

Borough Council of  
**King's Lynn &  
West Norfolk**



# **RESOURCES AND PERFORMANCE – SPECIAL AUDIT AND RISK COMMITTEE**

**Thursday 14 June 2012  
at 6.00 pm**

Committee Suite  
King's Court  
Chapel Street  
King's Lynn  
Norfolk  
PE30 1EX



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Borough Council of  
**King's Lynn &  
West Norfolk**



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX.  
Telephone: 01553 616200  
Fax: 01553 691663

6 June 2012

Dear Member

**Resources and Performance – Special Audit and Risk Committee**

You are invited to attend a special meeting of the above-mentioned Committee which will be held on **Thursday 14 June 2012 at 6.00 pm** in the **Committee Suite, King's Court, Chapel Street, King's Lynn**, to discuss the business shown below.

Yours sincerely

Chief Executive

**A G E N D A**

**1. Apologies for absence**

To receive any apologies for absence.

**2. Declarations of Interest**

Please indicate whether the interest is a personal one only or one which is also prejudicial. A declaration of a personal interest should indicate the nature of the interest and the agenda item to which it relates. In the case of a personal interest, the Member may speak and vote on the matter. If a prejudicial interest is declared, the Member should withdraw from the room whilst the matter is discussed.

**3. Urgent Business Under Standing Order 7**

To consider any business which, by reason of special circumstances, the Chairman proposes to accept as urgent under Section 100(b)(4)(b) of the Local Government Act 1972.

4. **Members Present Pursuant to Standing Order 34**

Members wishing to speak pursuant to Standing Order 34 should inform the Chairman of their intention to do so and on what items they wish to be heard before the meeting commences. Any Member attending the meeting under Standing Order 34 will only be permitted to speak on those items which have been previously notified to the Chairman.

5. **Chairman's Correspondence** (if any)

6. **Cabinet's Forward Decision List for 19 June 2012**

The following items are on the Cabinet Forward Decision List for consideration on the 19 June 2012 and have been identified for consideration by the Panel.

(i) **Revenue Outturn 2011/2012** (attached at pages 1 to 15)

Panel Members are invited to consider the report and to make any appropriate recommendations to Cabinet.

(ii) **Capital Programme and Resources 2011/2013**  
(attached at pages 16 to 40)

Panel Members are invited to consider the report and to make any appropriate recommendations to Cabinet.

7. **Date of Next Meeting**

To note that the next ordinary meeting of the Resources and Performance - Audit and Risk Committee will take place on **Tuesday 26 June 2012** at 6.00 pm.

**To: Panel Members:** Councillors P Beal (Chairman), C Manning (Vice-Chairman), J Collop, Mrs S Collop, C J Crofts, M Hopkins, H Humphrey, M Langwade, J Loveless, A Morrison, D Tyler, A White, T de Winton, A Wright

**Portfolio Holder:** Councillor N Daubney, Leader and Portfolio Holder for Resources – Agenda Items 6(i) and (ii)

Chief Executive – Agenda Item Items 6(i) and (ii)

Deputy Chief Executive and Executive Director, Finance and Resources – Agenda Items 6(i) and (ii)

All Other Executive Directors

Audit Manager

Press

**Officers:** The following Officers are invited to attend in respect of the items listed below:

Agenda Item 6

Lorraine Gore, Chief Accountant  
Toby Cowper, Principal Accountant

**REPORT TO CABINET**

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b>  <b>None</b>	Mandatory/	(a) Be entirely within Cabinet's powers to decide	YES	
	Operational	(b) Need to be recommendations to Council	NO	
		(c) Be partly for recommendations to Council and partly within Cabinet's powers –	NO	
Lead Member: Cllr N Daubney E-mail: <a href="mailto:cldr.nick.daubney@west-norfolk.gov.uk">cldr.nick.daubney@west-norfolk.gov.uk</a>		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Toby Cowper E-mail: <a href="mailto:toby.cowper@west-norfolk.gov.uk">toby.cowper@west-norfolk.gov.uk</a> Direct Dial: 01553 616523		Other Officers consulted: Management Team. Service Managers.		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications (incl S.17) YES	Equal Opportunities Implications NO	Risk Management Implications NO

**Cabinet Date: 19 June 2012**

**REVENUE OUTTURN 2011/2012**

**Summary**

The report sets out in summary the revenue outturn of 2011/2012 for the General Fund (council tax accounts). The report shows details of the major differences between actual costs/income and the revised estimates for 2011/2012 reported in February monitoring.

The accounts show actual Borough spend of £18,303,305 which was £272,335 less than the Revised Estimate for 2011/2012 of £18,575,640. The working balance of the Council will stand at £3,549,738 on 31 March 2012.

**Recommendation**

**It is recommended that Cabinet approves the revenue outturn and proposed transfers to reserves for 2011/2012.**

**Reason for Decision**

The revenue outturn for 2011/2012 of the Council must be approved by Cabinet prior to the external audit of accounts which commences in July 2012.

**1 Introduction**

1.1 This report sets out the revenue outturn of the Council's budget for 2011/2012, the details of which will be used to form the Statement of Accounts later in the year.

1.2 The Statement of Accounts for 2011/2012 will be taken to Cabinet on the 18<sup>th</sup> September, for approval by Council on the 27<sup>th</sup> September 2012. (By law, the

approval and publishing of the Statement of Accounts has to be completed by the 30th September 2012).

## 2 Final Outturn 2011/2012

- 2.1 The table below shows a revised budget for 2011/2012 as noted in the February 2012 Monitoring Report. This differs from that included in the Financial Plan 2011/2015 as reported to Cabinet in February 2012 where figures were based on information as at December 2011.
- 2.2 The summary shows an underspend of £272,335 which offsets the necessity to draw from balances as planned. The actual reduction in balances is £8,625.

	<b>Revised Estimate 2011/12 £</b>	<b>Actual 2011/12 £</b>	<b>Difference Revised to Actual £</b>
Community and Democracy	3,945,570	3,907,866	(37,704)
Environmental Improvements and Protection	5,505,810	5,382,295	(123,515)
Housing	1,652,900	1,138,098	(514,802)
Performance and Resources	8,118,060	8,097,077	(20,983)
Regeneration	558,250	662,453	104,203
Safer and Healthy Communities	309,380	267,323	(42,057)
<b>Portfolio Totals</b>	<b>20,089,970</b>	<b>19,455,112</b>	<b>(634,858)</b>
Financing Adjustment	(3,026,080)	(2,663,557)	362,523
Special Expenses	(554,880)	(554,880)	-
Internal Drainage Boards	2,579,230	2,579,230	-
Contribution (from) Restructuring Reserve	96,440	96,440	-
Government Grant Council			
Tax Freeze	(157,440)	(157,440)	-
New Homes Bonus	(451,600)	(451,600)	-
Contribution (from)/to Balances	(280,960)	(8,625)	272,335
	<b>18,294,680</b>	<b>18,294,680</b>	<b>-</b>

- 2.3 The operations of the Council over the year ending 31<sup>st</sup> March 2012 have continued to look for opportunities to produce budget savings that support the Council's drive for reduction in costs. During 2011/2012 service managers have been successful in holding posts vacant for periods of time to produce savings on salary budgets of £320,000. It is not a position that can be guaranteed to continue but every opportunity to produce such savings will be examined in the current year.

- 2.4 The Council's drive for efficiency in terms of reducing CO2 and associated utility /fuel bills is also having an effect and in 2011/2012 savings of £51,000 were made against set budgets.
- 2.5 Income received over the past year has also exceeded expectations. At the time of setting the budget, service managers were very cautious of the economic climate and estimates in terms of income reflected those views. Across most of the service areas income has actually held previous levels and in certain services exceeded expectation. Overall, income is some £300,000 plus above estimates in 2011/2012.
- 2.6 The 2011/2012 outturn is within budget and allows the Council to set aside funds for a variety of future demands in addition to carrying forward a general fund balance that is higher than originally estimated. A number of the budget savings were 'one-offs' and will not necessarily be repeated in future years. Others were 'early wins' on cost reduction initiatives where savings have already been incorporated in the 2012/2013 budget but not accounted for in 2011/2012. There are, however, some savings in the year that will carry forward and will reduce budgets set out in the Financial Plan for 2012/2015. The results of the outturn will be examined to look at the potential impact on the current year and future year's budgets, and any ongoing reductions will be included as part of the monthly monitoring reports.

**3. The major differences in the revised estimates and the actual costs are as follows:**

**3.1 Community and Democracy – Surplus (£37,704)**

	£
Unsupported Borrowing	(37,129)
Movements to be explained	(447,755)
Additional transfers to reserves	361,490
REFCUS	85,690
<b>Surplus</b>	<b><u>(37,704)</u></b>

In the case of the savings on unsupported borrowing this has occurred where the anticipated replacement of equipment has not been made. Service managers have in effect delayed the renewals for a year thereby gaining a one off saving in 2011/2012. It is intended to use the on-going budget in 2012/2013 to make the renewals where necessary. The additional charge to service for Reserve Expenditure Funded from Capital Under Statute (REFCUS) represents capital spending on grants that were above the budget originally included in the estimates for the year. The charge for capital is reversed out in the accounts as part of the Financing Adjustment.

The major variances are as follows:

- **Financial Assistance**

Underspend on grants of £28,556 of which £11,190 was transferred to reserves to fund additional spending on Capital grants.

