

Committee Finance and Administration Committee
Date 8 February 2011
Title Capital Programme 2011/12 – 2015/16
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Agenda Item

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Item for
decision

Summary

This report presents the Capital Programme for 2011/12 to 2015/16 to be recommended for approval to the Council on 24 February 2011. It includes all schemes put forward by policy committees in the January committee cycle and proposes an approach to overall financing of the programme.

This report, annotated with the Committee's decision, will be submitted to the Full Council on 24th February for final approval.

Recommendations

Members are requested to approve, for recommendation to Full Council on 24 February, the Capital Programme as set out in Appendix A.

Background Papers

Capital Programme reports already approved:

[Environment Committee](#) 18 January 2011

[Community & Housing Committee](#) 20 January 2011

[Finance & Administration Committee](#) 27 January 2011

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Finance	Details are contained within the report.
Health and safety	None
Human Rights	None
Legal implications	None
Ward-specific impacts	None
Workforce /Workplace	None

Summary

Appendix A is a summary of all schemes approved by policy committees in this committee cycle, together with a proposed financing plan. Full details are at Appendix B.

An indicative 5 year programme has been prepared. This will be an evolving programme and subject to a rolling annual approval by the Council.

Available capital receipts are forecasted to be used up during the course 2010/11. To finance the capital programme, the Council will be required to make use of its cash deposits. This is a sensible alternative to external borrowing because it avoids borrowing costs and reduces the Council's exposure to the banking market. Investment income will reduce; this has been taken into account in the Medium Term Financial Strategy. Use of cash deposits will be managed prudently to ensure that at all times the Council has sufficient cash flow and liquidity.

The 2011/12 capital programme will be financed from a combination of Government grants, new capital receipts and use of cash deposits. From 2012/13, it is anticipated the Council will need to take out external borrowing.

The Treasury Management strategy, elsewhere on tonight's agenda, discusses this in more detail.

Environment Committee schemes

An increase in the annual budgeted sum for new and replacement wheelie bins is required to reflect the actual level of expenditure being incurred. The increase is from £10,000 to £50,000. This corrects what appears to be an under-budgeting issue rather than signifying any unusual increase in activity. Officers feel that consideration should be given to charging developers or householders for the cost of new bins, and for replacement bins where the damage is caused by the householder.

The 2011/12 capital programme includes car park repairs rescheduled from 2010/11. Repairs to SW Fairycroft Road Car Park have been deferred pending resolution of Waitrose proposals.

The scheme to carry out repairs to the Elizabeth Way culvert is restored to the Capital Programme for 2011/12.

There are no other significant items for 2011/12. For 2012/13, there is a need to plan for alternative depot provision and a new refuse collection vehicle fleet. The amounts indicated are purely indicative and subject to an evaluation of alternatives. Officers are researching the possibilities and reports will be brought to Members during 2011.

**Community &
Housing
Committee
Schemes**

There are no significant new schemes for 2011/12.

The Heritage Quest Centre project has been rescheduled to 2011/12 although Members will be aware that uncertainty still exists over this project.

The budget for Disabled Facilities Grants has been increased to reflect current and forecasted levels of expenditure on this mandatory demand led scheme.

The HRA programme of works includes an additional £0.5 million of investment to be funded by a revenue contribution from the HRA budget in 2011/12.

For 2012/13, there is a need to plan for the Government's reform of council housing finance. The Government has confirmed that it will proceed with abolishing the housing subsidy system, which will require the Council to buy itself out of the system. The precise terms under which this is to be achieved are not yet available but the indications are that these will be less favourable than the exemplifications consulted upon. A report will be brought to Members when the actual details are known.

**Finance &
Administration
Committee
Schemes**

The most significant project in the programme for 2011/12 is replacement of the Revenues & Benefits IT system at an estimated cost of £300,000. The cost is variable depending on the progress of the Revenues & Benefits partnership with Harlow and the results of the procurement exercise being carried out by Harlow on behalf of both authorities.

The annual programme of investment and renewal of ICT infrastructure will continue with £200,000 allocated for 2011/12 and a further sum of £20,000 for replacement servers.

