
EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 30 AUGUST 2012

ROSP.61/12 DRAFT CAPITAL STRATEGY 2013/14 TO 2017/18

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 and other adjustments 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 Executive had on 6 August 2012 considered the report (EX.091/12 refers) and made it available for the Resources Overview and Scrutiny Panel.

In considering the Draft Strategy Members raised the following comments and questions:

- The plans for the refurbishment of the Old Town Hall could have a substantial impact on the budget, how would the impact be managed?

A Member commented that the original plans for the refurbishment of the Old Town Hall had been considered by Overview and Scrutiny but there had not been any updates since.

The Finance, Governance and Resources Portfolio Holder informed the Panel that a report would be considered by the Executive on 3 September 2012 regarding the Old Town Hall. He felt that it would be worthwhile to consider a resubmission of the application for a grant opposed to a reduction in the scheme. He agreed that the Old Town Hall should be protected. In response to a further question the Portfolio Holder stated that a specialist had looked at the roof of the Old Town Hall and the Executive were looking at how each of the elements of the refurbishment could be funded.

- Were the Capital Receipts as set out in the report on target?

Miss Taylor confirmed that the figures with regard to Capital receipts were under review.

RESOLVED – That the comments and concerns of the Committee be forwarded to the Executive for consideration.