survey was carried out on the Council Offices and associated buildings in 2014/15. The outcome and findings of the survey have now been built into the capital programme.
- Dunmow Depot – Plans are in process to identify and relocate to a new site. Expenditure has been built into the capital programme to purchase and develop a new plot to meet the requirements of the Waste Service. There is the potential of a capital receipt for the sale of the original site or part thereof. Currently there is no decision on the plans for the future of the Dunmow site, so no receipt has been built into the capital financing.

20. HRA

- Mead Court – phase 1 is due to complete in late 2014/15, and phase 2 will commence in 2014/15 with an expected completion date of October 2015.
- Reynolds Court – rebuild of the sheltered scheme is in the planning and consultation period and the programme of works are anticipated to commence in early 2015/16
- Hatherley Court – remodelling of the sheltered scheme is in the consultation stage and the programme of works are anticipated to commence in later 2015/16

- Ongoing development of new build sites (including garden and garage land to be used) - this scheme has a direct correlation to the Right to Buy scheme and our obligation to replace sold properties on a 1 for 1 basis. Catons Lane site has been identified for new build of 6 social houses. This contract is now in the tender process and it is anticipated that work will start in early 2015/16.
- Capital Financing – the transfer of 8 designated temporary accommodation units from the HRA to the GF has released funding of £1.047m to help support the HRA Business Plan

21. Stansted Housing Partnership Fund – Although this does not fall within the Councils’ capital programme, for members’ information the fund will be fully drawn down in 2015/16. The detail of the allocation of funding is shown below:

Project for Funding	2015/16 £ '000	Total £ '000
Mead Court Garage Site	1,626	1,626
Total	1,626	1,626

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital budget pressures and/or funding not realised	2	2	Ongoing review of the spend via budget monitoring and capital officers working group

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project

APPENDIX A – 5 YEAR CAPITAL PROGRAMME SUMMARY

	2015/16 Forecast Budget £ '000	2016/17 Forecast Budget £ '000	2017/18 Forecast Budget £ '000	2018/19 Forecast Budget £ '000	2019/20 Forecast Budget £ '000
Community Partnerships & Engagement	690	162	110	110	146
Community Safety	0	0	0	0	0
Environmental Services	2,572	340	757	205	1,991
Finance & Administration	419	230	162	93	181
General Fund Housing	298	290	291	293	293
Total General Fund Capital	3,979	1,022	1,320	701	2,611
HRA Capital Fund	3,550	3,210	3,508	3,591	3,445
HRA Business Plan Items	6,223	5,963	1,520	2,100	2,100
Total HRA Capital	9,773	9,173	5,027	5,691	5,545
Total Capital Programme	13,752	10,195	6,348	6,392	8,156

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

COMMUNITY PARTNERSHIPS AND ENGAGEMENT							
	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £	Total £
Community Projects Grants	136,000	110,000	110,000	110,000	110,000	110,000	550,000
Museum Storage Facility Contribution	300,000	0	0	0	0	0	0
Saffron Walden Castle	355,000	400,000	0	0	0	0	400,000
<u>New schemes</u>							
Superfast broadband	100,000	100,000	0	0	0	0	100,000
Museum Buildings	0	80,000	52,000	0	0	36,000	168,000
Total Community Partnerships and Engagement	891,000	690,000	162,000	110,000	110,000	146,000	1,218,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

ENVIRONMENTAL SERVICES							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	£
	£	£	£	£	£	£	£
Vehicle Replacement Programme	280,000	847,000	270,000	687,500	135,200	1,921,000	3,860,700
In -cab Technology	12,000	0	0	0	0	0	0
Household Bins	0	30,000	30,000	30,000	30,000	30,000	150,000
Trade Waste Bins	0	10,000	10,000	10,000	10,000	10,000	50,000
Garden Waste Bins	0	20,000	20,000	20,000	20,000	20,000	100,000
Kitchen Caddies	0	10,000	10,000	10,000	10,000	10,000	50,000
Swan Meadow Car Park	130,000	0	0	0	0	0	0
Catons Lane Car Park	155,000	155,000	0	0	0	0	155,000
Flood prevention	45,000	0	0	0	0	0	0
Dunmow Depot	0	1,500,000	0	0	0	0	1,500,000
Total Environmental Services	622,000	2,572,000	340,000	757,500	205,200	1,991,000	5,865,700