Home working remains a key objective for the effective management of staff and accommodation. Due to stricter security rules some investment in equipment used by home workings shall be necessary. A sum of £50,000 has been allocated.

£10,000 has been allocated to invest in the Council's website and increase the proportion of enquiries and transactions that can be resolved online.

Anticipating that there will be some new Members following the May 2011 election, £15,000 has been allocated to supply and install IT equipment and software.

There are no other significant items for 2011/12, nor are any significant new schemes identified from 2012/13 onwards.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital spending pressures and costs accurately	Low	Medium	Continual review of the capital programme

APPENDIX A

**CAPITAL PROGRAMME 2011/12 TO 2015/16
 SUMMARY**

Capital Programme 2010/11 to 2015/16	2010/11 Revised £	2011/12 Original £	2012/13 Forecast £	2013/14 Forecast £	2014/15 Forecast £	2015/16 Forecast £
General Fund Capital Schemes						
Environmental Committee	1,528,500	539,000	3,460,000	420,000	140,000	60,000
Community & Housing Committee	495,000	1,277,000	410,000	310,000	310,000	310,000
Finance & Administration Committee	516,600	595,000	120,000	120,000	120,000	20,000
Sub Total	2,540,100	2,411,000	3,990,000	850,000	570,000	390,000
Housing Revenue Account Capital Schemes						
HRA Capital	3,126,000	2,510,600	92,025,000	2,070,000	2,120,000	2,170,000
Sub Total	3,126,000	2,510,600	92,025,000	2,070,000	2,120,000	2,170,000
TOTAL CAPITAL PROGRAMME	5,666,100	4,921,600	96,015,000	2,920,000	2,690,000	2,560,000
FINANCING						
General Fund						
Disabled Facilities Grant	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
ECC Grant	(100,000)	0	0	0	0	0
DEFRA Project	(83,000)	0	0	0	0	0
Heritage quest funding	(50,000)	(882,000)	(100,000)	0	0	0
MOJ/Cabinet Funding	(15,800)	0	0	0	0	0
Planning Development Grant	(309,200)	0	0	0	0	0
Play Programme grant	(78,000)	0	0	0	0	0
Swimming Grant	(22,000)	0	0	0	0	0
Capital Receipts	(1,595,000)	(250,000)	(200,000)	(200,000)	(200,000)	(200,000)
Use of cash deposits	(227,100)	(1,219,000)	(825,000)	0	0	0
External Borrowing	0	0	(2,805,000)	(590,000)	(310,000)	(130,000)
Sub total	(2,540,100)	(2,411,000)	(3,990,000)	(850,000)	(570,000)	(390,000)
Housing Revenue Account						
Major Repairs Allowance	(1,925,000)	(2,010,600)	0	0	0	0
Revenue contribution	(400,000)	(500,000)	(2,025,000)	(2,070,000)	(2,120,000)	(2,170,000)
Housing Grant	(225,000)	0	0	0	0	0
S106	(191,500)	0	0	0	0	0
Capital Receipts	0	0	0	0	0	0
Use of cash deposits	(384,500)	0	0	0	0	0
External Borrowing	0	0	(90,000,000)	0	0	0
Sub total	(3,126,000)	(2,510,600)	(92,025,000)	(2,070,000)	(2,120,000)	(2,170,000)
TOTAL SOURCES OF FINANCING	(5,666,100)	(4,921,600)	(96,015,000)	(2,920,000)	(2,690,000)	(2,560,000)
Capital Receipts 2010/11 to 2015/16						
Receipts						
Balance Brought Forward	745,000	0	0	0	0	0
Estimated Capital Receipts Received	850,000	250,000	200,000	200,000	200,000	200,000
Sub Total	1,595,000	250,000	200,000	200,000	200,000	200,000
Applied						
General Fund	(1,595,000)	(250,000)	(200,000)	(200,000)	(200,000)	(200,000)
HRA	0	0	0	0	0	0
Sub Total	(1,595,000)	(250,000)	(200,000)	(200,000)	(200,000)	(200,000)
BALANCE AT END OF YEAR	0	0	0	0	0	0

