

IMPLEMENTATION EXECUTIVE
28 JANUARY 2009

CAPITAL PROGRAMME 2009-10 THROUGH TO 2011-12

Executive Summary

This report proposes a Capital Programme for 2009-10 to 2011-12 of £295.663 million.

This includes additional borrowing of £67.639 million over the three years.

There are substantial risks surrounding the Programme. There are a significant number of very large projects which have the potential for overspend.

Proposals

That the Implementation Executive:

- a) approve the proposals for the Wiltshire Council Capital Programme for 2009-10 to 2011-12 as shown in Appendix B;
- b) approve the use of additional borrowing of £25.191 million in 2009-10 and £67.639 million over the three years;
- c) approve a policy for discretionary capital receipts that 50% of such receipts will be used to repay debt and 50% to be reinvested into future discretionary schemes;
- d) note the risk assessment and plans to manage the programme.

Reasons for Proposals

The proposals seek to match available resources, consistent with current policies to priority projects, annual allocations and commitments to set a balanced capital programme which is affordable over the next three years.

Sandra Farrington
Chief Financial Officer

CAPITAL PROGRAMME 2009-10 THROUGH TO 2011-12

Purpose of Report

1. To present a proposed capital programme Wiltshire Council for 2009-10 through to 2011-12 to the Implementation Executive.

Project Appraisal & Training

2. A capital budget process incorporating information from all of the five existing Councils has been undertaken to reflect that the Unitary Wiltshire Council will be formed on the 1st April 2009.
3. At the outset an analysis was undertaken of the existing capital programmes within the five Councils to establish which existing schemes were continuing into 2009-10 and beyond and whether it was essential to fund these schemes. There was a robust debate as to which schemes were commitments impacting on the new Council and which schemes could be considered as “capital bids” to be prioritised as part of the capital budget process. This work was incorporated into the budget proposal.

Classification of Bids

4. It was important to classify capital bids to give a fair comparison between different types of capital expenditure. In particular, it was important to distinguish bids for buildings maintenance from other bids. Therefore, buildings maintenance bids were analysed separately from the other bids and subjected to a different prioritisation process which assessed need against a number of criteria including health and safety and the risk of disruption to the service.
5. This identified high priority areas within buildings maintenance and has produced an overall bid for buildings maintenance for the three years of £9.668 million. Due to resource constraints, a further prioritisation of these bids has been undertaken.
6. It was also appropriate to distinguish during the process between relatively small bids of under £250,000 and larger bids which were likely to have a more strategic impact on both the provision of services within the new Council and the allocation of resources.

Funding of the Capital Programme

7. Appendix C shows how the proposed programme would be funded, identifying the main sources of funding.
8. Funding is available from six major sources
 - Government Capital – from Government.
 - Third Party contributions
 - Available Capital Receipts

- Revenue resources but no revenue resources have been identified in the current budget proposals.
- Supported Borrowing
- Unsupported Borrowing – the Council is able to borrow more resources under the Prudential Borrowing code although the resultant risks and the impact on the revenue budget must be considered.

Capital Grants

9. Government Grants available to fund a range of projects are summarised in Appendix C. The largest of these Grant relate to Transport and Education. Resources are available to be devolved to schools. School capital grant allocations show a large increase in 2010-11. The settlements for both Grants and Supported Borrowing were allocated last year to cover the three years 2008-09 to 2010-11. Reasonable estimates of the allocations for 2011-12 have been undertaken by officers based on the latest information available. All of the schools allocations (both grant and supported borrowing) are summarised in Appendix D and similarly for Transport in Appendix E.

Third Party Contributions

10. These arise from a number of sources, with developers providing schools and infrastructure arising from planning requirements, or from voluntary sector organisations supporting service development. A large number of such contributions are described as Section 106 Contributions which the Council has to monitor closely due to associated legal requirements. Several of these schemes, including school buildings, have been put on hold as the economic downturn has resulted in developments not proceeding

Capital Receipts

11. This is one of the key sources of funds that are available to fund new Capital Programme schemes. In the Capital Programme, there are two types of capital receipt, earmarked receipts where the receipt is required to partly or fully fund a scheme and discretionary receipts. Discretionary capital receipts are not required for a specific project but are available for other purposes. Wiltshire County Council operates a principle by which 50% of such discretionary receipts are used to repay debt with the balance of 50% able to be reinvested in new capital projects. It is proposed to recommend the continuation of this policy to the new Wiltshire Council.
12. An estimate of capital receipts has been made for the next three financial years. Until recently, disposals of land and buildings were and generating healthy levels of receipts. However, it has become clear that the economic downturn has hit the property market for commercial and residential land and buildings values has depreciated substantially. It is difficult to predict future values but the general consensus in the market is that values will fall between 30-50% from last year's level, and any recovery will be gradual and unlikely to improve until 2010-11. There are very few purchasers in the market with access to funds, and those are only acquiring property at bargain prices.

