

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

## CABINET – 7 FEBRUARY 2017

|                     |  |
|---------------------|--|
| Title of Report     | <b>CAPITAL PROGRAMMES – GENERAL FUND, COALVILLE SPECIAL EXPENSES AND HOUSING REVENUE ACCOUNT (H.R.A).<br/>PROJECTED OUTTURN 2016/17 AND PROGRAMMES 2017/18 TO 2021/22</b>  |
| Key Decision        | a) Financial Yes<br>b) Community Yes   |
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| Purpose of Report   | <p>To advise Members of the likely Capital Outturn and the relevant financing for 2016/17 for the General Fund, Coalville Special Expenses and the H.R.A.</p> <p>To seek approval to the General Fund, Coalville Special Expenses and H.R.A Capital Programmes for 2017/18 and associated funding.</p>   |
| Reason for Decision | To enable projects to be included in the Programmes and proceed.   |
| Council Priorities  | The projects in the Capital Programmes help the Council achieve all its priorities.  |

|  |  |
|--|--|
| Implications                           |  |
| Financial / Staff                      | As contained in the report.  |
| Links to relevant CAT                  | The Capital programmes are potentially relevant to all Corporate Action Teams (CATs).  |
| Risk Management                        | The Capital Programmes are monitored at project level to ensure they are delivered on time and within budget.  |
| Equalities Impact Screening            | No impact at this stage.   |
| Human Rights                           | None identified.   |
| Transformational Government            | The Programmes attached are integral to delivering better services.  |
| Comments of Head of Paid Service       | Report is satisfactory   |
| Comments of Deputy Section 151 Officer | As author, the report is satisfactory.   |
| Comments of Monitoring Officer         | Report is satisfactory   |
| Consultees                             | Policy Development Group 11 January 2017, CLT and Budget Holders.<br>Leicestershire, Northamptonshire and Rutland Federation of small businesses.  |
| Background Papers                      | <a href="#">Proposals to Improve Organisational Productivity, Efficiency and Effectiveness</a> – Cabinet 26 July 2016<br><br><a href="#">Proposal to Acquire Brownfield Site for Development of Car Parking</a> – Cabinet 14 June 2016<br><br><a href="#">Capital Programmes – General Fund, Coalville. Special Expenses and Housing revenue Account (HRA). Projected outturn 2015/16 and Programmes 2016/17 to 2020/21</a> – Cabinet 9 February 2016<br><br><a href="#">Parking Strategy</a> – Cabinet 13 December 2016 |

|                 |  |
|-----------------|--|
|                 | <p><a href="#">Asby Cultural and Leisure Quarter Project</a> – Cabinet 13 December 2016</p> <p><a href="#">New Build Proposals for Council Housing</a> – 10 November 2015</p>  |
| Recommendations | <p><b>A. THAT THE ESTIMATED GENERAL FUND, COALVILLE SPECIAL EXPENSES AND H.R.A. CAPITAL OUTTURN FOR 2016/17 AND PLANNED FINANCING BE NOTED.</b></p> <p><b>B. THAT COUNCIL BE RECOMMENDED TO APPROVE EXPENDITURE IN 2017/18 AS PER:</b></p> <ul style="list-style-type: none"> <li>• <b>APPENDIX “A” GENERAL FUND AND SPECIAL EXPENSES CAPITAL SCHEMES</b></li> <li>• <b>APPENDIX “B” FOR HRA CAPITAL SCHEMES</b></li> </ul> <p><b>AND IN 2018/19 THESE SCHEMES ONLY:</b></p> <ul style="list-style-type: none"> <li>• <b>£935,000 FOR THE VEHICLE REPLACEMENT PROGRAMME, AS DETAILED IN PARAGRAPHS 3.2 TO 3.2.3</b></li> </ul> <p><b>C. THAT CABINET NOTES THE PROPOSED PROCUREMENT ROUTES AND DELEGATES THE AUTHORITY TO AWARD THE CONTRACTS, AND ANY ASSOCIATED AGREEMENTS IN FURTHERANCE OF THE PROJECTS, AS DETAILED IN SECTION 7 (PROCUREMENT ROUTES) OF THIS REPORT.</b></p> |

## 1.0 INTRODUCTION

1.1 Appendix “A” shows the proposed General Fund and Special Expenses Capital Programme for 2017/18 to 2021/22.

1.2 Appendix “B” shows the H.R.A. proposed Capital Programme for 2017/18 to 2021/22.

1.3 The Appendices also present the estimated outturn for the current year for approval.

## 2.0 GENERAL FUND - ESTIMATED OUTTURN 2016/17

2.1 The projected outturn for 2016/17 on General Fund schemes totals £2,991,215. This is a managed increase of £192,705 on the original budget for the year of £2,798,510.

2.2 This managed increase is caused by the following:

| <b>Schemes carried forward from 2015/16</b> | <b>£</b> | <b>£</b> |
|---|----------|----------|
| Improving Customer Experience (ICE)         | 75,455   |          |
| User Workstation Replacement                | 5,053    |          |
| Helpdesk Software Upgrade                   | 3,546    |          |
| Server and Storage Additional Capacity      | 9,351    |          |
| Replacement Telephone System                | 14,499   |          |
| Disabled Facilities Grant                   | 104,578  |          |