APPENDIX B

COMMUNITY & HOUSING COMMITTEE - Draft Capital Programme 2010/11 to 2015/16

General Fund Capital Schemes	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2010-16	Explanatory Notes
	Revised Budget	Budget	Forecast	Forecast	Forecast	Forecast	Total	
	£	£	£	£	£	£	£	
COMMUNITY & HOUSING COMMITTEE								
Approved Schemes and Rolling Programmes								
1. Community Project Grants	70,000	70,000	70,000	70,000	70,000	70,000	420,000	Community Project Grants
2. Private Sector Renewal Grants	40,000	40,000	40,000	40,000	40,000	40,000	240,000	Rolling programme to continue
3. Disabled Facilities Grants	175,000	200,000	200,000	200,000	200,000	200,000	1,175,000	Rolling programme to continue
4. Saffron Walden Museum - capital contribution towards Museum Heritage Quest Centre	40,000	937,000	100,000	0	0	0	1,077,000	Lottery Funded project
5. Empty Dwellings	20,000	30,000	0	0	0	0	50,000	
6. Dunmow CCTV	50,000	0	0	0	0	0	50,000	New scheme based upon the requirement for a new CCTV system in Great Dunmow. Proposed funding based upon using part of sale receipt of ex-Council office in Great
Externally Funded Schemes								
7. Play Programme	3,000	0	0	0	0	0	3,000	External Grant funded project
8. Swimming Grant	22,000	0	0	0	0	0	22,000	External Grant funded project
9. Felsted Playground	25,000	0	0	0	0	0	25,000	External Grant funded project
10. Thaxted - Play Equipment	50,000	0	0	0	0	0	50,000	External Grant funded project
Total C&H Committee	495,000	1,277,000	410,000	310,000	310,000	310,000	3,112,000	

COMMUNITY & HOUSING COMMITTEE HRA - Draft Capital Programme 2010/11 to 2015/16

HRA Capital Schemes	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2010-16	Explanatory Notes
	Revised Budget	Budget	Forecast	Forecast	Forecast	Forecast	Total	
	£	£	£	£	£	£	£	
COMMUNITY & HOUSING COMMITTEE HRA								
Approved Schemes and Rolling Programmes								
1. Annual programme of works for maintaining the housing stock	2,065,000	2,470,600	2,005,000	2,050,000	2,100,000	2,150,000	12,840,600	Annual programme of works for maintaining the housing stock
2. Cash Incentive Scheme Grant	40,000	20,000	20,000	20,000	20,000	20,000	140,000	Rolling programme proposed to continue to 2011/12
3. Light Vehicle Replacement	238,000	0	0	0	0	0	238,000	Transferred over from the F&A budget
4. Holloway Crescent	650,000	0	0	0	0	0	650,000	Development of bungalows at Holloway Crescent
5. Additional disabled works	44,000	0	0	0	0	0	44,000	
6. Additional works depot	89,000	0	0	0	0	0	89,000	
New Schemes								
7. HRA debt financing	0	0	90,000,000	0	0	0	90,000,000	The government proposed re-financing of the HRA requires UDC to take on £90 million (TBC) of debt. As a result of this UDC will no longer be required to make negative subsidy payments
8. HRA new housing allocations system	0	20,000	0	0	0	0	20,000	Replacement of the housing allocations system
Total C&H Committee HRA	3,126,000	2,510,600	92,025,000	2,070,000	2,120,000	2,170,000	104,021,600	