13. The Council is faced with a challenging situation. There are a few properties which the Council is still proposing to dispose of. However, the majority of disposals of land and buildings have been postponed until at least 2010-11.
14. Two of the District Councils do however have significant levels of useable capital receipts which are available for use by the new Wiltshire Council. The amounts available £6.2 million from North Wiltshire District Council (NWDC) and £11.223 million from Kennet District Council (KDC). KDC is spending £5.252 million of the £11.223 million under the transition Governance arrangements although it is not anticipated that this will be spent until 2009-10. The remainder is planned to spent over the next three years as part of the programme Appendix B.
15. Officers from the five Councils have been working together to establish a unified schedule of assets that may be suitable for disposal. However, the constraints described above limit the ability of the new Council to sell assets, At the present time decisions are being made on a case by case basis.

Supported Borrowing

16. Supported Borrowing has no cash value to Wiltshire Council due to the Council's position as a "floor" authority. The council is notified of the amount of borrowing being supported in a similar way to a grant announcement. The details for the next three years for Education are detailed in Appendix D and for Transport in Appendix E. Due to the funding mechanism it is no longer possible to see supported borrowing as a direct transfer of cash into RSG.
17. In previous years, Wiltshire County Council has funded most of the Supported Borrowing allocations The schemes are now being prioritised using the same methodology as unsupported schemes.
18. It has to be noted, though, that Government Departments can use take up of their "allocations" as a basis for future determinations of both Grant and Supported Borrowing. The impact of this need to be taken into account when setting the budget.
19. In the area of schools there is a supported borrowing "allocation" described as New Deal for Schools (NDS) Modernisation Funding. In 2009-10 the entire "allocation" is Supported Borrowing, although this improves in 2010-11 to being a mix of approximately 90% Grant and 10% Supported Borrowing. The NDS funding is focussed on the capital needs of schools and priorities are determined locally using asset management data. It is broadly split into two tranches, 50% of the allocation being utilised to cover high priority condition works such as roof replacements, rewiring and window replacements. The other 50% is used to fund a variety of non-maintenance work, including the replacement of mobiles with permanent accommodation and the provision of halls in primary schools.
20. In terms of prioritisation, maintenance work has been treated as essential and therefore funded. The non-maintenance work is of a less high priority and is not recommended in 2009-10.

21. Another significant “allocation” of Supported Borrowing is Basic Need or Additional Accommodation which is focussed on the provision of adequate and appropriate places for pupils of statutory age in Wiltshire schools.
22. The other Education allocation of Supported Borrowing is the Schools Access Initiative which provides funding to make schools more accessible to disabled children. It is necessary to prioritise this allocation to ensure that the goals of the Council’s school access strategy are achieved.

Unsupported Borrowing

23. The Prudential code of Local Authority Accounting has existed since 2004. To allow Local Authorities more flexibility in borrowing Local Authorities are able to set their own borrowing limit. This allows for a reasonable degree of unsupported borrowing within the context of affordable, prudent and sustainable capital investment plans. To demonstrate that authorities have fulfilled these objectives, the prudential code sets out the indicators that must be used and the factors that must be taken into account when calculating the indicators. This is covered in the report on Treasury Management Strategy elsewhere on the agenda.
24. The position on supported borrowing was described above in effect, supported and unsupported borrowing, are being treated in the same way. There are a number of projects in the existing programme funded by unsupported borrowing of the most significant is the Business Management Programme (BMP). In many cases, the programme uses unsupported borrowing to cover cash flow in the medium term, which provides funding until capital receipts can be released.

Discretionary Resources

25. There is a small amount of resources available which can be used to provide additional funding for new projects. This capacity is generated from a number of sources, principally from existing capital receipts and from anticipated capital receipts over the next three years. The total of discretionary resources available over the three years is detailed in Appendix F.

