



Derby City Council

COUNCIL CABINET
22 January 2014

Appendix 2

Report of the Cabinet Member for Business
Finance and Democracy

Capital Budget 2014/15 to 2016/17

SUMMARY

- 1.1 The report sets out the 2014/15 to 2016/17 capital programme for recommendation to Council on 29 January 2014. The main areas of the £318,568,000 programme over the next three years are ...
- £33,777,000 to deliver the Council's Leisure strategy which will include a new 50 metre swimming pool together with the delivery of the Multisports Arena and new athletics track.
 - £25,000,000 to deliver the jointly funded waste disposal plant in partnership with Derbyshire County Council.
 - £52,949,000 Children and Young People's Directorate programme including the Primary Capital programme; and repairs, maintenance and improvements to the fabric of school buildings.
 - £60,469,000 Housing programme, including refurbishment to Council-owned houses in the Housing Revenue Account (HRA) along with further Housing General Fund schemes to deliver decent homes and assistance to vulnerable householders, disabled facilities grants, other repairs and assistance in the private sector and support for affordable housing.
 - £23,674,000 for highways and transport - to improve the highway network and deliver major schemes such as London Road Bridge replacement.
 - £12,193,000 for property maintenance of the Council's buildings and infrastructure.
 - £3,024,000 for the Extracare programme for Derby Senior Citizens in our Adults Social Care Service.
 - £59,966,000 for regeneration of the city centre and key regeneration areas.
 - £30,828,000 for the Environmental Agency flood defence project Our City Our River.

- 1.2 A number of measures to balance the capital budget have been applied including over programming and additional borrowing, as detailed in Section 6.
- 1.3 A review of the capital programme by Cabinet has resulted in a reduction in the amount of borrowing from 59% to 44% over three years, with the 2014/15 programme only reliant upon 27% borrowing.
- 1.4 The report also outlines assumptions made on future year's government allocations which are still to be confirmed, as detailed in Paragraph 5.2.
- 1.5 The capital programme is categorised by asset group. For example, all council owned (non- schools) property enhancements are categorised under property rather than against the Directorates which operate from those buildings. A summary of the overall capital programme for 2014/15 to 2016/17 is shown at Appendix 2.
- 1.6 Results of the capital consultation and responses are included at Appendix 5.

RECOMMENDATION

- 2.1 To approve the capital programme for 2014/15 and the indicative capital programme for 2015/16 and 2016/17 as set out in the report. A summary is shown in Appendix 2.
- 2.2 To approve the commencement of the capital schemes presented in the 2014/15 capital programme detailed in Appendix 2.
- 2.3 To approve the allocation of S106 funding as detailed in paragraph 5.5 table 2.
- 2.4 To note assumptions made for government funding allocations, detailed in paragraph 5.2.
- 2.5 To note the process of review undertaken on the current capital programme and the process for assessing new bids described in section 4.
- 2.6 To note the revenue budget implications of the proposed programme described in sections 6 and 8.
- 2.7 To approve the continued principle of over-programming to a level of 10%.
- 2.8 To recommend that Council approve the additional borrowing required to fund the 2014/15 -2016/17 capital programme.
- 2.9 To note the results of the consultation process and approve the Cabinet responses shown at Appendix 5.

REASONS FOR RECOMMENDATION

- 3.1 The Capital programme for 2014/15 and the indicative capital programme for 2015/16 and 2016/17 require Council approval under Contract and Financial Procedure Rules to ensure that the programme meets the corporate outcomes as detailed in paragraph 7.2.
- 3.2 In order to support the decision making process a review of the existing programme

has been carried out to ensure that the limited funds available can be targeted appropriately to meet the Council's overall aims



SUPPORTING INFORMATION

4. DEVELOPMENT OF THE CAPITAL PROGRAMME

- 4.1 In January 2013, Council approved a capital programme for the period from 2013/14 to 2015/16 with 2014/15 and 2015/16 as indicative allocations only. This provisionally allocated corporate resources available in order to meet significant investment needs for service improvement.
- 4.2 The Council's budget strategy report for 2014/15 was presented to Council in September 2013, and included details of the Council's proposed approach to development of the capital programme. Following adoption of this strategy, the proposed capital programme has been developed using the following methodology:
- Assessing the current programme to include all schemes that are contractually committed which will continue into 2014/15. These schemes have been automatically included in the 2014/15 - 2016/17 programme.
 - Identifying schemes and unallocated funding streams which are not contractually committed but have identified funding for them.
 - Submission of directorate bids for new and enhanced investments, which were prioritised internally and reviewed by Cabinet.
 - Pooling of single capital pot funding with allocations to education and transport as well as other priority schemes.
- 4.3 The original programme for 2013/14 to 2015/16 has been closely scrutinised to identify schemes that will automatically continue as they are contractually committed and have identified funding to enable them to proceed. As part of this process a number of amendments have been made to the existing Capital Programme:
- Remove the riverside path scheme from the programme
 - Retain but reduce the planned expenditure on Alvaston District Centre scheme
 - Re-profile District Centre enhancement programme by one year
 - Remove Derby Station Area building frontage improvement scheme due to low take up of grants
 - Efficiency saving in e-Services programme plus a switch between capital and revenue funding reduces the capital scheme requirements.
 - Defer remaining Leisure Strategy by one year
 - Remove refurbishment and associated costs of the Roman House scheme as the Council explores the opportunities to manage services from existing buildings including the Council House

- 4.4 The quarter 2 capital budget report reported to Cabinet 22 November 2012 was used as the basis for the indicative 2013/14 – 2015/16 capital programme planning. This has since been revised with all of the amendments approved at further cabinets since this date. It also includes the amendments included in the financial matters report to this Cabinet.
- 4.5 Table 1 below summarises the final revisions that have been made to the 2014/15 to 2016/17 capital programme from the consultation process to incorporating all cabinet changes

Table 1 Final changes to 2014/15 to 2016/17 capital programme since the Consultation process.

