

Committee:	Cabinet	Date:	15 February 2018
Title:	Capital Programme 2018/19 – 2022/23		
Portfolio Holder:	Cllr Simon Howell, Cabinet Member for Finance and Administration		
Report Author:	Angela Knight, Assistant Director – Resources 01799 510446	Key decision:	No

Summary

1. The Capital programme is for the 5 year period, 2018/19 to 2022/23.
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 this report on 6 February. Comments from the Committee are presented as a separate item on the agenda.

Recommendation

7. That Cabinet is requested to recommend, for approval by Full Council the 5 year Capital Programme 2018/19 – 2022/23 as detailed 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 2018/19 – 2022/23

- 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 for General Fund projects detailed in this report.
- 16. The HRA shows a shortfall in funds to support the capital programme in 2019/20, this will be reviewed throughout the year and if required short term external financing will be considered. Full details are included in the Housing Revenue Budget 2018/19 presented earlier in tonight’s agenda.

17. 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.
18. A regular update on the capital programme and associated financing is included in the Budget Monitoring reports presented to Cabinet throughout the year.
19. 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.
20. The total predicted cost of the capital programme for the 2018/19 5 year programme including the predicted outturn for 2017/18 is £68.871m. The breakdown of the total cost is;
- General Fund - £22.594m
 - Housing Revenue - £46.277m

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

	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Current Budget	Forecast Spend P6	Forecast including slippage from 2017-18	Forecast	Forecast	Forecast	Forecast	Total
	£	£	£	£	£	£	£	£
Total Community and Partnerships	178,000	233,000	110,000	110,000	110,000	110,000	110,000	893,000
Total Environmental Services	2,237,000	2,125,000	875,180	877,320	990,090	155,070	724,680	6,622,520
Total Finance Administration	3,520,000	3,532,000	2,450,580	300,000	245,000	245,000	195,000	9,418,160
Housing and Economic Development	825,000	740,000	1,180,000	640,000	640,000	640,000	640,000	5,660,000
General Fund	6,760,000	6,630,000	4,615,760	1,927,320	1,985,090	1,150,070	1,669,680	22,593,680
Housing Revenue Account	13,385,000	10,101,000	8,790,000	7,226,000	5,685,000	5,685,000	5,685,000	46,277,000
Total Capital Programme	20,145,000	16,731,000	13,405,760	9,153,320	7,670,090	6,835,070	7,354,680	68,870,680

The 2018/19 forecast includes the predicted slippage as at period 6 (September) from 2017/18

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

ENVIRONMENTAL SERVICES								
	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Current Budget	Forecast Spend P6	Forecast including slippage from 2017-18	Forecast	Forecast	Forecast	Forecast	Total
	£	£	£	£	£	£	£	£
Vehicle Replacement Programme	1,933,000	1,913,000	603,180	767,320	880,090	45,070	614,680	5,426,520
Additional Street Cleansing Vehicles	0	0	30,000	0	0	0	0	60,000
Household Bins	70,000	70,000	70,000	70,000	70,000	70,000	70,000	490,000
Kitchen Caddies	10,000	10,000	10,000	10,000	10,000	10,000	10,000	70,000
Garden Waste Bins	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
Trade Waste Bins	10,000	10,000	10,000	10,000	10,000	10,000	10,000	70,000
Lower St Car Park Extension	102,000	102,000	0	0	0	0	0	102,000
Car Parking Machine Replacement	92,000	0	92,000	0	0	0	0	184,000
<u>New Bids</u>								
Electric Car Charges	0	0	15,000	0	0	0	0	30,000
White Street Car Park	0	0	25,000	0	0	0	0	50,000
Total Environmental Services	2,237,000	2,125,000	875,180	877,320	990,090	155,070	724,680	6,622,520

