

**Committee:** Cabinet

**Agenda Item**

**Date:** 16 February 2017

**13**

**Title:** Capital Programme 2017/18 – 2021/22

**Portfolio Holder:** Councillor Simon Howell

Item for decision

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### **Summary**

1. The Capital programme is for the next 5 years, 2017/18 to 2021/22.
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 7 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 2017/18 – 2021/22

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
  - Revenue contributions
  - Capital receipts and internal borrowing
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.
19. The total predicted cost of the capital programme for the 5 year programme plus the predicted outturn for 2016/17 is £58.532m. The breakdown of the total cost is;
- General Fund - £14.181m
  - Housing Revenue - £42.351m

### Capital Programme – Key points

20. The General Fund capital programme is consistent with routine annual replacement and maintenance projects. There are no new projects identified.
21. HRA
- It is anticipated that the main HRA development projects will complete in 2017/18, Reynolds Court, Hatherley Court and Walden Place.
  - From 2018/19 there are no major projects planned due to the lack of resources available in the HRA. This is discussed in the Medium Term Financial Strategy in more detail.

### Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital budget pressures and/or funding not realised	2- Unlikely as all projects fully funded	2 – would require a drawdown on reserves	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**

<b>Portfolio Schemes</b>	<b>2016-17 Current Budget £</b>	<b>2016-17 Forecast Spend P6 £</b>	<b>2017-18 Forecast £</b>	<b>2018-19 Forecast £</b>	<b>2019-20 Forecast £</b>	<b>2020-21 Forecast £</b>	<b>2021-22 Forecast £</b>	<b>Total £</b>
Community Partnerships and Engagement	362,000	362,000	110,000	110,000	110,000	110,000	110,000	912,000
Environmental Services	1,395,000	1,308,600	1,676,500	713,180	826,315	990,094	164,895	5,679,585
Finance Administration	2,038,000	1,989,170	388,000	283,000	292,000	255,000	255,000	3,462,170
Housing and Economic Development	805,500	597,500	810,000	680,000	680,000	680,000	680,000	4,127,500
<b>General Fund Total</b>	<b>4,600,500</b>	<b>4,257,270</b>	<b>2,984,500</b>	<b>1,786,180</b>	<b>1,908,315</b>	<b>2,035,094</b>	<b>1,209,895</b>	<b>14,181,255</b>
Housing Revenue Account	14,037,000	8,128,400	12,127,080	5,651,000	6,095,000	5,165,000	5,185,000	42,351,480
<b>Total Capital Programme</b>	<b>18,637,500</b>	<b>12,385,670</b>	<b>15,111,580</b>	<b>7,437,180</b>	<b>8,003,315</b>	<b>7,200,094</b>	<b>6,394,895</b>	<b>56,532,735</b>

*The 2017/18 forecast includes the predicted slippage as at period 6 (September) from 2016/17*



**APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO**

<b>ENVIRONMENTAL SERVICES</b>								
	<b>2016-17 Current Budget £</b>	<b>2016-17 Forecast Spend P6 £</b>	<b>2017-18 Forecast £</b>	<b>2018-19 Forecast £</b>	<b>2019-20 Forecast £</b>	<b>2020-21 Forecast £</b>	<b>2021-22 Forecast £</b>	<b>Total £</b>
Vehicle Replacement Programme	1,147,000	1,147,000	1,372,500	603,180	716,315	880,094	54,895	4,773,985
Mower - Vehicles growth bid	0	15,600	0	0	0	0	0	15,600
Household Bins	70,000	70,000	70,000	70,000	70,000	70,000	70,000	420,000
Kitchen Caddies	10,000	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Garden Waste Bins	20,000	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Trade Waste Bins	10,000	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Lower St Car Park Extension	102,000	0	102,000	0	0	0	0	102,000
On-Board Vehicle Weighing Equipment	36,000	36,000	0	0	0	0	0	36,000
Car Parking machine replacement schemes NEW	0	0	92,000	0	0	0	0	92,000
<b>Environmental Services</b>	<b>1,395,000</b>	<b>1,308,600</b>	<b>1,676,500</b>	<b>713,180</b>	<b>826,315</b>	<b>990,094</b>	<b>164,895</b>	<b>5,679,585</b>

**APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO**

FINANCE AND ADMINISTRATION								
	2016-17 Current Budget £	2016-17 Forecast Spend P6 £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	2021-22 Forecast £	Total £
<b>ICT Schemes</b>								
Members - New IT Equipment	0	4,270	0	0	18,000	0	0	22,270
Minor Items IT	20,000	28,000	20,000	20,000	20,000	20,000	20,000	128,000
PSN CoCo	35,000	35,000	30,000	30,000	30,000	30,000	30,000	185,000
Mobile working ICT set up - Housing	30,000	30,000	0	0	0	0	0	30,000
Mobile working ICT set up - Planning and Environmental Health	69,000	69,000	0	0	0	0	0	69,000
PCI Compliance - cash receipting	32,000	32,000	0	0	0	0	0	32,000
PCI Compliance - Direct debit	20,000	20,000	0	0	0	0	0	20,000
UPS Server	0	900	0	0	0	0	0	900
Committee Management System	20,000	20,000	0	0	0	0	0	20,000
Laptops and Tablets	20,000	20,000	0	0	0	0	0	20,000
CCTV - London Rd	30,000	30,000	0	0	0	0	0	30,000
Scanning Stations	10,000	10,000	0	0	0	0	0	10,000
<b>New Schemes</b>								
Unidentified IT projects	0	0	0	0	32,000	50,000	50,000	132,000
Core switches - replacement	0	0	40,000	40,000	0	0	0	80,000
Replacement Electoral System	0	0	30,000	30,000	0	0	0	60,000
Hot desking/Mobile working	0	0	45,000	45,000	0	0	0	90,000
<b>UDC Asset work</b>								
<b>Council Offices Improvements</b>								
- London Road Building works	119,000	119,000	58,000	57,000	94,000	80,000	80,000	488,000
-London Rd Electrical	0	0	54,000	0	37,000	30,000	30,000	151,000
- London Rd Heating	36,000	0	36,000	16,000	0	0	0	52,000
Stansted Conveniences - Grant	30,000	0	30,000	0	0	0	0	30,000
Museum Storage Facility	0	4,000	0	0	0	0	0	4,000
Dunmow Depot	1,488,000	1,488,000	0	0	0	0	0	1,488,000
Solar Panels - Shire Hill	2,000	2,000	0	0	0	0	0	2,000
Museum Buildings work	52,000	52,000	20,000	20,000	36,000	20,000	20,000	168,000
Day Centres Cyclical Improvements	25,000	25,000	25,000	25,000	25,000	25,000	25,000	150,000
<b>Finance Administration</b>	<b>2,038,000</b>	<b>1,989,170</b>	<b>388,000</b>	<b>283,000</b>	<b>292,000</b>	<b>255,000</b>	<b>255,000</b>	<b>3,462,170</b>

**APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO**

<b>HOUSING AND ECONOMIC DEVELOPMENT</b>								
	<b>2016-17 Current Budget £</b>	<b>2016-17 Forecast Spend P6 £</b>	<b>2017-18 Forecast £</b>	<b>2018-19 Forecast £</b>	<b>2019-20 Forecast £</b>	<b>2020-21 Forecast £</b>	<b>2021-22 Forecast £</b>	<b>Total £</b>
Disabled Facilities Grants	292,500	262,500	290,000	260,000	260,000	260,000	260,000	1,592,500
Empty Dwellings	64,000	15,000	50,000	50,000	50,000	50,000	50,000	265,000
Private Sector Renewal Grants	49,000	20,000	70,000	70,000	70,000	70,000	70,000	370,000
Compulsory purchase order	300,000	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000
Superfast broadband	100,000	0	100,000	0	0	0	0	100,000
<b>Housing and Economic Development</b>	<b>805,500</b>	<b>597,500</b>	<b>810,000</b>	<b>680,000</b>	<b>680,000</b>	<b>680,000</b>	<b>680,000</b>	<b>4,127,500</b>



**APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO**

**HOUSING REVENUE ACCOUNT**

	<b>2016-17 Current Budget £</b>	<b>2016-17 Forecast Spend P6 £</b>	<b>2017-18 Forecast £</b>	<b>2018-19 Forecast £</b>	<b>2019-20 Forecast £</b>	<b>2020-21 Forecast £</b>	<b>2021-22 Forecast £</b>	<b>Total £</b>
<b><u>HRA Fund</u></b>								
HRA Capital Repairs	3,180,000	3,180,000	3,255,000	3,345,000	3,295,000	3,435,000	3,435,000	19,945,000
UPVC Fascia's and Guttering	251,000	200,000	151,000	100,000	100,000	100,000	100,000	751,000
Cash Incentive Scheme Grants	50,000	50,000	50,000	50,000	50,000	50,000	50,000	300,000
			0					
Light Vans Replacement programme	0	0	87,000	96,000	0	0	0	183,000
<b><u>HRA Business Plan Schemes</u></b>								
<b><u>New builds</u></b>								
Unidentified Sites	198,000	0	1,398,000	2,060,000	2,650,000	1,580,000	1,600,000	9,288,000
Catons Lane	310,000	288,000	22,000	0	0	0	0	310,000
Sheds Lane	600,000	150,000	450,000	0	0	0	0	600,000
			0					
<b><u>Redevelopments</u></b>								
Mead Court - Phase 2	642,000	642,000	0	0	0	0	0	642,000
Newton Grove	0	3,000	0	0	0	0	0	3,000
			0					
<b><u>Sheltered Redevelopments</u></b>								
Reynolds Court	6,174,000	2,844,000	4,452,080	0	0	0	0	7,296,080
Hatherley Court	1,707,000	300,000	1,407,000	0	0	0	0	1,707,000
Walden Place	410,000	0	810,000	0	0	0	0	810,000
<b><u>Other Schemes</u></b>								
Energy Efficiency improvement schemes	252,000	252,000	0	0	0	0	0	252,000
Internet cafes in sheltered schemes	2,000	3,400	0	0	0	0	0	3,400
Resurfacing access roads	150,000	150,000	0	0	0	0	0	150,000
<b><u>ICT</u></b>								
Housing Mobile devices IT	65,000	20,000	45,000	0	0	0	0	65,000
Housing contractors portal & SAM - (Now just SAM)	46,000	46,000	0	0	0	0	0	46,000
<b>HRA Housing</b>	<b>14,037,000</b>	<b>8,128,400</b>	<b>12,127,080</b>	<b>5,651,000</b>	<b>6,095,000</b>	<b>5,165,000</b>	<b>5,185,000</b>	<b>42,351,480</b>