Existing Projects requiring additional discretionary resources

26. Wiltshire County Council operates a comprehensive capital budget monthly monitoring process. There are nearly 100 capital schemes in the existing Wiltshire County Council programme and some of the projects are large and complex. In two cases, significant variations have arisen as follows.
27. The Council is in the process of constructing the new Melksham Oak Community School under the Department for Children, Schools and Families (DCSF) Pathfinder Programme. The majority of the costs of this project are being grant funded by the DCSF, who have made it clear that the grant is cash limited. Reports on this project were taken to Wiltshire County Council Cabinet in November 2007 and December 2007. The project costs have now increased by a total of £1.499 million, as a result of the delay caused by a Judicial Review

to the planning process. On current assumptions regarding the anticipated capital receipt, the project is underfunded by a total of £1.16 million which is included as a pressure under discretionary funding in Appendix B. The key risks to the capital receipt relate to the outcome of a 'village green' public inquiry which will establish whether the green field part of the site can be sold. When the outcome of this is known, it is proposed to take a full report to the Implementation Executive.

28. Wiltshire County Council approved a scheme for the Westbury bypass as part of the 2008-09 capital budget. This scheme is dependant on the outcome of a public inquiry which will not be known until the spring of 2009. The majority of the costs of the project are funded through a Grant channelled through the Department of Transport but there restrictions. The project is effectively divided into three parts: works, which would be 90% grant funded, design fees which would be 50% grant funded and elements with no grant funding, which include the public inquiry costs. The initial capital programme bid included a limited amount of public inquiry costs but the extent of these costs was underestimated.
29. The main cost increases compared to initial estimates are as follows: Public Inquiry Administration & Expert Witnesses (£0.21 million), Barrister's Fees (£0.16 million), RPS Sub Contractors Public Inquiry (£78,000), NPA Sub Contractors Public Inquiry (£50,000), Inspectors Fees (£50,000) and other miscellaneous costs (£0.202 million) making a total of £0.750 million. In addition, the amount of grant income which it is anticipated that will be claimed from the Department of Transport has been reduced by £50,000. Therefore, there is a £0.8 million pressure on the capital programme.

Capital Expenditure and Projects

30. The proposed Capital Programme is both significant in total spending levels and in the number of large and high profile projects. Appendix C summarises the proposed programme and the funding that would be used to support it. There is a brief summary in the table below.

Summary of Proposed Capital Programme 2009-10 to 2011-12				
	09/10	10/11	11/12	Total
	£m	£m	£m	£m
Earmarked	58.570	35.960	32.254	126.784
Commitments	29.263	19.652	10.389	59.304
New Schemes	36.195	42.374	31.006	109.575
Total	124.028	97.986	73.649	295.663

31. The Learning Difficulties Best Value (LDBV) scheme has been ongoing since 2005-06 to provide improvements for service users and enhanced efficiency. The capital scheme needs to at least pay for itself by utilising capital receipts and available development grants to cover the cost of works and fees. At this stage of the project, both capital receipts and grants have been limited and expenditure exceeds the income. Two large capital receipts are anticipated in

the future the project should be balanced. However, there are risks: a thorough appraisal of the project is currently being undertaken to manage such risks.

32. The Business Management Programme (BMP) project is focused on delivering the SAP software for the new authority. The software will enable the organisation to record, monitor and update a wide range of data, including financial and HR, in a user friendly and comprehensive manner. Capital expenditure for this project is currently on target.
33. The Waterside project is focused on enhancing Trowbridge. The current economic difficulties in the economy have affected this project: the developer had difficulties in raising the finances which has led to contract renegotiations. These discussions continue.
34. The Office Accommodation Project is a Wiltshire County Council's plan for rationalisation of its numerous office buildings into four centres. After the announcement to form a unitary council Members approved a review to look at office buildings of all five Councils. The initial feasibility exercise is nearly completed. It should be noted that if the proposal is approved, the cash projection shown in the programme will be adjusted by the Director of Resources to reflect the new project.
35. A funding envelope, which covers the vast majority of the project costs, has been agreed with Partnerships for Schools (PfS) regarding the Wellington Academy project. There is an agreed amount of Departmental Prudential Borrowing (£667,000) which has been agreed with DCE.
36. The new Council is inheriting a large scheme from Salisbury District Council to create new office accommodation in central Salisbury (Bourne Hill). The scheme has been included in the recommended programme: there are risks connected with the limited amount of contingency available for a project of this size and the realisation of capital receipts.

The Discretionary Programme

37. The key to the size of the discretionary programme is to quantify both the resources available to fund it and to assess the affordability of further borrowing. The details are summarised in Appendix F. The resources available over the 3 years total £28.042 million and have been supplemented by total additional borrowing of £67.639 million. The additional revenue costs of this borrowing are being included within spending pressures for the Medium Term Financial Strategy and will need to be considered along with the capital resource "requirement" for 2010-11 and beyond.
38. The programme includes a number of large projects which often have complex and uncertain funding and assumptions. With limited resources, the ability to meet the costs of risks as they materialise and maintain other elements of the programme becomes a severe challenge.