Change (cumulative)	2014/15 £000's	2015/16 £000's	2016/17 £000's
Capital Programme Consultation	112,629	95,375	79,487
Changes due to slippage from previous years	9,714	-138	1,801
Changes due to addition of HRA programme for 2016/17			19,140
Changes due to addition of Street pride programme for 2016/17			560
Revised Capital programme	122,343	95,237	100,988
Funding Available at Consultation	112,629	95,375	79,487
Effect of slippage changes	9,714	-138	1,801
Addition of MRA for HRA programme			19,140
Addition of service financed borrowing for street pride programme			560
Revised Funding Available	122,343	95,237	100,988

- 4.6 The provisional capital programme 2014-2017 was developed by the Council's Strategic Asset Management Board - SAMB, in conjunction with Chief Officer Group and Council Cabinet.

4.7 **Bids**

SAMB received a number of bids for new capital schemes from Directorates, 2014/15 – 2016/17. Seven of these bids totalling £17,472,000 were requests to extend the existing programme, for the allocation of similar annual funding in 2016/17 such as for CYP and highways. Schemes, totalling £110,431,000 were new and included the following:

- Schools additional Special School places
- Our City Our River
- Property Investment portfolio
- A52 Strategic Transport Scheme
- Property Adaptations for Foster Carers
- Redevelopment of remaining children's homes
- Major projects relating to property rationalisation outcomes
- Derby Silk Mill visitor attraction development fund
- ICT end of life replacements.

4.8 A Star Chamber meeting was held in October 2013 led by the Leader of the Council, to consider and challenge the proposed programme.

4.9 Details of the finalised proposals for new capital schemes were included for Public Consultation between November 2013 and December 2013. No recommendations or comments regarding the proposed Capital Programme were made from public consultation.

4.10 The proposed Capital Programme was considered at the Corporate Scrutiny Board in December 2013 as part of the consultation process. No recommendations regarding the capital programme were made at this meeting.

5. **FUNDING**

5.1 The capital programme is financed from the following resources, which are defined in more detail in Appendix 3 :

- Residual Supported Capital Expenditure (Revenue) (SCE-R) allocations for borrowing from Government.
- Supported Capital Expenditure (Capital) (SCE-C) grants from Government for the major service blocks of CYP, Transport and Health.
- Earmarked proceeds of Section 106 receipts after consultation through the commissions, Cabinet and Ward councilors.
- Other external resources and grants, in so far as these are earmarked for use by that service, for example specific European and lottery funds.

- Capital receipts available, earmarked for specific service programmes and those which have been pooled for corporate reallocation.
- Contributions to capital from within service revenue budgets, either as direct contributions or to finance borrowing.
- Spend-to-save capital schemes funded through self-financing borrowing
- Corporate borrowing funded through the revenue Treasury Management budget.

5.2 All of the Capital allocations for the Single Capital Pot have not been received at the time of writing this report. Therefore, where allocations have not been received, these have been based on the previous year's allocations, in line with the latest information available from government. The integrated transport and maintenance allocations were received in 2012/13 for 2013/14 and 2014/15 and these have been included as actual allocations. The Personal Social Services (PSS) allocations have also been received and included in the programme. The CYP allocations for 2014/15 onwards have not yet been received; the programme will be amended accordingly once these become available.

5.3 Broad levels of funding have been allocated to asset groups such as highways and property maintenance. Detailed priority setting will follow to allocate this funding to specific schemes. This will be managed by the relevant governance boards including:

- The Infrastructure Board
- The Property Board
- The Regeneration Board, and
- The Strategic Asset Management Board.

5.4 **Capital Receipts**

Capital receipts have now been removed from the programme and where possible have been replaced by unsupported borrowing and switches with single capital pot allocations for short life assets. The cost to the revenue budget will be an additional £189,000 in 2014/15, £88,000 in 2015/16 and £20,000 in 2016/17. This removes any reliance on the success of property sales and utilises borrowing in a more efficient manner.

5.5 S106 Contributions

It was agreed through the S106 working group that any allocation of S106 monies would be reported to Cabinet during the year to inform members what specific contributions are intended to be used for. Any in- year allocations are generally reported through the monthly Contract and Financial Procedures Matters reports, and quarterly Capital Monitoring reports, as they arise. As part of creating the new programme any S106 known to be required to fund the new programme are listed in Table 2 for years 2014/15 and 2015/16.

Table 2 S106 allocations

Strategy Area	Scheme	Developer	Ward	£	S106 ref no
Parks & Play areas	Markeaton Park	Sanctuary	Mackworth	75,540	ArtN1-03
Parks & Play areas	Markeaton Park	Clowes	Alvaston	251,548	Long1-01b
H&T	Active Travel- Cycle Derby	Peveril Homes Persimmon Homes and Radleigh Homes	Mickleover	21,000	MicCps1-04
HGF	Affordable Housing	Miller and David Wilson	Chellaston	200,000	WeCh2-07a
H&T	Littleover District Centre	Acute Services – NHS Hospital Foundation Trust	Littleover	50,000	AcuS1-02b
H&T	Littleover Bus Stop Improvements	Acute Services – NHS Hospital Foundation trust	Littleover	20,000	AcuS1-02b
H&T	Continuation of residents parking	Acute Services – NHS Hospital Foundation Trust	Abbey Littleover	4,500	AcuS3-01
H&T	Bus stop improvements in Nottingham Road corridor	The Point, Locomotive Way, Pride Park, Alvaston – Woodford Cedar Ltd	Derwent	11,000	Peng1-02
H&T	Snelsmore Lane bus stop improvement	Mickleover Campus – Persimmons Homes, Peveril Homes, Radleigh Homes	Chellaston	3,999	WeCh1-01b
H&T	Agard Street Carriageway Maintenance Scheme	Penguin Hotel – S J Industries	Arboretum	80,000	EagC 1-02

