

REPORT OF Deputy Section 151 Officer
 To: Full Council
 Subject: Capital Programme 2025/26 to 2029/30
 Date: 24th February 2025

Reference:

PURPOSE OF REPORT: For Members to update the Capital Programme 2025/26.
 The Capital Programme includes new PIDs (Project Initiation Documents) which require authorisation from members before inclusion.

1. Introduction

1.1. The Capital Programme covers the current and forthcoming five years.

It is made up of:

- Approved Projects (PIDs)
- New Proposed Projects (PIDs)

These are funded by:

- Current Capital Reserves
- Future Contributions from Revenue
- Current/Future Capital Receipts
- Current/Future Capital Grants

1.1 Capital Programme –Updates

New PIDs

There are four new PIDs to be considered for inclusion into the capital programme (see appendix 3):

<u>Project Description</u>	<u>£ 000's</u>	<u>Project Score</u>	<u>Notes</u>
Sound Level Meters	30	85	Noise monitoring Equipment
Audio Visual equipment for Caddstown	30	90	
Replacement Electric Van for the Burrows	9	95	Uplift for electric vehicle
Parking Ticket Machines	142	85	Funded from Car parks capital programme, so no additional cost

Note: A minimum score of 65 is recommended for inclusion in to the capital programme.

1.2 Capital Programme – Bfwd

The brought forward balance on the Capital Programme approved by Full Council in February 2024 was:

	Capital Programme £'000s	Funding £'000s	(Surplus)/ Shortfall £'000s
Capital Programme (Feb 2024)	47,260	(50,315)	(3,055)

1.3 Capital Programme – Movements in the year (see appendix 1)

Movements in the year (see appendix 1) include:

- Extending the programme by one year to 2029/30
- 23/24 Surplus
- Operational Service Centre change to Alverdiscott road
- New Projects added (Town Hall roof/Leisure works, Holsworthy Pool Decarbonisation, LAHF round 3, ACMIC Slipway etc)

Effect on Capital Programme:

	Capital Programme £'000s	Funding £'000s	(Surplus)/ Shortfall £'000s
Capital Programme - Updated 24/25	47,825	(50,385)	(2,560)

New PIDs (Yet to be approved)

			Funded from
Sound Level Meters (Noise Monitoring Equip)	30		Surplus
Audio Visual Equipment for Caddstown	30		Surplus
Burrows Electric Van (additional Cost - grant funded)	9		Surplus
Parking Ticket machines (£142K)			Car Park Programme
Capital Programme (2024/25)	47,894	(50,385)	(2,491)

1.4 Capital Programme Split

The updated capital programme has unallocated funds of £2.5m

However, a significant portion of this relates to the money we put aside to fund our refuse fleet in the future. (The main recycling fleet in 2025/26 and 2032/33).

Therefore, the programme can be split as follows:

	Capital Programme £'000s	Funding £'000s	(Surplus)/ Shortfall £'000s
Vehicle Programme	4,843	(6,879)	(2,035)
General Programme	43,051	(43,507)	(456)
Total	47,894	(50,385)	(2,491)

Note: The £2.0M surplus on the Vehicle programme is to fund the main recycling fleet replacement in 2032/33.

1.5 Capital Programme – Future Pressures

The General capital programme (excluding the vehicle programme) has a surplus of £465K

	Capital Programme £'000s	Funding £'000s	(Surplus)/ Shortfall £'000s
General Programme	43,051	(43,507)	(456)

However, there are significant future pressures:

- Leisure (3 centres, estimates of £60K per site per year)
- Transition to Net Zero
- New PIDs from 2025 to 2030
- Linear defence - working with environment agency
- Future INFLATION !!!!

1.6 Capital Programme – Updated

See Appendix 2 for the current capital programme by project for 2025/26 to 2029/30

Implications

Legal Implications

The Council is required to set a balanced annual budget.

Financial Implications

If the recommendations below are used to update the Capital Programme, then the impact on the Capital Programme is contained within this report.

Human Resources Implications

There are no specific human resources implications.

Sustainability Implications

The Capital Programme includes several large projects that will move the Council towards its sustainability and Climate goals, these include: Decarbonising Holsworthy Pool, Appledore Clean Maritime Innovation Centre, Operational Service Centre (OSCAR).

Equality/Diversity

There are no specific equality/diversity issues.

Risk Management

A funded Capital Programme ensures the Council has the assets required to run its key services, and the existing Council's assets are maintained.

Compliance with Policies and Strategies

This Report fits within the Council's Capital Strategy.

Lead Member Views

Councillor Bushby:

Date of Consultation – 15th January 2024

“The Council has a significant Capital Programme, which is currently fully funded.

However it is facing some significant funding pressures, from both inflation and future capital requirements.

Any additional spend to the Capital Programme should be considered with these pressures in mind, therefore I support the recommendations in the report”.

Conclusion

The report highlights the pressures on the Capital Programme, in an environment where there is increasing uncertainty on the revenue budget.

1.9 Recommendations:

That Members consider the recommendations by Community and Resources on the 27th January 2025 and Internal Overview and Scrutiny on the 4th February 2025 to Full Council

a) The Capital Programme is updated to include four new projects:

- Sound Level Meters (Noise monitoring equipment) - £30K

- Audio Visual equipment for Caddsdwn - £30K
- Replacement Electric Van for the Burrows - £9K
- Parking Ticket Machines - £142K

SUPPORTING INFORMATION

Consultations: Date of Consultation – 15 January 2025

Officers Consulted –

Steve Hearse Chief Executive

Sean Kearney Head of Communities and Place

Staci Dorey Head of Legal & Governance

Gordon Bryant Finance Manager & Section 151 Officer

Contact Officer: Peter Hudson – Deputy Section 151 Officer