

Policy Committee – 22nd July 2014**CAPITAL PROGRAMME FUNDING 2014/15**

Report of the Corporate Head of Financial Management

Ward(s) affected: All

1. Purpose of Report

- 1.1 To present the funding options for the 2014/15 capital programme for member approval

2. Recommendations

That the following be recommended to Council:-

- 2.1 Members approve the funding proposals for the 2014/15 capital programme of £2,481k as laid out in the report.

3. Background Information

- 3.1 The 2014/15 Capital Programme of £1.608m was approved by Council on 25 February 2014. The decision on allocation of resources to fund it was deferred until the 2013/14 outturn of the capital programme and revenue and budget had been confirmed.
- 3.2 The resources available to support the capital programme are now available and this report proposes the funding for the 2014/15 capital programme.
- 3.3 At the meeting of Policy Committee on 17th June 2017 Members confirmed slippage of £873k from the 2013/14 Capital Programme to 2014/15. This slippage has been added to the 2014/15 projects to give an overall Capital Programme of £2,481k.

4. 2014/15 Capital Programme

- 4.1 The capital programme for 2014/15 of £2,481k and its funding proposals is attached at Appendix A.
- 4.5 As part of the monitoring of the of the capital programme, a business case to CLT will be required for each, project prior to release of the funding.

This will then inform the progress update presented to members on a quarterly basis.

- 4.6 The Council has predominantly used capital receipts or borrowing to fund its capital programme. Capital receipts are a finite resource and the projects identified will eventually exceed the resources available. As part of the closedown process contributions have been made to earmarked reserves which are available to support the capital programme and other projects.
- 4.7 The council has £684k of borrowing capacity carried forward from 2013/14, and £318k will be generated in 2014/15 giving a total of £1,002k for use in either the capital programme or to repay external loans. This borrowing capacity arises through the Minimum Revenue Provision (MRP) charge to the revenue account each year. It is proposed that £550k of the MRP capacity is utilised to fund the programme.
- 4.8 Table 1 summarises the current estimated capital resources available to fund the capital programme.

Table 1: Forecast Capital Resources

	2014/2015 Estimate £'000	2015/2016 Indicative £'000	2016/2017 Indicative £'000	2017/2018 Indicative £'000
Capital Receipts & Grants at Start of Year	1,792	1,425	449	0
In Year resources - disposals	650	455	0	0
In Year resources - grants	188	187	187	187
Contribution From Enabling Efficiencies Reserve	91	0	0	0
Contribution From New Homes Bonus Reserve	220	0	0	0
Contribution from Buildings Reserve	67	0	0	0
Contribution from IT Reserve	203	0	0	0
Contribution from Vehicles	150	0	0	0
Utilisation of Borrowing (MRP Capacity)	550	634	362	855
Capital expenditure in year as per Appendix A	2,481	2,252	998	1,042
Capital Receipts at end of Year	1,425	449	0	0

5. Implications

5.1.1 Financial and Value for Money Implications

The updated capital programme costs and its resources are summarised in Table 2.

Table 2: Capital Programme & Resources

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Capital Programme Costs	2,481	2,252	998	1,042
<u>Funding Resources</u>				
Capital Receipts	998	1,881	449	0
Capital Grants	207	187	187	187
Enabling Efficiencies	91			
New Homes Bonus	220	0	0	0
IT, Buildings & Vehicle Reserves	415	0	0	0
Borrowing	550	634	362	855

5.2 Legal implications

None as a direct result of this report. The Council has a balanced budget for 2014/15, and going forward it is a further requirement that the budget is balanced.

5.3 Contribution to Council Priorities

The delivery of a balanced and managed budget is critical to the well being of the Authority. Investment in the Council's assets underpins the delivery of all Council priorities.

5.4 Risk Management

Failure to achieve a balanced budget in the financial year would have had serious consequences for the Council.

5.5 Equality Impact Assessment

The Council's Equality Impact Assessment Procedure **has been** followed. An Equality Impact Assessment **has not** been completed on the proposals as completion of **Stage 1- Initial Screening** of the Procedure identified that the proposed policy, strategy, procedure or function **does not have** the potential to cause negative impact or discriminate against different

groups in the community based on •age • disability •gender • race/ethnicity
• religion or religious belief (faith) •sexual orientation, or • rural isolation.

6. Consultations with Others

None

7. Access to Information : Background Documents

None

8. Author of the Report

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9. Appendices

Appendix A – Capital Projects and Proposed Funding Summary 2014/15.

CAPITAL PROGRAMME 2014/15

<u>Scheme Description</u>	2013/14 Approved / Slipped Projects £	2014/15 Projects £	2014/15 Total Capital Programme £	Funding				Total Funding
				Grant £	Reserve £	Capital Receipts £	Borrowing or Lease £	
Skipton Depot Project		250,000	250,000				250,000	250,000
Biomass Boiler at Skipton Town Hall		125,000	125,000			125,000		125,000
Instal PV Panels at Skipton Town Hall & Whitefriars PC's (1)		43,000	43,000		20,000	23,000		43,000
Instal PV Panels at Craven Pool & Airedale Business Park (1)	69,510		69,510		14,000	55,510		69,510
Skipton Town Hall / Museum Works (1) + (2)	56,855	220,000	276,855		276,855			276,855
Ashfield Public Conveniences Refurbishment		40,000	40,000			40,000		40,000
Replace pool moveable floor panels and control unit terminal (3)		22,700	22,700		22,700			22,700
Additional Lighting at Craven Pool (3)	20,000		20,000		20,000			20,000
Waltonwrays Crematorium Rationalisation of Buildings	35,360		35,360			35,360		35,360
Upgrade of Intruder Alarms (3)	20,000		20,000		20,000			20,000
Replacement of Car Park Machines	50,440		50,440			50,440		50,440
Upgrade VMware Software (4)		10,000	10,000		10,000			10,000
Public Sector Network (PSN) Code of Connection (CoCo) (4)		20,000	20,000		20,000			20,000
Replacement Planning System (4)		30,000	30,000		30,000			30,000
LLPG System Replacement (4)		30,000	30,000		30,000			30,000
Website Development (4)	12,715		12,715		12,715			12,715
Upgrade business applications to windows 2008 (4)	20,000		20,000		20,000			20,000
Document Management Rollout (4)	13,480		13,480		13,480			13,480
Craven Pool Software System Replacement (4)		49,000	49,000		49,000			49,000
Democratic Services Software (4)		17,500	17,500		17,500			17,500
Disabled Facilities Grants	124,915	312,000	436,915	207,246		229,669		436,915
Replacement Vehicles (5)	450,000	439,000	889,000		150,000	439,000	300,000	889,000
TOTAL	873,275	1,608,200	2,481,475	207,246	726,250	997,979	550,000	2,481,475

Key (1) = Enabling Efficiencies, (2) = New Homes Bonus, (3) = Buildings, (4) = ICT (5) = Vehicle Replacements.