6. **Balancing the programme**

- 6.1 The level of funding available is insufficient to support the existing programme and all of the new bids. In order to bridge the gap a number of initiatives have been applied, as detailed below.
- 6.2 **Over-programming** –The capital programme has historically under spent against the list of originally approved schemes. There are a number of reasons for this including ambitious spend profiles; the need for further analysis following feasibility and design stages; and complex tendering exercises and delays when on site. The proposed programme for 2014-17 includes a 10% level of over-programming, which for 2014/15 is forecast at approximately £13,594,000. Over-programming allows services to commence a broader programme whilst managing the level of spend during the financial year. This strategy allows a greater number of new schemes to begin to be implemented.
- 6.3 **Borrowing** – the proposed programme includes total borrowing of £141,234,000 over the three years with new corporate borrowing funded from the 2014/15 revenue budget at a cost of £2,093,000, as outlined in the General Fund Revenue Budget report. The proposed programme for 2015/16 onwards requires a further level of borrowing to allow all schemes to go ahead. This requires a revenue requirement of £1,998,000 in 2015/16 and £2,667,000 in 2016/17. The revenue budget also presented to this meeting includes pressures for these amounts. This will be monitored closely and revised accordingly in future budget processes. The revenue implications of any additional borrowing will be reflected in the following year, ie the 2014/15 programme will require treasury management budget in 2015/16.
- 6.4 The proportion of the existing three year capital programme funded from borrowing is circa 59%. Scrutiny of the programme by Cabinet prior to consultation has reduced the reliance on borrowing for the forthcoming three year programme to circa 44%, with the 2014/15 programme only reliant upon 27% borrowing.

6.5 Specific points to note in relation to service funded programmes resources are ...

- The service capital receipts factored into the funded programme have already been received in previous years and are currently held in earmarked capital receipts reserves to be available for use on the relevant schemes.
- The New Deal for Schools Modernisation Fund, Adult Social Services Social Care and Mental Health, and the Local Transport Plan funding allocations are all classed as 'single capital pot' allocations. These are non- ring fenced funding allowing their use across the whole programme instead of placing specific service restrictions on their use.
- Directorate programmes include funding from specific capital grants and external contributions which have been awarded or levered in for specific projects or block programmes such as the transport programme. Departmental priorities are used to allocate the funding to specific individual schemes in accordance with the guidance from the relevant funding body.

7. Proposed Capital Programme 2014/15 to 2016/17

7.1 Table 3 shows the overall proposed summary capital programme for 2014/15 to 2016/17 together with the associated funding. A more detailed summary is presented in Appendix 2.

Table 3 Capital Programme Summary 2014/15 to 2016/17				
Costs and Funding	Revised 2014/15 £'000	Revised 2015/16 £'000	Revised 2016/17 £'000	Total cost £'000
Total Scheme Costs	135,937	90,714	102,130	328,781
Less assumed capital slippage at 10% of latest programme at quarter 2	-13,594	-9,071	-10,213	-32,878
Adjustments for slippage of over-programming from prior year		13,594	9,071	22,665
Total Capital Programme	122,343	95,237	100,988	318,568
Total Funding	122,343	95,237	100,988	318,568

Table 3 includes slippage from the 2013/14 programme, the detail of which can be found in the Financial Matters report also presented to this Cabinet meeting.

- 7.2 The capital programme is consistent with the Council Plan which sets out our priorities and how we will go about delivering improvements. For 2014/15, it is proposed that we will work in partnership to achieve three 'big ambitions' and four 'local priorities'...
- As a City we want people in Derby to have an...
 - Inspiring start in life.
 - Inspiring working life.
 - Inspiring place to live.
 - As a Council in partnership with our communities and through strong leadership we want to deliver good quality services that meet local needs by having...
 - Better outcomes for our communities.
 - Improved value for money for our customers.
 - More efficient and effective processes.
 - A skilled and motivated workforce.

Appendix 2 shows which local priorities are supported by each scheme.

- 7.3 In addition to corporate borrowing, allocations of additional prudential borrowing can be made available to support additional capital schemes on a self-financing basis. Spend-to-save schemes are those where the financing cost of the capital investment is matched or exceeded by direct revenue savings. Other self-financing borrowing may occur where financing costs are funded by contributions from existing core revenue budgets. In both cases, there is a need for a revenue budget virement from specific service department budgets to the corporate Treasury Management budget to fund these schemes. The service department retains revenue savings where these exceed the financing costs.
- 7.4 Appendix 4 sets out details of the prudential borrowing that has been approved for future years. This is in addition to those in progress in 2013/14. It should be noted that some of this investment replaces schemes that were originally scheduled in the capital programme as being financed from leasing, a more expensive funding route.
- 7.5 More schemes are expected to be brought forward for approval during the year. Self-financing schemes can be approved at any point in the financial year, on a case-by-case basis, as they are not competing for limited corporate resources. Departments are being encouraged as part of service savings option appraisals to consider the use of self-financing unsupported borrowing to re-shape service delivery. The Strategic Asset Management Board is considering property solutions and opportunities as part of the property review programme.
- 7.6 Subsequent reports will be brought to Cabinet during the course of the year where block allocations have not been fully allocated to individual schemes. The programme for 2015/16 and 2016/17 remains indicative, being set for planning purposes other than where a forward commitment is specifically required.

- 7.7 Analysis of corporate borrowing is on going to ensure the best use of corporate borrowing to maximise Council Value for Money. A future financial matters report will reallocate the borrowing to the most appropriate schemes in accordance with the prudential code. Borrowing will be switched with anticipated single capital pot allocations s where applicable to make best use of resources and ensure the borrowing can be applied over the maximum borrowing period, and minimise annual revenue budget costs.