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

FINANCE AND ADMINISTRATION							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	£
	£	£	£	£	£	£	£
ICT							
Members IT Equipment	0	18,000	0	0	0	0	18,000
Minor Items IT	20,000	20,000	20,000	20,000	20,000	20,000	100,000
Video Conferencing	0	25,000	0	0	0	0	25,000
Bring Your Own Device	10,000	0	0	0	0	0	0
Citrix Upgrade	20,000	0	0	0	0	0	0
PSN CoCo	30,000	30,000	30,000	30,000		30,000	120,000
Mobile working ICT set up - Housing	50,000	0	0	0	0	0	0
Mobile working ICT set up - Planning and Environmental Health	45,000	0	0	0	0	0	0
Mobile working - Other dept	0	25,000	25,000	0	0	0	50,000
<u>New Schemes</u>							
Revenues and Benefits server	0	30,000	0	0	0	0	30,000
PCI Compliance - cash receipting	0	35,000	0	0	0	0	35,000
PCI Compliance - Direct debit	0	20,000	0	0	0	0	20,000
<u>Council Assets</u>							
London Road Building works	189,000	190,000	119,000	58,000	57,000	94,000	518,000
London Rd Electrical	0	0	0	54,000	0	37,000	91,000
London Rd Heating	0	26,000	36,000	0	16,000	0	78,000
Hill Street Conveniences	120,000	0	0	0	0	0	0
Stansted Conveniences - Grant	30,000	0	0	0	0	0	0
Total Finance Administration	514,000	419,000	230,000	162,000	93,000	181,000	1,085,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

GENERAL FUND HOUSING							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	£
	£	£	£	£	£	£	
Disabled Facilities Grants	225,000	198,000	198,000	198,000	198,000	198,000	990,000
Empty Dwellings	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Private Sector Renewal Grants	30,000	30,000	30,000	30,000	30,000	30,000	150,000
Day Centres Improvements	10,000	20,000	12,000	13,000	15,000	15,000	75,000
Compulsory purchase order	0	0	0	0	0	0	0
GF Housing Total	315,000	298,000	290,000	291,000	293,000	293,000	1,465,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING REVENUE ACCOUNT							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	
	£	£	£	£	£	£	£
HRA Capital Repairs	3,968,000	3,260,000	3,060,000	3,255,000	3,345,000	3,295,000	16,215,000
UPVC Fascia's and Guttering	500,000	140,000	100,000	100,000	100,000	100,000	540,000
Cash Incentive Scheme Grants	50,000	150,000	50,000	50,000	50,000	50,000	350,000
Light Vans Replacement programme	0	0	0	102,500	96,400	0	198,900
<u>HRA Original Business Plan Schemes</u>							
New builds							
Unidentified Sites	295,000	212,000	586,000	900,000	600,000	600,000	2,898,000
Catons Lane	30,000	900,000	0	0			900,000
Mead Court - New Build/Redevelopment	3,741,000	1,327,000	0	0	0	0	1,327,000
Sheltered redevelopments							
Reynolds Court	205,000	2,350,000	4,200,000	620,000	0	0	7,170,000
Hatherley Court	60,000	864,500	897,500	0	0	0	1,762,000
Walden Place	10,000	10,000	0	0	0	0	10,000
Unidentified Sheltered Schemes	0	0	0	0	1,500,000	1,500,000	3,000,000
Other Business plan schemes							
Sheltered Hsg Alarm equip	100,000	0	0	0	0	0	0
Energy Efficiency improvement schemes	606,000	380,000	280,000	0	0	0	660,000
Supported unit for people with learning disabilities	100,000	100,000	0	0	0	0	100,000
Review of potential internet cafes in sheltered schemes	40,000	25,000	0	0	0	0	25,000
ICT							
Service charges planned repair system	92,000	0	0	0	0	0	0
Housing contractors portal & SAM	0	55,000	0	0	0	0	55,000
HRA Housing Total	9,797,000	9,773,500	9,173,500	5,027,500	5,691,400	5,545,000	35,210,900
Total Housing	10,112,000	10,071,500	9,463,500	5,318,500	5,984,400	5,838,000	36,675,900

