

## **CAPITAL PROGRAMME 2025/26**

<b>Head of Service:</b>	Kevin Hanlon, Interim Chief Finance Officer
<b>Report Author:</b>	Vanessa Newton, Senior Accountant
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	N/A
<b>Appendices (attached):</b>	Appendix 1 – Proposed Capital Programme Appendix 2 – Capital Appraisal form for proposal 1

### **Summary**

This report summarises the proposed 2025/26 capital programme and a provisional programme for 2026/27 to 2029/30. The Committee's approval is sought for the programme to be submitted to Council in February 2025.

### **Recommendation (s)**

#### **The Committee is asked to:**

- (1) Submit the capital programme for 2025/26 as identified in section 3 of this report to the Council for approval on 11 February 2025;**
- (2) Note the provisional forecast of schemes for the capital programme for 2026/27 to 2029/30;**
- (3) Note that schemes subject to external funding from Disabled Facilities Grants will 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 2025/26 to Council in February 2025 and to inform of the schemes included in the provisional forecast for 2026/27 to 2029/30.

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## 2 Background

- 2.1 The Capital Strategy was last agreed by Full Council on 13 February 2024 at which time the capital programme was approved for 2024/25. Schemes for 2025-2029 were provisional pending the annual budget review and an annual assessment of funds for capital investment.
- 2.2 The terms of reference for Financial Strategy Advisory Group (FSAG) include the preparation of the annual capital programme. In order to undertake this, FSAG assesses all capital bids and recommends a programme for approval to the Policy Committees.
- 2.3 The programme assumed funding from capital receipts, revenue funding, and government grants. The proposed level of investment for the 2025/26 programme is £1.664m, of which £475k is to be funded from a planned contribution from revenue. Combined with funding from the Disabled Facilities Grants of £785k, this leaves £404k to be funded from the capital receipts reserves if all schemes should be recommended to progress.
- 2.4 One further scheme was recommended by FSAG but due to the urgent timescales for undertaking the works, this project was considered by Full Council on 10 December 2024. Full Council agreed a budget of £410k for the scheme which was for a second phase of replacement windows at Bourne Hall.
- 2.5 The estimated balance of capital receipts at 31 March 2025, assuming funding of the 2024/25 capital programme, and the £410k funding detailed in paragraph 2.4, is £1.965m. This balance would fall to £1.561m upon funding the schemes proposed by FSAG. The agreed minimum threshold of capital receipts is £1m.
- 2.6 The receipts forecast assumes a £475k revenue contribution to fund capital schemes in 2025/65, which is subject to the revenue budget being approved at Council in February 2025.

## 3 Core Programme 2025/26

- 3.1 FSAG recommended that the following schemes should be considered by this Committee for inclusion in the capital programme in 2025/26, subject to the Committee approving the project appraisals.

<b>Capital Scheme</b>	<b>Proposed Budget 2025/26 £'000</b>	<b>Expected Funding Source</b>
Playhouse Stage Lighting and Dimmers	225	Corporate capital resources

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The Disabled Facilities Grant Programme	785	External Grant
<b>Total Community and Wellbeing Committee</b>	<b>1,010</b>	

3.2 Disabled Facilities Grant is received annually from the Ministry of Housing, Communities and Local Government. 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:

- Improve access to rooms and facilities – e.g. stairlifts; downstairs bathroom;
- Provide a heating system;
- Adapt heating or lighting controls to make them easier to use.

## 4 Provisional Forecast 2026/27 to 2029/30

4.1 FSAG also considered the provisional forecast 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 2026/27 to 2029/30 provisional forecast for Community and Wellbeing currently comprises the following sums, with individual schemes shown in Appendix 1:

Provisional Forecast	2026/ 27	2027 /28	2028/ 29	2029/ 30	Total
	£'000	£'000	£'000	£'000	£'000
<b>The Disabled Facilities Grant Programme</b>	<b>785</b>	<b>785</b>	<b>785</b>	<b>785</b>	<b>3,140</b>
<b>Bourne Hall</b>	<b>1,115</b>	<b>1,430</b>	<b>550</b>	<b>118</b>	<b>3,213</b>
<b>Bourne Hall Lodge and Dog Gate</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>210</b>
<b>Epsom Playhouse</b>	<b>250</b>	<b>0</b>	<b>55</b>	<b>124</b>	<b>429</b>

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<b>Ewell Court House</b>	<b>105</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>105</b>
<b>Total Community and Wellbeing Committee</b>	<b>2,465</b>	<b>2,215</b>	<b>1,390</b>	<b>1,027</b>	<b>7,097</b>

- 4.3 The provisional forecast provides an illustration of the Council's anticipated capital expenditure need from 2026/27 to 2029/30 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 Where external funding (for example, grant from SCC) can be used to fund capital schemes, it is anticipated that it will be the primary funding source. However, if it cannot be used, capital receipts or other alternative funding would be applied instead.
- 4.5 The Council expects to review its discretionary services in 2025/26. Should a property be impacted by these reviews or Council priorities change, capital works may be deferred until the outcome of reviews is known. Each year, the forthcoming annual programme will be reviewed by Financial Strategy Advisory Group through the annual capital budget setting process with proposals assessed against the agreed criteria, and the programme updated accordingly.

## 5 Risk Assessment

### Legal or other duties

#### 5.1 Equality 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

5.4.1 The 2025/26 capital programme is dependent upon agreement of a planned £475k revenue contribution to fund the capital programme being considered by Full Council in February 2025 as part of the revenue budget for 2025/26.

#### 5.5 Other

5.5.1 None for the purposes of this report.

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### 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 **Legal 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:** The proposed schemes in appendices 1 to 3 are consistent with the Council's aim to reduce the carbon footprint for the Council's operations.
- 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:**

- None.

**Other papers:**

- Initial Capital Proposals – 2025/26, Financial Strategy Advisory Group, 27 September 2024.
- Final Capital Proposals – 2025/26, Financial Strategy Advisory Group, 22 November 2024.
- Bourne Hall Windows Phase 2, Full Council, 10 December 2024.
- Capital Strategy for agreement at Full Council in February 2025.