- **CCTV**  
An overall surplus of £13,824 of which, £10,872 is due to additional and one off external income.
- **Councillors Allowances and Expenses**  
The budget for allowances was underspent by £30,034 spending on travel was £7,000 less than estimated, special responsibilities were under budget by £10,000, training by £4,000, National Insurance £3,500 and insurance £4,000.
- **Register of Electors**  
An overall saving of £15,036 which was due to staff savings of £25,000 which was offset by additional supplies and services of £9,000
- **Parks, Open Spaces and Sports Grounds**  
A saving of £29,575 which is the result of underspends of £7,000 on Greyfrairs Tower, £10,000 saving on MUGA, £12,500 on the Walks staffing and utilities and £9,000 saving on play areas electricity. These were offset by overspends of £5,000 on the upgrade of the skatepark at Hunstanton Recreation Ground and £9,000 on the refurbishment of the Downham Market Federation squash courts.
- **Allotments**  
A saving of £11,273 has been achieved due to additional rental income of £4,000 and an underspend on fly tipping and repairs of £7,000.
- **Swimming Pools**  
A saving of £75,601 has been made due to £22,000 overachievement of income and savings on staffing of £8,000, utilities £34,000, telephones £5,000 and advertising of £10,000.
- **Lynnsport Leisure Park**  
A saving of £35,948 has been made due to £6,000 overachievement of income and savings on utilities £8,000, and repairs and maintenance of £24,000.
- **King's Lynn Town Hall / Gaol House**  
Savings of £26,864 were made due to savings on staff costs of £29,000 as a result of services reviews, overspend of £7,000 on repairs and underspend of £8,000 on health and safety expenditure which has been delayed until 2012/2013.
- **Resort Services & King's Lynn Car Parks**  
Savings of £151,214 which were mainly attributable to additional income of £54,000, staff savings of £16,000 and net surplus of £72,790 on the car park operations.
- **Grants and Subscriptions**  
Savings of £21,332 mainly due to underspend on leisure subscription fees.



## Summary of Budget Movements

	£
Financial Assistance	(28,556)
CCTV	(13,824)
Councillors Allowances and Expenses	(30,034)
Register of Electors	(15,036)
Parks, Open Spaces and Sports Grounds	(29,575)
Allotments	(11,273)
Swimming Pools	(75,601)
Lynnsport Leisure Park	(35,948)
King's Lynn Town Hall / Gaol House	(26,864)
Resort Services and King's Lynn Car Parks	(151,214)
Grants and Subscriptions	(21,332)
Other	(8,498)
<b>TOTAL</b>	<u><u>(447,755)</u></u>

As part of the closing of accounts, the opportunity has been taken to set up transfers to reserves as follows:

- **Financial Assistance - £11,190**  
£11,190 transferred from the underspend on revenue grants to meet the additional spend on Capital Grants.
- **St James Swimming and Leisure - £43,200**  
£10,000 transfer to meet the cost of floor repairs and replacement lighting.  
£33,200 transfer to contribute towards the replacement air handling unit.
- **Lynnsport - £38,500**  
£35,000 transfer to capital mostly for the replacement of the 3G sports pitch.  
£3,500 transfer to the repair reserve to fund electrical testing delayed in 2011/2012.
- **King's Lynn Town Hall - £8,000**  
£8,000 transfer to the repair reserve to fund health and safety works and electrical testing delayed in 2011/2012.
- **Custom House TIC - £4,000**  
£4,000 transfer to the repair reserve to fund delayed repair works.
- **Resort – £196,600**  
£12,000 transfer will help meet the cost of barriers for crowd control at events.  
£175,000 transfer towards replacement pay and display machines.  
£8,500 transfer for cash handling office upgrade.  
£1,100 transfer to capital towards the cost of lighting at Hunstanton.

- **Oasis - £15,000**  
£15,000 transfer to the repair reserve to fund café equipment and health and safety requirements.
- **Corn Exchange - £30,000**  
£30,000 transfer to fund replacement follow spot lights and seating repairs.
- **Princess Theatre - £15,000**  
£15,000 transfer to cover external repairs and maintenance.

Transfers to Reserves:

	£
Financial Assistance	11,190
St James Swimming and Leisure	43,200
Lynnsport	38,500
King's Lynn Town Hall	8,000
Custom House TIC	4,000
Resort	196,600
Oasis	15,000
Corn Exchange	30,000
Princess Theatre	15,000
<b>TOTAL</b>	<u><u>361,490</u></u>

### 3.2 Environmental Improvement and Protection – Surplus (£123,515)

	£
Movement to explain	(247,165)
Additional transfer to reserves	123,650
<b>Surplus</b>	<u><u>(123,515)</u></u>

The major variances are as follows:

- **Refuse and Recycling**  
The account shows an overall surplus of £151,128. This is mainly attributable to increased tonnage of recyclables. This has resulted in increased profit share from the Income Share Agreement with NEWS of £219,000 and direct net income of £25,000. There were savings of £62,000 due to timing differences with the purchase of software in 2010/2011 and maintenance savings of £5,000. Additional costs were incurred for fencing and bins of £15,000 towards Capital. Finally there was a loss on commercial income of £40,000 and trade refuse fees of £100,000 due to falling volumes as a result of direct competition from the private sector.
- **Footway Lighting**  
A saving of £7,400 has been made on general repairs and £9,100 on electricity, as there are now fewer lamp columns and the increase in the contract price was less than estimated for.

- **Public Cleansing**

A saving of £24,000 has been achieved on vehicles, mainly due to savings on repairs and diesel costs. There is a saving of £21,000 across various supplies and services, as well as additional income of £3,700 and £9,500 from dog bin emptying.

- **Land Drainage**

There is an underspend of £11,400 against the land drainage budget.

#### Summary of Budget Movements

	£
Refuse and Recycling	(151,128)
Footway Lighting	(16,500)
Public Cleansing	(58,200)
Land Drainage	(11,400)
Other	(9,937)
<b>TOTAL</b>	<u><u>(247,165)</u></u>

As part of the closing of accounts the opportunity has been taken to set up transfers to reserve as follows:

- **Refuse and Recycling - £93,650**

£93,650 transfer to be made towards the costs of waste management software of £48,650; new bins £25,000; Improved food waste containers for flats £10,000 and finally a PR/Communications Fund of £10,000. All of these are one-off costs that will be incurred in 2012/2013.

- **Public Cleansing - £30,000**

£10,000 transfer to be made for Street Naming signage and a transfer of £20,000 has been made for an automatic watering system for The Walks that is sourced from a borehole.

Transfer to Reserves:

	£
Refuse and Recycling	93,650
Public Cleansing	30,000
<b>TOTAL</b>	<u><u>123,650</u></u>

### 3.3 Housing - Surplus (£514,802)

	£
Movements to be explained	(377,952)
Additional transfers to reserves	339,475
REFCUS	(476,325)
<b>Surplus</b>	<u><u>(514,802)</u></u>

The additional charge to service for Reserve Expenditure Funded from Capital Under Statute (REFCUS) represents capital spending on housing grants that were under the budget originally included in the estimates for the year. The credit for capital is reversed out in the accounts as part of the Financing Adjustment.

The major variances are as follows:

- **Community Centres**

An additional cost of £20,305 has been incurred primarily due to the acquisition of two community centres during the year, at South Lynn and Fairstead, and uncertainty about the start-up costs.

- **Home Energy Conservation Act**

A saving in consultancy, promotion and advertising costs has resulted in a surplus of £8,330.

- **Home Improvement Agency**

An overall reduction in income of £6,000 has been offset by an underspend of £17,000 on small projects for the LIST project, together with £43,000 underspend on maintenance, plant and equipment for Careline due to repairs and maintenance being undertaken by employees and not the external contractor giving a surplus of £53,773 within Care and Repair.

- **Homechoice**

There have been savings of £18,565 due to changes made in printing and advertising. This has been achieved by changing printing from colour to black and white and reducing the size of Homechoice publications.

- **Housing Options**

There have been savings of £43,916, mostly due to an underspend of £43,585 on projects supported by the external grant through the Homelessness Prevention Fund. This has been transferred to reserves to support the homelessness strategy.

- **Housing and Council Tax Benefit**

A surplus of £239,945 has been achieved on this budget. This is due to additional income recovered for overpayments of £48,440 and a small variance on the Subsidy return of £47,600. There were also vacant posts within Benefits resulting in further savings of £136,000. Savings were achieved on software maintenance of £16,275.

- **Housing Grants**

A saving of £39,875 resulting from salary savings.

#### Summary of Budget Movements

	£
Community Centres	20,305
Home Energy Conservation Act	(8,330)
Home Improvement Agency	(53,773)
Homechoice	(18,565)
Housing Options	(43,916)
Housing and Council Tax Benefit	(239,945)
Housing Grants	(39,875)
Other Housing	6,147
TOTAL	<u>(377,952)</u>

As part of the closing of accounts the opportunity has been taken to set up transfers to reserve as follows:

- Housing Options - £43,585**  
 £43,585 transfer to be made to the homelessness strategy reserve. This fund is required to extend capacity in the private rented sector for homeless families and to fund a service level agreement with the Citizens Advice Bureau to provide housing advice.
- Housing Grants - £40,000**  
 £40,000 transfer to be made for a fixed term Housing Standards Post to meet demand for Care and Repair backlog and to develop the service.
- W N Fuel Poverty Forum - £5,890**  
 £5,890 to be transferred to reserves to meet the anticipated costs for Housing Market Research.
- Benefit Administration - £250,00**  
 £250,000 transfer to be made as a contingency fund required to mitigate the risk of breaching the Local Authority Threshold Error during the period 2012/2013, when the new Revenues and Benefit Partnership computer system is being installed.

