

**CHILTERN DISTRICT COUNCIL
CABINET – 10th FEBRUARY 2015**

Background Papers, if any, are specified at the end of the Report

CAPITAL PROGRAMME 2015/16 TO 2018/19

Contact Officer: Jim Burness (01494 732095)

RECOMMENDATIONS

Cabinet is asked to:

- 1. Consider and agree the proposed Capital Programme for 2015/16.**
- 2. Decide the funding strategy for the Capital Programme for 2016/17 and subsequent years.**

Relationship to Council Objectives

Schemes within the Capital Programme contribute to the delivery of all Council objectives.

Implications

(i) This matter is a key decision within the Forward Plan

(ii) This matter is within the Policy and Budgetary Framework

Financial Implications

The proposed programme is in accordance with the Council's financial policies and strategies. The report highlights the issue of the financial sustainability of the programme as available capital resources are exhausted in 2017/18.

Risk Implications

The risk implications of each scheme are considered as part of the business case appraisal process.

Equality Implications

The equality implications of each scheme are considered as part of the business case appraisal process.

Sustainability Implications

The sustainability implications of each scheme are considered as part of the business case appraisal process.

Report

Background

- 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. When considering the Capital

programme in 2014 the Cabinet identified the issue of the financing of the programme in the medium term, i.e. 2016/17 and beyond.

Review of Capital Programme

- 2 The work undertaken as part of the budget process has reviewed the level of spend and phasing of schemes approved and in progress. The programme of schemes in progress or committed, is set out in Appendix 1. For 2015/16 the programme essentially comprises the following main elements.

Amersham Multi Storey Car Park: £825k

There are a number of projects approved for this site, that may be tendered as a single package, the main project of which is the over roofing of the car park to create additional parking capacity, and therefore income.

Disabled Facilities Grants: £390k

Local authorities have a responsibility to provide disabled facility grants. The majority of the cost of the grants are met from an allocation from the Better Care Fund administered by the Health & Wellbeing Board of £251k, so that the cost falling to Chiltern is only a proportion of the total programme. A contribution to the programme is also sought from Paradigm. This is an annual programme of grant support.

Leisure Centres maintenance: £100k

Under the contract with Greenwich Leisure the Council has responsibility for the structure and exterior of the Leisure Centres, including the repair and maintenance of visitor car parks. A sum of £100k is budgeted each year to meet these obligations.

Business Support (ICT) Projects: £326k

This comprises Chiltern's share of the joint projects with South Bucks that were awarded £222k of Government funding for 2015/16. The projects utilised funding earmarked in the previous capital programme for ICT investment to secure the Government funding for projects specifically targeted to support and expand joint working. The main points in the approved bid are:

- Development of e-forms for users to submit information online
- Developing an appropriate mobile working solution
- Virtualisation of the desktop environment, minimising the specification and cost of desktop hardware, and making more efficient the deployment of applications to desktops.

The programme of project will be managed over two years, and progress will be reported to Government.

Capital salaries (Internal fees): £50k

This relates to engineers time spent on capital schemes. Sums are reviewed annually as part of the salary allocation process.

- 3 From the Appendix it can be seen that current capital resources will be exhausted during 2017/18. The detail of the programme will be reviewed annually as part of the budget process, but it is clear that to sustain the size of programme and allow some scope for new schemes that will arise, additional resources will need to be made available by a combination of asset sales and or contributions from revenue, unless the Council wishes to consider borrowing for capital expenditure.

	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Opening Capital Reserve	3,533,752	2,154,111	631,430	129,430	-309,570
New Capital Resources	0	0	0	0	0
Use of Capital Resources	-1,379,641	-1,522,681	-502,000	-439,000	-289,000
Closing Capital Reserve	2,154,111	631,430	129,430	-309,570	-598,570

Commuted Sums Programme

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

	Balance as at 31.12.14
	£
s106 Affordable Housing - Conditional	1,526,918
s106 Affordable Housing - Unconditional	25,000
total	1,551,918

The programme for the use of these funds has previously been reported to Cabinet.

Repairs & Renewals Programme

- 5 The Council has an earmarked revenue reserve that funds repairs and renewals to the council's assets, based on annual contributions from the revenue budget. The programme of work for 2015/16 will be reported to the next meeting of the Cabinet.

Background Papers: None

	RP	RE	Budget Manager	14/15 Budget £	15/16 Budget £	16/17 Budget £	17/18 Budget £	18/19 Budget £
<u>Environment</u>								
Investment works at London Road Depot			Chris M	403,792				
Lords Mill Weir, Chesham		RE	Chris M	10,000				
Public convenience refurbishment			Chris M	0	47,384			
Land Purchases - Amersham On the Hill			Chris M	20,000				
AMSCP further Photo Voltaic system			Chris M	0	150,000			
Shared Parking Service - ICES 360			Chris M	47,500				
Sycamore Road - Additional parking spaces & resurfacing			Chris M	0	190,000			
AMSCP Guttering works			Chris M	0	31,000			
AMSCP Over roof			Chris M	5,445	644,297			
Additional off street parking solutions			Chris M	10,000				
<u>Community, Health & Housing</u>								
Leisure Centres	RP		Martin H	276,320	100,000	100,000	100,000	100,000
Leisure Provision Feasibility works			Martin H	50,000				
Prestwood - Car Park Upgrade			Chris M		130,000			
Disabled Facility Grants	RP	RE	Martin H	368,245	390,000	390,000	390,000	390,000
Renovation Grants		RE	Martin H	68,842				

	RP	RE	Budget Manager	14/15 Budget £	15/16 Budget £	16/17 Budget £	17/18 Budget £	18/19 Budget £
<u>Support Services</u>								
MS Office Licenses (Triennial)	RP		Sim D	145,116			100,000	
ICT Helpdesk			Sim D	6,000				
Idox / Uniform Enhancements			Sim D	20,802				
Infrastructure upgrades	RP		Sim D	25,000		50,000	50,000	
IP telephony - enhance functionality			Sim D	36,000				
IP telephony - core infrastructure			Sim D	18,229				
Transformation Challenge Award Projects			Sim D	0	163,000	163,000		
Web Content Management System			Rachel P	22,852				
Shared Legal Service - Case Management			Joanna S	23,500				
KGVH - Roofing and skylight works Block A			Chris M	100,000				
KGVH - Works to Reception area			Chris M	100,985				
<u>Capitalisation of Salary Costs</u>								
Capital Salaries	RP		Chris M	50,000	50,000	50,000	50,000	50,000
				1,808,628	1,895,681	753,000	690,000	540,000

Notes

RP = Rolling Programme Capital Budget.

RE = Revenue Expenditure Funded from Capital. Regulations allows this to be charged to capital.

Funded by

	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Housing subsidy re DFG's	250,987	251,000	251,000	251,000	251,000
Paradigm contributions re DFG's	90,000	0	0	0	0
s106 parking commuted sums (D304)	88,000	0	0	0	0
Transformation Challenge Grant	0	122,000			
Capital Receipts / Capital Contributions	1,379,641	1,522,681	502,000	439,000	289,000
Total Funding	1,808,628	1,895,681	753,000	690,000	540,000
Opening Capital Receipts Reserve	3,533,752	2,154,111	631,430	129,430	-309,570
New Capital Receipts / Capital Contributions	0	0	0	0	0
Use of Capital Receipts / Capital Contributions	-1,379,641	-1,522,681	-502,000	-439,000	-289,000
Closing Capital Receipts Reserve	2,154,111	631,430	129,430	-309,570	-598,570