



COUNCIL 21 NOVEMBER 2018

REPORT OF THE SECTION 151 OFFICER

UPDATE TO THE 2018/19 CAPITAL PROGRAMME

SUMMARY

The Chief Financial Officer recommends to Council for approval 2 adjustments to the 2018/19 Capital Programme previously agreed by full Council as part of the 2018/19 budget setting process:

- 1) Included within the 2018/19 capital programme are £1.2m of capital receipts allocated from contingency to finance capital expenditure associated with the regeneration programme. Following a detailed review of these costs in 2018/19 it was concluded that these costs were predominantly revenue and alternative funding has been utilised. This has led to surplus budget of £1.2m which it is now proposed be used to increase the budget for highways infrastructure.
- 2) To allow greater flexibility in the purchase and subsequent transfer of assets between the Authority and Mercury Land Holdings it is proposed to create a £3m contingency for asset purchases. These purchases will be funded from capital receipts which will be replenished as and when transfers are made and assets sold.

RECOMMENDATIONS

Council is asked to approve the following 2 Chief Financial Officer recommendations:

1. **Approve** the virement of £1.2m from the regeneration programme to the highways infrastructure investment programme.
2. **Approve** the allocation of £3m capital receipts in the capital programme to finance property investments in the capital programme.

REPORT DETAIL

The Chief Financial Officer recommends to Council for approval 2 adjustments to the 2018/19 Capital Programme previously agreed by full Council as part of the 2018/19 budget setting process:

Included within the 2018/19 capital programme are £1.2m of capital receipts allocated from contingency to finance capital expenditure associated with the regeneration programme. Following a detailed review of these costs in 2018/19 it was concluded that these costs were predominantly revenue and alternative funding has been utilised. This has led to surplus budget of £1.2m which it is now proposed be used to increase the budget for highways infrastructure.

To allow greater flexibility in the purchase and subsequent transfer of assets between the Authority and Mercury Land Holdings it is proposed to create a £3m contingency for asset purchases. These purchases will be funded from capital receipts which will be replenished as and when transfers are made and assets sold.

IMPLICATIONS AND RISKS

Financial Implications and Risks

The financial implications are set out in the report. There are no additional financial implications to consider

Legal Implications and Risks

The Budget and Policy Framework set out in the Council's Constitution provide that both these decisions are matters for Full Council.

Human Resource Implications and Risks

There appear to be no HR implications or risks arising directly that impact on the Council's workforce.

Equalities and Social Inclusion Implications and Risks

The Equality Act 2010 Public Sector Equality Duty will be applied in any decision making on the use of these funds.

BACKGROUND PAPERS

None