

CABINET - THURSDAY, 14 SEPTEMBER 2023

Report of the Head of Finance Lead Member: Executive Member for Finance, Cllr Ashcroft

Part A

CAPITAL PLAN AMENDMENT REPORT

Purpose of Report

This report requests Cabinet to consider and approve changes to the 2023-2026 Capital Plan and its financing.

Recommendations

That the current Capital Plan for 2023/24-2025/26, as amended by the changes shown in Appendix 1, in the budgeted sum of £52,240,200 be approved.

1. To add a new scheme - Town Hall – Main Auditorium Air Handling Equipment of £90k in 2023/24 – to enable the replacement of the chiller and improve the operational efficiency of the system, funded from a virement of £20k from Planned Building Improvements and the remainder from capital receipts.
2. To increase the budget for the Replacement Hardware Programme by £45k in 2023/24 – to enable the purchase of laptops and headsets for new councillors, and replace existing equipment for returning councillors.
3. To increase the budget for Shepshed Public Open Space Enhancement by £8.4k – for additional improvement works at Morley Quarry funded from grant received from Natural England.
4. To add a new scheme – Sileby Memorial Park totaling £473.1k (£83.1k in 2023/24 and £390k in 2024/25), for the regeneration and improvement of green spaces in Sileby – fully funded by S106 contributions.
5. To add a new scheme – Halstead Road Sport and Recreation Scheme, Mountsorrel of £523.1k in 2024/25, for the provision of various hub facilities – fully funded by S106 contributions.
6. To increase Infrastructure IT Development budget by £20k in 2023/24, due to delays in the IT supply chain, to be funded from capital receipts.
7. To increase IT Cloud Implementation budget by £20k in 2023/24, due to delays supply chain, to be funded from capital receipts.
8. A virement of £60.2k in 2023/24 from Sheltered Housing Improvements budget to Delivery of Stock Condition Survey and Associated Costs budget to enable the final payment to be made.

9. To note additional decisions taken by Officers, in relation to new S106 schemes added to the Capital Programme, also included in Appendix 1.
10. To note amendments to the Capital Programme since 9th February 2023 minute 58.

Reasons

1. To enable the current Capital Plan to be the basis for capital spending by the Council and so that schemes may proceed.
2. To enable the Town Hall – Main Auditorium Air Handling Equipment budget to be available in 2023/24.
3. To confirm that the Replacement Hardware Programme be increased by £45k in 2023/24 funded by capital receipts.
4. To confirm that the Shepshed Public Open Space Enhancement scheme be increased funded by external grant.
5. To enable the Sileby Memorial Park budget to be available in 2023/24 and 2024/25, which is funded by S106 contributions.
6. To enable the Halstead Road Sport and Recreation Scheme, Mountsorrel budget to be available in 2024/25, funded by S106 contributions.
7. To confirm that the Infrastructure Development scheme be increased, funded from capital receipts.
8. To confirm that the Cloud Implementation scheme be increased, funded from capital receipts.
9. To enable the Delivery of Stock Condition Survey and Associated Costs budget to be available in 2023/24.
10. To note amendments to the Capital Programme since Cabinet 9th February 2023 minute 58.

Policy Justification and Previous Decisions

The Capital Plan is an integral element of all policies. The three-year Capital Plan was approved by Council on 10th February 2021. The Capital Outturn report, including slippage, was approved by Cabinet on the 13th July 2023 minute 58.

Implementation Timetable including Future Decisions

This report will be available for scrutiny by the Scrutiny Commission on 11th September 2023.

Report Implications

Financial Implications

The financial implications are covered in the body of this report.

Risk Management

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

<i>Risk Identified</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Overall Risk</i>	<i>Risk Management Actions Planned</i>
Insufficient funding	Remote (1)	Major (4)	Low (4)	The funding of the Capital Plan is regularly monitored and serious funding shortfalls would be brought to the attention of Cabinet with suggested solutions
Expenditure associated with commercial property, Town Deal projects, regeneration or forward funding of the Enterprise Zone	Unlikely (2)	Serious (3)	Moderate (6)	All such expenditure will require fulfillment of additional governance processes prior to approval
General risks associated with capital expenditure	Unlikely (2)	Serious (3)	Moderate (6)	The Capital Plan is controlled through regular monitoring via the Senior Leadership Team with periodic reports presented to Cabinet.

