
EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 6 AUGUST 2012

EX.091/12 DRAFT CAPITAL STRATEGY 2013/14 TO 2017/18
(Key Decision – KD.015/12)

Councillor Ms Quilter, having declared a disclosable pecuniary interest, withdrew from the meeting room during consideration of the matter.

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder presented report RD.30/12 on the Draft Capital Strategy 2013/14 to 2017/18. He informed Members that the Draft Capital Strategy was a key policy document, intended to direct the Council's Capital Programme and the allocation of resources for the five year period 2013/14 to 2017/18 and would complement and supplement guidance contained in the Medium Term Financial Plan. The Capital Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 23 February 2012. The position had been updated to reflect any known changes since that date.

He reminded Members of the objectives of the Capital Strategy in ensuring that capital investment decisions and capital resources contributed to the achievement of the Council's corporate priorities; co-ordinated strategic priorities emerging from service planning and ensuring that investment opportunities were maximised; managed performance and decision making processes to help achieve the best use of available capital resources and setting out processes to monitor and evaluate proposed and actual capital spending on projects to ensure that value for money was obtained. The Strategy had been developed using a number of overarching guidelines.

The Finance, Governance and Resources Portfolio Holder outlined the current capital programme forecasts, reminding Members of the key assumptions which had been considered in making the projections including the Capital Programme of £10.940m for 2012/13 and £5.410m for 2013/14. The impact of the 2011/12 outturn and the carrying forward of budgets into 2012/13 had increased the programme by £2.158m in 2012/13 since the budgets were approved in February.

The Finance, Governance and Resources Portfolio Holder indicated that the current capital programme forecast spending on capital projects of around £1m - £2m per annum for years 2013/14 to 2017/18, although past experience had indicated that actual spending would be much higher due, in the main, to the fact that a number of initiatives were still at an early stage of development and had not yet been included in the projections. He identified a number of schemes currently the subject of feasibility studies, including the Asset Review Programme; Vehicle Replacement Programme; and Disabled Facilities Grants, commenting that the position on those schemes would need to be updated during the budget process when an indication of capital schemes coming to fruition and their timing could be made more accurately.

The report further set out an estimated level of capital finance resources which would be generated over the next five years and highlighted the current position regarding borrowing; capital receipts; reserves and balances; Government and other capital grants and external funding; and revenue contributions. Also summarised was the level of capital spending and available financing for the period 2012/13 to 2017/18 which indicated that currently there was approximately £6.2m uncommitted estimated capital resources available to support any future capital programme as at the end of 2017/18.

The Finance, Governance and Resources Portfolio Holder then moved the recommendation set out in the Director of Resources' Report, which was duly seconded by the Communities and Housing Portfolio Holder.

Summary of options rejected None

DECISION

1. That the Report of the Director of Resources (RD.30/12) regarding the draft Capital Strategy 2013/14 to 2017/18 be received.
2. That the draft Capital Strategy be made available for consideration by the Resources Overview and Scrutiny Panel on 30 August 2012.

Reasons for Decision

To consult with the Resources Overview and Scrutiny Panel on the draft Capital Strategy for 2013/14 to 2017/18