Transfer to Reserves:

	£
Housing Options	43,585
Housing Grants	40,000
W N Fuel Poverty Forum	5,890
Benefit Administration	250,000
<b>TOTAL</b>	<u>339,475</u>

### 3.4 Performance and Resources – Surplus (£20,983)

	£
Movements to explain	(423,388)
Additional transfers to reserves	402,405
<b>Surplus</b>	<u>(20,983)</u>

The major variances are as follows:

- Cost of Collection**  
 A saving of £92,327 of which the main items are a surplus of £166,832 due to additional cost recovered on Council Tax offset by an increase in the Council Tax bad debt provision of £63,184.
- Corporate Communications**  
 A underspend of £11,682 of which £9,159 was from staffing savings.

- **Corporate Costs and Provisions**  
There was a net savings of £40,436 which is predominantly a combination of factors: £12,016 against salaries; £21,355 against Audit Fee; £10,201 Best Value surveys.
- **Bad Debt Provision**  
An increase in the General Fund Bad Debt provision of £29,899.
- **Corporate Management Team**  
A underspend of £19,610 due mainly from to a saving against salaries of £18,722.
- **Corporate Initiatives**  
A saving of £10,832 primarily due to a reduction in the computer software charge.
- **Equal Opportunities**  
A saving of £9,916 primarily due to a reduction in demand for small projects.
- **Flood Prevention**  
£21,250 saving due to the Hunstanton promenade condition survey not happening until 2012/2013
- **Financial Support**  
£6,050 NNDR discretionary Rate Relief overspend.
- **Performance**  
There is a net savings of £253,284 which is predominantly a combination of factors against the central support services budgets and corporate budgets. These include: savings against the new arrangements for Legal Commissioning of £48,564; savings against printing budgets of £44,660 and savings against training and relocation budgets of £58,569.

#### Summary of Budget Movements

	£
Cost of Collection	(92,327)
Corporate Communications	(11,682)
Corporate Costs and Provisions	(40,436)
Bad Debt provision	29,899
Corporate Management Team	(19,610)
Corporate Initiatives	(10,832)
Equal Opportunities	(9,916)
Flood Prevention	(21,250)
Financial Support	6,050
Performance	(253,284)
<b>TOTAL</b>	<b><u>(423,388)</u></b>

As part of closing the accounts the opportunity has been taken to set up additional transfers to reserves:

### Corporate Costs and Provisions - £168,000

- £143,000 transfer to capital reserve to fund the installation of Solar Panels at King's Court and Lynn Sport.
- £25,000 transfer to capital reserve to fund the cost of new brown and white road signs for the A47

### Performance - £234,405

- £141,570 to bring the Incinerator campaign fund up to £250,000
- £25,000 transfer to repair reserve to fund office moves within King's Court
- £25,000 transfer to reserve to develop the Council financial system (QSP) for use with multiple companies.
- £20,000 transfer to reserve to meet the cost of the Hunstanton promenade condition survey
- £22,835 transfer from the Insurance Holding account to maintain Insurance reserves.

Transfers to Reserves:

	£
Corporate Costs and Provisions	168,000
Performance	234,405
<b>TOTAL</b>	<b>402,405</b>

### 3.5 Regeneration - Deficit £104,203

	£
Movements to explain	(53,263)
Additional Transfers to Reserves	52,916
REFCUS	104,550
<b>Deficit</b>	<b>104,203</b>

The additional charge to service for Reserve Expenditure Funded from Capital Under Statute (REFCUS) represents capital spending on the COWA grant that was above the budget originally included in the estimates for the year. The charge for capital is reversed out in the accounts as part of the Financing Adjustment.

The major variances are as follows:

- **Economic Development**  
In the February Monitoring Report a saving was reported in respect of certain schemes slipped into 2012/2013. However, these schemes were completed sooner than anticipated and the payments made in 2011/2012. This has resulted in an overspend of £17,500.
- **Estates**  
The rental income from industrial units is higher than expected which has resulted in a saving of £27,400.

- **General Markets**  
An initial shortfall of £10,300 due to a reduction in market rents has been offset by a saving in market clearance costs of £6,000. This has resulted in a net shortfall of £4,300.
- **General Properties**  
A surplus of £14,750 due to a saving in general repairs.
- **Regeneration Projects**  
Income received for room hire at the South Lynn Community Centre has resulted in a saving of £6,600.
- **Rural Transport Development**  
A saving of £9,200 has been achieved due to an underspend in transport subsidies costs.
- **Publicity and Tourism**  
A saving in Special Promotions has resulted in a saving of £21,000.

#### Summary of Budget Movements

	£
Economic Development	17,500
Industrial Estates	(27,400)
General Markets	4,300
General Properties	(14,750)
Regeneration Projects	(6,600)
Rural Transport Development	(9,200)
Publicity and Tourism	(21,000)
Other	3,887
<b>TOTAL</b>	<u><u>(53,263)</u></u>

As part of closing the accounts, additional transfers to reserves have been made;

- **General Properties - £10,600**  
£10,600 transfer to be made in 2011/2012 to support the costs of ongoing bridge maintenance work.
- **Regeneration Projects - £23,370**  
£23,370 transfer to be made in 2011/2012. Additional rental income and remaining grant income totalling £10,870 has been transferred to be used on projects in future years. A contribution of £12,500 has been transferred to assist in the funding of the Pontoon.
- **Publicity and Tourism - £16,000**  
£16,000 transfer to be made in 2011/2012 to support the costs of the forthcoming signage work of £15,000. A further £1,000 has been transferred to meet the costs for the Hanse project.



- **Industrial Estates/Vancouver Centre - £2,946**

The administration fee for service statements of £2,946 has been moved to Reserve to help fund future costs.

Transfers to Reserves:

	£
General Properties	10,600
Regeneration Projects	23,370
Publicity and Tourism	16,000
Industrial Estates/Vancouver Centre	<u>2,946</u>
<b>TOTAL</b>	<u><b>52,916</b></u>

### 3.6 Safer and Healthy Communities – Surplus (£42,057)

	£
Movements to be explained	(67,767)
Additional transfer to reserves	<u>25,710</u>
<b>Surplus</b>	<u><b>(42,057)</b></u>

The significant items for the variance are:

- **Food Hygiene**

There has been an underspend of £14,700 on this budget as the costs to transport samples to the laboratory for testing have been waived for the present as they have changed location. Income from export licence fees £3,300 higher than estimated due to the higher number of applications.

- **Dog Warden**

A saving of £4,500 has been achieved from underspends on the purchase of bins and vets fees.

- **Licences**

There is a surplus of £10,000 due to higher than estimated income from Entertainment Licences, and a £3,000 under spend on contractor fees.

- **Crematorium**

Although an expected shortfall in income was reported in February monitoring, the actual income received was higher than anticipated resulting in surplus of £22,000. There has also been a surplus on the memorial sales of £5,000, Utility savings of £3,000 and overtime savings of £1,800 as there have been fewer late and weekend services.

- **Open Cemeteries**

A shortfall of £16,700 in income due to reduced numbers of burials, this has been offset by a savings of £9,000 on grave digging charges and £4,000 on repairs.

- **Health Promotions**

A general saving of £4,990 has been achieved.

#### Movements to be explained

	£
Food Hygiene	(18,000)
Dog Warden	(4,500)
Licencing	(13,000)
Crematorium	(31,700)
Open Cemeteries	3,700
Health Promotions	(4,990)
Other savings	723
TOTAL	<u><u>(67,767)</u></u>

As part of closing the accounts, additional transfers to reserves have been made:

- **Crematorium - £20,000**  
£20,000 transfer to reserves to be made to cover the current urgent works being carried out on cremator 3, along with the extra mandatory testing required afterwards.
- **Cemeteries - £5,170**  
£5,170 transfer to repair reserve to be made to fund the cost of memorial safety training and equipment so that testing can be carried out internally in future.

#### Transfers to Reserves:

	£
Crematorium	20,000
Cemeteries	5,170
TOTAL	<u><u>25,170</u></u>

### 3.7 Financing Adjustment – (£362,737)

The major element of the deficit can be explained as follows

	£
Net savings in external interest	(70,219)
REFCUS - Revenue expenditure funded from capital under statute	(286,085)
An increase in minimum revenue provision compared to estimate	(6,433)
TOTAL	<u><u>(362,737)</u></u>

At the time of writing this report variances from budget for depreciation had not been applied to the General Fund. These variances for depreciation will not have a bottom line impact on the outturn.

#### **4.0 General Fund Working Balance**

The underspend on the budget for 2011/2012 results in a small decrease to the General Fund working balance of £8,625 which provides for a revised balance of the General Fund as at 31 March 2012 of £3,549,738.

#### **5.0 Financial Implications**

The accounts show that the general fund balance is £3,549,738 this is higher than the level anticipated in the Financial Plan – 2011/2015, adjusted by February monitoring, and it will be used over a period of years to help maintain council tax levels.

#### **6.0 Policy Implications**

None

#### **7.0 Statutory Considerations**

The revenue outturn for 2011/2012 must be approved by the Cabinet before the external audit of the accounts starting in July 2012.