|  |           |                    |
|--|-----------|--------------------|
| Refuse Kerbsider   | 165,330   |                    |
| Council Offices Extension Car Park - resurfacing                 | 20,000    |                    |
| South Street Car Park, Ashby – Resurfacing (Retention)           | 762       |                    |
| Belvoir Shopping Centre - Main Service Road, Coalville           | 12,000    |                    |
| Silver Street Car Park, Whitwick - Resurfacing                   | 44,675    |                    |
| Coalville Market Upgrade (Phase 2)                               | 35,966    |                    |
| Market Hall Wall   | 24,650    |                    |
| Wellbeing Centre at HPLC   | (750)     |                    |
| <b>Total</b>   |           | <b>515,115</b>     |
| <b>Additional Approved Schemes 2016/17</b>                       |           |                    |
| HR/Payroll System – further funding                              | 14,000    |                    |
| ICT Security Infrastructure – further funding                    | 4,600     |                    |
| ICT Infrastructure Scheme (Roadmap) – Cabinet 26 July 2016       | 478,000   |                    |
| Fleet – Vans Medium – further funding                            | 20,411    |                    |
| Car Park – Ashby Health – Cabinet 14 June 2016                   | 620,000   |                    |
| <b>Total</b>   |           | <b>1,137,011</b>   |
| <b>Planned Slippage in 2016/17 c/f to 2017/18</b>                |           |                    |
| Disabled Facilities Grant – Slippage into 2017/18                | (371,338) |                    |
| User Workstation Replacement - Slippage into 2017/18             | (5,053)   |                    |
| ICT Infrastructure Scheme (Roadmap) – allocated to 17/18 & 18/19 | (244,000) |                    |
| Refuse Kerbsiders x 4 – slippage into 2017/18                    | (677,330) |                    |
| Council Offices Extension Car Park - resurfacing                 | (20,000)  |                    |
| Hood Park LC Car Park, Ashby – resurfacing (section of)          | (15,000)  |                    |
| <b>Total</b>   |           | <b>(1,332,721)</b> |
| <b>Underspends Identified in 2016/17</b>                         |           |                    |
| Digger – No longer required                                      | (126,000) |                    |
| Various small over/underspends identified                        | (700)     |                    |
| <b>Total</b>   |           | <b>(126,700)</b>   |
| <b>Total Managed Increase</b>                                    |           | <b>192,705</b>     |
| <b>Total Managed Increase Funded by: (Net Position)</b>          |           |                    |
| Revenue  | 252,600   |                    |
| Value for Money Reserve  | 89,955    |                    |
| Other Reserves   | 389,206   |                    |
| Other Contributions  | (750)     |                    |
| Internal Borrowing (USB)   | (538,306) |                    |
| <b>Total</b>   |           | <b>192,705</b>     |

The total planned financing of the General Fund expenditure totalling £2,991,215 in 2016/17 is as follows:

|                                  |          |
|----------------------------------|----------|
|                                  | <b>£</b> |
| Disabled Facilities Grant        | 298,050  |
| S106 Contributions               | 399,250  |
| Revenue Contributions to Capital | 388,520  |
| Value for Money Reserve          | 89,955   |

|                    |                  |
|--------------------|------------------|
| Other Reserves     | 671,996          |
| Internal Borrowing | 1,143,444        |
| <b>Total</b>       | <b>2,991,215</b> |

- 2.3 There were sufficient funds identified prior to this capital spend being committed.
- 2.4 The carried forward schemes shown in paragraph 2.2 above represents expenditure which was originally expected and budgeted for in 2015/16 but which has slipped into 2016/17 and for which the budgeted financing has also been carried forward.

### **3.0 GENERAL FUND CAPITAL PROGRAMME 2017/18 TO 2021/22 – INDIVIDUAL SCHEMES**

3.1 The programme for 2017/18 to 2021/22 detailed in Appendix A provides for a continuation of the current Disabled Facilities Grants Scheme and the Vehicle Replacement Programme. Schemes shown as slippage from 2016/17 and carried forward to 2017/18 are detailed in the table in paragraph 2.2 above. In addition, the following new schemes are included in the programmes for approval to commence in 2017/18:

- 3.1.1 Hermitage Recreation Grounds, Whitwick – All Weather Play Area Car Park (£7,500)  
Proposed replacement or upgrade\* of the surface of the parking area at the AWPA to address defects and maintain an acceptable surface condition. \*The surface is currently Breedon Golden Amber Gravel but this may be upgraded to a surface that will be more resistant to wear.
- 3.1.2 Swannington Depot - Demolition (£35,000)  
The last annual condition survey for the Swannington Site rated the buildings as 'Life Expired' – serious risk. The buildings present a safety risk and require demolition and the site securing with adequate perimeter fencing to protect the site.
- 3.1.3 Car Parking Meters (£140,000)  
Replacement and installation of car parking meters to support the Parking Strategy Report presented to Cabinet 13 December 2016.
- 3.1.4 Ashby Cultural and Leisure Quarter Project (£330,000)  
Further development of Ashby as per the 'Ashby Cultural and Leisure Quarter Project' report presented to Cabinet 13 December 2016.
- 3.1.5 Refurbishment of Moira Furnace Toilet Unit (£20,000)  
The refurbishment of Moira Furnace toilet unit which serves our assets: Moira Furnace (Tourist Attraction and scheduled ancient monument) and Moira Furnace Craft Village within the site and grounds of Moira Furnace. This is the first refurbishment of the toilets since they were developed in the late 1990's.
- 3.1.6 Leisure Centre ICT Servers (£15,000)  
ICT have identified that the servers at the Leisure Centre are reaching the end of their natural life and as they are becoming outdated, it would be a risk for us to continue undertaking software upgrades to them as they might not have the capacity or capability to handle future upgrades which could seriously compromise service delivery.

### 3.2 Fleet Replacement Programme

With regard to the Fleet Replacement Programme, each year a number of vehicles either come to the end of their useful economic life, lease period or their lease extensions are reviewed. Each vehicle is reviewed based on its age, condition, mileage, potential risk of major repairs (due to being out of warranty) and a decision is made whether to extend the lease or replace the vehicle.