39. Members could reduce the proposed Capital spending by removing or reducing capital schemes which, depending on the funding source, could reduce the revenue costs of borrowing.

Housing Revenue Account (HRA)

40. The HRA is a ring fenced account which is treated separately. Capital Resources are allocated from the Major Repairs Reserve to facilitate expenditure on improving the condition of the Council's housing stock. The Salisbury area is the only part of the new Wiltshire Council which has retained its own housing stock. The proposed allocations are summarised in Appendix G.

Risk Assessment

41. The approach to the programme is to prioritise the projects within the available resources. There is a potential for changes in affordability of large projects which can have a significant impact on the programme, even for those intended to be self-funding.
42. Active management and intervention in the Capital Programme will be maintained through the Capital Assets Board and the Corporate Leadership Team to manage the risks inherent in the programme.
43. Management of the capital programme is being reviewed. The most appropriate pieces of good practice from the five Councils to be applied to enhance the way in which the programme is managed.

Equalities Impact of the Proposal

44. None has been identified as arising directly from this report.

Environmental Implications of the Proposals

45. None has been identified as arising directly from this report.

Financial Implications

46. The report as a whole considers the financial implications to the new Wiltshire Council's Capital Programme 2009-2012.

Legal Implications

47. None has been identified as arising directly from this report.

Conclusion

48. The recommended Capital Programme is shown in Appendix B, which balances the available resources and priorities over the next three years.

Report Author: Adam Stirling, Capital Accountant

Unpublished documents relied upon in the production of this report: None
Environmental impact of the recommendations contained in this report: None

MAINTENANCE BID FOR RESOURCES FOR 2009-10 THROUGH TO 2011-12: INCLUDING PRIORITISATION CATEGORIES

	A	A/B	B	TOTAL
	£000	£000	£000	£000
<u>Existing WCC Properties</u>				
<u>1. General</u>				
Building Repairs & Maint - General	1,350	0	0	1,350
<u>2. Health and Safety</u>				
Building Maintenance H&S Legionella	120	0	0	120
Building Maintenance H&S Asbestos	300	0	0	300
Building Maintenance H&S Radon	40	0	0	40
Harmonisation of H&S standards in 5 Councils	600	0	0	600
<u>3.Proactive Maintenance</u>				
Building Repairs & Maint. - Roofing	0	400	400	800
Building Repairs & Maint. - M&E Boilers/Plant	0	400	400	800
Building Repairs & Maint. - M&E Electrical Wiring Systems	0	400	400	800
Building Repairs & Maint. - County Hall	600	0	0	600
<u>4.DDA</u>				
Maintenance related DDA works	0	250	500	750
<u>5.Service Department MCW</u>				
Maintenance related Minor Capital Works	295	400	400	1,095
<u>6. District Council Maintenance bids</u>				
Salisbury DC	155	0	0	155
Kennet DC	380	0	0	380
West Wiltshire DC	325	0	0	325
North Wiltshire DC	300	0	0	300
<u>7. Bids for Leisure Centres Maintenance</u>				
Salisbury DC	45	0	0	45
Kennet DC	110	0	0	110
West Wiltshire DC	48	0	0	48
North Wiltshire DC	360	0	0	360
Wiltshire CC	70	0	0	70
Leisure Centres General	620	0	0	620
TOTAL CAPITAL BID FOR MAINTENANCE	5,718	1,850	2,100	9,668

