

# **APPENDIX A.2**

## **WAVERLEY BOROUGH COUNCIL**

**COUNCIL – 18 FEBRUARY 2014**

### **REPORT OF THE EXECUTIVE - 4 FEBRUARY 2014**

#### **FINANCIAL STRATEGY 2014/2015 – 2017/2018**

#### **CAPITAL PROGRAMME 2014/2015**

##### **Introduction**

1. Each year, the Council reviews its three-year Capital Programme and in particular agrees the schemes to be included within the Budget for the year ahead. The overall parameters for the Capital Programme are set out within the Council's Financial Strategy. The Capital Programme and Revenue Project proposals for 2014/2015, as put forward by the Heads of Service and supported by the Corporate Management Team and 'Star Chamber', are presented for consideration.
2. This report contains the following Annexes:
  - Annexe 11 – List of Revenue Projects
  - Annexe 12 – Details of Revenue Projects (separate booklet)
  - Annexe 13 – draft Capital Programme
  - Annexe 14 – Details of Capital Schemes (separate booklet)
  - Annexe 15 – Capital Financing Proposals

##### **Revenue Projects**

3. Revenue Projects will be included within the appropriate Revenue Estimate sheets and are listed at Annexe 11. The list totals £605,000, of which £153,000 is covered from external funding obtained with £452,000 met from Waverley's own resources. The Office Maintenance Programme at £100,000 has already been included within the base estimates as it forms part of the allocation process and the remaining £352,000 is included within the Budget summary pending final approval of the projects.
4. Justification Statements detailing each of these Revenue Projects are shown at Annexe 12. (This Annexe has been sent as a separate booklet to all Members and is marked as Annexe 2)

##### **Draft 2014/2015 Capital Programme**

5. The draft Programme covers the completion of all works to improve the Herons Leisure Centre at Haslemere. This includes additions to the amount of £2.82m approved by Council in February 2013 to cover works now considered to be required, desirable and cost-effective.
6. The proposed 2014/2015 Capital Programme, including all works detailed in the preceding paragraph, amounts to £5,616,107 as shown at Annexe 13.

7. The second sheet of Annexe 13 lists all the proposed schemes for 2014/15 in portrait format for convenience; whereas the other sheets show more detailed analysis across the period of the Financial Strategy in landscape format.
8. Substantial external funding of £1.26m has been obtained, with the balance of £4.356m to be met from Waverley's own resources.
9. The Heads of Service, Corporate Management Team and Star Chamber have jointly agreed the Programme put forward to Committees, based on initial bids and resources available.

### **Details of Capital Schemes**

10. In order to assist Members with consideration of the draft Programme, details of the schemes are shown at Annexe 14. (This annexe has been sent as a separate booklet to all Members and is marked as Annexe 4.) These are in the form of the Justification Statements completed by the Heads of Service to support the bids submitted.

### **Resources Available 2014/2015**

11. The core funding for Waverley's General Fund Capital Programme is from Revenue Contributions, via the Revenue Reserve Fund and any Capital Receipts available. The Revenue Budget proposals include a Contribution to Capital from the Revenue Budget of £2.483million, which results from the baseline £1.1m figure and the New Homes Bonus of £1.383m.
12. As shown at Annexe 15, the resources available are sufficient to finance the proposed 2014/15 Programme.

### **Revenue Reserve Fund**

13. Projections for the Revenue Reserve Fund are shown in the Revenue Budget report.

### **Approval Process**

14. Certain schemes as identified by an asterisk on the schedule will be included within the overall Programme, but specific approval will be required before they proceed because further information is needed in support of these schemes. Once Council has approved the Budget, it is proposed that authority to proceed in these cases is delegated to the Director of Finance and Resources in conjunction with the Finance Portfolio Holder.

### **Comments from the Overview and Scrutiny Committees**

15. Following questions on specific issues contained within the annexes, the Community Overview and Scrutiny Committee endorsed the recommendations for the Capital Programme, and made the following observations:

- Tree risk and woodland management works - there was some concern after the recent adverse weather about the removal of trees as they could help with flood prevention.
  - Memorial Hall – The Committee raised the importance of maintaining Waverley assets to increase community group usage. Members felt it was important that this money was spent and works carried out as, whilst a decision was awaited on East Street plans and the Gostrey Centre, there had not been adequate maintenance of the building for a number of years.
  - Flood Risk Prevention, Ditch and vegetation clearance – Concern was expressed from Members that funding had not been identified to assist with these works. Following recent events and the damage caused by the storm and flooding, the Committee agreed that this was an area that funding should not be cut back on. Furthermore, Members felt that the Council should work in partnership with Natural England and Surrey County Council.
  - Demolition of Broadwater Public Conveniences – The Ward Councillor asked officers to consult with the Broadwater Stakeholder Group before work was carried out.
16. There were no comments from the Corporate Overview & Scrutiny Committee relating to the capital programme.
17. The Executive, having considered the comments from the Overview and Scrutiny Committees

**RECOMMENDS that**

- 10. the list of Revenue Projects totalling £605,000 be approved, as shown at Annexe 11 to be included within the Revenue Estimates;**
- 11. total additional funding of £1.034m be approved for the Herons Refurbishment Project as detailed in this report and at Executive Minute No.149;**
- 12. the 2014/15 General Fund Capital Programme totalling £5,616,107 be approved, as shown at Annexe 13;**
- 13. the budgets for schemes marked with an asterisk on the schedules be approved, but spending on these projects be subject to the agreement of the Director of Finance and Resources and Finance Portfolio Holder;**
- 14. the financing proposals for 2014/15 be agreed, in accordance with Annexe 15; and**
- 15. the Financial Strategy be amended to reflect the above decisions.**