ENVIRONMENT COMMITTEE DRAFT CAPITAL PROGRAMME 2011/12 TO 2015/16

General Fund Capital Schemes	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2010-16	Explanatory Notes
	Revised Budget	Budget	Forecast	Forecast	Forecast	Forecast	Total	
	£	£	£	£	£	£	£	
ENVIRONMENT COMMITTEE								
Approved Schemes and Rolling Programmes								
1. Trade Waste Bins	17,000	10,000	10,000	10,000	10,000	10,000	67,000	Trade waste bins replacement.
2. Refuse Collection Vehicles	0	0	2,000,000	0	0	0	2,000,000	Replacement of Refuse Collection
3. Trade Waste Vehicles	655,000	0	0	120,000	80,000	0	855,000	Replacement of trade waste vehicles and smaller refuse collection vehicles
4. Light Vehicles	36,000	0	0	0	0	0	36,000	Replacement of Light Vehicles
5. Recycling Vehicles	166,000	0	0	0	0	0	166,000	Replacement of Recycling Vehicles
6. Street Cleansing Vehicles	147,000	0	100,000	240,000	0	0	487,000	Replacement of Street Cleansing Vehicles
7. Elizabeth Way Culvert	0	300,000	0	0	0	0	300,000	Repairs to the Culvert on Elizabeth Way
8. Pest Control Light Vehicles	36,000	0	0	0	0	0	36,000	Three vehicles
9. Museum Grounds Boundary Wall	37,000	0	0	0	0	0	37,000	Museum Grounds Boundary Wall
10. Repairs to car park, White St	85,000	0	0	0	0	0	85,000	Capital repair
11. New Depot	0	0	1,300,000	0	0	0	1,300,000	New Depot for the refuse service
12. Hard to Reach Properties Vehicle	100,000	0	0	0	0	0	100,000	Hard to Reach Properties Vehicle
13. Grant to SW Town Council	50,000	0	0	0	0	0	50,000	
14. Ashton/DEFRA Project	83,000	0	0	0	0	0	83,000	Flood defence
15. Repairs to car park, Faircroft	0	154,000	0	0	0	0	154,000	Capital repair - Moved from 2010/11 Budget (Dependent on the outcome of the Waitrose planning application)
16. Energy Efficiency Programme	25,000	25,000	0	0	0	0	50,000	Funding towards the Council's target of achieving energy savings
New Schemes								
17. Household Waste Collection System - Purchase of Wheelie Bins	42,000	50,000	50,000	50,000	50,000	50,000	292,000	Rolling programme for the purchase of additional wheelie bins for new developments and replacements - Extra £40k required to fund annual replacement of wheelie bins -
18. Buffer Vehicle	32,000	0	0	0	0	0	32,000	Purchase of second hand crash buffer vehicle for dangerous roads. Could be shared by Braintree and so costs shared
19. Takeley Air Quality Monitor	17,500	0	0	0	0	0	17,500	PM10 monitor can not be fixed replacement needed.
Total Environment Committee	1,528,500	539,000	3,460,000	420,000	140,000	60,000	6,147,500	

FINANCE AND ADMINISTRATION COMMITTEE - Draft Capital Programme 2010/11 to 2015/16

General Fund Capital Schemes	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2010-16	Explanatory Notes
	Revised Budget	Budget	Forecast	Forecast	Forecast	Forecast	Total	
	£	£	£	£	£	£	£	
Finance and Administration Committee Approved Schemes and Rolling Programmes								
1. IT Programme	235,000	200,000	100,000	100,000	100,000	0	735,000	Investment in ICT infrastructure
2. Disaster recovery center	30,000	0	0	0	0	0	30,000	
3. Saffron Walden Office - new boiler	40,000	0	0	0	0	0	40,000	Scheme no longer required due to repairs
4. Saffron Walden Office - renovating of the glazed link	100,000	0	0	0	0	0	100,000	Saffron Walden Office - renovating of the glazed link
5. Microsoft upgrade	80,000	0	0	0	0	0	80,000	Microsoft office upgrade
6. New revenues and benefits system	0	300,000	0	0	0	0	300,000	New revenues and benefits system
7. Home Working	0	50,000	0	0	0	0	50,000	Proposed Home Working regulation change
New Schemes								
8. Minor Items - IT	0	20,000	20,000	20,000	20,000	20,000	100,000	Replacement for servers that cannot be repaired
9. Website Upgrades	0	10,000	0	0	0	0	10,000	Additional functionality of the website to aid with channel shift.
10. Election Equipment	31,600	0	0	0	0	0	31,600	Replacement of voting compartments. 50% government grant funding
11. ICT Equipment	0	15,000	0	0	0	0	15,000	Members IT equipment
Total Finance and Administration Committee	516,600	595,000	120,000	120,000	120,000	20,000	1,491,600	