#### **8.0 Consultations**

Leader of Council  
Portfolio Holder – Performance  
Service Managers

#### **9.0 Access to Information**

Council Agenda/Minutes  
Council Budget Book

**REPORT TO CABINET**

<b>Open</b>		<b>WOULD ANY DECISIONS PROPOSED :</b>		
<b>Any especially affected Wards None</b>	Mandatory	(a) Be entirely within Cabinet's powers to decide	<b>YES</b>	
		(b) Need to be recommendations to Council	<b>NO</b>	
		(c) Be partly for recommendations to Council and partly within Cabinet's powers	<b>NO</b>	
Lead Member: Councillor Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Lorraine Gore E-mail: lorraine.gore@west-norfolk.gov.uk Direct Dial: 01553 616432		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications (incl S.17) NO	Equal Opportunities Implications NO	Risk Management Implications YES

**Date of meeting: 19 June 2012**

**Capital Programme and Resources 2011-2013**

**Summary**

The report provides details of the outturn of the 2011/2012 capital programme and outlines amendments and rephrasing to the spending on schemes, revising the programme for 2012/2013. The capital programme outturn for 2011/2012 totalled £5,542,502 against an approved budget of £6,211,930. It has been necessary to rephrase a total of £852,990 of scheme costs to 2012/2013.

Capital receipts generated in the year totalled £692,288 of which £683,427 were useable.

**RECOMMENDATION**

- 1) that Cabinet note the outturn of the capital programme for 2011/2012 of £5,542,502.
- 2) that the financing arrangements for the 2011/2012 capital programme be approved;
- 3) that Cabinet approve the revised 2012/2013 capital programme of £8,119,370 as detailed in the report.
- 4) that a detailed review of the 2012-2015 capital programme and resources be undertaken as detailed in the report and a report presented to the 30 October 2012 Cabinet.

**Reason for Decision**

To report the outturn 2011/2012 for the Capital Programme and update members on capital spending and resources for 2012-2015

**1 Introduction**

1.1 This report presents the outturn of the 2011/2012 capital programme and provides details of amendments and rephasing resulting from under and overspends and their impact on the 2012/2013 programme. The report also outlines the financing of the 2011/2012 programme.

**2 Capital Programme 2011/2012**

2.1 The full capital programme for 2011/2012 is shown at Appendix 1 and provides details of the outturn for individual schemes, together with amendments and rephasing to/from 2012-2013.

2.2 A full updated Capital Programme 2011/2012 of £6,211,930 was reported at the Cabinet meeting on 7 February 2012 and approved by Council on 23 February 2012. Since that date there have been no further amendments.

2.3 The final figures for the outturn on the capital programme show that it will be necessary to carry forward a further £852,990 as schemes carry over to future years. In a number of cases there were over or under spends which net to an £183,559 overspend across the overall capital programme. A net reduction of £230,458 is reported on those schemes which require funding within the overall capital programme and this underspend will not be carried forward. The main schemes where underspends are reported include ICT programme (£60,000) staffing costs for data cleansing for planning geographical information met from revenue; smaller regeneration projects (£51,000) and the overall NORA project (£101,000). In addition there are a number of over and under spends across the schemes which come with resources ie reserves or unsupported borrowing, which totalled £414,017 over spend. This overspend will reduce the level of reserves. The main expenditure (£329,192) is in respect of affordable housing schemes that are fully funded from developer contributions/second homes funding which are held in reserves; improvement works at the ferry (£29,689) funded from S106 funding held in reserves and new trade waste software (£48,680) funded from revenue contribution. The table below shows the summary of the programme and actual spend to 31 March 2012. The detailed outturn for the Capital Programme 2011/2012 is presented at Appendix 1.

## AGENDA ITEM 6(ii)

Table 1

	<b>2011/2012 Budget</b>	<b>2011/2012 Outturn</b>	<b>Rephase To/(From) 2012/2013</b>	<b>2011/2012 Variance and Amend- ments</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Community and Democracy	1,403	1,205	262	64
Environment Improvement and Protection	515	455	34	(26)
Housing	1,199	1,258	241	300
Performance & Resources	1,040	954	122	36
Regeneration	2,004	1,635	179	(190)
Safer and Healthy Communities	51	37	15	1
<b>Capital Programme Outturn</b>	<b>6,212</b>	<b>5,544</b>	<b>853</b>	<b>185</b>
Safer, Stronger Communities Fund <b>(Net of Third Party Contributions)</b>	0	(1)	0	(1)
<b>Total Capital Programme Expenditure to be Funded 2011/2012</b>	<b>6,212</b>	<b>5,543</b>	<b>853</b>	<b>184</b>

2.4 The outturn 2011/2012 summarised in Table 1 above includes an additional line showing minor residual capital expenditure against the former Safer, Stronger Communities Fund (SSCF).

2.5 The main areas for the proposed rephasing are detailed below. The detailed outturn is presented at Appendix 1.

### Community and Democracy

#### **Play Activities**

A number of projects are ongoing and the balance of the budget provision of £43,700 is to be carried forward to 2012/2013 to meet the cost of the works.

**Car Parks – Replacement of pay and display machines**

The pay and display machines across all the Borough car parks will need to be replaced. This work will be undertaken on a phased basis and the total replacement cost will be around £250,000. It has been recommended to transfer additional resources to reserves as part of the revenue closedown (see separate report on the agenda). The budget provision of £75,000 is to be carried forward to 2012/2013.

**St James Pool – UV Water Treatment**

These works are now due to be completed in 2012/2013 and budget provision of £24,000 is to be carried forward to meet the cost of the works.

**St James Pool – Removal of Asbestos**

This work was undertaken during the beginning of April 2012 and is now complete. The balance of the budget provision of £59,400 is to be carried forward to 2012/2013 to meet the costs.

Environmental Improvement and Protection

**Public Conveniences - Refurbishment**

The balance of the budget provision of £27,500 is planned for the ongoing programme of refurbishment work and is to be carried forward to 2012/2013 to meet the cost of the works.

Housing

**Mandatory Assistance, Community Alarms and Assistive Technologies and Private Sector Renewal Assistance**

These budgets are committed for grant applications that are either approved but the works are not yet complete or the applications are being assessed. The remaining budget provision of £237,000 is to be carried forward to 2012/2013.

**External Solid Wall Insulation Scheme**

Government grant of £1.1m has been approved for a joint scheme with Fenland District Council over 2 years. This budget is the Council's contribution which will be released to Fenland at stages as the works complete. It is proposed that the balance of the budget of £15,000 be carried forward to 2012/2013 to meet anticipated costs.

Performance and Resources

**ICT Development Programme**

A number of ICT projects have not progressed during 2011/2012 as originally planned. It is proposed to rephase budget provision of £95,950 to 2012/2013, mainly for the continued work on the Revenues and Benefits shared services, the desktop refresh and a contingency sum for additional requests as approved by the ICT Development Group.

Regeneration

**Hunstanton Regeneration**

It is proposed to carry forward the balance of the budget provision to meet the cost of on-going projects and preparation of the Hunstanton High Street redevelopment scheme. Additional budget provision of £30,000 has been transferred to this scheme from the small regeneration projects budget. It is proposed to rephase £85,700 to 2012/2013 to meet the costs of the works.

**Regeneration Projects**

Remaining budget provision for the following schemes of £291,150 will be carried forward to 2012/2013 to meet the on-going costs of the projects:

- College of West Anglia – grant funding new technology block - £140,450
- King’s Lynn waterfront small regeneration projects - £52,000
- NORA – community facilities, project costs - £98,700

**Joint Venture**

Budget provision of £338,000 is included in the 2012/2013 programme for costs of the joint venture – costs of £195,000 have been incurred in 2011/2012 which have been met by bringing budget provision back as part of closedown.

2.6 Total capital receipts generated in 2011/2012 from preserved right to buy sales of former council houses, land sales, sale of vehicles, repayment of grants and mortgage principal repayments were £692,288. Mortgage principal payments and repayments of discount on former council house sales are subject to pooling and 75% is repaid to the Government (£8,861 in 2011/2012). The useable element of the capital receipts was £683,427. The table below shows the summary of useable capital receipts generated in 2011/2012.

Table 2

	<b>2011/2012 Budget £'000</b>	<b>2011/2012 Outturn £'000</b>
Council Houses Preserved Right to Buy	145	275
General Fund - Land	1,210	254
Sale of vehicles	0	53
Repayment of Grants	0	94
Mortgage Principal Repayments	5	7
<b>Total</b>	<b>1,360</b>	<b>683</b>



## AGENDA ITEM 6(ii)

- 2.7 The general fund sales originally anticipated to complete in 2011/2012 are now expected to be achieved during 2012/2013.

### 3 Financing of the Capital Programme 2011/2012

- 3.1 The following table details the sources of finance used to fund capital spending during the year. The strategy adopted in financing is designed to make full use of all specific grants and thereby protect future allocations. Funding is taken from capital and revenue reserves for those specific schemes identified with resources. The strategy is then to make full use of useable capital receipts and the balance of funding to be taken from capital and revenue reserves.

Table 3

	£
<b>Total Capital Programme Outturn to be Funded 2011/2012</b>	5,542,502
<b>Sources of Finance:</b>	
Specific Capital Grant	670,194
Unsupported Borrowing	705,998
Capital Reserves	3,742,068
Capital Grants and Contributions	358,881
Capital Receipts	683,427
Revenue Contributions	237,850
Capital Creditors	(906,203)
Capital Prepayments	69,732
Capital Debtors	35,190
Capital Advance Receipts	(54,635)
<b>Total</b>	<u>5,542,502</u>

- Specific capital grants are those for Disabled Facilities Grants (DFGs) – paid directly from Government as a contribution to the costs of the DFGs.
- Unsupported Borrowing is that level of loans taken on by the Council and paid from within the budgets of services. During 2011/2012 unsupported borrowing was used to purchase vehicles and equipment where previously lease payments were made. In effect the lease payments now pay the debt charge. No help is available from Government to pay the costs – therefore they are classed as unsupported.