8. Revenue Implications

- 8.1 The cost of unsupported borrowing in the revenue budget is dependant on the profiled spend in each financial year and the useful economic life of each capital asset being funded. The revenue costs of the proposed capital programme have been included in the revenue budget on this agenda. Any changes to the recommendations in this report could therefore have a revenue budget impact.
- 8.2 Approval of the prudential borrowing indicators and annual Treasury Management report will also be considered at this Cabinet meeting.
- 8.3 A revenue budget provision to cover lifecycle and on-going maintenance costs should be provided from departmental revenue budgets for all schemes in the capital programme, where relevant. The availability of such revenue budgets for capital schemes will need to be confirmed before capital schemes can commence.
- 8.4 The revenue budget provision for 2014/15, 2015/16 and 2016/17 also presented to this Cabinet meeting includes an extra £2,093,000, £1,998,000 and £2,667,000 respectively to pay for additional borrowing requirements.

9. Next steps

- 9.1 The full programme will be considered for approval by Council on 29 January 2013.
- 9.2 Subsequent to these decisions:
- For block programmes, approval will be needed to the content of programmes, where this is not set out in the initial programme. This will include the Local Transport Plan, detail of which will be reported to Cabinet in February 2014.
 - The capital receipts position will be monitored and reported quarterly in the monitoring report.

OTHER OPTIONS CONSIDERED

- 5.1 None considered.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	<p>Chloe Bowes, Head of Corporate Finance</p> <p>Martyn Marples, Director of Finance & Procurement</p>
For more information contact: Background papers: List of appendices:	<p>Nicola Goodacre, Group Accountant Capital 01332 643352 nicola.goodacre@derby.gov.uk</p> <p>None</p> <p>Appendix 1 - Implications</p> <p>Appendix 2 - Capital Programme Summary 2014/15 – 2016/17</p> <p>Appendix 3 – Funding Definitions</p> <p>Appendix 4 - Summary of unsupported borrowing</p> <p>Appendix 5 – Summary of consultation results</p>

IMPLICATIONS

Financial and Value for Money

- 1.1 As set out in the report. Revenue implications of capital schemes will need to be considered as part of the options appraisal undertaken before each scheme commences, and will be built into future revenue budgets as appropriate. Funding from unsupported borrowing in 2014/15 - 2016/17 is dependent on the approval of the revenue budget.

Legal

- 2.1 The rules governing decisions on the capital programme are set out in the Local Government Act 2003 and in regulations and guidance issued under the Act, including the Prudential Code for Capital Finance in Local Authorities issued by CIPFA. This allows for additional unsupported borrowing provided that this is consistent with the Prudential Code, particularly in terms of affordability.

Personnel

- 3.1 None directly arising.

Equalities Impact

- 4.1 None directly arising

Health and Safety

- 5.1 Health safety capital schemes are included in the property maintenance programme shown at Appendix 2.

Environmental Sustainability

- 6.1 All capital schemes make considerations to the Council's Environmental Policy.

Property and Asset Management

- 7.1 Valuations will be updated during the 2013/14 closedown process where properties have had major works undertaken on those of which can be found in appendix 2.

Risk Management

- 8.1 High profile and high spend schemes will be monitored and reported on through the monthly Strategic Asset Management Board.

Corporate objectives and priorities for change

- 9.1 The process set out for approval is intended to deliver a capital programme that is consistent with corporate objectives and priorities.

Grand Summary

Appendix 2

Asset Category	Revised 2014/15	Revised 2015/16	Revised 2016/17	Total
Expenditure	£000	£000	£000	£000
Schools	22,288	16,539	14,122	52,949
Housing General Fund	2,758	2,432	1,820	7,010
Property Improvement	4,694	4,316	5,390	14,400
Property Maintenance & Refurbishment	5,856	4,300	2,037	12,193
Parks & Open Spaces	2,078	854	93	3,025
Flood Defence	250	250	250	750
H&T	8,684	4,500	10,490	23,674
Street pride Plant & Equipment	1,970	2,114	560	4,644
Regeneration	49,608	8,671	1,687	59,966
ICT	3,882	200	-	4,082
HRA	19,439	14,880	19,140	53,459
Strategic projects	14,430	31,658	46,541	92,629
Total	135,937	90,714	102,130	328,781
Less assumed capital slippage at 10% of latest programme at quarter 2	-13,594	-9,071	-10,213	-32,878
Adjustments for slippage of over-programming from prior year		13,594	9,071	22,665
Total	122,343	95,237	100,988	318,568
Funding				
SCE R	540	-	-	540
SCE C	18,452	10,811	11,274	40,537
<i>Prudential Borrowing</i>				
Corporate	28,203	45,066	57,941	131,210
Service financed	5,000	3,909	560	9,469
Spend to save	40	-	-	40
External	515	-	-	515
Government grants	44,515	16,033	11,493	72,041
MRA	19,439	14,880	19,140	53,459
Capital receipts	2	-	-	2
External contributions	2,804	3,000	-	5,804
Lottery	1,326	742	490	2,558
S106	748	412	-	1,160
RCCO	394	334	-	728
Service Reserves	365	50	90	505
Capital Reserves	-	-	-	-
Total	122,343	95,237	100,988	318,568

Key	
Local Priorities	Abbreviation
Inspiring start in life.	ISL
Inspiring working life.	IWL
Inspiring place to live.	IPL
Funding	Abbreviation
Supported Capital Expenditure Reveune	SCE R
Supported Capital Expenditure Capital	SCE C
Unsupported Borrowing Corporate	UBC
Unsupported Borrowing Service Financed	UBSF
Unsupported Borrowing Spend to Save	UBSS
Unsupported Borrowing External	UBE
Government Grants	GG
Capital Receipts	CR
Major Repairs Allowance	MRA
External Contributions	EC
Lottery	HLF
Section 106	S106
Revenue Contributions to Capital Outlay	RCCO
Service Reserves	SR
Capital Reserves	CRES

