

PLYMOUTH CITY COUNCIL

Subject: Capital Programme Approvals
Committee: City Council
Date: 3 December 2012
Cabinet Member: Councillor Lowry
CMT Member: Adam Broome (Director for Corporate Services)
Author: Chris Randall, Strategic Finance Manager
Contact: Tel: 01752 304599
email: chris.randall@plymouth.gov.uk
Ref:
Key Decision: No
Part: I

Purpose of the report:

To approve new capital schemes over £0.5m which were considered by Cabinet on 13th November 2012 for inclusion in the Council's capital programme. Financial Regulations require that all new capital projects over £0.5m are approved by Council.

Corporate Plan 2012-2015:

This report is linked to delivering the priorities set out in the Council's corporate plan. Targeting the Council's resources in a planned manner in order to align expenditure with key priorities will maximise the benefits to residents and businesses in Plymouth

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The approval of the new capital schemes over £0.5m is as follows:

November Capital and Revenue Monitoring Report (various schemes)	£11.772m
Capital Investment for Replacement of Minibuses	£0.980m
Capital Investment for Replacement of Plant & Equipment	<u>£1.707m</u>
Total	<u>£14.459m</u>

The approval of these new schemes will result in a revised forecast 2012/13 Capital Expenditure of £57.390m, and a revised forecast total Capital Expenditure of £132.005m over the period 2012/13 to 2015/16.

The new schemes are funded from specific and unringfenced capital grants, and in the case of the replacement schemes unsupported borrowing funded from revenue savings linked to the replacements.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

None

Recommendations & Reasons for recommended action:

The City Council is recommended to approve the new capital schemes for investment as detailed below, amounting to £14.459m :

2 Year Old Nursery Places	£1.750m
Coastal Communities Scheme (subject to successful grant application)	£1.327m
Local Transport Plan capital grant forecast 2015/16	£4.829m
Marine Academy Primary Free School Places	£3.866m
Replacement of Minibuses	£0.980m
Replacement of Plant and Equipment	£1.707m

Alternative options considered and reasons for recommended action:

The City Council could decide not to approve the new capital schemes, however where the funding is from a specific grant the City would lose the grants associated with the schemes. The two schemes funded from unsupported borrowing are estimated to deliver net revenue savings which if not approved would increase revenue pressures

Background papers:

Cabinet 13 November 2012 – Capital and Revenue Monitoring Report (including additions to the capital programme) <http://www.plymouth.gov.uk/mgInternet/documents/s42399/Finance-Capital%20and%20Revenue%20Monitoring%20Report%20including%20additions%20to%20the%20capital%20programme%20to%20be%20approved%20at%20Council.pdf>

Cabinet 13 November 2012 – Capital Investment for the Replacement of Minibuses
<http://www.plymouth.gov.uk/mgInternet/documents/s42383/Capital%20investment%20for%20Replacement%20of%20minibuses.pdf>

Cabinet 13 November 2012 – Capital Investment for the Replacement of Plant and Equipment
<http://www.plymouth.gov.uk/mgInternet/documents/s42384/Capital%20investment%20for%20Replacement%20of%20plant%20and%20equipment%20Street%20Scene%20Services.pdf>

Sign off:

Fin	CDR/CorpsF FC1213 001/21.11.12	Leg	16159/DVS	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member Malcolm Coe											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1.0 Introduction

- 1.1 Cabinet on the 13 November 2012 considered a number of new capital schemes over £0.5m as part of the second quarter's revenue and capital monitoring report which it recommends to Council for approval
- 1.2 There were also two individual reports considered by Cabinet on 13 November 2012 for capital investment projects over £0.5m

2.0 Capital Investments over £0.5m

- 2.1 Cabinet (minute 88a) approved schemes over £0.5m totalling £11.772m included in Table 14 for recommended approval by Council as follows:

£000	£000	£000	£000	
12/13	13/14	14/15	15/16	
87	700	963	0	2 Year Old Nursery Places
121	872	334	0	Coastal Communities – funding bid in place that includes an element that would need to be spent in 2012/13
0	0	0	4,829	Estimated figure for LTP funding added based on 2014/15 allocation included for consistency
500	3,366	0	0	Marine Academy Primary Free School Places *
708	4,938	1,297	4,829	Schemes to be recommended through this report for approval at 3 December 2012 Council

These projects are proposed to be funded by either specific or unringfenced capital grant

- 2.2 Cabinet (minute 90a) approved a capital scheme for replacement of minibuses totalling £0.980m funded by unsupported borrowing for recommended approval by Council. The revenue savings from reduced maintenance and lease costs will be used to fund the revenue implications of unsupported borrowing.
- 2.3 Cabinet (minute 91a) approved a capital scheme for replacement of plant and equipment totalling £1.707m for recommended approval by Council. The revenue savings from reduced maintenance and lease costs will be used to fund the revenue implications of unsupported borrowing.