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

FINANCE AND ADMINISTRATION								
	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Current Budget	Forecast Spend P6	Forecast including slippage from 2017-18	Forecast	Forecast	Forecast	Forecast	Total
	£	£	£	£	£	£	£	£
ICT Schemes								
Members - New IT Equipment	0	0	0	18,000	0	0	0	18,000
Minor Items IT	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
PSN CoCo	50,000	62,000	30,000	30,000	30,000	30,000	30,000	242,000
PCI Compliance - cash receipting	29,000	29,000	0	0	0	0	0	29,000
PCI Compliance - Direct debit	18,000	18,000	0	0	0	0	0	18,000
Committee Management System	20,000	20,000	0	0	0	0	0	20,000
Laptops and Tablets	13,000	13,000	0	0	0	0	0	13,000
Unidentified IT projects	0	0	0	32,000	50,000	50,000	0	132,000
Core switches - replacement	40,000	40,000	40,000	0	0	0	0	120,000
Replacement Electoral System	30,000	30,000	30,000	0	0	0	0	90,000
Hot Desking/Mobile working	45,000	45,000	45,000	45,000	0	0	0	180,000
New Bids			0					
Asset Management System	0	0	30,000	0	0	0	0	60,000
Cyber Security	0	0	20,000	20,000	20,000	20,000	20,000	120,000
Grounds Maintenance & Vehicle Systems	0	0	100,000	0	0	0	0	200,000
Iclipse to Information at Work	0	0	50,000	0	0	0	0	100,000
Idox Additional Modules	0	0	32,080	0	0	0	0	64,160
Licensing – Lalpac to Idox Uniform	0	0	30,000	0	0	0	0	60,000
PCI	0	0	20,000	20,000	20,000	20,000	20,000	120,000
ArcGIS Upgrade	0	0	21,000	0	0	0	0	42,000
UDC Asset work								
Council Offices Improvements (General)	0	0	0	80,000	80,000	80,000	80,000	320,000
- London Road Building works	58,000	58,000	53,850	0	0	0	0	165,700
-London Rd Electrical	54,000	54,000	35,400	0	0	0	0	124,800
- London Rd Heating	36,000	36,000	0	0	0	0	0	36,000
Museum Buildings work	20,000	20,000	10,750	0	0	0	0	41,500
Guildhall Building Works	0	0	40,000	0	0	0	0	80,000
Castle Building Works	0	0	30,000	0	0	0	0	60,000
Stansted Conveniences - Grant	30,000	30,000	0	0	0	0	0	30,000
New Single Depot	3,000,000	3,000,000	1,737,500	0	0	0	0	6,475,000
Cash Deposit Machine	13,000	13,000	0	0	0	0	0	13,000
Day Centres Cyclical Improvements	44,000	44,000	35,000	35,000	25,000	25,000	25,000	224,000
New Bids								
Museum Lift Replacement	0	0	30,000	0	0	0	0	60,000
Election Equipment	0	0	10,000	0	0	0	0	20,000
Total Finance Administration	3,520,000	3,532,000	2,450,580	300,000	245,000	245,000	195,000	9,418,160