CHILDREN AND YOUNG PEOPLES PROGRAMME 2014/15 - 2016/17
SUMMARY EXPENDITURE

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
<u>NDS Modernisation projects 09/10</u>					
Property adaptations for foster carers	SCE C	ISL	75	-	-
<u>Primary Capital Programme Schemes</u>					
Ashgate Primary Capital Programme Scheme	UBC	ISL	140	-	-
<u>Additional Places Spend to Save Schemes</u>					
New Primary Phase Enhanced Resources (ER) Unit for Autistic Spectrum Disorder (ASD) Pupils at Springfield Primary School	UBSS	ISL	40	-	-
<u>NEW SCHEMES 2011-12</u>					
School Condition work & place planning requirements	SCE R, UBC, SCE C	ISL	3,854	5,055	3,096
Basic Need / Additional Places	UBC, SCE C	ISL		3,500	5,826
Homefields Primary School Basic Needs Additional 105 Places Scheme	UBC	ISL	10	-	-
Arboretum Primary School 210 place expansion scheme	UBC, SCE C	ISL	1,748	24	-
Brookfield Primary School Improvements to Foundation Stage Unit	SCE C	ISL	18		
Lakeside Primary PFI basic needs school places extension	UBC, SCE C	ISL	355	-	-
Littleover Community School Basic Needs Phase One	UBC, SCE C	ISL	76	-	-
Littleover Community School Basic Needs Phase Two	UBC, SCE C	ISL			

			1,745	30	-
Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
New schemes 2013/14					
Buildings at Risk urgent condition and suitability schemes	SCE C	ISL	213	-	-
Osmaston Primary school (infants block) Mechanical boiler replacement Scheme	SCE C	ISL	214		
Silverhill Primary School two additional classrooms & Improvements to admin areas	SCE R, UBC	ISL	240	5	-
Two year old capital programme	GG	ISL	399	-	-
Bemrose School extension to provide Primary & Nursery places	UBC, SCE C	ISL	3,879	20	-
St Giles Special School expansion to provide 3 additional classrooms for pupils with special needs	UBC, SCE C	ISL	690	20	-
Allenton Community Primary School minor internal remodelling plus additional temporary classroom	UBC, SCE C	ISL	81	35	-
Brackensdale Infant School additional temporary classrooms	UBC, SCE C	ISL	47	35	-
Chaddesden Park Primary School additional temporary classrooms	UBC, SCE C	ISL	23	60	-
Cherry Tree Hill Primary School additional temporary classrooms	SCE C	ISL	25	35	-
Lawn Primary School additional temporary classrooms	SCE C	ISL	22	35	-
Portway Infant School additional temporary classroom & related changes	SCE C	ISL	25	35	-
Glazing works (Various Schools)	SCE C	ISL	45	-	-
Beaufort Primary School	UBC	ISL	100	-	-
Osmaston Primary Refurbishment - CYP contribution	UBC	ISL	529	-	-

Primary School Expansions - Phase 1 additional Reception classes					
Allenton Community Primary School	SCE C	ISL	1,100	-	-
Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
Cherry Tree Hill Primary	SCE C	ISL	1,118	-	-
Derwent Primary School	SCE C	ISL	455	-	-
Redwood Primary School	SCE C	ISL	660	-	-
Borrow Wood Primary Targeted Capital	GG	ISL	834	-	-
Breadsall Hill Top Infant Targeted Capital	GG	ISL	593	-	-
Breadsall Hill Top Junior Targeted Capital	GG	ISL	791	-	-
Portway Infants Targeted Capital	GG	ISL	267	-	-
Portway Junior Targeted Capital	GG	ISL	364	-	-
Village Primary Targeted Capital	GG	ISL	665	-	-
Walter Evans CE Primary Targeted Capital	GG	ISL	698	-	-
<u>New Schemes 2014/15</u>					
Additional Special School Places	UBC	ISL	150	7,650	5,200
Total Schools			22,288	16,539	14,122

HOUSING GENERAL FUND PROGRAMME 2014/15 - 2016/17
SUMMARY EXPENDITURE

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Decent and Safe Homes (DASH)	SCE C	IPL	60	90	36
Housing Intelligence for the East Midlands (Hi4EM)	SCE C	IPL	100	-	
Empty Property Assistance / Acquisitions & demolitions of unfit properties	SCE C	IPL	200	200	150
Disabled Facilities Grants	SCE C, GG	IPL	1,521	1,478	1,500
Minor Repairs Grants (Better homes programme)	SCE C	IPL	70	70	60
Capitalised Salaries	SCE C	IPL	74	74	74
Community Energy Savings Project (CESP)	EC, UBSF	IPL			

			413	500	-
Gypsy and Travellers Site	GG	IPL	-	20	-
Affordable Housing	S106	IPL	320	-	-
Total HGF			2,758	2,432	1,820

PROPERTY IMPROVEMENT PROGRAMME 2014/15 - 2016/17

Appendix 2

SUMMARY EXPENDITURE

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Chaddesden Park Library	SCE C	IPL	10	-	-
Connecting Derby	UBC,SR	IPL	384	50	90
<u>New Schemes 2013/14</u>					
ICT re CYP relocation	UBC	IWL	250	-	-
Children's Homes refurbishment	UBC	IPL	2,200	1,966	500
Nottingham Road cemetery extension	UBC	IPL	1,500	-	-
Markeaton Cemetery - long term extension of existing provision	UBC	IPL	100	800	3,800
New 2014/15					

Major projects re rationalisation	UBC	IWL	-	500	-
Museums Major projects (silk mill)	UBC	IPL	250	1,000	1,000
Total Property Improvement			4,694	4,316	5,390

PROPERTY MAINTENANCE PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
<u>PROPERTY MAINTENANCE AND REFURBISHMENT</u>					
Museum & Art Gallery heating replacement, ventilation & air conditioning	UBC	IPL	1,005	-	-
Planned Maintenance: PM	UBC,SCE C	IWL	4,263	4,263	2,000
Corporate buildings kitchen upgrades	UBC	IWL	80	-	-
Climate Change (ERDF)	GG	IPL	21	-	-
Capitalised Valuer	SCE C	IWL	37	37	37
Central Library, Museum & Art Gallery FA/EL	UBC	IPL	450	-	-
Total Property Maintenance			5,856	4,300	2,037