These decisions are made in the previous year in order to allow a suitable lead-in period from order to delivery in April, particularly for large items such as refuse vehicles. Many of these vehicles are built to order and these orders have to be placed before October for delivery the following April. Therefore, although they are actually acquired in April a commitment has to be made in the previous year.

- 3.2.1 In order to progress with the 2018/19 purchases approval is sought for the following vehicles:

|   | £              |
|---|----------------|
| Refuse (3 x refuse vehicles)              | 485,000        |
| Sweeper (1 x Compact sweeper)             | 50,000         |
| 14 Medium Vans (13 x housing + 1 x waste) | 210,000        |
| Box Van                                   | 40,000         |
| Baler                                     | 80,000         |
| Mowing Machines x 2                       | 70,000         |
| <b>Total</b>                              | <b>935,000</b> |

- 3.2.2 Waste, Street Cleansing and Grounds Maintenance Services: (approx £725,000)

The existing vehicles, including three waste collection vehicles, one compact sweeper, one box van, one baler and two mowing machines are to be replaced as part of the annual vehicle replacement programme to ensure reliability of waste, street cleansing and grounds maintenance service delivery.

- 3.2.3 Medium Vehicles (approx £210,000)

Fourteen medium vehicles are to be replaced across the fleet for 2018/19 as part of the annual vehicle replacement programme. These include thirteen vans for the Housing Team and one van for the Waste Services Team. These are essential for service delivery and to control maintenance costs of increased repairs to ageing vehicles.

- 3.3 The General Fund Capital Programme (2017/18) will be funded by:

|                            | £                |
|----------------------------|------------------|
| Disabled Facilities Grants | 524,780          |
| Revenue Contribution       | 135,920          |
| Reserves                   | 835,338          |
| Capital Receipts           | 150,000          |
| Internal Borrowing         | 1,424,883        |
| <b>Total</b>               | <b>3,070,921</b> |

#### 4.0 COALVILLE SPECIAL EXPENSES – ESTIMATED OUTTURN AND INDIVIDUAL SCHEMES

4.1 The Projected outturn for 2016/17 is £90,644. This consists of slippage from 2015/16 of £78,644 and a new scheme identified of £12,000. The projects are as follows:

|  | £             |
|--|---------------|
| Cropston Drive BMX Track – slippage                            | 7,500         |
| Thringstone Miners Social Centre – slippage                    | 2,821         |
| Urban Forest Park - Footway & Drainage Improvements – slippage | 7,073         |
| Owen Street – Floodlights – slippage                           | 779           |
| Owen Street – Changing Rooms – slippage                        | 60,471        |
| Green Gym at Playhub, Melrose Road, Coalville – New scheme     | 12,000        |
| <b>Total</b>   | <b>90,644</b> |

4.2 There are no new schemes agreed at present for 2017/18.

#### 5.0 H.R.A. CAPITAL PROGRAMME – ESTIMATED OUTTURN 2016/17 AND 2017/18 - 2021/22 INDIVIDUAL SCHEMES

5.1 The HRA Capital programme (Appendix “B”) covers in detail the capital schemes for the period 2017/18 to 2021/22.

5.2 Planned spend in 2017/18 and onwards mainly consists of:

##### 5.2.1 Decent Homes Improvement Programme (DHIP)

The Council brought all of its homes up to the Decent Homes standard in 2015/16 and is forecast to spend £3.6m in maintaining decency in 2016/17. Each year will require further investment to ensure that 100% of homes remain at the standard.

The Decent Homes Improvement Programme for 2017/18 will invest £2 million in improving tenants’ homes.

##### 5.2.2 Other Planned Investment Programme

In addition to delivering the Decent Homes Improvement Programme, there are a wide range of other investments (of £1.47m) required to maintain and enhance the housing stock and associated services and assets, which are outside the government’s definition of Decent Homes works.

##### 5.2.3 New Build/Affordable Housing Programme

In November 2015 Cabinet approved the building of new Council homes on 3 different sites, subject to planning permission, at:

|  |                      |
|--|----------------------|
| Cropston Drive, Greenhill              | - up to 20 homes     |
| Linford and Verdon Crescent, Coalville | - up to 16 new homes |
| Willesley estate, Ashby                | - up to 8 homes      |
| Total                                  | = up to 44 homes     |

The above schemes will see an investment of £4.25m in 2017/18.

#### 5.2.4 Other Schemes / Miscellaneous

There are various other schemes with brief notes in the Housing capital programme as per Appendix B .

In relation to the proposed sale of higher value empty homes, a provision of £0.5m originally included in the 2016/17 capital programme will be revised to nil and carried forward to create a notional £1m provision for 2017/18. Guidance from DCLG has now been issued stating that central government will be funding the Right To Buy Pilot for housing association tenants, and that local authorities will not be required to make any Higher Value Asset Payments in 2016/17 or 2017/18. It is proposed that we retain this £1m provision in the budget whilst we await further clarification from government as to how the policy may impact on local authorities from 2018/19 onwards. If, at a later date, it becomes possible to release this provision for other purposes, it is proposed that initial consideration be given to reducing the income target from HRA asset disposals (meaning in effect we will need to sell lower numbers of surplus sites and/or vacant council houses).

#### 5.2.5 Future Funding

Following the change in the core assumption for future rent increases that was made in 2016/17, the long term HRA business plan continues to be based on annual rent increases of 1.5% (notwithstanding the annual 1% rent reductions from 2016 for four years). This means that additional efficiencies will continue to be sought and ongoing work to identify sites and properties suitable for disposal will be maintained.