## AGENDA ITEM 6(ii)

- Capital Reserves have been previously set aside for particular schemes, in some cases regular annual contributions are made to the reserves (e.g. sports and arts facilities, offices). Following the housing stock transfer the Council receives a share of the VAT recovered by Freebridge Community Housing from the housing improvement works. The capital estimates approved in February 2012 included for £2.2m from the VAT shelter reserve to be used to fund capital expenditure in 2011/2012.
  - Capital grants and contributions are amounts held in reserves for affordable housing schemes and S106 funds.
  - Capital Receipts come from the sale of assets and the preserved rights from the sale of former council houses.
  - The Council no longer makes an annual revenue contribution to capital outlay. As part of the closedown of the Council's revenue budget 2011/2012 (see separate report on the agenda) it is proposed to make a revenue contribution to capital of £237,850 to fund a number of schemes including the installation of solar panels at Lynnsport and King's Court (£143,000) as recommended in the delegated decision report.
- 3.2 The capital debtors and creditors represent payments that will be made or received during 2012/2013. The net sum is actually funded from capital reserves when payments are made/income received in 2012/2013.
- 4 Minimum Revenue Provision**
- 4.1 A requirement of capital controls is that details of the minimum revenue provision (MRP) calculation are reported to Cabinet. The MRP is the minimum amount that must be charged to the Council's revenue accounts each year as a provision to repay debt. Changes to the basis of calculating MRP were made by the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2008. A local authority is required to calculate an amount of MRP which they consider to be prudent, prepare a statement of its policy on making MRP and submit it to full Council. The Treasury Management Strategy 2011-2014 approved at Council on 28 April 2011 set out the policy proposals for the Borough for 2011/2012.
- 4.2 The amount of MRP charged to the accounts in 2011/2012 is £416,433 against a budget of £410,000. The actual MRP charge 2011/2012 has been calculated in accordance with the Council's policy based on the capital financing requirement as at 1 April 2011.

## AGENDA ITEM 6(ii)

### 5 Capital Programme 2012/2013

- 5.1 The Capital Programme 2012/2013 of £10,264,180 was approved by Council on 23 February 2012. As detailed at section 2 above, it is proposed to carry forward budget provision of £852,990 from 2011/2012 to 2012/2013.
- 5.2 The following amendments have been included in the capital programme 2012/2013 summarised in Table 4 below and detailed at Appendix 2:

Replacement surface to the Lynnsport 3G pitch – delegated decision 15 May 2012. Budget provision of £28,600 has been included in the 2012/2013 programme, funded from reserves, to meet the contribution to the replacement costs.

Works to remove asbestos and replace ductwork at St James Swimming and Fitness Centre were approved at Cabinet on 6 December 2011. The total costs were estimated at £140,000 however at that time the capital programme was only amended by £89,000. The additional budget of £51,000 has been included in the 2012/2013 programme, funded from reserves.

A budget transfer of £20,000 has been made from the purchase of development sites scheme (£850,000) to meet the installation costs for a lift to one of the Council's shops required to secure future tenants.

- 5.3 As part of the closedown of the revenue accounts a number of transfers to reserves have been made to fund capital projects (see separate report on the agenda). These are summarised in Table 4 below and included in the 2012/2013 programme detailed at Appendix 2.

Table 4

<b>Scheme</b>	<b>Budget £</b>
Lynnsport 3G Pitch – Replacement Surface	28,600
St James' Swimming Pool and Fitness Centre – Asbestos removal works	51,000
Council Shops – Lift Installation	20,000
Purchase Development Sites	(20,000)
Car Parks – Pay and Display Machines	175,000
Walks – Automatic Watering System	20,000
Crowd Control Barriers	12,000
Recycling Bins	25,000
Communal Waste Containers	10,000
Town Centre Signage	25,000
Pontoons	12,500
<b>Total</b>	<b>359,100</b>

## AGENDA ITEM 6(ii)

- 5.4 The opportunity has been taken to review schemes included in the original programme for 2012/2013. Where it is now anticipated that these projects will not be undertaken during this period the budgets will be rephased to future years of the capital programme. The priority of these schemes will be subject to the detailed review of all schemes as set out in section 7 below. A total of £3,356,900 will be rephased as summarised in Table 5 and removed from the 2012/2013 programme as detailed at Appendix 2.

Table 5

Scheme	Budget £	Budget £
Guildhall - Re Roofing		198,000
Resort - Refurb Crazy Golf Course		18,500
Arts Centre - Replacement Fire Alarm system		40,000
Lynnsport - Roof Repairs		100,000
Street lighting - Tuesday/Saturday market places KL		20,400
Purchase development sites		830,000
New Grounds Maintenance Nursery Hardwick Narrows		250,000
NORA - Utilities		1,900,000
Bus Station Improvements	500,000	
<i>S106 Contribution</i>	(500,000)	0
Town Centre Public Realm	100,000	
<i>S106 Contribution</i>	(100,000)	0
<b>Total</b>		<b>3,356,900</b>

- 5.5 Table 6 shows in summary form the proposed programme 2012/2013 after allowing for rephasing and amendments. Details of the individual schemes for 2012/2013 are given at Appendix 2.

Table 6

	<b>2012/2013 £'000</b>
Community and Democracy	1,469
Environmental Improvement and Protection	526
Housing General Fund	2,111
Performance and Resources	899
Regeneration	3,095
Safer and Healthy Communities	19
<b>Total</b>	<b>8,119</b>

**6 Capital Resources 2012-2013**

6.1 Table 7 below provides details of the revised estimated capital resources for 2012/2013 updated after funding the 2011/2012 capital programme, and including amendments and rephasing as detailed above. The estimated resources available for future years will be reviewed and updated as part of the detailed review of the 10 year capital programme (see section 7 below).

Table 7

	<b>2012/2013</b>
	<b>£'000</b>
<b>Sources of Finance:</b>	
Specific Capital Grants	577
Capital Receipts Housing	150
Capital Receipts General Fund	2,315
Temporary Borrowing	1,499
Resources for Specific Schemes	2,021
<b>Reserves:</b>	
Capital Reserves	137
VAT Shelter	1,420
<b>Total Resources Available</b>	<b>8,119</b>
<b>Revised Capital Programme</b>	<b>8,119</b>
<b>(Available)/Shortfall in Funding</b>	<b>0</b>

6.2 The funding for the period 2012/2013 was agreed by Council in 23 February 2012. The above table does contain some changes. Where schemes within the programme have been rephased the funding has followed and the figures changed accordingly. The capital receipts have been reviewed and include those sales anticipated to complete during 2012/2013.

**7. 10 Year Capital Programme 2012/2022**

7.1 As detailed earlier in the report the actual amount of capital receipts achieved in 2011/2012 was well below target, although it is anticipated that the sales expected in 2011/2012 will complete during 2012/2013. The capital receipts target for 2012/2013 has been reduced from £4.8 million (as reported to Cabinet in February 2012) to £2.3 million (which represents 29% of the overall capital financing). Given the current economic climate it is not expected that the flow of capital receipts will improve, and any further reduction will have an impact on the ability to deliver the current capital programme.

## **AGENDA ITEM 6(ii)**

- 7.2 It is proposed that the current 10 year capital programme will be subject to a detailed review of all schemes – operational and new developments/projects. The operational schemes in the 2012/2013 will proceed as approved, future years will be subject to the review. All new major developments/projects will be reviewed – no commitments for future capital expenditure to be made pending the review.
- 7.3 The review will be undertaken in accordance with the criteria and timetable as set out at Appendix 3.

### **8. Equality Impact Assessment**

- 8.1 The Council has a statutory requirement to carry out Equality Impact Assessments (EIAs) as part of the service planning and policy proposal processes. This includes significant policy or significant changes to a service and includes potential capital bids, revenue growth bids and proposed reductions in service.
- 8.2 The Council may be required to carry out an impact assessment if the proposal impacts on any of the following:
- Equalities (including impact on issues of race, gender, disability, religion, sexual orientation, age)
  - Community cohesion (whether there is a potential positive or negative impact on relations between different communities)

### **9 Financial Implications**

- 9.1 The financing arrangements for the capital programme are within budget. Where rephasing to/from 2012/2013 is to be made then the funding will follow. As previously noted the MRP charge for 2011/2012 can be met from within the overall revenue outturn for the year.
- 9.2 The revenue implications of all capital schemes will be met from within existing budgets.

### **10. Risk Implications and Sensitivity Analysis**

- 10.1 Risk is inherent in any projection of future funding. The estimated resources available to fund the capital programme 2012-2013 and the risk implications and sensitivity/consequences are detailed in the table below. The level of risk is based on the impact on the funding of the capital programme if the resources are not achieved at the estimated level or at the time expected. .

