

SUBJECT:	Capital Strategy and Capital and Repairs & Renewals Programme 2019/20 to 2023/24
RELEVANT MEMBER:	Support Services Portfolio Holder – Cllr Mike Stannard
RESPONSIBLE OFFICER	Director of Resources – Jim Burness
REPORT AUTHOR	Capital Accountant – Jane Clarke – 01494 732 223
WARD/S AFFECTED	All

1. Purpose of Report

- 1.1 To present:
- The Capital Strategy.
 - The proposed Capital Programme for 2019/20 – 2023/24
 - The proposed Repairs & Renewals Programme for 2019/20 – 2023/24.

RECOMMENDATIONS

Cabinet is asked to recommend to Council:

- 1. The Capital Strategy including the Capital Programme for 2019/20-2023/24 (Appendix A).**
- 2. The Repairs & Renewals Programme for 2019/20 – 2023/24 (Appendix B).**

2. Background

- 2.1 As part of the Council's budget process the Capital Programme is reviewed in order to assess, as part of the overall financial strategy of the Authority, what the scale and composition of the programme should be and the consequential funding implications for the financial strategy.
- 2.2 In recent years decisions have been undertaken to embark on a number of significant capital projects, such as the Amersham Multi Storey Car Park which is now complete, and the re-development of Chiltern Pools. These projects have changed the scale and composition of the future capital programme, creating the need to finance these projects from borrowing.

3 Review of Capital Programme

- 3.1 The Capital Programme is set out in the Capital Strategy (Appendix A).
- 3.2 Projects are grouped by Portfolio area, and the main items in the capital programme are as follows:

Environment

- 3.3 When Serco vacate the Paper Sort facility, there is a legal requirement for CDC to restore this building back to its original state, at an estimated cost of £121k.
- 3.4 Provision for the replacement of the main refuse vehicle fleet in 2020/21 has been allocated at a cost of £3,150k, as the current waste contract expires in June 2020, but this will be influenced by the overall re-tendering of the contract. The reserve built up for the replacement of these assets is applied towards the costs.
- 3.5 A budget of £43k over 3 years for upgrading public conveniences in the district has been included. This is to upgrade windows, roofing, sanitary wear and to replace distribution boards.
- 3.6 Expenditure of £217.5k, has been added to the 2019/20 budget for the purpose of making enhancements to car parks in the district, with a further £290k added in 2022/23 for resurfacing and relining. A report will be prepared for CAMG setting out the detail of the works and timetable. Additionally, a budget of £313k has been retained from prior years to complete the relaying of the surface to the original Amersham Multi Storey Car Park and associated works.

Healthy Communities

- 3.7 A budget for CCTV of £290k over the next 4 years is required as TVP are seeking to relocate all monitoring from Wycombe to Milton Keynes. This includes 42 CDC cameras, these cameras also require updating to digital as well as potentially relocating. Mobile units are also to be purchased.
- 3.8 Currently, under the contract with Greenwich Leisure, the Council has responsibility for the structure and exterior of the leisure centres. A sum of £100k was budgeted annually to meet these obligations however, this contract is due to expire on 31st March 2020.
- 3.9 There is a capital budget of £33m for the redevelopment of the Chiltern Pools site which is at the end of its useful life. The redevelopment has been shaped by the Council's Leisure Strategy. A decision from the Planning Department is expected in February 2019, which will inform the final feasibility and design work and lead to the preparation of a detailed business case to be presented to members for approval to commit to the construction of a new facility during 2019/20.
- 3.10 In 2018/19 CDC purchased the St Johns Ambulance building in Amersham, a budget of £1.2m has been allocated for the redevelopment of this site.
- 3.11 The remainder of the expenditure in this area relates to housing/renovation grants, with the largest element being the Disabled Facility Grant which the Council has a statutory duty to provide. The cost of these grants, are met from an allocation from the Better Care Fund administered by the Countywide Health & Wellbeing Board (this was £651k in 2018/19).

Customer Services

- 3.12 A Customer Experience Strategy Programme has been initiated to facilitate the centralisation and transformation of customer services, increasing efficiency and delivering savings across CDC and SBDC. CDC's share of this project in 19/20 is estimated to be £160k.

Support Services

- 3.13 An annual budget of £30k has been allocated to IT replacement and alterations.
- 3.14 A property condition survey in 2018, indicated works to KGVH need to be carried out to the value of £416k, over the next four years. These include an emergency lighting overhaul, fixed wiring replacement of circuits, and replacement of electrical distribution boards.

4 Commuted Sums Programme

- 4.1 In the context of capital investment it is important to recognise funding available from planning commuted sum agreements for affordable housing developments. Currently the commuted sum balance is:

	Balances as at 15.12.18 £
s106 Monies - Conditional	0
s106 Monies - Unconditional	1,949,903
Total	1,949,903

- 4.2 These sums are applied in line with the Council's Housing Strategy which sets out the range of options available to use these funds for the provision of affordable housing.

5 Review of Repairs & Renewals Programme

- 5.1 The Repairs & Renewals programme is shown in Appendix B, and comprises the following elements:

Public Conveniences £48k

- 5.2 Refurbishment works to various public conveniences throughout the district.

Depot £30k pa

- 5.3 There is an annual repairs and renewals allowance for works at the Depot. This provides flexibility for works to be carried out as and when required. In 2020/21 £50k has been allocated due to rephrasing.

Car Parks £22k

- 5.4 Redecoration programme to Amersham Multi Storey car park, and wall repairs at Catlins car park Chesham, plus general patch repairs across all CDC car parks.

Mill Meadow £15k pa from 2020/21

- 5.5 An ongoing programme of repairs and maintenance, to various areas of the Mill Meadow site.

KGVH £20k

- 5.6 Installation of trace heating in the underground car park at KGVH.

Ashley Green Old School £10k

- 5.7 To facilitate general building repairs.

Great Missenden Cemetery £15k

- 5.8 To carry out feasibility study into the extension of Great Missenden Cemetery.

Leisure Centres: £10k pa + £70k in 2023/24.

- 5.9 To undertake small repairs and maintenance to the centres up until 2020/21. A further £70k in 2023/24 is required for the leisure centres 5 year condition survey.

6 Consultation

- 6.1 Consultation is with the Resources Overview Committee.

7 Corporate Implications

- 7.1 The programme in the Capital Strategy covers the period until 2024. Over this period new calls for capital expenditure will arise linked to the Council's Business Plan and Financial Strategy.

- 7.2 The table below shows the proposed funding of the Capital Programme.

Sources of Funding	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Housing subsidy re DFG's via Better Care Fund (BCC)	651,000	651,000	651,000	651,000	651,000
Borrowing for Leisure Centre Redevelopment	19,500,000	12,000,000	500,000		
Capital Receipts / Capital Contributions	2,717,266	3,291,500	139,500	472,500	80,000
	22,868,266	15,942,500	1,290,500	1,123,500	731,000

8 Links to Council Policy Objectives

- 8.1 The Council's Code of Corporate Governance highlights the importance of having in place clearly documented processes for policy development, review and implementation, decision making, and monitoring and control. Following from this is the requirement for sound financial management, being able to demonstrate resources are aligned to the corporate priorities of the Council, and that any material risks are assessed. Having a medium term financial strategy is a key element in demonstrating this principle. Establishing a sound and sustainable financial base is important for delivering the Council's objectives.

9 Next Step

9.1 Following views by the Resources Overview Committee the report will be considered by the Cabinet, and then by Council in February 2019.

Background Papers:	None
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