APPENDIX B – 5 YEAR CAPITAL PROGRAMME

S106							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	
	£	£	£	£	£	£	£
<u>S106</u>							
From reserves	0	0	0	0	0	0	0
Agreements	500,000	0	0	0	0	0	0
Other bodies	0	0	0	0	0	0	0
Total S106 Community Partnerships and Engagements	500,000	0	0	0	0	0	0
Total General fund excl S106	2,419,000	3,979,000	1,022,000	1,320,500	701,200	2,611,000	9,633,700
Total Capital Programme Excluding S106	12,216,000	13,752,500	10,195,500	6,348,000	6,392,600	8,156,000	44,844,600
Total Capital Programme Including S106	12,716,000	13,752,500	10,195,500	6,348,000	6,392,600	8,156,000	44,844,600

APPENDIX C – GENERAL FUND 5 YEAR CAPITAL FINANCING

Financing - General Fund	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £
Disabled Facilities Grant	(65,000)	(103,000)	(103,000)	(103,000)	(103,000)	(103,000)
Museum Society Grant - Museum Store	(300,000)	0	0	0	0	0
Capital Hardware Grant	(10,000)	0	0	0	0	0
DEFRA - flood prevention grant	(45,000)	0	0	0	0	0
Funde from Reserves	0	(1,500,000)	0	0	0	0
Revenue Contributions to Capital - Comm Part & Engagements	(591,000)	(610,000)	(110,000)	(110,000)	(110,000)	(110,000)
Revenue Contribution to capital - Comm Safety	(77,000)	0	0	0	0	0
Revenue Contributions to Capital - Environmental	(285,000)	(225,000)	0	0	0	0
Revenue Contributions to Capital - Finance & Admin	(150,000)	0	0	0	0	0
Revenue Contribution - GF Housing	(250,000)	(195,000)	(187,000)	(188,000)	(190,000)	(190,000)
Internal Borrowing	(646,000)	(1,346,000)	(622,000)	(919,500)	(298,200)	(2,208,000)
Total Financing	(2,419,000)	(3,979,000)	(1,022,000)	(1,320,500)	(701,200)	(2,611,000)

APPENDIX C – GENERAL FUND 5 YEAR CAPITAL FINANCING

Financing - Housing Revenue Account	2014-15 Current Budget £	2015-16 Forecast Budget + Slippage £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £
<u>Business Plan Schemes</u>						
Funded from reserves	(835,000)	(1,313,000)	(419,000)	0	(417,000)	(335,000)
S106 - Housing Partnership Funding - HRA	0	(434,000)	0	0	0	0
HCA grant funding	0	(800,000)	0	0	0	0
Capital Receipts - RTB	(724,000)	(334,000)	(176,000)	(270,000)	(180,000)	(180,000)
Release of prior years funding	0	(61,000)	(986,000)	0	0	0
HRA Financial Headroom - Specific Schemes	(3,720,000)	(2,431,500)	(2,802,126)	(1,046,334)	(719,360)	(1,439,000)
Internal borrowing			(736,374)			
Sub total	(5,279,000)	(5,373,500)	(5,119,500)	(1,316,334)	(1,316,360)	(1,954,000)
<u>Other Schemes</u>						
Major Repairs Reserve Contribution	(3,136,412)	(3,208,960)	(3,281,126)	(3,355,945)	(3,432,400)	(3,395,000)
Other MRR reserve cont	(91,000)	(125,000)	(146,000)	(146,000)	(146,000)	(146,000)
HRA Revenue Funding	(1,290,588)	(1,066,040)	(626,874)	(209,221)	(796,640)	(50,000)
Sub total	(4,518,000)	(4,400,000)	(4,054,000)	(3,711,166)	(4,375,040)	(3,591,000)
Total Financing	(9,797,000)	(9,773,500)	(9,173,500)	(5,027,500)	(5,691,400)	(5,545,000)