

Capital Programme – 2022/23 – 2026/27

Summary

1. The Capital programme is for the 5 year period, 1 April 2022 to 31 March 2027 and the predicted spend for the General Fund (GF) is £6.760m, Housing Revenue Account (HRA) £35.675m and £26.792m for commercial investments.
2. Capital expenditure relates to spending on schemes and assets that have a long term value and exceeds a cost of £10,000.
3. The programme details planned capital expenditure on the Council's buildings, investments, vehicles and ICT assets.
4. The programme includes capital grants to other organisations and individuals.

Financial Implications

5. The revenue costs of financing the Capital Programme have been built into the Housing Revenue Account and the General Fund budgets set out in the Medium Term Financial, Appendix C on tonight's agenda.

Capital Programme 2022/23 – 2026/27

6. Annexe F1 shows a summary table of the capital programme and sets out the cost for each of the five years.
7. Annexe F2 details all the capital projects within each portfolio providing more details of the scheduled profile of works for each year.
8. Annexe F3 provides a detailed breakdown of how the capital programme is being financed.
9. The capital programme is an evolving and rolling schedule of expenditure year on year.
10. The capital programme for the General Fund and Housing Revenue Accounts has no requirement for internal or external borrowing. All spend is financed in the year the expenditure is incurred and financed by one or a combination of the following three financing streams.
 - Grants and Contributions
 - Revenue contributions and use of reserves
 - Capital receipts
11. The Investment Assets are the only capital expenditure items which will be financed by external borrowing.
12. 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 maintenance of the housing stock.

13. A regular update on the capital programme and associated financing is included in the Budget Monitoring reports presented to Cabinet on a quarterly basis.
14. The robustness of the capital programme and a review of each scheme are undertaken by the officers of the Capital Programme Working Group.
15. The total predicted spend for the 5 year capital programme from 1 April 2022 to 31 March 2027 is £69.227m and £36.782m and the breakdown of the is set out in the following table.

	2022/23	2022 - 2027
	£'m	£'m
General Fund	1.015	6.76
Investment Assets	26.792	26.792
Housing Revenue Account	8.975	35.675
	36.782	69.227

16. Investments totalling £26.792m relate to the asset purchases as detailed in the Medium Term Financial Strategy, Commercial Strategy, and the Capital Strategy, all included in tonight's agenda.
17. The General Fund expenditure is mainly low value service delivery capital items, with the exception of the rolling vehicle replacement scheme. The spend in 2022/23 and 2023/24 is a total of £0.405m and then no spend until 2026/27 when the waste fleet will come to end of life and need to be replaced. The estimated cost to replace the whole of the waste fleet is £2.570m.
18. The key items of expenditure in the HRA relate to the refurbishment of the sheltered accommodation at Alexia House and Parkside. A rolling budget £2.000m has been allocated in line with the use of the right to buy receipts, to be allocated to future projects as they are identified.

Impact

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

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital budget pressures and/or funding not realised	2- funding and borrowing for all schemes has been identified	2 – would require a drawdown on reserves or additional revenue contributions	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

5 Year Capital Programme Summary

CAPITAL PROGRAMME SUMMARY 2021/22 to 2026/27	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
£000									
General Fund Capital Schemes									
Communities and Partnerships	170	170	0	110	110	110	110	110	550
Environmental Services	1,824	2,007	0	365	290	125	125	2,705	3,610
Finance & Administration	2,518	4,574	0	260	235	235	235	235	1,200
Housing and Economic Development	981	443	573	280	280	280	280	280	1,400
Sub Total	5,493	7,194	573	1,015	915	750	750	3,330	6,760
Investments	500	76,677	0	26,792	0	0	0	0	26,792
Sub Total	500	76,677	0	26,792	0	0	0	0	26,792
Housing Revenue Account Capital Schemes									
HRA Capital	9,953	9,835	0	8,975	9,915	5,595	5,595	5,595	35,675
Sub Total	9,953	9,835	0	8,975	9,915	5,595	5,595	5,595	35,675
TOTAL CAPITAL PROGRAMME	15,946	93,706	573	36,782	10,830	6,345	6,345	8,925	69,227

5 Year Capital Financing Summary

CAPITAL PROGRAMME 2021/22 to 2026/27 £000	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2020/21	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022/2027 Total
General Fund									
Grants and External Contributions	231	266	0	200	200	200	200	200	1,000
Direct Revenue Contributions	2,076	1,513	573	499	375	210	210	2,790	4,084
General Fund Capital Receipts	770	1,770	0	316	340	340	340	340	1,676
Borrowing	2,916	80,322	0	26,792	0	0	0	0	26,792
Sub Total - General Fund	5,993	83,871	573	27,807	915	750	750	3,330	33,552
Housing Revenue Account									
Grants and External Contributions	342	342	0	1,040	1,560	0	0	0	2,600
Direct Revenue Contribution	50	917	0	3,086	3,740	1,250	1,250	1,250	10,576
Capital Receipts	1,679	1,787	0	800	600	0	0	0	1,400
Funded from reserves	3,185	2,585	0	504	200	800	800	800	3,104
Major Repairs Contribution	4,697	4,204	0	3,545	3,815	3,545	3,545	3,545	17,995
Borrowing	0	0	0	0	0	0	0	0	0
Sub Total - Housing Revenue Account	9,953	9,835	0	8,975	9,915	5,595	5,595	5,595	35,675
TOTAL SOURCES OF FINANCING	15,946	93,706	573	36,782	10,830	6,345	6,345	8,925	69,227