**AGENDA ITEM 6(ii)**

<b>Source of Funding</b>	<b>Risk Implications and Sensitivity</b>	<b>Level of Risk</b>
Capital Grant	<p><b>Risk</b> The capital grant and specific grant included in the resources is a contribution towards housing capital expenditure and Disabled Facilities Grants (DFG). The level of grant included for 2012/2013 is based on the confirmed level of grant. The level of grant is confirmed by Central Government annually and can vary from year to year.</p> <p><b>Sensitivity/Consequences</b> This funding represents 7% of total general fund resources in 2012/2013.</p>	Low
Capital Receipts	<p><b>Risk</b> Capital receipts represent over 29% of the general fund resources available. The actual amount and timing of capital receipts can vary significantly. The achievement of capital receipts is monitored and reported in the monthly monitoring reports to ensure no over commitment.</p> <p><b>Sensitivity/Consequences</b> Capital receipts represent a high proportion of the total general fund resources available to fund the capital programme. The actual level of capital receipts that are achieved is sensitive to market conditions including demand for land and buildings, values and interest rates. The sum total of capital receipts included in the funding table of £2.3m is a challenging target in the current economic climate. In the event that capital receipts are not achieved at the level or within the year estimated it may be necessary to take on additional temporary borrowing at the prevailing interest rates.</p>	High
Unsupported Borrowing	<p><b>Risk</b> The proposed capital programme 2012-2013 includes unsupported borrowing for the purchase of equipment and vehicles.</p> <p><b>Sensitivity/Consequences</b> The Council will enter into unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease.</p>	Low

## AGENDA ITEM 6(ii)

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Temporary Borrowing	<p><b>Risk</b> Temporary borrowing is included for cash flow purposes to ensure a balanced funding of the capital programme in each of the financial years and in advance of capital receipts.</p> <p><b>Sensitivity/Consequences</b> The actual required temporary borrowing will depend on the cash flow of spending and income from capital receipts achieved in the year. Temporary borrowing will be maintained at the minimum level required and reported as part of the outturn. The cost of funding the temporary borrowing is included in the revenue budget and is confirmed as affordable.</p>	Low
Reserves	<p><b>Risk</b> Contributions from reserves are based on actual balances as at 1 April 2012. In the case of the VAT Shelter, the Council receives a share of the VAT recovered by Freebridge Community Housing from housing improvement works. The monies are held in reserve and will be used to fund capital expenditure. The amounts included in the resources for the period 2012-2013 are based on the continuing programme of improvement works being carried out towards the decent homes standard.</p> <p><b>Sensitivity/Consequences</b> The reserves are available and as such the sensitivity is low. In the case of the VAT Shelter there is a contractual agreement between the Borough and Freebridge Community Housing for the sharing of VAT reclaimed.</p>	Low

10.2 Experience shows that the costs of schemes can also vary. Expenditure on the capital programme is included as part of the monthly monitoring report. Any significant variations on individual schemes will be reported and appropriate action taken

### 11 Policy Implications

The establishment and management of the capital programme is in accordance with the Council's Capital Strategy 2009.

### 12 Statutory Consideration

None



**13 Consultations**

Management Team

**14 Access to Information**

Cabinet Reports

Background Papers (Government Circulars etc)

Financial Plan 2011-2015

Monthly Monitoring Reports 2011/2012

AGENDA ITEM 6(ii) Capital Programme 2011-2012					Appendix 1
Scheme Title	Amended Programme 2011/2012 (Cabinet 7 February 2012) £	outturn £	rephasing to/(from) 2012/2013 £	amend- ments £	(underspend)/ overspend £
<b>Community and Democracy</b>					
Town Hall / Archive	120,000	214,273	(9,300)		84,973
Third Party contribution		(85,000)			(85,000)
	120,000	129,273	(9,300)		(27)
Community and Culture Community Grants in Rural Areas (including MUGA)	81,690	85,690			4,000
Hunstanton Community Centre	2,500				(2,500)
Corn Exchange - External decoration	3,900	3,062			(838)
Walks Stadium - Fencing/Refurb	16,600	16,585			(15)
Fine turf grounds operatives vehicle	17,000				(17,000)
Lynnsport - Bowls Hall lighting		300	(300)		
Lynnsport - Surface Water Drainage	84,000	84,605			605
Play Activities	61,700	18,042	43,700		42
Refurbish Sports Pavilions	3,760	325	3,450		15
Replace chainlink fences	10,000	10,000			
D/ham Market Leisure Ctr - Refurbishment	6,800	2,664	2,800		(1,336)
St James' Swimming Pool - Refurbishment	15,000	14,020			(980)
Lynnsport - Remedial Works to Main Building & Barn	48,300	48,347			47
Oasis - Refurb Toilets & Changing Area	8,400	5,427			(2,973)
Hunstanton Promenade - Festoon Lighting	15,000	16,086			1,086
West Lynn Boardwalk Refurbishment	70,000	75,692			5,692
Pay & Display Machine Replacement	75,000		75,000		
<b>Sub Total</b>	<b>639,650</b>	<b>510,118</b>	<b>115,350</b>		<b>(14,182)</b>
<b>Schemes which come with Resources</b>					
Arts Centre - Re-roof Shakespeare Barn	11,000	9,994			(1,006)
Public Art	4,700	1,225	3,500		25
Corn Exchange - Replace refrigerant and software	7,000	988	6,000		(12)
Grounds Maintenance Equipment	22,640	25,488			2,848
Grounds Maintenance Vehicles	258,650	290,420			31,770
Cherry Picker	10,000	19,500			9,500
King's Lynn Town Hall repairs	33,660	33,660			
Hunstanton Replacement Litter Bins	6,800	6,745			(55)
Lynnsport - Car Park & Path Repairs		1,650	(1,650)		
Lynnsport - Refurbish Dance Studio	20,000	15,421	4,600		21
St James' Swimming Pool - Fitness Equipment	2,000	1,811			(189)
North Norfolk Car Parking Shared Service	38,100	32,775			(5,325)
Decrim		125,875			125,875
Third Party Contribution		(125,875)			(125,875)

**Capital Programme 2011-2012**

Scheme Title	Amended Programme 2011/2012 (Cabinet 7 February 2012)	outturn	rephasing to/(from) 2012/2013	amend- ments	(underspend)/ overspend
	£	£	£	£	£
<b>Community and Democracy (contd)</b>					
D/ham Market Leisure Ctr -Floor/Surface Resealing - Main Hall/Dance Studio	10,000		10,000		
St James - Pool Plant - UV Water Treatment	30,000		24,000		(6,000)
St James Pool - Replacement automatic entrance doors and windows	15,000	3,248	11,800		48
St James Pool - Removal of Asbestos	89,000	29,600	59,400		
St James Pool - Replace Air Handling Unit	117,000	114,745	2,000		(255)
Lynnsport - Folding chairs refurb/replacement	10,000	7,601	2,400		1
Lynnsport fitness equipment spin bikes	14,000	13,600			(400)
Corn Exchange - Repair loading bay paving	10,000	150	9,850		
Corn Exchange - Replacement/repairs seating	14,200	12,595			(1,605)
Corn Exchange - replace moving lights	25,000	23,764			(1,236)
Corn Exchange - Replace rooftop chiller unit	5,000		5,000		
Leisure Card - Replacement Card Printers	10,000		10,000		
Ferry - Improvements		29,689			29,689
Reffley Play Area - Refurbishment		20,654			20,654
<b>Sub Total</b>	<b>763,750</b>	<b>695,324</b>	<b>146,900</b>		<b>78,474</b>
<b>Total Community and Democracy</b>	<b>1,403,400</b>	<b>1,205,442</b>	<b>262,250</b>		<b>64,292</b>
<b>Environmental Improvement and Protection</b>					
Environmental Monitoring	16,200	16,204			4
Public Conveniences - Improvements	33,700	6,201	27,500		1
Recycling - Wheeled bins	20,200	13,660	6,540		
<b>Sub Total</b>	<b>70,100</b>	<b>36,065</b>	<b>34,040</b>		<b>5</b>
<b>Schemes which come with Resources</b>					
Garden Waste Composting	8,000	8,000			
Public Cleansing Sweepers/vehicles	424,870	399,895			(24,975)
Recycling Vehicles	12,000	11,002			(998)
<b>Sub Total</b>	<b>444,870</b>	<b>418,897</b>			<b>(25,973)</b>
<b>Total Environmental Improvement and Protection</b>	<b>514,970</b>	<b>454,962</b>	<b>34,040</b>		<b>(25,968)</b>

<b>Capital Programme 2011-2012</b>					
<b>Scheme Title</b>	<b>Amended Programme 2011/2012 (Cabinet 7 February 2012)</b>	<b>outturn</b>	<b>rephasing to/(from) 2012/2013</b>	<b>amendments</b>	<b>(underspend)/overspend</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Housing General Fund</u></b>					
Mandatory Assistance - Housing Adaptations and Essential Repairs (including Disabled Facilities Grants)	985,900	764,856	221,000		(44)
Careline -Replacement Dispersed Alarm Monitoring Equipment	7,100	(13,485)			(20,585)
Community Alarms and Assistive Technologies	90,000	98,512	(8,500)		12
Estate Roads - Repairs (former HRA)	19,800	19,249			(551)
Third party contributions		(1,055)			(1,055)
Net Expenditure	19,800	18,194			(1,606)
STW Refurb/connect to public sewer	20,000	25,814	(5,800)		14
STW decommission redundant sites/Refurb pumping stations	10,000				(10,000)
Sewerage Infrastructure & surface water drains/ditches	7,000	740	6,200		(60)
<b>Sub Total</b>	<b>1,139,800</b>	<b>894,632</b>	<b>212,900</b>		<b>(32,268)</b>
<b><u>Schemes which come with Resources</u></b>					
Careline - replacement vehicles	9,800	24,059	(11,000)		3,259
External Solid Wall Insulation Scheme	15,000		15,000		
Private Sector Renewal	35,000	10,500	24,500		0
Affordable Housing Schemes		329,192			329,192
<b>Sub Total</b>	<b>59,800</b>	<b>363,751</b>	<b>28,500</b>		<b>332,451</b>
<b>Total Housing General Fund</b>	<b>1,199,600</b>	<b>1,258,383</b>	<b>241,400</b>		<b>300,183</b>
<b><u>Performance and Resources</u></b>					
Essential Repairs to Ancient Corporate Estate		4,533			4,533
DDA stage 2 works	10,000	11,062	(1,100)		(38)
Health and Safety - Council Facilities	62,000	39,141	22,900		41
Stock Condition Survey - Priority 2 and 3	65,000	75,221	(10,200)		21
ICT Development Programme	746,020	638,722	95,950		(11,348)
Hunstanton and Downham Market Offices		486			486
St Augustines Healthy Living Centre		12,035			12,035
Sub Total	883,020	781,201	107,550		5,731
<b><u>Schemes which come with Resources</u></b>					
Printroom Equipment		4,030			4,030
Installation of solar panels King's Court & Lynnsport	126,900	143,036			16,136
King's Lynn Depot - Fencing	15,000	783	14,200		(17)
Energy and Efficiency Sustainable Fund		12,884			12,884
Relocation of Grounds Nursery	15,000	12,210			(2,790)
<b>Sub Total</b>	<b>156,900</b>	<b>172,943</b>	<b>14,200</b>		<b>30,243</b>
<b>Total Performance and Resources</b>	<b>1,039,920</b>	<b>954,144</b>	<b>121,750</b>		<b>35,974</b>