PROPOSED CAPITAL PROGRAMME 2009-10-2011-12

Dept	Scheme	2009-10			2010-11			2011-12			TOTAL FOR 2009-2012		
		Cap Bid £000	Funding £000	Net £000	Cap Bid £000	Funding £000	Net £000	Cap Bid £000	Funding £000	Net £000	Cap Bid £000	Funding £000	Net £000
	2009-2010 Budget												
	Earmarked Funding												
DCE	Melksham Oak Community School	17,241	17,241	0	1,023	1,023	0				18,264	18,264	0
DCE	Clackers Brook New Primary School	1,680	1,680	0	53	53	0				1,733	1,733	0
DCE	Wellington Academy	6,604	6,604	0	12,897	12,897	0	12,910	12,910	0	32,411	32,411	0
DCE	Devizes Secondary School refurbishment	105	105	0			0			0	105	105	0
DOR	Business Management Programme (BMP) / SAP	2,366	2,366	0			0			0	2,366	2,366	0
TEL	Highways Depot & Office Strategy	4,772	4,772	0			0			0	4,772	4,772	0
TEL	Office Accommodation & Waterside project	9,606	9,606	0	4,264	4,264	0			0	13,870	13,870	0
DCS	Learning Disabilities Best Value Review	276	276	0	100	100	0	2,684	2,684	0	3,060	3,060	0
DCE	Westbury Junior School - Master Plan	20	20	0			0			0	20	20	0
DCE	Monkton Park Primary - Extension	684	684	0			0			0	684	684	0
DCE	Corsham Primary School - Expansion	100	100	0			0			0	100	100	0
	Grant Funded Elements												
DCE	Devolved Formula Capital	7,160	7,160	0	7,160	7,160	0	7,160	7,160	0	21,480	21,480	0
DCE	Extended Schools	799	799	0	413	413	0	400	400	0	1,612	1,612	0
DCE	Sure start, early years	4,006	4,006	0	3,119	3,119	0	3,000	3,000	0	10,125	10,125	0
DCE	Youth Capital Grant	187	187	0	187	187	0	200	200	0	574	574	0
DCS	Adult Social Care IT Infrastructure Grant	118	118	0	127	127	0			0	245	245	0
DCS	Social Care Grant	239	239	0	239	239	0			0	478	478	0
DCS	Mental Health Grant	141	141	0	141	141	0			0	282	282	0
TEL	LTP Integrated Transport Grant element	1,386	1,386	0	1,461	1,461	0	1,400	1,400	0	4,247	4,247	0
DCE	New Deals for Schools Modernisation Funding Grant Element only			0	4,446	4,446	0	4,500	4,500	0	8,946	8,946	0
TEL	Bridges & Structures - grant funded part of LTP Maintenance	330	330	0	330	330	0			0	660	660	0
DCE	Government Grant funded 14-19 Diplomas - Reforms in rural areas	750	750	0			0			0	750	750	0
				0			0			0	0	0	0
	TOTAL EARMARKED	58,570	58,570	0	35,960	35,960	0	32,254	32,254	0	126,784	126,784	0
	Commitments												
DCE	Shrewton Major Extension	329	334	-5			0			0	329	334	-5
DCE	East Trowbridge Primary School Building	431	183	248			0			0	431	183	248
TEL	Professional Fees & associated costs - Westbury by pass	6,000	5,400	600	17,100	15,390	1,710	10,389	10,033	356	33,489	30,823	2,666
TEL	Professional Fees & associated costs of Petersfinger Park & Ride	2,450	1,879	571			0			0	2,450	1,879	571
EDPH	Tidworth Castledown Business Park	1,029	350	679			0			0	1,029	350	679
DCE	Additional Basic Need Accommodation - Matravers Westbury	65		65			0			0	65	0	65
DCE	Clackers Brook Primary School	230		230			0			0	230	0	230
DCE	Quakers Walk Primary School	230		230			0			0	230	0	230
DCE	Wellington Academy - off site works	300		300	200		200			0	500	0	500
TEL	Land Compensation and Acquisition-previous schemes	763		763	500		500			0	1,263	0	1,263
DCE	Old Sarum Primary School- Furniture and Equipment	289		289			0			0	289	0	289
DCE	East Trowbridge Primary School Furniture & Equipment	291		291			0			0	291	0	291
TEL	Disability Discrimination Act (DDA) Works	331		331			0			0	331	0	331
DOR	Cotswold Community Archaeology	33		33			0			0	33	0	33
TEL	LTP Integrated Transport - reprogrammed from 2008-09	500	500	0			0			0	500	500	0
DCE	Additional Accommodation Basic Need - reprogrammed from 2008-09	560		560			0			0	560	0	560
TEL	Bourne Hill office accommodation	10,180	3,900	6,280	1,852		1,852			0	12,032	3,900	8,132
	Kennet DC commitments under delegated powers	5,252		5,252			0			0	5,252	0	5,252
				0			0			0	0	0	0
	TOTAL COMMITMENTS	29,263	12,546	16,717	19,652	15,390	4,262	10,389	10,033	356	59,304	37,969	21,335

