

SUBJECT:	CAPITAL STRATEGY AND CAPITAL PROGRAMME 2019/20 TO 2023/24
REPORT OF:	Resources Portfolio Holder – Cllr Barbara Gibbs
RESPONSIBLE OFFICER	Director of Resources – Jim Burness
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WARD/S AFFECTED	All

1. Purpose of Report

- 1.1 To present:
- The Capital Strategy.
 - The proposed Capital 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. 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. These projects have changed the scale and composition of the capital programme, creating the need to finance these projects from borrowing.

3. Review of Capital Programme

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

Environment

- 3.3 A budget of £1.5m has been allocated in 2021/22 for waste vehicles, as the current waste contract is due to end in October 2021. In addition the need for an annual provision for Recycling and Replacement Bins is included in the programme for £55k p.a.

- 3.4 To address capacity issues construction of a Multi Storey Car Park in Gerrards Cross has been agreed. The budget of £13,051k, has been added, over the course of two years, 2019/20 and 2020/21.
- 3.5 A budget of £61k in 2019/20 and £10k pa thereafter for Car Park Enhancements, has also been included, for general works to other car parks within the district.
- 3.6 The Taplow Moorings along the river edge need improvement and H&S works in order to stop the river undercutting the current bank. These are a legal obligation on the Council as the riparian owner. A consultant will need to be engaged to inform what essential works need to be carried out. This is initially estimated to cost £100k over the next two years.

Healthy Communities

- 3.7 £50k pa of Home Renovation Grants and Flexible Home Loans are included in the programme, 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, and disability adaptations).
- 3.8 Disabled Facilities Grants are the responsibility of local authorities to provide. The cost of the grants, are met from an allocation from the Better Care Fund administered by the Health & Wellbeing Board (this was £588k in 2018/19) so that there is no net cost falling to South Bucks. This is an annual programme of grant support.
- 3.9 The Council has started redeveloping the old Academy golf site as a country park facility. The total budget for constructing the new South Bucks Country Park is £2.080m, and these costs will be met from income gained during the redevelopment from soil importation.
- 3.10 Following the acquisition of Gerrards Cross Police Site, a redevelopment of the site is being undertaken to support the delivery of housing, and to generate income for the Council, which are key priorities referred to in the Capital Strategy. A budget of £8.62m has been agreed over 3 years.
- 3.11 An Affordable Housing Action Plan is to be undertaken during the course of the next five years, and this proposes the Council embarks on acquiring properties for the purpose of meeting local housing needs as highlighted in the Capital Strategy.

Customer Services & Business Support

- 3.12 A rolling programme for ICT of £20k is included in the programme for the replacement of equipment and further alterations. Additionally a budget of £15k has been rephrased to 2019/20 for a new software for Cemeteries and SPMG in the district.
- 3.13 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. SBDC's share of this project is £296k, over two years.

Resources

- 3.14 The Council has responsibility under the lease for Capswood for the plant, equipment and internal decorations. There are several projects identified to be carried out over the next 5 years, with £180k budgeted in 2019/20.
- 3.15 Other capital works include the extension to Parkside Woodland Burial Site, with a budget of £199k, and upgrading elements of the Beacon Centre including ventilation cooling units and extractor fans.
- 3.16 A budgeted figure of £250k has been included to undertake the extension of the Stoke Poges Memorial Gardens.

4. Consilio

- 4.1 In addition to the main SBDC capital programme, SBDC may also undertake investments via Consilio. The individual investments will be undertaken by Consilio, however SBDC will act as lender for these investments. There is a separate section in the Capital Strategy related to Consilio investments.

5. Commuted Sums Programme

- 5.1 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 4.1.19 £
s106 Monies - Conditional	0
s106 Monies - Unconditional	1,618,515
Total	1,618,515

- 5.2 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. All of these funds have been allocated for specific projects.

6. Consultation

- 6.1 Consultation is with the Overview and Scrutiny 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 To sustain the size of the programme and allow scope for new schemes, additional resources will need to be made available. The scope for generating significant new capital receipts is very limited; therefore, the Council will need to borrow to finance proposed capital projects.
- 7.3 The capital programme is part of the Council's overall financial strategy, as the capital and revenue budgets are interlinked.

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 delivery of the Council's objectives.

9. Next Steps

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

Background Papers:	None
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