

APPENDIX 4

CAPITAL

1. Whilst local authority revenue budgets face constraints, capital budgets are also under pressure, and there are revenue implications for capital expenditure which is not funded by specific grants.
2. In light of the revenue financial constraints we face and the fact that our previous Asset Strategy included a significant element of prudential borrowing (which places pressure on the revenue budget to pay for the borrowing costs), a thorough review of the next Asset Strategy is underway.
3. A proposed programme for schemes for the next three years is set out below:

CAPITAL PROGRAMME			
	2019/20	2020/21	2021/22
	£'000	£'000	£'000
New Schemes			
Asset Management Plan to be Allocated	11,728	7,535	6,610
Highways Refurbishment	2,650	1,325	0
Childcare	1,238	1,113	0
Housing Strategy	2,700	2,700	2,700
	18,316	12,673	9,310
Approved Schemes - Already a part of the Programme	16,675	6,129	0
PROGRAMME TOTAL	34,991	18,802	9,310

4. We will be funding the programme as follows:

CAPITAL PROGRAMME FUNDING			
	2019/20	2020/21	2021/22
	£'000	£'000	£'000
New Schemes			
Capital Provision in the Settlement	7,995	7,535	6,610
Grants and Contributions	2,563	2,438	0
Renewals and Other Funds	7,758	2,700	2,700
	18,316	12,673	9,310
Approved Schemes - Already a part of the Programme			
Other Borrowing	1,393	777	0
Grants and Contributions	8,753	525	0
Capital Receipts	98	750	0
Departmental and Corporate Revenue	265	0	0
Capital Fund	1,435	0	0
Renewals and Other Funds	4,731	4,077	0
	16,675	6,129	0
PROGRAMME FUNDING TOTAL	34,991	18,802	9,310

5. It is intended to establish a new asset strategy from 2019/20 going forward, in accordance with the report presented to Cabinet early in 2019. The new asset strategy will be operational for the period from 2019/20 to 2028/29.
6. The procedure for establishing the next strategy was approved by the Cabinet on 16 January 2018 and in the following months all Council members were asked to prioritise the schemes put forward by departments. A report on the detailed schemes will be presented for approval early enough for the 2019/20 financial year.
7. The above table therefore reflects the general capital requirements (together with the funding) for setting the 2019/20 to 2021/22 budget, whilst the individual scheme details will be established by the Council in the new 10 year asset strategy.
8. Therefore, the full Council is asked to add £18,316,130 to the capital programme to be spent in 2019/20, in order to establish a total programme worth £34,991,250 by 2019/20, to be funded from the sources noted in the table under part 4 above.