### 6.0 CAPITAL RESOURCES

6.1 The resources estimated to be needed to finance the **General Fund programme** 2017/18 to 2021/22 totals £7,380,431 and is as follows:

|              | £                |
|--------------|------------------|
| 2017/18      | 3,070,921        |
| 2018/19      | 1,774,200        |
| 2019/20      | 1,056,700        |
| 2020/21      | 835,610          |
| 2021/22      | 643,000          |
| <b>Total</b> | <b>7,380,431</b> |

6.2 Details of the planned funding of the programmes are included in Appendix A. Funding is in place in 2017/18 for the Disabled Facilities Grants Scheme (£1,032,038) consisting of £524,780 Disabled Facilities Grants, £371,338 of reserves and £135,920 of Revenue Contribution. The further funding of the Ashby Cultural and Leisure Quarter project (£330,000) consists of £180,000 from Reserves and £150,000 from Capital receipts. The ICT Infrastructure scheme (Roadmap £144,000) and the Car Parking Meter scheme (£140,000) are to be funded from the 16/17 projected revenue underspend and will be held in reserve until expenditure is incurred. The remaining schemes (£1,424,883) can be funded by either leasing or borrowing depending on value for money and for which, provision has been made in the 2017/18 Revenue Budget.

6.3 The following resources are budgeted to be available for financing the **Housing Revenue Account programme** in 2017/18:



|   |                   |
|---|-------------------|
|   | <b>£</b>          |
| Usable Balances                                 | 2,363,216         |
| Retained Right to Buy Receipts                  | 240,655           |
| Right to Buy Receipts – Attributable debt       | 688,841           |
| Use of Right to Buy ‘One for One’ reserve       | 133,383           |
| RCCO  | 2,986,375         |
| Major Repairs Allowance                         | 3,139,194         |
| Asset Disposals (Capital Allowance)             | 600,000           |
| <b>Total Resources</b>                          | <b>10,151,664</b> |
| Less Budgeted Expenditure                       | 10,151,664        |
| <b>Surplus to be carried forward to 2018/19</b> | <b>0</b>          |

## 7.0 PROCUREMENT ROUTES

- 7.1 Where the authority is required to enter into a contract which has a value of £100,000 or more, Cabinet authority is sought prior to award of the contract. As Cabinet is considering the budgetary implications of the Capital Programmes, it is efficient for Cabinet to consider the award of subsequent high-value contracts at the same time. Cabinet may also be asked to address a request for a waiver to the Contract Procedure Rules (CPR) for a particular selection of contract opportunities. Each will be considered in turn.
- 7.2 Although the procurement processes may be commenced sooner, the contract award will not take place before Council has approved the budget for the Capital Programmes. The authority’s procurement documentation gives it a right not to award a contract, should Council not approve the budget.
- 7.3 Each year, as part of the Fleet, Plant and Equipment Replacement Programme, replacements will need to be made to some of the Council’s vehicles, equipment and plant. Officers will select the most appropriate public sector framework for each item, considering which offers value for money for the Council at the time of procurement.
- 7.4 Cabinet is asked to delegate award of the subsequent contracts for vehicles, equipment and plant to the Director of Services in consultation with the Portfolio Holder.
- 7.5 Where not using pre-existing contracts or frameworks all procurement processes for contracts over £25k will be advertised and available for local suppliers to submit bid for should they be of interest.

## 8.0 CONSULTATION

- 8.1 The Cabinet’s draft Capital Programmes were presented to the Policy Development Group at its meeting on 11 January 2017. Consultation with the business community was by letter through the Leicestershire, Northamptonshire and Rutland Federation of Small Businesses. The comments of Policy Development Group are included in the minutes attached at Appendix C