<b>Capital Programme 2011-2012</b>					
<b>Scheme Title</b>	<b>Amended Programme 2011/2012 (Cabinet 7 February 2012)</b>	<b>outturn</b>	<b>rephasing to/(from) 2012/2013</b>	<b>amendments</b>	<b>(underspend)/overspend</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Regeneration</b>					
Adoption of Estate Roads - Hamlin Way		(41,815)			(41,815)
Hunstanton Regeneration	114,300	58,601	85,700	30,000	(1)
<b>Sub Total</b>	<b>114,300</b>	<b>16,787</b>	<b>85,700</b>	<b>30,000</b>	<b>(41,816)</b>
<b>Growth Point and King's Lynn Regeneration</b>					
Smaller Regeneration Projects	83,290	2,230		(30,000)	(51,060)
COWA	245,000	104,550	140,450		
Tuesday Market Place Refurb		3,375	(3,400)		(25)
King's Lynn Waterfront/Regeneration Projects	68,450	16,790	52,000		340
Pontoons		3,817			3,817
<b>Nar Ouse Regeneration Area</b>					
Remediation	100,000	80,028	19,000		(972)
MUGA (Includes Land)	10,000	995	9,000		(5)
Millenium Community Construction	500,000	521,655	60,000	82,000	(345)
Utilities	17,000	93,776	(76,800)		(24)
Landscape & Maintenance	200,000	187,550	12,500		50
Nar Ouse Way Widening	200,000	7,879	10,000	(82,000)	(100,122)
Other Project Costs	165,500	100,472	65,000		(28)
<b>Net Total Nar Ouse Regeneration Area</b>	<b>1,192,500</b>	<b>992,355</b>	<b>98,700</b>		<b>(101,445)</b>
Joint Venture		195,416	(195,000)		416
Water Attenuation	300,000	298,666			(1,334)
<b>Sub Total Growth Point and King's Lynn Regeneration</b>	<b>1,889,240</b>	<b>1,617,199</b>	<b>92,750</b>	<b>(30,000)</b>	<b>(149,291)</b>
<b>Total Regeneration</b>	<b>2,003,540</b>	<b>1,633,986</b>	<b>178,450</b>		<b>(191,107)</b>
<b>Safer and Healthy Communities</b>					
Gayton Rd Cemetery - Extension	2,000	130	1,900		30
Hardwick Rd Cemetery - Roadways	11,000	9,000			(2,000)
Mintlyn Crematorium - Front of House improvements	4,500	10,420			5,920
Mintlyn Crematorium - Flower Court		651			651
Cemeteries - Signage	8,000	4,762			(3,238)
<b>Sub Total</b>	<b>25,500</b>	<b>24,963</b>	<b>1,900</b>		<b>1,363</b>
<b>Schemes which come with Resources</b>					
Mintlyn Crematorium - Book of Remembrance Room - Refurb	25,000	11,769	13,200		(31)
<b>Sub Total</b>	<b>25,000</b>	<b>11,769</b>	<b>13,200</b>		<b>(31)</b>
<b>Total Safer and Healthy Communities</b>	<b>50,500</b>	<b>36,733</b>	<b>15,100</b>		<b>1,333</b>
<b>Safer, Stronger Communities</b>					
Loke Road Park / Play Area		(147)			(147)
Peck's Field - Play Area		(1,000)			(1,000)
<b>Total Safer, Stronger Communities</b>		<b>(1,147)</b>			<b>(1,147)</b>
<b>Total Capital Programme</b>	<b>6,211,930</b>	<b>5,542,502</b>	<b>852,990</b>		<b>183,559</b>

AGENDA ITEM 6(ii)					Appendix 2
Capital Programme 2012-2013					
Scheme Title	Amended Programme 2012/2013	Rephasing (to)/from 2011/2012	Rephasing to future years	amend-ments	Revised Programme 2012/2013
	£	£	£	£	£
<b>Community and Democracy</b>					
Guildhall - Re Roofing	198,000		(198,000)		
Town Hall / Archive	50,000	(9,300)			40,700
Community and Culture Community Grants in Rural Areas (including MUGA)	74,000				74,000
Lynnsport - Bowls Hall lighting	17,000	(300)			16,700
Lynnsport - Surface Water Drainage					
Play Activities		43,700			43,700
Refurbish Sports Pavilions		3,450			3,450
D/ham Market Leisure Ctr - Refurbishment		2,800			2,800
Public Art - Maritime Trail	10,000				10,000
Pay & Display Machine Replacement		75,000		175,000	250,000
Car Parks - Counting Machine - Kings Lynn	10,000				10,000
Car Parks - Counting Machine - Hunstanton	10,000				10,000
Resort - Refurb Crazy Golf Course	18,500		(18,500)		
Corn Exchange - Emergency Lights	19,500				19,500
<b>Sub Total</b>	<b>407,000</b>	<b>115,350</b>	<b>(216,500)</b>	<b>175,000</b>	<b>480,850</b>
<b>Community and Democracy (contd)</b>					
<b>Schemes which come with Resources</b>					
Arts Centre - Replacement Fire Alarm system	53,600		(40,000)		13,600
Public Art		3,500			3,500
Corn Exchange - Replace refrigerant and software		6,000			6,000
Grounds Maintenance Equipment	34,440				34,440
Grounds Maintenance Vehicles	123,050				123,050
Cherry Picker					
Walks - Automatic Watering System				20,000	20,000
Hunstanton Car Parks and Resort Services Vehicle					
KL off street car parks - vehicles					
Lynnsport - Car Park & Path Repairs	46,000	(1,650)			44,350
Lynnsport - G3 pitch				28,600	28,600
Lynnsport - Refurbish Dance Studio		4,600			4,600
D/ham Market Leisure Ctr -Floor/Surface Resealing - Main Hall/Dance Studio		10,000			10,000
St James - Pool Plant - UV Water Treatment		24,000			24,000
St James Pool - Replacement automatic entrance doors and windows		11,800			11,800
St James Pool - Removal of Asbestos		59,400		51,000	110,400
St James Pool - Replace Air Handling Unit		2,000			2,000
Lynnsport - Folding chairs refurb/replacement		2,400			2,400
Lynnsport - Replacement PA system	30,000				30,000

<b>Capital Programme 2012-2013</b>					
<b>Scheme Title</b>	<b>Amended Programme 2012/2013</b>	<b>Rephasing (to)/from 2011/2012</b>	<b>Rephasing to future years</b>	<b>amend-ments</b>	<b>Revised Programme 2012/2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Community and Democracy (contd)</u></b>					
Lynnsport - Roof Repairs	100,000		(100,000)		
Corn Exchange - Repair loading bay paving		9,850			9,850
Arts Centre Roof Repairs	32,500				32,500
Car Parks - Resurfacing	82,350				82,350
Downham Market Leisure Centre - Replace Dryside Windows	20,000				20,000
Play Areas - Replacement Equipment	30,000				30,000
St James Pool - Combined Heat and Power	80,000				80,000
Lynnsport - Floor/Surface Replacement -	108,000				108,000
Lynnsport - Replacement of Grounds Maintenance	10,000				10,000
Lynnsport - Fire Alarm System Upgrade	10,000				10,000
Corn Exchange - replace moving lights					
Corn Exchange - Replace rooftop chiller unit	60,000	5,000			65,000
Corn Exchange - Replace Followspots	10,000				10,000
Leisure Card - Replacement Card Printers		10,000			10,000
Leisure Card - Gladstone server Platform Upgrade	30,000				30,000
Lynnsport - Sports Hall - Retractable Dividing Wall	10,000				10,000
Crowd Control Barriers				12,000	12,000
<b>Sub Total</b>	<b>869,940</b>	<b>146,900</b>	<b>(140,000)</b>	<b>111,600</b>	<b>988,440</b>
<b>Total Community and Democracy</b>	<b>1,276,940</b>	<b>262,250</b>	<b>(356,500)</b>	<b>286,600</b>	<b>1,469,290</b>
<b><u>Environmental Improvement and Protection</u></b>					
Public Conveniences - Improvements		27,500			27,500
Recycling - Wheeled bins		6,540			6,540
Street lighting - Tuesday/Saturday market places KL	30,400		(20,400)		10,000
<b>Sub Total</b>	<b>30,400</b>	<b>34,040</b>	<b>(20,400)</b>		<b>44,040</b>
<b>Schemes which come with Resources</b>					
Public Cleansing Sweepers/vehicles	261,440				261,440
Recycling Vehicles					
Neighbourhood Teams vehicles and equipment	185,300				185,300
Recycling Bins				25,000	25,000
Communal Food Waste Containers				10,000	10,000
<b>Sub Total</b>	<b>446,740</b>			<b>35,000</b>	<b>481,740</b>
<b>Total Environmental Improvement and Protection</b>	<b>477,140</b>	<b>34,040</b>	<b>(20,400)</b>	<b>35,000</b>	<b>525,780</b>