PARKS AND OPEN SPACES PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Markeaton park	UBC,S106,HLF	IPL	1,791	854	93
Stockbrook Recreation Ground play area	S106	IPL	12	-	-
(High Ropes) Markeaton Park Outdoor learning facility	UBC,S106,HLF	IPL	265	-	-
Sunnydale Park path extension	S106	IPL	10	-	-
Total Parks & Open Spaces			2,078	854	93

FLOOD DEFENCE PROGRAMME 2014/15 - 2016/17
SUMMARY EXPENDITURE

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Local Flood Alleviation Scheme	UBC	IPL	250	250	250
Total Flood Defence			250	250	250

HIGHWAYS & TRANSPORT PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
<u>LOCAL TRANSPORT PLAN</u>					
Integrated Transport Programme - smaller scheme	UBC,S106	IPL	870	1,000	1,000
London Road Bridge replacement, Phases 1&2	UBC,SCE C,EC	IPL	2,378	-	-
Highways Asset Management Delivery, smaller scheme	UBC,GG	IPL	2,974	2,800	2,800
Active Travel - Cycle Derby	S106	IPL	21	-	-
Local Sustainable Transport Fund Strand 1 - Transport Offer	GG	IPL	905	500	-
Local Sustainable Transport Fund Strand 2 - Smarter Choices	GG	IPL	37	-	-
Local Sustainable Transport Fund Strand 3 - Job Seekers	GG	IPL	43	-	-
Local Sustainable Transport Fund Strand 4 - Employers	GG	IPL	33	-	-
Street lighting Energy Reduction project	UBSF	IPL	1,223	-	-
<u>New Schemes 2014/15</u>					
A52 Strategic Transport Scheme	UBC,SCE C	IPL	200	200	6,690

Total Highways & Transport			8,684	4,500	10,490
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STREETPRIDE PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Grounds Plant & Equipment	UBSF,RCCO,CR	IPL	442	529	200
Communal Bins	GG	IPL	42	-	-
Refuse Vehicles & Plant	UBSF,RCCO	IPL	1,370	1,260	50
Street Cleaning Equipment	UBSF,RCCO	IPL	116	325	310
Total Street pride			1,970	2,114	560

REGENERATION PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
<u>CCRF/New Public Realm</u>					
The Spot	SCE C	IPL	550	220	-
Becket Well	UBC	IPL	850	-	-
St Peters Cross	UBC	IPL/IWL	821	-	-
Blank canvasses connecting Derby & City Centre sites	UBC	IPL	98	-	-
Infrastructure for events and lighting (City of light)	UBC	IPL	50	50	-
Project Development fund (East Street Quadrant 2013/14 £30k)	SCE C	IPL	25	-	-
Regeneration projects team project management	SCE C	IPL	60	-	-
Alvaston District shopping centre refurbishment	UBC	IPL/IWL	1,331	-	-
District centre enhancement programme	UBC	IPL	-	150	1,100
Townscape Heritage Initiative	SCE C,GG,HLF	IPL/IWL	230	320	437
Sadler Gate Bridge	SCE C	IWL	60	-	-
Time Trail	SCE C	IPL	30	40	-
<u>Regeneration Fund</u>					
Former Magistrate's Court	UBC,UBSF,UBE,SCE C	IWL	2,510	279	-

Cathedral Quarter Enterprise centre (CQEC)	SCE C	IWL	87	-	-
Friar Gate Square	SCE C	IWL	436	-	-
Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
Connect (Match Funding) ~Kings Chambers	UBC,SCE C, GG	IWL	803	-	-
Shot Tower Corner refurbishment	UBC,SCE C, GG	IWL	978	-	-
Strategic Site Purchase Raynesway (Bealfour Beatty)	SCE C	IWL	1,245	-	-
<u>Strategic Match</u>					
Super Connected Cities programme (B/Band)	GG	IWL	1,520	5	-
Innovation Hub	GG	IWL	8,770	2,362	-
Infinity Park Derby (infrastructure)	UBC,GG,EC	IWL	11,715	660	-
Enterprise Zone and Regional Growth Fund Part 2	UBC	IWL	358	409	-
Derby Enterprise Growth Fund	GG	IWL	12,053	-	-
<u>Osmaston</u>					
Osmaston Primary School	UBC,EC	ISL	2,257	2,314	150
Marble Hall	EC	IWL	-	500	-
OSCA - Community led development - Elton Rd quadrant Osmaston	UBC,	IPL	2,389	-	-
<u>Castleward</u>					
Castleward Enhancement of Public Square	SCE C	IPL/IWL	-	100	-
Regeneration Fund/CCRF (Capital USB funding NOT revenue funded)	UBSF,SCE C	IPL/IWL	382	1,262	-
Total Regeneration			49,608	8,671	1,687

ICT PROGRAMME 2014/15 - 2016/17
SUMMARY EXPENDITURE

Scheme	Source Of Funding	Local Priorities	Revised 2014/15 £000	Revised 2015/16 £000	Indicative 2016/17 £000
ICT Stabilisation - Software Renewal	SCE C	IWL	723	-	-
Customer Relationship management (CRM) System Procurement	SCE C	IWL	95	-	-
HR Payroll Replacement	SCE C	IWL	126	-	-
Customer/Service delivery - EDRMS	SCE C	IWL	115	-	-
Asset Management System / Implementation & development of corporate asset management software	SCE C	IWL	112	-	-
E-service/business (strategic software systems and citizens self service)	SCE C	IWL	780	-	-
Replacement of AHH and CYP software systems	SCE C	IWL	1,681	-	-
New schemes 2014/15					
ICT end of life replacement	SCE C	IWL	250	200	-
Total ICT			3,882	200	-

