

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 3 FEBRUARY 2015

Title:

**FINANCIAL STRATEGY 2015/2016 – 2018/2019
DRAFT CAPITAL PROGRAMME 2015/2016**

**[Portfolio Holder: Cllr Julia Potts]
[Wards Affected: All]**

Summary and purpose:

The report puts forward proposals for the draft 2015/2016 Capital Programme and list of Revenue projects in respect of the General Fund services for consideration by the Executive. The purpose of this report is to agree the final recommendation to Council regarding the General Fund Capital Programme for 2015/2016, together with projects to be included with the Revenue Budget. Observations from the Overview and Scrutiny Committees are expected in due course.

How this report relates to the Council's Corporate Priorities:

The Council has a set of specific corporate priorities, the proposals put forward support these priorities.

Equality and Diversity Implications:

There are no direct equality and diversity implications as a result of the recommendations in this report.

Resource/Value for Money implications:

Resource implications are contained throughout the report.

Legal implications:

There are no direct legal implications as a result of the recommendations in this report.

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 2015/2016, as put forward by the Heads of Service and supported by the Corporate Management Team, are presented for consideration.
2. This report contains the following Annexes:
 - Annexe 1 – List of Revenue Projects
 - Annexe 2 – Revenue Project Justification Forms (separate booklet)
 - Annexe 3 – Draft Capital Programme

Revenue Projects

3. Revenue Projects will be included within the appropriate Revenue Estimate sheets and are listed at Annexe 1. The list totals £569,775, of which £45,000 will be funded externally and the balance met from Waverley's revenue budget resources. The Office Maintenance Programme has already been included within the base estimates as it forms part of the allocation process and the remaining £418,680 is included within the Budget summary pending final approval of the projects. Justification statements for the various projects are included at Annexe 2 within the separate booklet distributed to all Members.

Draft 2015/2016 Capital Programme

4. The proposed 2015/2016 Capital Programme amounts to £3,346,400 as shown at Annexe 3 to this report.
5. This Annexe also shows the proposed financing, including significant external funding and the amount to be met from Waverley's own resources including £1,062,780 from the Revenue Reserve Fund.

Resources Available 2015/2016

6. The core funding for Waverley's General Fund Capital Programme is from Revenue Contributions, via the Revenue Reserve Fund, plus any Capital Receipts available and is augmented by any external funding obtained.
7. The Budget proposals include increasing the Contribution to the Revenue Reserve Fund from the Revenue Budget to £2.962million from the current level of £2.685 million in 2014/2015. This arises from the Council's policy of using New Homes Bonus for invest-to-save schemes.
8. As shown at Annexe 3, the resources available are sufficient to finance the proposed 2014/2015 Programme.

Revenue Reserve Fund

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

Approval Process

10. Certain schemes as identified by an asterisk on the schedule will be included within the overall Programme with approval in principle, 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.

Conclusion

11. Allowance for the total of the Revenue Projects is included within the Revenue Budget proposed and individual schemes will be shown as part of the appropriate Estimate sheets when the final proposals have been agreed. The financing proposals in Annexe 3 show that the draft Capital Programme is within the resources available for 2015/2016.
12. The Programme will be subject to final approval by Council on 17 February 2015.

Observations from Overview and Scrutiny Committees

13. The Corporate Overview and Scrutiny Committee considered this report at its meeting on 20 January 2015. The Committee endorsed the recommendations for the General Fund Capital Programme 2015/16 for the service areas within its remit, and had no observations to pass to the Executive. Any observations from the Community Overview and Scrutiny Committee on 27 January 2015 will be circulated separately.

Recommendation

The Executive considers any comments from the Overview and Scrutiny Committees and recommends that the Council:

1. approves the list of Revenue Projects totalling £569,775 as shown at Annexe 1 to be included within the Revenue Estimates;
2. approves the 2015/16 General Fund Capital Programme totalling £3,346,400, as shown at Annexe 3;
3. agrees the financing proposals for 2014/2015 in Annexe 3;
4. agrees that the budgets for schemes marked with an asterisk on the schedules are approved, but spending on these projects is subject to the agreement of the Director of Finance and Resources and Finance Portfolio Holder or the Executive if appropriate; and
5. amends the Financial Strategy to reflect the above decisions.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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