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING AND ECONOMIC DEVELOPMENT								
	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Current	Forecast Spend	Forecast	Forecast	Forecast	Forecast	Forecast	Total
	Budget	P6	including	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	slippage from	£	£	£	£	£
			2017-18					
			£					£
Disabled Facilities Grants	260,000	260,000	260,000	260,000	260,000	260,000	260,000	1,820,000
Empty Dwellings	50,000	10,000	50,000	10,000	10,000	10,000	10,000	150,000
Private Sector Renewal Grants	115,000	70,000	70,000	70,000	70,000	70,000	70,000	490,000
Compulsory purchase order	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,100,000
Superfast Broadband	100,000	100,000	500,000	0	0	0	0	1,100,000
Housing and Economic Development	825,000	740,000	1,180,000	640,000	640,000	640,000	640,000	5,660,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING								
	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Current Budget	Forecast Spend P6	Forecast including slippage from 2017-18	Forecast	Forecast	Forecast	Forecast	Total
	£	£	£	£	£	£	£	£
<u>HRA Fund</u>								
HRA Capital Repairs	3,255,000	3,255,000	3,345,000	3,295,000	3,435,000	3,435,000	3,435,000	23,545,000
UPVC Fascia's and Guttering	147,000	147,000	100,000	100,000	100,000	100,000	100,000	747,000
Cash Incentive Scheme Grants	55,000	55,000	50,000	50,000	50,000	50,000	50,000	355,000
Light Vans Replacement programme	87,000	87,000	96,000	0	0	0	0	279,000
<u>New Bids</u>								
Sewerage Plant	0	0	100,000	100,000	100,000	100,000	100,000	600,000
<u>HRA Business Plan</u>								
<u>New builds (1-4-1 RTBs)</u>								
Unidentified Sites	1,366,000	34,000	0	3,681,000	2,000,000	2,000,000	2,000,000	9,715,000
Catons Lane	104,000	23,000	0	0	0	0	0	23,000
Sheds Lane	577,000	280,000	320,000	0	0	0	0	920,000
Radwinter Road (CHP)	0	1,022,000	0	0	0	0	0	1,022,000
Newton Grove	0	310,000	315,000	0	0	0	0	940,000
Frambury Lane	0	0	771,000	0	0	0	0	1,542,000
The Moors	0	0	787,000	0	0	0	0	1,574,000
<u>Sheltered Redevelopments</u>								
Reynolds Court	5,021,000	3,550,000	1,471,000	0	0	0	0	6,492,000
Hatherley Court	1,660,000	975,000	685,000	0	0	0	0	2,345,000
Walden Place	810,000	60,000	750,000	0	0	0	0	1,560,000
<u>Other Schemes</u>								
Energy Efficiency improvement schemes	59,000	59,000	0	0	0	0	0	59,000
Resurfacing access roads	150,000	150,000	0	0	0	0	0	150,000
<u>ICT</u>								
Housing Mobile devices IT	65,000	65,000	0	0	0	0	0	65,000
Housing contractors portal & SAM	29,000	29,000	0	0	0	0	0	29,000
HRA Housing Total	13,385,000	10,101,000	8,790,000	7,226,000	5,685,000	5,685,000	5,685,000	46,277,000

APPENDIX C – HOUSING REVENUE ACCOUNT 5 YEAR CAPITAL FINANCING

	2017-18 Current Budget £	2017-18 Forecast Spend £	2017-18 Slippage - to Reserve £	2018-19 Budget £	2019-20 Budget £	2020-2021 Budget £	2021-22 Budget £	2022-23 Budget £
<u>Financing - Housing Revenue Account</u>								
<u>Business Plan Schemes</u>								
Funded from reserves	(8,283,000)	(5,152,000)	(3,089,600)	0	0	0	0	0
HRA Revenue Funding - RCCO	(642,000)	(678,300)	0	(1,047,100)	(1,246,000)	(1,198,000)	(1,198,000)	(1,198,000)
HCA grant funding	(226,000)	(226,000)	0	0	0	0	0	0
Capital Receipts - RTB	(614,100)	(500,700)	(113,400)	(568,800)	(1,104,300)	(600,000)	(600,000)	(600,000)
Capital Receipts - Other	0	0	0	(400,000)	(150,000)	(150,000)	(150,000)	(150,000)
	(9,765,100)	(6,557,000)	(3,203,000)	(2,015,900)	(2,500,300)	(1,948,000)	(1,948,000)	(1,948,000)
<u>Other Schemes</u>								
Major Repairs Reserve Contribution	(3,255,000)	(3,255,000)	0	(3,445,000)	(3,395,000)	(3,535,000)	(3,535,000)	(3,535,000)
Other MRR reserve cont	(222,900)	(147,000)	0	(126,100)	(202,000)	(202,000)	(202,000)	(202,000)
HRA Revenue Funding	(142,000)	(142,000)	0	0	0	0	0	0
Sub total	(3,619,900)	(3,544,000)	0	(3,571,100)	(3,597,000)	(3,737,000)	(3,737,000)	(3,737,000)
TOTAL FINANCING	(13,385,000)	(10,101,000)	(3,203,000)	(5,587,000)	(6,097,300)	(5,685,000)	(5,685,000)	(5,685,000)
Funding deficit (Borrowing outside of HRA required internal from cash or external)	0	0	0	0	1,128,700	0	0	0