

CAPITAL PROGRAMME 2022/23

Head of Service:	Brendan Bradley, Head of Finance
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 9 Appendix 4 – Capital Appraisal form for Bid 12

Summary

This report summarises the proposed 2022/23 capital programme and a provisional programme for 2023/24 to 2026/27. The Committee's approval is sought for the programme to be submitted to Council in February 2022.

Recommendation (s)

The Committee is asked to:

- (1) submit the capital programme for 2022/23 as identified in section 3 of this report to the Council for approval on 15 February 2022;**
- (2) note the provisional list of schemes for the capital programme for 2023/24 to 2026/27;**
- (3) note that schemes subject to external funding from Disabled Facilities Grants only proceed once funding has been received.**

1 Reason for Recommendation

- 1.1 To seek the Committee's approval to submit the proposed capital programme for 2022/23 to Council in February 2022 and to inform of the schemes included in the provisional programme for 2023/24 to 2026/27.

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2 Background

- 2.1 The Capital Strategy was last agreed by the Council on 13 February 2021 at which time the capital programme was approved for 2021/22. Schemes for 2022-2024 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 2022/23. Under this remit, CMG assessed all capital bids and recommended a programme to Financial Policy Panel ('the Panel') for approval on 30 November 2021.
- 2.3 The programme presented to the Panel assumed funding from capital receipts, revenue funding, reserves and government grants. The Panel were advised that, across all Committees, the proposed level of investment for the 2022/23 programme is £712k, of which £87k is to be funded from a planned contribution from revenue. Combined with funding from the repairs and renewals reserve and Disabled Facilities Grants, this will allow the forecast available capital receipts to remain at £2.99 million at the end of this period. The agreed minimum threshold of capital receipts is £1 million.
- 2.4 The receipts forecast assumes a £400k revenue contribution to fund capital schemes in 2022/23, which is subject to the budget being approved at Council in February 2022. With £87k allocated to fund the proposed capital programme, the balance of the revenue contribution of £313k would be held in a reserve for funding future capital programmes.
- 2.5 The Panel's guidance relevant to this policy committee 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 Schemes identified in section 3 of this report, totalling £675k, should be included in the 2022/23 capital programme, subject to support for the project appraisal by this Committee and subject to external funding being received before expenditure is committed.

3 Core Programme 2022/23

- 3.1 Financial Policy Panel recommended that the following schemes should be considered by this Committee for inclusion in the capital programme in 2022/23, subject to the Committee approving the project appraisals.

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Capital Scheme	Proposed Budget 2022/23 £'000	Funding Source
The Disabled Facilities Grant Programme	600	Central govt grant
Wellbeing Centre - Replacement of Boilers and Controls	50	Budgeted revenue contribution
Wellbeing Centre - Walk-in freezer	25	Repairs & renewals reserve
Total Community and Wellbeing Committee	675	

3.2 Disabled Facilities Grant is received annually from the Department for Levelling Up, Housing and Communities. The Council has a statutory responsibility to administer the grant. The grant is typically used to make residential adaptations to enable vulnerable residents to maintain independence and remain in their own homes. Such interventions can prevent the need for NHS and or sheltered housing services. The grant is typically used to:

- widen doors and install ramps;
- improve access to rooms and facilities - eg stairlifts; downstairs bathroom;
- provide a heating system;
- adapt heating or lighting controls to make them easier to use.

4 Provisional Programme 2023/24 to 2026/27

4.1 CMG also considered the provisional programme for the subsequent four years, which has been compiled through drawing information from the Asset Management Plan for buildings and other known capital expenditure requirements.

4.2 The 2023/24 to 2026/27 provisional programme for Community and Wellbeing currently comprises the following schemes:

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	Provisional Budget				Total 2023/ 24 - 26/27 £'000
	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
	£'000	£'000	£'000	£'000	
Provisional: Disabled Facilities Grants	600	600	600	600	2,400
Provisional: Alexandra Recreation Ground Main Pavilion	160	0	0	0	160
Provisional: Auriol Pavilion	25	0	0	55	80
Provisional: Bourne Hall	970	0	0	0	970
Provisional: Ewell Court House	50	0	0	85	135
Provisional: Gibraltar Recreation Ground Pavilion	27	0	0	0	27
Provisional: Harrier Centre	90	0	0	0	90
Provisional: Horton Country Park Public Conveniences	30	0	0	0	30
Provisional: Epsom Playhouse	375	100	70	0	545
Provisional: Wellbeing Centre	99	0	0	0	99
Total Community and Wellbeing Committee	2,426	700	670	740	4,536

4.3 The provisional programme provides a forecast of the Council's anticipated capital expenditure need from 2023/24 to 2026/27 but is not an exhaustive list as future schemes may be identified through other workstreams such as the Climate Change Action Plan and Annual Plan cycle.

4.4 Similarly, some schemes may be removed from the programme if strategic asset reviews recommend an alternative approach or Council priorities change. Each year, the forthcoming annual programme will be reviewed by Capital Member Group through the annual capital budget setting process with bids assessed against the agreed criteria, and the programme updated accordingly.

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.

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5.3 Safeguarding

5.3.1 None for the purposes of this report.

5.4 Dependencies

5.4.1 The 2022/23 capital programme is dependent upon agreement of a planned £400k revenue contribution to fund the capital programme being considered by Full Council in February 2022 as part of the revenue budget for 2022/23.

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 VAT on the works at the Wellbeing Centre will feed into the Council's partial exemption calculation. It is not anticipated that this will cause a breach of the 5% limit but the position will be monitored and remedial action will be taken if required.

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

7 Legal Implications

7.1 The Council has a statutory responsibility to administer the Disabled Facilities Grant.

7.2 **Legal Officer's comments:** none arising from the content 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:** the environmental impact of schemes proposed for the 2022/23 capital programme has been considered through the bid appraisal process.

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

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

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9 Background papers

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

Previous reports:

- Financial Policy Panel papers - 30 November 2021.

Other papers:

- Capital Strategy for agreement at Full Council in February 2022.