PROPOSED CAPITAL PROGRAMME 2009-10-2011-12

NEW SCHEMES													
100% Grant Funded													
DCE	Primary Capital Programme - building schools for the future	3,965	3,965	0	6,343	6,343	0	4,000	4,000	0	14,308	14,308	0
DCE	Targeted Capital for 14-19,Special Educational Needs & Access	2,000	2,000	0	6,000	6,000	0	4,000	4,000	0	12,000	12,000	0
DCE	Aiming High for Disabled Children (AHDC) Short break funding	205	205	0	478	478	0	500	500	0	1,183	1,183	0
EDPH	Corporate Other Housing Grants	2,200	2,200	0	510	510	0	411	411	0	3,121	3,121	0
EDPH	Commuted Sums for Housing (developer contribution)	137	274	-137	137	0	137			0	274	274	0
EDPH	Corporate Mandatory Disabled Facilities Grants - Housing	897	897	0	897	897	0	897	897	0	2,691	2,691	0
EDPH	Thingley Transit Site	154	1,652	-1,498	1,575		1,575			0	1,729	1,652	77
Discretionary Funding													
DCE	Melksham Oak Community School (existing scheme - budget pressure)	1,160		1,160	0		0	0		0	1,160	0	1,160
TEL	Westbury Bypass (existing scheme - budget pressure)	0		0	0		0	800		800	800	0	800
TEL	Building Maintenance - Health & Safety related	2,800		2,800	1,458		1,458	1,460		1,460	5,718	0	5,718
TEL	LTP Maintenance - Health & Safety	7,011		7,011	7,262		7,262	7,185		7,185	21,458	0	21,458
TEL	County Farms	100		100			0			0	100	0	100
TEL	Fuel Storage Tanks- Salisbury	50		50			0			0	50	0	50
TEL	Cricklade Leisure Centre - essential improvements	35		35			0			0	35	0	35
TEL	Calne Leisure Centre - essential improvements	35		35			0			0	35	0	35
TEL	Carriageway Surface Dressing Health & Safety	500		500	500		500	500		500	1,500	0	1,500
TEL	Footways Health & Safety	250		250	250		250	250		250	750	0	750
TEL	Land Drainage Health & Safety	200		200	200		200	200		200	600	0	600
DCE	New Deals for Schools Modernisation Funding - 50% maintenance element	2,454		2,454	232		232	250		250	2,936	0	2,936
DOR	IT hardware - PCs, laptops and servers	516		516	350		350	200		200	1,066	0	1,066
DOR	IT - telephony essential element	150		150			0			0	150	0	150
TEL	Building Maintenance - to maintain existing conditions	515		515	667		667	669		669	1,851	0	1,851
TEL	LTP Maintenance - to maintain existing conditions	3,178		3,178	3,286		3,286	3,110		3,110	9,574	0	9,574
TEL	Street Cleaning Vehicles	284		284	284		284	284		284	852	0	852
TEL	Waste Vehicles	1,611		1,611	1,611		1,611	1,611		1,611	4,833	0	4,833
TEL	Land Drainage maintenance	300		300	300		300	300		300	900	0	900
DCE	Additional Accommodation (basic need) - revised amount	3,029		3,029	3,529		3,529	3,529		3,529	10,087	0	10,087
DCE	Schools Access Initiative	855		855	855		855	850		850	2,560	0	2,560
DCE	Salisbury Academy - net cost to Council only	1,204		1,204	2,000		2,000	0		0	3,204	0	3,204
DCE	Laverstock Academy (including adjusted cash flow) - net cost only	400		400	3,650		3,650	0		0	4,050	0	4,050
SUBTOTAL NEW SCHEMES		36,195	11,193	25,002	42,374	14,228	28,146	31,006	9,808	21,198	109,575	35,229	74,346
TOTAL ALL FIGURES ABOVE		124,028	82,309	41,719	97,986	65,578	32,408	73,649	52,095	21,554	295,663	199,982	95,681
Additional Sources of funding			16,528			7,451			4,063			28,042	
FUNDING LIMIT		124,028	98,837	25,191	97,986	73,029	24,957	73,649	56,158	17,491	295,663	228,024	67,639
SUMMARY													
Total capital programme recommended for funding (all 3 years)		295,663											
Total Resources (all 3 years)		228,024											
Funding gap (to be met through additional borrowing)			67,639										