HRA PROGRAMME 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
<u>HRA</u>					
Kitchens and Bathrooms	MRA	IPL	2,200	2,400	10,463
Electrical Upgrades	MRA	IPL	450	250	
Re-roofing	MRA	IPL	500	1,000	
Major Refurbishments/Alterations	MRA	IPL	500	500	
PVCu Windows & Doors	MRA	IPL	1,600	1,000	
New & Replacement Gas Central Heating	MRA	IPL	1,250	1,800	
Adaptations for Disabled People	MRA	IPL	600	-	
Door Entry Systems - communal	MRA	IPL	50	50	
Capitalised Salaries	MRA	IPL	800	730	
Loft and cavity wall insulation	MRA	IPL	15	-	
Solid Wall Insulation	MRA	IPL	1,700	-	
Estates Pride	MRA	IPL	1,400	500	
Bath Street	MRA	IPL	5,070	3,450	

New build and acquisitions	MRA	IPL	1,370	3,200	8,677
Victory Rd	MRA	IPL	460	-	
Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
Hillcrest Road	MRA	IPL	222	-	
Moult Avenue	MRA	IPL	159	-	
Maryland Gardens	MRA	IPL	244	-	
Seymour Close	MRA	IPL	369	-	
Hastings Street	MRA	IPL	173	-	
Thanet Drive	MRA	IPL	307	-	
Total HRA			19,439	14,880	19,140

STRATEGIC PROJECTS 2014/15 - 2016/17**SUMMARY EXPENDITURE**

Scheme	Source Of Funding	Local Priorities	Revised 2014/15	Revised 2015/16	Indicative 2016/17
			£000	£000	£000
Waste Disposal Plant	UBC	IPL	-	-	25,000
Leisure Centre Strategy	UBC	IPL	7,301	15,678	10,798
Extra care - Homes for Senior Citizens	UBSF,GG	IPL	1,395	1,629	-
Our City Our River	GG	IPL	5,734	14,351	10,743
Total Strategic Projects			14,430	31,658	46,541

Funding Definitions

Type of Funding	What it means
SCE (R)	Supported capital expenditure revenue This is a borrowing approval which is supported by the Government through the RSG settlement. An element of funding is included within the revenue payment of the RSG to fund borrowing costs.
SCE (C)	Supported capital expenditure capital This a form grant which is funded directly from central government grants.
Unsupported Borrowing Corp	Borrowing that's not supported by government but will be paid for through the treasury management revenue accounts via debt charges
Unsupported Borrowing Self Financed	Borrowing that's not supported by government but will be paid for from service depts revenue accounts via debt charges
Unsupported Borrowing Spend to save	Borrowing that's not supported by government but will be paid for from service depts revenue accounts via debt charges
Government Grants	Grants from central government for the major service blocks as well as other more specific grant funding
Other Grants	Grants other than those from central government
MRA	Major Repairs Allowance for the use on the HRA dwellings
NRF	Neighbourhood Renewal Fund which is received via the revenue support grant settlement
Revenue Contributions	Revenue funding to fund capital expenditure
Capital Receipts	Cash received from the sale of fixed assets
Capital Reserves	Cash earmarked for specific schemes usually surplus RCCO's transferred to reserves or specific money set aside in a specific reserve to be used for capital purposes
Service Reserves	Cash earmarked for specific revenue and capital schemes which are monitored and kept by the relevant service accountants.
Corporate Reserves	Cash earmarked for specific revenue and capital schemes which are monitored and reconciled by the central team.
Lottery	Money received from the governing body for the allocation of lottery funding
Other Contributions	Money received from external bodies other than central government

Summary Of Unsupported Borrowing

Scheme	Asset life	2014/15	2015/16	2016/17	Total
		£000	£000	£000	£000
Schools					
Ashgate Primary Capital Programme Scheme	50	140	-	-	140
School Condition work & place planning requirements	50	2,086	470	3,096	5,652
Basic Need / Additional Places	50		3,500	96	3,596
Homefields Primary School Basic Needs Additional 105 Places Scheme	50	10	-	-	10
Arboretum Primary School 210 place expansion scheme	50	1,737	-	-	1,737
Lakeside Primary PFI basic needs school places extension	50	276	-	-	276
Littleover Community School Basic Needs Phase one	50	25	-	-	25
Littleover Community School Basic Needs Phase Two	50	1,695	30	-	1,725
Silverhill Primary School two additional classrooms & Improvements to admin areas	50	200	-	-	200
Bemrose School extension to provide Primary & Nursery places	50	1,980	20	-	2,000
St Giles Special School expansion to provide 3 additional classrooms for pupils with special needs	50	190	-	-	190
Allenton Community Primary School minor internal remodelling plus additional temporary classroom	50	15	-	-	15
Brackensdale Infant School additional temporary classrooms	50	15	-	-	15
Chaddesden Park Primary School additional temporary classrooms	50	10	-	-	10
Beaufort Primary School	50	100	-	-	100
Osmaston Primary Refurbishment - CYP contribution	50	529	-	-	529
Additional Special School Places	50	150	7,650	5,200	13,000
Property Improvements					
Connecting Derby	40	19	-	-	19
Beaufort Business Centre - ICT	3	250	-	-	250
Children's Homes refurbishment	50				4,666

		2,200	1,966	500	
Nottingham Road cemetery extension	50	1,500	-	-	1,500
Scheme	Asset life	2014/15	2015/16	2016/17	Total
Markeaton Cemetery - long term extension of existing provision	50	100	800	3,800	4,700
Major projects rationalisation	50	-	500	-	500
Museums Major projects (silk mill)	50	250	1,000	1,000	2,250
<u>Property Maintenance & Refurbishment</u>					
Museum & Art Gallery heating replacement, ventilation & air conditioning	50	1,005	-	-	1,005
Planned Maintenance: PM	50	3,549	3,101	-	6,650
Corporate buildings kitchen upgrades	50	80	-	-	80
Central Library, Museum & Art Gallery FA/EL	50	450	-	-	450
Parks & Open Spaces					
Markeaton park		250	-	-	250
(High Ropes) Markeaton Park Outdoor learning facility		265	-	-	265
Flood Defence					
Local Flood Alleviation Scheme	40	250	250	250	750
H&T					
Integrated Transport Programme - smaller scheme	40	700	-	-	700
London Road Bridge replacement, Phases 1&2	40	666	-	-	666
Highways Asset Management Delivery, smaller scheme	40	2,800	2,130	2,800	7,730
A52 Strategic Transport Scheme	40	200	200	5,293	5,693
Regeneration					
Becket Well		850	-	-	850
St Peters Cross	40	821	-	-	821
Blank canvasses connecting Derby & City Centre sites		98	-	-	98
Infrastructure for events and lighting (City of light)		50	-	-	50
Alvaston District shopping centre refurbishment	40	1,331	-	-	1,331
District centre enhancement programme	40				1,250