## DRAFT GENERAL FUND CAPITAL PROGRAMME 2017/18 to 2021/22

| SCHEME   | BUDGET HOLDER             | FUNDING                 |                            |                            |                  |                  |                  |                |                |                      |                  |                |                  |                          |                |                  |                      |           |
|--|---------------------------|-------------------------|----------------------------|----------------------------|------------------|------------------|------------------|----------------|----------------|----------------------|------------------|----------------|------------------|--------------------------|----------------|------------------|----------------------|-----------|
|  |                           | 2016/17 ORIGINAL BUDGET | 2016/17 Actual at Period 6 | 2016/17 Inc c/f & slippage | 2017/18          | 2018/19          | 2019/20          | 2020/21        | 2021/22        | GRANTS/ S106 CONTRIB | DF GRANTS        | VFM Reserve    | OTHER RESERVES   | RESERVES ASSET PROT FUND | REVENUE        | CAPITAL RECEIPTS | LEASING OR BORROWING |           |
|  |                           | £                       | £                          | £                          | £                | £                | £                | £              | £              | £                    | £                | £              | £                | £                        | £              | £                | £                    |           |
| <b>CHIEF EXEC DIRECTORATE</b>  |                           |                         |                            |                            |                  |                  |                  |                |                |                      |                  |                |                  |                          |                |                  |                      |           |
| Improving Customer Experience Project (ICE)  | Anna Wright               | -                       | 51,655                     | 75,456                     | -                | -                | -                | -              | -              | -                    | 75,456           |                |                  |                          |                |                  |                      |           |
| User workstation monitor replacements  | Sam Outama                | -                       | -                          | -                          | 5,053            | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 5,053                |           |
| Desktop Equipment Upgrade  | Sam Outama                | 42,000                  | 2,691                      | 42,000                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 42,000               |           |
| Helpdesk software upgrade  | Sam Outama                | -                       | -                          | 3,546                      | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 3,546                |           |
| Server and storage additional capacity   | Sam Outama                | -                       | -                          | 9,351                      | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 9,351                |           |
| Replacement telephone system   | Sam Outama                | -                       | 11,359                     | 14,499                     | -                | -                | -                | -              | -              | -                    | 14,499           |                |                  |                          |                |                  |                      |           |
| ICT Security Infrastructure  | Sam Outama                | 63,000                  | 67,600                     | 67,600                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 4,600                |           |
| HR / Payroll System  | Mike Murphy / Anna Wright | 50,000                  | 63,847                     | 63,847                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  | 14,000               |           |
| ICT Infrastructure Scheme  | Sam Outama                | -                       | -                          | 234,000                    | 144,000          | 100,000          | -                | -              | -              | -                    |                  | 244,000        |                  |                          |                |                  | 234,000              |           |
| <b>DIRECTOR OF SERVICES</b>  |                           |                         |                            |                            |                  |                  |                  |                |                |                      |                  |                |                  |                          |                |                  |                      |           |
| Disabled Facility Grants   | Minna Scott               | 716,760                 | 250,000                    | 450,000                    | 1,032,038        | 660,700          | 660,700          | -              | -              | -                    | 1,872,390        |                | 387,368          |                          |                |                  | 543,680              |           |
| Refuse Vehicles and Refuse Kerbsiders  | Paul Coates               | 857,000                 | 344,425                    | 344,425                    | 847,330          | 485,000          | -                | 560,000        | 180,000        | -                    | -                | -              | -                | -                        | -              | -                | -                    | 2,416,755 |
| Market Vehicles / Cars   | Paul Coates               | 19,000                  | 18,952                     | 18,952                     | -                | -                | -                | -              | 32,000         | -                    | -                | -              | -                | -                        | -              | -                | -                    | 50,952    |
| Vans - Small   | Paul Coates               | 22,000                  | 21,473                     | 21,473                     | -                | -                | 15,000           | -              | 32,000         | -                    | -                | -              | -                | -                        | -              | -                | -                    | 68,473    |
| Vans - Medium  | Paul Coates               | 28,000                  | 48,588                     | 48,588                     | 145,000          | 210,000          | 80,000           | 50,000         | 34,000         | -                    | -                | -              | -                | -                        | -              | -                | -                    | 567,588   |
| Vans - Pickup  | Paul Coates               | 19,000                  | 19,215                     | 19,215                     | 25,000           | -                | -                | -              | 100,000        | -                    | -                | -              | -                | -                        | -              | -                | -                    | 144,215   |
| Vans - Box / Lorry   | Paul Coates               | -                       | -                          | -                          | 40,000           | 40,000           | 130,000          | -              | -              | -                    | -                | -              | -                | -                        | -              | -                | -                    | 210,000   |
| Sweepers   | Paul Coates               | -                       | -                          | -                          | 250,000          | 50,000           | -                | 130,000        | 130,000        | -                    | -                | -              | -                | -                        | -              | -                | -                    | 560,000   |
| Digger / Misc Plant  | Paul Coates               | 341,000                 | 144,880                    | 215,000                    | -                | 80,000           | -                | -              | -              | -                    | -                | -              | -                | -                        | -              | -                | -                    | 295,000   |
| Mowing Machines  | Paul Coates               | 47,000                  | 47,210                     | 47,210                     | -                | 70,000           | 70,000           | 10,000         | 50,000         | -                    | -                | -              | -                | -                        | -              | -                | -                    | 247,210   |
| Council Offices Extnsn car park c/ville, Resurfacing                                       | Paul Coates               | -                       | -                          | -                          | 20,000           | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 20,000    |
| South Street Car park, Ashby - Resurfacing   | Paul Coates               | -                       | -                          | 762                        | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 762       |
| Access Road, High Street Car Park - Measham - Resurfacing                                  | Paul Coates               | 25,000                  | -                          | 25,000                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 25,000    |
| High Street Car Park Measham - resurfacing   | Paul Coates               | -                       | -                          | -                          | -                | -                | -                | -              | 27,500         | -                    |                  |                |                  |                          |                |                  |                      | 27,500    |
| Hermitage Rec Grounds AWP Area Access, Whitwick - resurfacing                              | Paul Coates               | 11,500                  | 7,653                      | 11,500                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 11,500    |
| Hermitage Leisure Centre Car Park - Resurfacing (section of).                              | Paul Coates               | -                       | -                          | -                          | -                | 15,000           | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 15,000    |
| Hermitage Recreation Grounds, Whitwick, All Weather Play Area Car Park                     | Paul Coates               | -                       | -                          | -                          | 7,500            | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 7,500     |
| Belvoir Shopping Centre, Main Service Road, Coalville - Maintenance.                       | Paul Coates               | -                       | -                          | 12,000                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 12,000    |
| Silver Street Car Park, Whitwick - Resurfacing.  | Paul Coates               | -                       | 35,677                     | 44,675                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 44,675    |
| Hood Park Leisure Centre Car Park, Ashby - Resurfacing (section of).                       | Paul Coates               | 15,000                  | -                          | -                          | 15,000           | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 15,000    |
| North Service Road Car Park, Coalville - Maintenance & Improvements.                       | Paul Coates               | 32,250                  | -                          | 32,250                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 32,250    |
| Bridge Road Car Park, Coalville - Resurface main through route.                            | Paul Coates               | -                       | -                          | -                          | -                | 21,500           | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 21,500    |
| Access Road, High Street Car Park - Ibstock - Resurfacing                                  | Paul Coates               | -                       | -                          | -                          | -                | -                | 45,000           | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 45,000    |
| Swannington Depot - Demolition   | Paul Coates               | -                       | -                          | -                          | 35,000           | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 35,000    |
| Coalville Market Upgrade -Phase 2  | John Richardson           | -                       | 1,568                      | 35,966                     | -                | -                | -                | -              | -              | -                    |                  |                | 35,966           |                          |                |                  |                      |           |
| Market Hall Wall   | John Richardson           | -                       | -                          | 24,650                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 24,650    |
| Car Parking Meters   | John Richardson           | -                       | -                          | -                          | 140,000          | -                | -                | -              | -              | -                    |                  |                | 140,000          |                          |                |                  |                      |           |
| Coalville Park - Reconfigure depot, replace building                                       | Jason Knight              | 95,000                  | -                          | 95,000                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 95,000    |
| Replace Hood Park LC outdoor learner pool boiler and pipework                              | Jason Knight              | -                       | -                          | -                          | -                | 10,000           | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 10,000    |
| Replace Hood Park LC gym air con   | Jason Knight              | 15,000                  | 10,485                     | 15,000                     | -                | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 15,000    |
| Regrout Hermitage LC swimming pool tiles   | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 23,000         | -                    |                  |                |                  |                          |                |                  |                      | 23,000    |
| Replace hot water system pipework, heat emitters & cold water storage tank at Hermitage LC | Jason Knight              | -                       | -                          | -                          | -                | 18,000           | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 18,000    |
| New Sportshall floor at Hermitage LC   | Jason Knight              | -                       | -                          | -                          | -                | -                | 16,000           | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 16,000    |
| Replace suspended ceiling in Hermitage LC main pool hall                                   | Jason Knight              | -                       | -                          | -                          | -                | -                | 30,000           | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 30,000    |
| Replacement of outdoor pool filter media at Hood Park LC                                   | Jason Knight              | -                       | -                          | -                          | -                | -                | 10,000           | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 10,000    |
| Replace Hermitage LC gym Air Con   | Jason Knight              | -                       | -                          | -                          | -                | 14,000           | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 14,000    |
| Wellbeing Centre at Hood Park LC   | Jason Knight              | 400,000                 | 1,140                      | 399,250                    | -                | -                | -                | -              | -              | 399,250              |                  |                |                  |                          |                |                  |                      |           |
| Acquisition of Land at Ashby Health Centre - car park                                      | John Richardson           | -                       | 255,379                    | 620,000                    | 330,000          | -                | -                | -              | -              | -                    |                  | 80,000         | 720,000          |                          |                |                  | 150,000              |           |
| Refurbishment of Moira Furnace Toilet Unit   | Wendy May                 | -                       | -                          | -                          | 20,000           | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 20,000    |
| Replace General Ductwork, ventilation & all fire dampers at Hood Park LC                   | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 20,000         | -                    |                  |                |                  |                          |                |                  |                      | 20,000    |
| Replace Flat roof cover over plant room at Hermitage LC                                    | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 13,110         | -                    |                  |                |                  |                          |                |                  |                      | 13,110    |
| Replace control systems in alignment with plant installations at Hermitage LC              | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 15,000         | -                    |                  |                |                  |                          |                |                  |                      | 15,000    |
| Replace Squash Court Lighting at Hermitage LC  | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 10,000         | -                    |                  |                |                  |                          |                |                  |                      | 10,000    |
| Replace Leisure Centre ICT Servers   | Jason Knight              | -                       | -                          | -                          | 15,000           | -                | -                | -              | -              | -                    |                  |                |                  |                          |                |                  |                      | 15,000    |
| Regrout Hood Park LC main and Learner swimming Pool tiles                                  | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 30,000         | -                    |                  |                |                  |                          |                |                  |                      | 30,000    |
| HPLC Sports Hall & Offices Roof  | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 10,000         | -                    |                  |                |                  |                          |                |                  |                      | 10,000    |
| Replace HLC Sportshall Fan Convectors and Pipework   | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 12,000         | -                    |                  |                |                  |                          |                |                  |                      | 12,000    |
| Replace HLC Swimming Pool dosing System  | Jason Knight              | -                       | -                          | -                          | -                | -                | -                | -              | 10,000         | -                    |                  |                |                  |                          |                |                  |                      | 10,000    |
| <b>TOTAL GENERAL FUND</b>  |                           | <b>2,798,510</b>        | <b>1,403,797</b>           | <b>2,991,215</b>           | <b>3,070,921</b> | <b>1,774,200</b> | <b>1,056,700</b> | <b>835,610</b> | <b>643,000</b> | <b>399,250</b>       | <b>1,872,390</b> | <b>169,955</b> | <b>1,527,334</b> | <b>-</b>                 | <b>796,280</b> | <b>150,000</b>   | <b>5,456,437</b>     |           |