General Fund - 5 Year Capital Programme

COMMUNITIES & PARTNERSHIPS 2021/22 to 2026/27	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
£000									
Community Project Grants	163	163	0	110	110	110	110	110	550
Tree Planting	7	7	0	0	0	0	0	0	0
Sub Total	170	170	0	110	110	110	110	110	550
PORTFOLIO TOTAL	170	170	0	110	110	110	110	110	550

ENVIRONMENTAL SERVICES 2021/22 to 2026/27	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
£000									
Vehicle Replacement Programme	1,562	1,745	0	240	165	0	0	2,580	2,985
Household Bins	70	70	0	70	70	70	70	70	350
Kitchen Caddies	10	10	0	10	10	10	10	10	50
Garden Waste Bins	20	20	0	20	20	20	20	20	100
Trade Waste Bins	30	30	0	10	10	10	10	10	50
Car Parking Machine Replacement	92	92	0	0	0	0	0	0	0
Electric Car Charges	15	15	0	15	15	15	15	15	75
White Street Car Park	25	25	0	0	0	0	0	0	0
Sub Total	1,824	2,007	0	365	290	125	125	2,705	3,610
PORTFOLIO TOTAL	1,824	2,007	0	365	290	125	125	2,705	3,610

Annexe F2 continued...

FINANCE & ADMINISTRATION 2021/22 to 2026/27	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
£000									
ICT									
Minor Items IT	40	40	0	20	20	20	20	20	100
PCI Compliance	54	54	0	20	20	20	20	20	100
PSN CoCo	88	88	0	30	30	30	30	30	150
Revenue and Benefits	20	20	0	0	0	0	0	0	0
Asset Management System	30	30	0	0	0	0	0	0	0
Cyber Security	72	72	0	20	20	20	20	20	100
Grounds Maintenance & Vehicle Systems	43	43	0	0	0	0	0	0	0
Idox Additional Modules	5	5	0	0	0	0	0	0	0
Licensing - Lalpac to Idox Uniform	16	16	0	0	0	0	0	0	0
ArcGIS Upgrade	12	24	0	0	0	0	0	0	0
Scanner Replacement	30	30	0	0	0	0	0	0	0
Sharepoint	30	30	0	0	0	0	0	0	0
WiFi	50	50	0	0	0	0	0	0	0
Northgate Housing Assets	20	20	0	0	0	0	0	0	0
Corporate Mobile Refresh	40	40	0	0	0	0	0	0	0
ICT - New Sites	400	400	0	0	0	0	0	0	0
Cloud Telephone System	0	0	0	49	0	0	0	0	49
Appointment System	0	10	0	0	0	0	0	0	0
Web-to-Print Solutions	18	18	0	0	0	0	0	0	0
Sub Total	968	990	0	139	90	90	90	90	499
Council Asset Works									
Council Offices Improvements (General)	199	199	0	96	120	120	120	120	576
New Depot Site	1,000	3,034	0	0	0	0	0	0	0
Day Centre Cyclical Improvements	0	0	0	25	25	25	25	25	125
Swan Meadow Car Park Resurface	240	240	0	0	0	0	0	0	0
Museum Boiler	34	34	0	0	0	0	0	0	0
London Road - Fire Alarm Upgrade	50	50	0	0	0	0	0	0	0
Sub Total	1,523	3,557	0	121	145	145	145	145	701
Other									
Postal Software	27	27	0	0	0	0	0	0	0
Sub Total	27	27	0	0	0	0	0	0	0
PORTFOLIO TOTAL	2,518	4,574	0	260	235	235	235	235	1,200

Annexe F2 continued...

INVESTMENTS 2021/22 to 2026/27 £000	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
Investments	500	76,677	0	26,792	0	0	0	0	26,792
Sub Total	500	76,677	0	26,792	0	0	0	0	26,792
PORTFOLIO TOTAL	500	76,677	0	26,792	0	0	0	0	26,792

Housing Revenue Account – 5 Year Capital Programme

HOUSING REVENUE ACCOUNT 2021/22 to 2026/27	2021/22 Current Budget	2021/22 Forecast Spend P6	2021/22 Proposed Slippage to 2022/23	2022/23 Original	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2022 - 2027 Total
£000									
Annual Programme of Works									
Annual maintaining of the housing stock	3,997	3,520	0	3,445	3,445	3,445	3,445	3,445	17,225
Sub Total	3,997	3,520	0	3,445	3,445	3,445	3,445	3,445	17,225
Other									
UPVC Fascia's and Guttering	100	84	0	100	100	100	100	100	500
Cash Incentive Scheme Grant	50	50	0	50	50	50	50	50	250
Sub Total	150	134	0	150	150	150	150	150	750
HRA Business Plan									
New Builds									
Unidentified Required Builds	0	41	0	2,000	1,500	2,000	2,000	2,000	9,500
The Moors	877	877	0	0	0	0	0	0	0
Thaxted Road	3,460	3,460	0	0	0	0	0	0	0
Great Chesterford	1,469	1,469	0	0	0	0	0	0	0
Takeley	0	0	0	500	500	0	0	0	1,000
Gold Close	0	230	0	0	0	0	0	0	0
Sheltered Redevelopments									
Unidentified Required Builds	0	104	0	0	0	0	0	0	0
Alexia House	0	0	0	1,400	2,100	0	0	0	3,500
Parkside	0	0	0	1,480	2,220	0	0	0	3,700
Sub Total	5,806	6,181	0	5,380	6,320	2,000	2,000	2,000	17,700
PORTFOLIO TOTAL	9,953	9,835	0	8,975	9,915	5,595	5,595	5,595	35,675