			150	1,100	
Former Magistrate's Court					595
	50	595	-	-	
Scheme	Asset life	2014/15	2015/16	2016/17	Total
Connect (Match Funding) ~Kings Chambers		186	-	-	186
Shot Tower Corner refurbishment		302	-	-	302
Innovation Hub			943	-	943
Infinity Park Derby (infrastructure)		2,067	660	-	2,727
Enterprise Zone and Regional Growth Fund Part 2		358	409	-	767
Osmaston Primary School		2,257	814	150	3,221
OSCA - Community led development - Elton Rd quadrant Osmaston		1,889	-	-	1,889
Regeneration Fund/CCRF (Capital USB funding NOT revenue funded)		-	272	-	272
Strategic Projects					
Waste Disposal Plant		-	-	25,000	25,000
Leisure Centre Strategy	50	7,301	15,678	10,798	33,777
Total Corporate Unsupported Borrowing		41,797	40,543	59,083	141,423
Service Financed					
CESP		-	500	-	500
Street lighting Energy Reduction project		1,223	-	-	1,223
Grounds Plant & Equipment	5	317	449	200	966
Refuse Vehicles & Plant	7	1,125	1,011	50	2,186
Street Cleaning Equipment	5	90	320	310	720
Former Magistrate's Court		1,355	-	-	1,355
Regeneration Fund/CCRF (Capital USB funding NOT revenue funded)		90	-	-	90
Extra care - Homes for the Elderly	50	800	1,629	-	2,429
Total Serviced financed Unsupported Borrowing		5,000	3,909	560	9,469

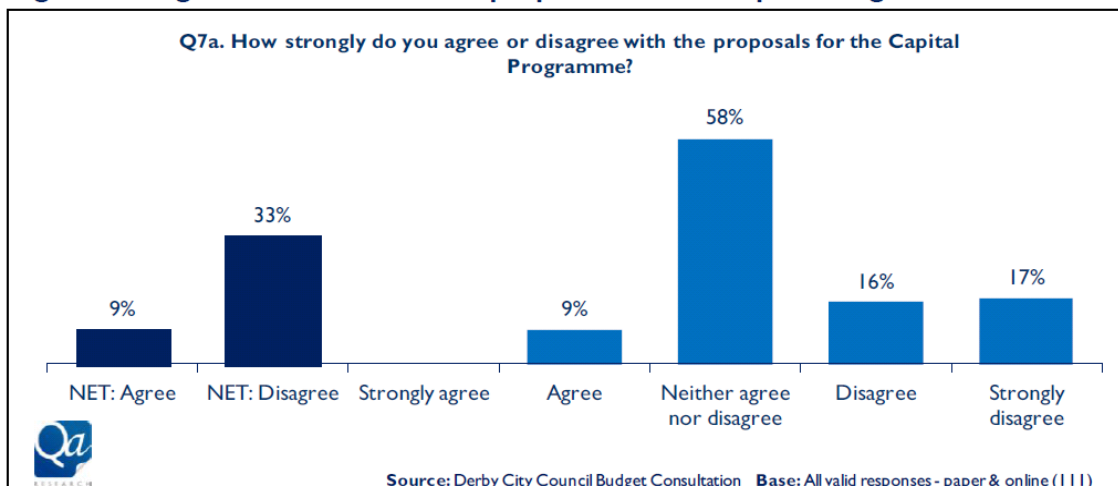
Spend to save service financed					
New Primary Phase Enhanced Resources (ER) Unit for Autistic Spectrum Disorder (ASD) Pupils at Springfield Primary School	50	40	-	-	40
Total spend to save unsupported borrowing		40	-	-	40
Scheme	Asset life	2014/15	2015/16	2016/17	Total
External Borrowing					
Former Magistrates Court		515	-	-	515
Total Unsupported Borrowing		47,352	44,452	59,643	151,447
Adjustments for over programming		-13,594	4,523	- 1,142	- 10,213
Total Unsupported Borrowing required		33,758	48,975	58,501	141,234

Appendix 5
Summary of Consultation Results for the Capital
Programme

4.7 New Proposals for the Capital Programme

The final set of proposals respondents were asked to consider were for the Capital Programme and this section outlines responses related to these proposals. Outlined below is the level of agreement with the proposals amongst respondents who completed the paper and online survey;

Figure 13. Agreement with the new proposals for the Capital Programme



The majority of survey respondents said that 'neither agree nor disagree' (58%) with these proposals, although respondents were more likely to 'disagree' (33%) than 'agree' (9%) with the proposals for the Capital Programme.

Outlined below are other comments made about the new proposals for the Capital Programme. This was a completely open question and verbatim comments have been coded into 'overcodes' for analysis which are shown in the table below;

Figure 14. Comments regarding the new proposals for the Capital Programme

Q7b. Please use the space below to make any comments about the proposals for the Capital Programme.	All responses	
	n	%
The programme as a whole should have less money allocated	3	17%
The addition of new or modern leisure facilities should not be deferred	3	17%
There is too much administration surrounding this	2	11%
I do not know enough about this area to comment	2	11%
Refurbishment of office facilities should be a lesser priority	1	6%
Other	7	39%
Base: All valid responses - paper surveys & online surveys (18)		

Only 18 respondents made an additional comment here and these covered a range of points including that "the programme as a whole should have less money allocated" (3 respondents) and that "the addition of a new or modern leisure facilities should not be deferred" (3 respondents).