PROPOSED CAPITAL PROGRAMME 2009-10-2011-12

Unfunded Schemes														
TEL	Purchase of replacement kerbsider recycling collection vehicles	354		354	472	472	472	472	472	1,298	0	1,298		
TEL	Building Maintenance - to reduce backlog	598		598	750	750	750	752	752	2,100	0	2,100		
TEL	LTP Maintenance - to reduce backlog	1,742		1,742	1,801	1,801	1,705	1,705	1,705	5,248	0	5,248		
TEL	LTP Integrated Transport - Supported Borrowing element only	2,773		2,773	2,921	2,921	2,800	2,800	2,800	8,494	0	8,494		
DCE	New Deals for Schools Modernisation Funding SB element-50% non maintenance	2,454		2,454	231	231	250	250	250	2,935	0	2,935		
TEL	Melksham Cemetery	90		90		0		0	0	90	0	90		
TEL	Grass Cutting & Grounds Maintenance Vehicles	735		735	735	735	735	735	735	2,205	0	2,205		
TEL	Playgrounds, open space, tree-works	165		165		0		0	0	165	0	165		
TEL	Highways Maintenance -Potholes (unringfenced waste grant)	819		819	320	320		0	0	1,139	0	1,139		
TEL	St Nicholas Churchyard, Bromham	20		20		0		0	0	20	0	20		
TEL	Road Safety Grant - expenditure (the grant is unringfenced)	320		320	309	309		0	0	629	0	629		
EDPH	Corporate Affordable Housing Bids	3,540	550	2,990	2,690	550	2,140	3,540	550	2,990	9,770	1,650	8,120	
DOR	IT - telephony desirable element (brings total up to £472K)	322		322		0		0	0	322	0	322		
TEL	County Farms	547		547		0		0	0	547	0	547		
TEL	Play Facilities capital budget	95	20	75	75	20	55	75	20	55	245	60	185	
EDPH	Corporate Mandatory Disabled Facilities Grants - Housing	1,455		1,455	1,455	1,455	1,455	1,455	1,455	4,365	0	4,365		
EDPH	Economic Development, Planning & Housing IT system	1,000		1,000		0		0	0	1,000	0	1,000		
EDPH	Salisbury Vision: Renaissance of Salisbury Market Place	750		750	750	750		0	0	1,500	0	1,500		
TEL	Replacement of Castle Place Leisure Centre, Trowbridge	625		625	625	625		0	0	1,250	0	1,250		
TEL	Replacement of public convenience - George Lane, Marlborough	400		400	400	400		0	0	800	0	800		
EDPH	Regeneration Projects	5,300	3,500	1,800	5,300	3,500	1,800	5,300	3,500	1,800	15,900	10,500	5,400	
DCE	Urchfont Manor - bid for Prudential Borrowing							5,767	0		5,767	0	5,767	
EDPH	Rural Enterprise Centre, Lackham	3,000	2,500		2,125	500					5,125	3,000	2,125	
	Office Vehicles	57								57	0	57		
	Workshop Vehicles	30								30	0	30		
	Update DDA-compliance for toilets at Oxenwood Outdoor Education Centre	10								10	0	10		
	Other bids - not listed separately	10,497	17		311			236		11,044	17	11,027		
										0	0	0		
	TOTAL UNFUNDED SCHEMES	37,698	6,587	20,034	21,270	4,570	14,764	23,086	4,070	13,013	82,054	15,227	66,827	

FUNDING OF CAPITAL PROGRAMME: 2009-10 to 2011-12: ANALYSIS BASED ON PROPOSED CAPITAL PROGRAMME

	Grant	Existing Supported Borrowing	Existing Unsupported Borrowing	Capital Receipts	Other Contribs	Resources for Discretionary Bids and new Borrowing *	Total
	£000	£000	£000	£000	£000	£000	£000
Earmarked Schemes 2009-10	21,053	0	22,501	12,427	2,589		58,570
Commitments 2009-10	6,850	500	779	3,904	513	16,717	29,263
New Schemes 2009-10	10,919				274	25,002	36,195
TOTAL RESOURCES 2009-10	38,822	500	23,280	16,331	3,376	41,719	124,028
Earmarked Schemes 2010-11	30,520	0	-12,773	18,160	53	0	35,960
Commitments 2010-11	15,390	0	0	0	0	4,262	19,652
New Schemes 2010-11	14,228				0	28,146	42,374
TOTAL RESOURCES 2010-11	60,138	0	-12,773	18,160	53	32,408	97,986
Earmarked Schemes 2011-12	29,570	0	-1,610	4,294	0	0	32,254
Commitments 2011-12	10,033	0	0	0	0	356	10,389
New Schemes 2011-12	9,808					21,198	31,006
TOTAL RESOURCES 2011-12	49,411	0	-1,610	4,294	0	21,554	73,649

Note *

Resources for Discretionary bids and additional borrowing is detailed in Appendix F.