Equality and Diversity

None

Climate Change and Carbon Impact

None

Crime and Disorder

None

Wards Affected

Yes

Publicity Arrangements

not applicable.

Links to the Corporate Strategy

Caring for the Environment	Yes
Healthy Communities	Yes
A Thriving Economy	Yes
Your Council	Yes

Key Decision: Yes

Background Papers: None

Office to contact: Lesley Tansey, Head of Finance
Tel: 01509 634828
lesley.tansey@charnwood.gov.uk

Part B

Background – Capital Plan

1. The Capital plan amendment report provides a breakdown of the new/amended schemes for 2023/24 budgets, and detailed budgets are set out in Appendix 1 for 2023/24 to 2025/26.
2. The net effects of these changes on the 2023/24 Capital Plan are as follows:

2023/24 Capital Plan	£
Approved 2023/24 Capital Plan	27,646,700
Net new/amended schemes	12,516,400
Amended 2023/24 Capital Plan	40,163,100

Funded by:	£
General Fund:	
External Borrowing	15,000,000
Grants, S106 Contributions and Revenue	5,134,300
Contributions from Capital Plan Reserve	167,400
Contributions from Capital Receipts	4,492,400
Total General Fund	24,794,100
HRA:	
S106 Contributions	1,200
MRA or equivalent	13,822,800
Contributions from Capital Receipts	1,545,000
Total HRA	15,369,000
Total Funding for 2023/24	40,163,100

A full list of the decisions and amendments are listed in Appendix 1. A detailed explanation for the major changes is given in the table below.

2.

New/Amended Schemes	£
Town Hall – Main Hall Auditorium Air Handling Equipment	£90,000
To add a new scheme for the replacement of the chiller unit and to carry out additional works to the fabric of the main system infrastructure, funded from capital receipts of £70k and a virement of £20k from Planned Building Improvements budget.	
Replacement Hardware Programme	£45,000

2.

To increase the scheme to £90k in 2023/24, for the purchase of laptops and headsets for the new councillors , and replace existing equipment for returning councillors.	
Shepshed Public Open Space Enhancement	£8,400
To increase the scheme to £45.6k, for additional improvement works at Morley Quarry funded from grant received from Natural England.	
Sileby Memorial Park	£473,100
To add a new scheme for the regeneration and improvement of green spaces in the heart of Sileby – fully funded by S106 contributions.	
Halstead Road Sport & Recreation Scheme, Mountsorrel	£523,100
To add a new scheme for the provision of various hub facilities including cricket pitch and pavilion, football facilities, allotments, and associated infrastructure, fully funded by S106 contributions.	
Barrow Parish Council - Youth/Adult Recreation - new facilities at Willow Road Park, Barrow Upon Soar	£41,500
For the provision of new facilities at Willow Road Park, fully funded by S106 contributions.	
Anstey Parish Council - Jubilee Hall, Staddon Rd, Anstey - extension & redevelopment	£90,900
To provide match funding for the extension and redevelopment of Jubilee Hall, fully funded by S106 contributions.	
Hathern Community Woodland Project - planting and enhancement	£44,200
Towards woodland (including scrub) planting and woodland enhancement, fully funded by S106	
Sileby Parish Council - improvement and provision of additional youth/adult facilities at Sileby Memorial Park	£103,900
To provide funding for the improvement and provision of additional youth/adult recreational facilities.	
Shepshed Public Open Space Enhancement	£15,800
To pay for fencing works at Morley Quarry, Shepshed, fully funded by S106.	
Bell Foundry Pocket Park - Phase 1 & 2	£7,100
To pay for youth/adult recreation provision at Russell Street, Loughborough, fully funded by S106.	
Infrastructure Development	£20,000
To increase the scheme to £50k, due to supply chain and technical issues extending the project, to be funded from capital receipts.	
Cloud Implementation	£20,000
To increase the scheme to £60k, due to supply chain and technical issues extending the project, to be funded from capital receipts.	
Delivery of Stock Condition Survey and Associated Costs	£60,200
A virement from Sheltered Housing Improvements to Delivery of Stock Condition Survey and Associated Costs to enable the final payment.	

3. The Capital Plan is fully funded as per the table in paragraph 2 of this report.

Appendices

Appendix 1 – Details of Capital Plan Amendments

Appendix 2 – Capital Plan 2023/24-2025/26