

SUBJECT:	Capital Programme 2016/17 to 2019/20
REPORT OF:	Resources Portfolio Holder – Cllr Trevor Egleton
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 proposed Capital Programme for 2016/17 – 2019/20.

RECOMMENDATION

Cabinet is asked to approve the Capital Programme for 2016/17 – 2019/20 as set out in Appendix A.

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.

3. Review of Capital Programme

3.1 The Capital Programme is set out in Appendix A. Appendix B provides some additional information on elements of the programme.

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 31.12.15
s106 Monies - Conditional	£ 1,370,049
s106 Monies - Unconditional	462,133
	1,832,182

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. Corporate Implications

5.1 The Capital Programme is financed from three sources, grants, capital receipts, and revenue reserves / contributions. The table below shows the proposed funding of the programme set out in Appendix A.

Funding of Programme	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Grant re DFG's via Better Care Fund (BCC)	261,897	261,897	261,897	261,897	261,897
Other Grants (i.e. TCA)	10,000	92,000	0	0	0
Revenue Funding	80,000	0	0	0	0
Capital Receipts	1,742,103	1,085,203	385,603	498,103	413,103
	2,094,000	1,439,100	647,500	760,000	675,000

Impact on Capital Resources

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Opening Capital Receipts Reserve	7,251,371	5,509,268	4,424,065	4,038,462	3,540,359
New Capital Receipts	0	0	0	0	0
New General Contributions	0	0	0	0	0
Use of Capital Receipts	-	-	-385,603	-498,103	-413,103
Closing Capital Receipts Reserve	5,509,268	4,424,065	4,038,462	3,540,359	3,127,256

5.2 The programme in Appendix A covers the period until 2020. Over this period new calls for capital expenditure will arise linked to the Council's Business Plan and Financial Strategy, e.g. Developments to car parks

5.3 The capital programme is part of the Council's overall financial strategy, as the capital and revenue budgets are interlinked. It also has implications in treasury management terms as capital programme expenditure reduces the amount of capital reserves, which in turn reduces the cash available for investment, and thus the revenue interest earned by the Council.

6. Links to Council Policy Objectives

6.1 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 delivery the Council's objectives.

7. Next Steps

7.1 The Capital Programme once approved will then be monitored and reviewed during the course of the year in order to track progress and delivery.

Background Papers:	None
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SOUTH BUCKS DC CAPITAL PROGRAMME 2016 -2020

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
<u>Environment</u>					
Beaconsfield Common Land Works	-	22,500	22,500	15,000	15,000
Refuse / Street Cleansing Vehicles Purchase	629,000	50,000			
Recycling Initiatives & Bins replacements	67,000	58,000	58,000	58,000	58,000
Car Park Maintenance/Enhancements	40,000	10,000	10,000	10,000	10,000
Dropmore Road Depot	95,000				
Purchase Rail Track Land - Station Rd GX	9,000				
<u>Healthy Communities</u>					
Community Development Grants	15,000	15,000	15,000	15,000	15,000
Evreham R&R Programme	-	154,000	22,000	22,000	22,000
Home Renovation Grants / Flexible Home Loans	97,000	50,000	50,000	50,000	50,000
Housing Salaries re DFGs & Other Grants	105,000	52,500	0	0	0
Disabled Facility Grants	376,000	310,000	310,000	310,000	310,000
<u>Resources</u>					
Desktop IT Upgrades	60,000				
MS Office Licenses (Triennial renewal)	100,000			80,000	
ICT Projects - Cemeteries Software	-	15,000			
ICT Projects - Shared Uniform	33,000				

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
TCA Project - Channel Shift	-	23,000			
ICT Strategy Projects	-	50,000			
TCA Project - Mobile Working	10,000	50,000			
ICT Projects - Unified Network	150,000	201,000			
Shared Finance Service - Cash Receipting	25,000				
Shared Legal Service - Case Management	15,000				
Shared Parking Service - ICES 360	23,000				
Audio System - Council Chamber	-	7,000			
Shared F&P Service - Uniform & FM System	-	6,100			
Shared EH Service - laptops & IDox modules	11,000				
Capswood Maintenance & Works	15,000	105,000	60,000	100,000	95,000
Other Building Capital Works (incl Capswood)	147,000	211,000	51,000	51,000	51,000
<u>Sustainable Development</u>					
Planning Data Capture/Digitising	23,000				
<u>Capitalisation of Salary Costs</u>					
Capital Salaries – F&P Services	49,000	49,000	49,000	49,000	49,000
Total	2,094,000	1,439,100	647,500	760,000	675,000

APPENDIX B**Capital Projects 2016 -2020****Beaconsfield Common Land Works £15k - £22k pa**

Rolling programme to facilitate periodic resurfacing of large areas of the roadway or parking areas.

Recycling Initiatives & Replacement Bins: £58k pa

The Capital Budget for Recycling initiative and replacement of bins. The budget accommodates the gradual increase in property numbers and in particular flats over time and the fact that there are now more containers issued per household.

Community Development Grants: £15k pa

Grants to organisations to facilitate projects within the community, primarily related to community assets.

Evreham Centre: £22k pa

The Council has obligations under its lease with Bucks CC for the Evreham Centre which runs until 2021 to share the funding of maintenance works. This position may be affected in the future, depending any plans for the site as the lease expiry date approaches. The provisional sum in 2016/17 relates to possible works to the structure of the building.

Renovation Grants / Flexible Home Loans £50k pa

To undertake works in default or to support the delivery of housing improvements in accordance with the Private Sector Housing Strategy Financial Assistance Policy by offering grants / loans to vulnerable householders requiring improvements to their property (heating, insulation, repairs, disability adaptations).

Housing - Salaries: £52.5k pa

Relates to the housing teams time spent on delivering affordable housing provision and the Renovation Grant Scheme supporting delivery of housing improvements in accordance with the Private Sector Housing Strategy Financial Assistance Policy. From 2017/18 these costs will no longer be charged to the capital programme.

Disabled Facilities Grants: £310k pa

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, (this was £262k in 2015/16), so that the cost falling to South Bucks is only a proportion of the total programme. This is an annual programme of grant support.

Major ICT projects

- Expenditure to cover the triennial renewal of the Microsoft Licence fee. The cost reduces from previous levels as a consequence of the unified network reduces the number of licenses required.
- SBDC's share of the cost of unifying the networks of the two Councils including creating virtual desktop environments that are a key element in moving towards more flexible ways of working.
- SBDC's share of the costs of introducing appropriate mobile working arrangements for shared teams and channel shift.
- SBDC's share of projects arising from shared service business case projects, e.g. cash receipting system, legal case management system.

Capswood: £105k

The Council has responsibility under the lease for the plant, equipment and internal decorations. For 2016/17 the main item of expenditure will be the replacement of the chiller units in the main office areas. Budgets in later years are to facilitate the replacement of lighting and lifts to be commenced in 2017/18 and 2018/19 respectively.

Capital Salaries: £49k pa

This relates to the Property team's time spent on capital schemes. Sums are reviewed annually as part of the support recharge process.

Other Areas of Asset Maintenance Expenditure: £61k

Other areas of expenditure include: car park enhancements; the Beacon Centre; cemeteries; and Stoke Poges Memorial Gardens.