| SCHEME  | BUDGET HOLDER | 2016/17 ORIGINAL BUDGET |               | 2016/17 Actual at Period 6 | 2016/17 Inc c/f & slippage | 2017/18       | 2018/19 | 2019/20 | 2020/21 | 2021/22 | GRANTS/ S106 CONTRIB | DF GRANTS | VfM Reserve | OTHER RESERVES | RESERVES ASSET PROT FUND | REVENUE | CAPITAL RECEIPTS | LEASING OR BORROWING |   |
|---|---------------|-------------------------|---------------|----------------------------|----------------------------|---------------|---------|---------|---------|---------|----------------------|-----------|-------------|----------------|--------------------------|---------|------------------|----------------------|---|
|   |               | £                       | £             | £                          | £                          | £             | £       | £       | £       | £       | £                    | £         | £           | £              | £                        | £       | £                | £                    | £ |
| <b>COALVILLE SPECIAL EXPENSES</b>                   |               |                         |               |                            |                            |               |         |         |         |         |                      |           |             |                |                          |         |                  |                      |   |
| Cropston Drive BMX Track                            | Jason Knight  | -                       | -             | 7,500                      | -                          | -             | -       | -       | -       | -       | -                    | -         | -           | -              | 7,500                    | -       | -                | -                    | - |
| Thringstone Miners Social Centre                    | Jason Knight  | -                       | -             | 2,821                      | -                          | -             | -       | -       | -       | -       | -                    | -         | -           | -              | 2,821                    | -       | -                | -                    | - |
| Urban Forest Park-Footway and drainage improvements | Jason Knight  | -                       | -             | 7,073                      | -                          | -             | -       | -       | -       | -       | 7,073                | -         | -           | -              | -                        | -       | -                | -                    | - |
| Owen Street -Floodlights                            | Jason Knight  | -                       | -             | 779                        | -                          | -             | -       | -       | -       | -       | -                    | -         | -           | -              | 779                      | -       | -                | -                    | - |
| Owen Street - Changing Rooms                        | Jason Knight  | -                       | 45,656        | 60,471                     | -                          | -             | -       | -       | -       | -       | -                    | -         | -           | -              | 60,471                   | -       | -                | -                    | - |
| Green Gym at Playhub, Melrose Road                  | Jason Knight  | -                       | -             | 12,000                     | -                          | -             | -       | -       | -       | -       | -                    | -         | 12,000      | -              | -                        | -       | -                | -                    | - |
| Owen Street - Tarmac Rec Ground Entrance Driveway   | Jason Knight  | -                       | -             | -                          | -                          | 16,000        | -       | -       | -       | -       | -                    | -         | 16,000      | -              | -                        | -       | -                | -                    | - |
| <b>TOTAL SPECIAL EXPENSES</b>                       |               | -                       | <b>45,656</b> | <b>90,644</b>              | -                          | <b>16,000</b> | -       | -       | -       | -       | <b>7,073</b>         | -         | -           | <b>28,000</b>  | <b>71,571</b>            | -       | -                | -                    | - |