<b>Capital Programme 2012-2013</b>					
<b>Scheme Title</b>	<b>Amended Programme 2012/2013</b>	<b>Rephasing (to)/from 2011/2012</b>	<b>Rephasing to future years</b>	<b>amendments</b>	<b>Revised Programme 2012/2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Housing General Fund</b>					
Essential Repairs (including Disabled Facilities Grants)	1,369,600	221,000			1,590,600
Community Alarms and Assistive Technologies	90,000	(8,500)			81,500
Estate Roads - Repairs (former HRA)	10,500				10,500
STW Refurb/connect to public sewer	230,000	(5,800)			224,200
STW decommission redundant sites/Refurb pumping stations	25,000				25,000
Sewerage Infrastructure & surface water drains/ditches	18,800	6,200			25,000
<b>Sub Total</b>	<b>1,743,900</b>	<b>212,900</b>			<b>1,956,800</b>
<b>Schemes which come with Resources</b>					
Careline - replacement vehicles	11,000	(11,000)			
External Solid Wall Insulation Scheme	85,000	15,000			100,000
Private Sector Renewal	29,400	24,500			53,900
Affordable Housing Schemes					
<b>Sub Total</b>	<b>125,400</b>	<b>28,500</b>			<b>153,900</b>
<b>Total Housing General Fund</b>	<b>1,869,300</b>	<b>241,400</b>			<b>2,110,700</b>
<b>Performance and Resources</b>					
DDA stage 2 works	95,000	(1,100)			93,900
Health and Safety - Council Facilities		22,900			22,900
Stock Condition Priority Works	329,500	(10,200)			319,300
ICT Development Programme	213,000	95,950			308,950
Derelict Land and Buildings - Compulsory Purchase	40,000				40,000
Investment in General Properties				20,000	20,000
Purchase development sites	850,000		(830,000)	(20,000)	
New Nursery Hardwick Narrows	250,000		(250,000)		
Decommission flood warning sirens	30,000				30,000
<b>Sub Total</b>	<b>1,807,500</b>	<b>107,550</b>	<b>(1,080,000)</b>		<b>835,050</b>
<b>Schemes which come with Resources</b>					
ICT Microsoft Enterprise Agreement	50,000				50,000
King's Lynn Depot - Fencing		14,200			14,200
<b>Sub Total</b>	<b>50,000</b>	<b>14,200</b>			<b>64,200</b>
<b>Total Performance and Resources</b>	<b>1,857,500</b>	<b>121,750</b>	<b>(1,080,000)</b>		<b>899,250</b>



<b>Capital Programme 2012-2013</b>					
<b>Scheme Title</b>	<b>Amended Programme 2012/2013</b>	<b>Rephasing (to)/from 2011/2012</b>	<b>Rephasing to future years</b>	<b>amend-ments</b>	<b>Revised Programme 2012/2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Regeneration</u></b>					
Conservation Area review & character appraisal project	10,800				10,800
Hunstanton Regeneration Works to Oldsunway Bridge	20,000	85,700			85,700
					20,000
<b>Sub Total</b>	<b>30,800</b>	<b>85,700</b>			<b>116,500</b>
<b>Growth Point and King's Lynn Regeneration</b>					
Smaller Regeneration Projects	50,000				50,000
COWA	1,255,000	140,450			1,395,450
Bus Station Improvements	500,000		(500,000)		
S106 Contribution	(500,000)		500,000		
Net Expenditure					
Car Park Signage	190,000				190,000
S106 Contribution	(190,000)				(190,000)
Net Expenditure					
Town centre Public Realm	100,000		(100,000)		
S106 Contribution	(100,000)		100,000		
Net Expenditure					
Town Centre Signage	50,000			25,000	75,000
S106 Contribution	(50,000)				(50,000)
Net Expenditure				25,000	25,000
Tuesday Market Place Refurb	75,000	(3,400)			71,600
King's Lynn Waterfront/Regeneration Projects		52,000			52,000
Pontoons	150,000			12,500	162,500
<b>Nar Ouse Regeneration Area</b>					
External Project Management / Environmental Advice					
Remediation	120,000	19,000			139,000
MUGA (Includes Land)	50,000	9,000			59,000
Millienium Community Construction	100,000	60,000			160,000
Utilities	2,000,000	(76,800)	(1,900,000)		23,200
Landscape & Maintenance	310,000	12,500			322,500
Nar Ouse Way Widening		10,000			10,000
Other Project Costs	100,000	65,000			165,000
Net Total Nar Ouse Regeneration Area	2,680,000	98,700	(1,900,000)		878,700
Joint Venture	338,000	(195,000)			143,000
Water Attenuation					
Derelict Land/Buildings - bring back into use/visual image	200,000				200,000
<b>Sub Total Growth Point and King's Lynn Regeneration</b>	<b>4,748,000</b>	<b>92,750</b>	<b>(1,900,000)</b>	<b>37,500</b>	<b>2,978,250</b>
<b>Total Regeneration</b>	<b>4,778,800</b>	<b>178,450</b>	<b>(1,900,000)</b>	<b>37,500</b>	<b>3,094,750</b>

<b>Capital Programme 2012-2013</b>					
<b>Scheme Title</b>	<b>Amended Programme 2012/2013</b>	<b>Rephasing (to)/from 2011/2012</b>	<b>Rephasing to future years</b>	<b>amend-ments</b>	<b>Revised Programme 2012/2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Safer and Healthy Communities</u></b>					
Gayton Rd Cemetery - Extension		1,900			1,900
Mintlyn Crematorium - Front of House improvements	4,500				4,500
<b>Sub Total</b>	<b>4,500</b>	<b>1,900</b>			<b>6,400</b>
Schemes which come with Resources					
Mintlyn Crematorium - Book of Remembrance Room Refurb		13,200			13,200
<b>Sub Total</b>		<b>13,200</b>			<b>13,200</b>
<b>Total Safer and Healthy Communities</b>	<b>4,500</b>	<b>15,100</b>			<b>19,600</b>
<b>Total Capital Programme</b>	<b>10,264,180</b>	<b>852,990</b>	<b>(3,356,900)</b>	<b>359,100</b>	<b>8,119,370</b>

## **Capital Programme Criteria/Timetable**

### **Background**

The Council is in a position where it cannot maintain its capital programme at the level it previously set over a 10 year period 2012/2022. The dramatic fall off of sales of land for housing developments and the current cautious conditional contracts for sale of commercial land means that capital receipts are at an all-time low and at present the position does not appear to be improving.

The Council will continue to drive forward a capital programme but it must take a more flexible approach and revise its ambitions to match funding availability. This note looks at a set of criteria that could be used to prioritise schemes that will be included in the revised capital programme 2012/2022. The note also sets out a timetable for the production and approval of the programme. In the event that either the economy begins to pick up and land sales consequently increase, or that government begins to turn the capital funding tap back on, the programme can be further revised.

### **Facts/Issues**

The new Corporate Business Plan looks at five outcomes;

- Growing Economy
- Quality Environment
- Maximizing Peoples' Potential
- Safe and Healthy Lives
- Thriving Communities

All of the above are of equal importance in the Plan.

Return on Investment is also a criteria that would fit the new approach of the Council in terms of looking for value for money. This could include leveraging in or unlocking public and private investment

As in previous sets of criteria used for the capital programme in addition to the above the issues of operational necessities, including Health and Safety and planned maintenance are also outcomes and criteria that should be used to judge scheme bids.

Financing the programme will prove difficult and therefore although the above criteria would help to evaluate and prioritise schemes the process should be supported by a rationale that includes:

- Doing things the market will not do
- Not doing things the market will do anyway
- Increasing supply when demand is unmet
- Creating demand if necessary

**Proposals**

It is proposed that any bids made on the capital programme should be judged and scored by Management Team against the criteria set out below;

- Growing Economy
- Quality Environment
- Maximizing Peoples' Potential
- Safe and Healthy Lives
- Thriving Communities
- Operational Necessity
- Return on Investment

Each bid will be scored by awarding up to 10 points to each element. Top scores will then be reviewed and unless amended they will form the priority order for recommended inclusion in the capital programme.

**Timetable for production and Approval of Capital Programme**

The following sets out a timetable for the production and approval process:

12 June	Resources and Performance Panel - Closedown of 2011/2012 and revised 2012/2013 programme including rephasing
16 June	Discussion with Cabinet Members on draft criteria and saving system.
19 June	Cabinet – Closedown of 2011/2012 and revised 2012/2013 programme including rephasing Panel and Cabinet report to include section on suspending current capital programme 2013-2022 pending full review.
31 July	Cabinet report on enterprise centre scheme Chief Accountant to meet with service managers/Executive Directors to review all existing maintenance/operational schemes
August/Sept	Management Team will review updated capital programme against new set of criteria. New format to show Operational schemes and development/regeneration schemes separately. Any new bids will be settled as part of this process. Capital resources will be updated.
23 October	Resources and Performance Panel – Report on revised capital programme 3 year/10 year.
30 October	Cabinet - Report revised capital programme 3 year/10 year
<b>2013</b>	
29 Jan/5 Feb	Panel/Cabinet – Report on updated capital programme