

CAPITAL PROGRAMME 2021/22

Head of Service:	Lee Duffy, Chief Finance Officer
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Proposed Capital Programme Appendix 2 - Capital Appraisal form for Bid 1 Appendix 3 - Capital Appraisal form for Bid 3

Summary

This report summarises the proposed 2021/22 capital programme. The Committee's approval is sought for the programme to be submitted to Council in February 2021.

Recommendation (s)

The Committee is asked to:

- (1) submit the capital programme for 2021/22 as identified in section 4 of this report to the Council for approval on 16 February 2021.

1 Reason for Recommendation

- 1.1 To seek the Committee's approval to submit the proposed capital programme for 2021/22 to Council in February 2021.

2 Background

- 2.1 The Capital Strategy was last agreed by the Council on 13 February 2020 at which time the capital programme was approved for 2020/21. Schemes for 2021-2023 were provisional pending the annual budget review and an annual assessment of funds for capital investment.
- 2.2 Strategy and Resources provided the Capital Member Group (CMG) with a remit for the preparation of a capital programme for 2021/22. Under this remit, CMG assessed all capital bids and recommended a programme to Financial Policy Panel ('the Panel') for approval on 1 December 2020.

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- 2.3 The programme presented to the Panel assumed funding from capital receipts, revenue funding, reserves and government grants. The Panel were advised that the proposed level of investment over three years 2021/22 to 2023/24 is £2.7m, of which £255k is to be funded from a planned contribution from revenue. Combined with funding from other sources including CIL, S106 and Disabled Facilities Grants, this will allow the forecast available capital receipts to remain at £2.57 million at the end of this period. The agreed minimum threshold of capital receipts is £1 million.
- 2.4 The receipts forecast assumes a £300k revenue contribution to fund capital schemes in 2021/22, which is subject to the budget being approved at Council in February 2021. With £255k allocated to fund the proposed capital programme, the £45k balance of the revenue contribution would be held in a reserve for funding future capital programmes.
- 2.5 The Panel's guidance relevant to this policy committee's recommendations was as follows:-
 - 2.5.1 Priority schemes identified by the Capital Member Group should be presented with project appraisals to the policy committees in January to establish whether there is support for the individual projects, with any projects not supported being removed from the draft programme.
 - 2.5.2 The schemes identified in section 4 of this report, totalling £455k, funded by £30k of planned revenue contribution, and £425k of CIL receipts, should be included in the capital programme, subject to support for the project appraisal by this Committee.

3 Proposals

- 3.1 The Committee is asked to approve the proposed capital programme for 2021/22.
- 3.2 The timing of the programme should be based on the ability to deliver with a realistic number of projects in any one year.
- 3.3 If all schemes in the proposed corporate capital programme for 2021/22 were to progress, and given the use of £300k of revenue funds, this would reduce the capital reserves to £2.57 million at 31 March 2024. Where possible the Council will prioritise the use of other funding sources such as revenue, external grants, S106 and Community Infrastructure Levy to preserve the level of capital receipts.

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4 Core Programme 2021/22 Funded from Capital Reserves

- 4.1 The Financial Policy Panel recommended that the following schemes should be considered by this Committee for inclusion in the capital programme in 2021/22, subject to the Committee approving the project appraisals.
- 4.2 The proposed core programme for 2021/22 funded from capital reserves consists of the following schemes:-

Capital Appraisal form reference	Scheme	2021/22 £'000s
Environment & Safe Communities Bid 1	Ashley Centre Car Park Expansion Joints	30
Environment & Safe Communities Bid 3	Replacement of EEBC lamp columns	425
Total		455

- 4.3 It is proposed that the Ashley Centre Car Park Expansion Joints project is funded by £30k of planned revenue contribution; and the Replacement Lamp Columns project is funded by £425k of Community Infrastructure Levy (CIL) receipts. The Lamp Columns replacement, by way of being a civic infrastructure project, meets the criteria for CIL funding as set out in CIL regulation 59.

5 Risk Assessment

Legal or other duties

5.1 Impact Assessment

5.1.1 None for the purposes of this report.

5.2 Crime & Disorder

5.2.1 None for the purposes of this report.

5.3 Safeguarding

5.3.1 None for the purposes of this report.

5.4 Dependencies

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5.4.1 The 2021/22 capital programme is dependent upon agreement of a planned £300k revenue contribution to fund the capital programme being considered by Full Council in February 2021 as part of the revenue budget for 2021/22.

5.5 Other

5.5.1 None for the purposes of this report.

6 Financial Implications

6.1 Officers in the Projects Team have scheduled sufficient capacity to deliver the recommended schemes next year.

6.2 **Section 151 Officer's comments:** all financial comments have been included within the body of the report.

7 Legal Implications

7.1 The legal comments have been included within the body of the report.

7.2 **Monitoring Officer's comments:** none for the purposes of this report.

8 Policies, Plans & Partnerships

8.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council.

8.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

8.3 **Climate & Environmental Impact of recommendations:** none for the purposes of this report.

8.4 **Sustainability Policy & Community Safety Implications:** none for the purposes of this report.

8.5 **Partnerships:** none for the purposes of this report.

9 Background papers

9.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Financial Policy Panel papers - 1 December 2020

Other papers:

- Capital Strategy for agreement at Full Council in February 2021