|   | 2016/17<br>APPROVED<br>BUDGET | 2016/17 @ p9<br>forecast<br>outturn | 2017/18           | 2018/19          | 2019/20          | 2020/21          | 2021/22          |
|---|-------------------------------|-------------------------------------|-------------------|------------------|------------------|------------------|------------------|
| <b>2017 - 2022 Decent Homes</b>                             |                               |                                     |                   |                  |                  |                  |                  |
| Decent Homes Programme                                      | 2,097,000                     | 2,709,000                           | 1,211,840         | 2,018,898        | 984,764          | 1,716,735        | 2,128,668        |
| Capital Works - Voids                                       | 246,500                       | 246,500                             | 232,000           | 217,500          | 203,000          | 188,500          | 188,500          |
| Capital Works - Other                                       | 603,500                       | 603,500                             | 568,000           | 532,500          | 497,000          | 461,500          | 461,500          |
| <b>2017 - 2022 Decent Homes Total</b>                       | <b>2,947,000</b>              | <b>3,559,000</b>                    | <b>2,011,840</b>  | <b>2,768,898</b> | <b>1,684,764</b> | <b>2,366,735</b> | <b>2,778,668</b> |
| <b>2017 - 2022 Other Planned Investment</b>                 |                               |                                     |                   |                  |                  |                  |                  |
| Non Decency Improvements                                    | 1,028,124                     | 1,028,124                           | 1,170,914         | 1,170,914        | 1,170,914        | 1,170,914        | 1,170,914        |
| Hard Wired Smoke Detectors                                  | 47,000                        | 47,000                              | 47,000            | 47,000           | 47,000           | 47,000           | 47,000           |
| Fire Risk Assessment Remedial Works                         | 40,000                        | 40,000                              | 40,000            | 40,000           | 40,000           | 40,000           | 40,000           |
| Remedial Works (Damp & Structural)                          | 187,500                       | 187,500                             | 187,500           | 187,500          | 187,500          | 187,500          | 187,500          |
| Fuel swaps (solid fuel to gas supply)                       | 25,000                        | 25,000                              | 25,000            | 25,000           | 25,000           | 25,000           | 25,000           |
| <b>2017 - 2022 Other Planned Investment Total</b>           | <b>1,327,624</b>              | <b>1,327,624</b>                    | <b>1,470,414</b>  | <b>1,470,414</b> | <b>1,470,414</b> | <b>1,470,414</b> | <b>1,470,414</b> |
| <b>New Build / Affordable Housing Programme</b>             |                               |                                     |                   |                  |                  |                  |                  |
| New Build Programme - use of RTB one for one reserve        | 497,000                       | 197,400                             | 133,383           | 93,628           |                  |                  |                  |
| New Build Programme - NWLDC contribution to RTB one for one | 386,000                       | 460,600                             | 4,118,617         | 626,372          |                  |                  |                  |
| New Build Programme - NWLDC additional provision            |                               |                                     |                   |                  |                  |                  |                  |
| Acquisition of sites  |                               |                                     |                   |                  |                  |                  |                  |
| Development Site Preparations                               | -                             | -                                   | -                 | -                | -                | -                | -                |
| <b>New Build / Affordable Housing Programme Total</b>       | <b>883,000</b>                | <b>658,000</b>                      | <b>4,252,000</b>  | <b>720,000</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Other Schemes / Miscellaneous</b>                        |                               |                                     |                   |                  |                  |                  |                  |
| Off Street Parking  | 100,000                       | 200,000                             | 150,000           | -                | -                |                  |                  |
| Major Aids & Adaptations                                    | 350,000                       | 350,000                             | 300,000           | 275,000          | 250,000          | 250,000          | 200,000          |
| Energy Insulation Works                                     | -                             | 250,000                             | -                 | -                | -                |                  |                  |
| Renewable/Replacement Energy Installations Programme        | 250,000                       | 250,000                             | 250,000           | 250,000          | 250,000          |                  |                  |
| Speech Module   | 50,000                        | -                                   | 50,000            | 50,000           | 50,000           |                  |                  |
| Capital Programme Delivery Costs                            | 530,160                       | 530,160                             | 430,909           | 440,389          | 450,077          | 459,979          | 470,099          |
| Unallocated/Contingency                                     | 340,000                       | 340,000                             | 236,501           | 276,716          | 185,259          | 204,357          | 222,454          |
| Disposal of High Value Assets                               | 500,000                       |                                     | 1,000,000         | 500,000          | 500,000          | 500,000          | 500,000          |
| <b>Other Schemes / Miscellaneous Total</b>                  | <b>2,120,160</b>              | <b>1,920,160</b>                    | <b>2,417,410</b>  | <b>1,792,104</b> | <b>1,685,336</b> | <b>1,414,337</b> | <b>1,392,553</b> |
| <b>Capital Allowances</b>                                   |                               |                                     |                   |                  |                  |                  |                  |
| Programme to be defined                                     |                               |                                     |                   |                  |                  |                  |                  |
| <b>Capital Allowances Total</b>                             | <b>-</b>                      | <b>-</b>                            | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Total Programme Costs</b>                                | <b>7,277,784</b>              | <b>7,464,784</b>                    | <b>10,151,664</b> | <b>6,751,416</b> | <b>4,840,514</b> | <b>5,251,486</b> | <b>5,641,635</b> |

**2017/18 - 2021/22 HOUSING CAPITAL PROGRAMME FUNDING**

|   | 2016/17          | 2016/17          | 2017/18           | 2018/19          | 2019/20          | 2020/21          | 2021/22          |
|---|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|
| Usable balances held                      | 644,000          | 2,431,000        | 2,363,216         | -                | 0                | 0                | 0                |
| Retained Right to Buy Receipts (RTB)      | 238,000          | 281,000          | 240,655           | 240,655          | 240,655          | 240,655          | 240,655          |
| RTB receipts - attributable debt          | 659,000          | 1,920,000        | 688,841           | 656,695          | 600,695          | 600,695          | 600,695          |
| RTB one for one reserve                   | 497,000          | 701,000          | 133,383           | 93,628           | 49,954           | 49,954           | 49,954           |
| RCCO                                      | -                | -                | 2,986,375         | 1,831,289        | 96,331           | 433,942          | 845,085          |
| Major Repairs Allowance/Depreciation      | 4,984,000        | 3,995,000        | 3,139,194         | 3,229,150        | 3,202,880        | 3,176,240        | 3,155,247        |
| Asset Disposals (Capital Allowance)       | 900,000          | 500,000          | 600,000           | 700,000          | 650,000          | 750,000          | 750,000          |
| <b>Total Funding</b>                      | <b>7,922,000</b> | <b>9,828,000</b> | <b>10,151,664</b> | <b>6,751,416</b> | <b>4,840,514</b> | <b>5,251,485</b> | <b>5,641,635</b> |
| <b>Cumulative Over / (Under Resource)</b> | <b>644,216</b>   | <b>2,363,216</b> | <b>-</b>          | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         |

EXTRACT of the MINUTES of a meeting of the POLICY DEVELOPMENT GROUP held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 11 JANUARY 2017

Present: Councillor M Specht (Chairman)

Councillors N Clarke, J Cotterill, J Geary, D Harrison, G Hault, V Richichi, A C Saffell and N Smith

In Attendance: Councillors R Johnson and S Sheahan

Officers: Mr S Bambrick, Mr C Brown, Mr P Collett, Mr A Hunkin, Mr G Jones, Outama, Mr P Padaniya, Mr J Richardson and Mrs R Wallace

Guests: Mr M Beckett (SLC Rail), Inspector H Bhakta (Leicestershire Constabulary), Mr B Hlland (SLC Rail) and Ms K Smith (SLC Rail)

## **22. DRAFT GENERAL FUND REVENUE BUDGET PROPOSALS AND CAPITAL PROGRAMMES 2017/18**

The Financial Planning Manager presented appendix one of the report and updated Members that since the proposals were considered by Cabinet in December the Local Government Financial Settlement had been announced. The two key elements in relation to the announcement was that the four year settlement that was offered last year had been confirmed and the changes to the New Homes Bonus Payments meant that the Council would benefit in the short term.

In response to questions from Councillor N Clarke, the Financial Planning Manager stated the following:

- The one off cost increases in the waste service was due to the County Council's withdrawal of recycling payments from 1 April 2018; a temporary round consisting of extra staff was required.
- The additional funds for information management had made a noticeable difference as more information was now available online for people to view instead of submitting Freedom of Information Requests which was a lengthy and costly process. Some processes had also been streamlined so that information was only input once which would save money in the long term.
- The surplus was less than originally forecasted in the Medium Term Financial Strategy due to key factors such as delays in some areas of business rate income, employment costs and some income not as much as predicted. He added that the change in New Homes Bonus meant that the figure would now be slightly higher.

Councillor N Clarke commented that he was pleased that the Council Tax Support Benefit would remain at the same level as it helped many people within his Ward. Councillor N J Rushton commented that it was a tough decision but he felt it was a good one for the level to remain the same.

In response to a question relating to the additional costs as a result of staffing numbers from Councillor D Harrison, the Interim Director of Resources explained the importance of maintaining adequate staffing levels and in general there would not be a lot of growth in budgets or levels of staff. He added that any major changes would need to be investigated seriously before being implemented.

The Financial Planning Manager presented appendix two of the report.

In response to questions from Councillor N Clarke, the Financial Planning Manager stated that although reducing the number of refuse vehicles may have been mentioned in the past due to lower levels of recycling, this was not included in the proposals. Councillor N J Rushton added that recycling still needed to be collected even if the levels were lower. Also there had been an increase in households in the District and therefore the vehicles were required.

The Director of Housing presented the HRA Capital Programme section of the report to Members.

Councillor M Specht was pleased with the building of new council homes.

Councillor N J Rushton commented that he was very proud that new council homes were being built for the first time in 30 years.

It was moved by Councillor J Geary, seconded by Councillor D Harrison and

**RESOLVED THAT:**

The comments made by the committee be considered by Cabinet at its meeting on 7 February before making its recommendations to Council.