CAPITAL RESOURCES – 2009-10 TO 2011-12**DCFS SCHOOLS CAPITAL ALLOCATIONS**

Scheme	2009-10			2010-11			2011-12			TOTAL OVER 3 YEARS		
	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Devolved Formula Capital - assumption year 3		7,160	7,160		7,160	7,160		7,160	7,160		21,480	21,480
Primary Capital Programme - assumption year 3		3,965	3,965		6,343	6,343		4,000	4,000		14,308	14,308
New Deal for Schools (NDS) - Modernisation Funding - assumption year 3 *	4,908	0	4,908	463	4,446	4,909	500	4,500	5,000	5,871	8,946	14,817
Additional Accommodation Basic Need - assumption year 3**	4,029		4,029	4,029		4,029	4,029		4,029	12,087		12,087
Schools Access Initiative - assumption year 3	855		855	855		855	850		850	2,560		2,560
Extended Schools - assumption year 3		799	799		413	413		400	400		1,612	1,612
Targeted Capital Fund14-19 Diplomas SEN & disabilities -assumption year 3		2,000	2,000		6,000	6,000		4,000	4,000		12,000	12,000
Sure start, early years - assumption year 3		4,006	4,006		3,119	3,119		3,000	3,000		10,125	10,125
ADHC Short Break Funding - assumption year 3		204	204		478	478		500	500		1,182	1,182
Total Earmarked Schemes - Local Authority	9,792	18,134	27,926	5,347	27,959	33,306	5,379	23,560	28,939	20,518	69,653	90,171
Devolved Formula Capital - assumption year 3		2,154	2,154		2,154	2,154		2,154	2,154		6,462	6,462
ICT Harnessing Technology Grant		2,754	2,754		2,483	2,483		2,483	2,483		7,720	7,720
Locally co-ordinated VA Programme (LCVAP)		2,666	2,666		2,666	2,666		2,666	2,666		7,998	7,998
Total Earmarked Schemes - VA & Foundation Schools	0	7,574	7,574	0	7,303	7,303	0	7,303	7,303	0	22,180	22,180
Total Education Earmarked Schemes	9,792	25,708	35,500	5,347	35,262	40,609	5,379	30,863	36,242	20,518	91,833	112,351

* The Council has prioritised some elements of the NDS allocation but not others as described in the report. The amounts of Supported Borrowing which the Council has prioritised are detailed in Appendix B.

** The Council has appraised this supported borrowing allocation looking at all aspects of the Capital Programme, including Academies. The amounts of Supported Borrowing which the Council has prioritised are detailed in Appendix B.

CAPITAL RESOURCES – 2009-10 TO 2011-12**LOCAL TRANSPORT PLAN - "ALLOCATION" FROM DEPARTMENT FOR TRANSPORT**

Scheme	2009-2010			2010-2011			2011-2012			TOTAL £000
	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Integrated Transport	2,773	1,386	4,159	2,921	1,461	4,382	2,800	1,400	4,200	12,741
Maintenance of Principal & Non-Principal Roads	11,931	0	11,931	12,349	0	12,349	12,000	0	12,000	36,280
Specific Maintenance Works Grant		330	330		330	330			0	660
TOTAL LTP SCHEMES	14,704	1,716	16,420	15,270	1,791	17,061	14,800	1,400	16,200	49,681

LOCAL TRANSPORT PLAN - PROPOSED ALLOCATIONS

Scheme	2009-2010			2010-2011			2011-2012			TOTAL £000
	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	Supported Borrowing	Grant	TOTAL	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Integrated Transport	0	1,386	1,386	0	1,461	1,461	0	1,400	1,400	4,247
Maintenance of Principal & Non-Principal Roads	10,189	0	10,189	10,548	0	10,548	10,295	0	10,295	31,032
Specific Maintenance Works Grant		330	330		330	330			0	660
TOTAL LTP SCHEMES	10,189	1,716	11,905	10,548	1,791	12,339	10,295	1,400	11,695	35,939

CAPITAL PROGRAMME 2009-10 TO 2011-12; RESOURCES AVAILABLE FOR DISCRETIONARY BIDS

	2009/10	2010/11	2011/12	3 year TOTAL
	£000	£000	£000	£000
Unringfenced Grants	1,140	628		1,768
Useable Capital receipts already available	11,452	2,986	2,985	17,423
Useable Capital Receipts planned for future years (except Housing)	592	3,287	528	4,407
Useable Capital Receipts planned for future years (Housing but not ringfenced for that purpose)	550	550	550	1,650
Capital Resources Brought Forward	2,794			2,794
SUBTOTAL, RESOURCES AVAILABLE	16,528	7,451	4,063	28,042
Additional borrowing required to fund expenditure	25,191	24,957	17,491	67,639
TOTAL RESOURCES & ADDITIONAL BORROWING	41,719	32,408	21,554	95,681

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

<i>Housing Revenue Account</i>	<i>Estimate 2009/10</i>	<i>Estimate 2010/11</i>	<i>Estimate 2011/12</i>
<i>Scheme</i>	£000	£000	£000
Disabled Adaptations	275	275	275
Refurbishment & Modernisation of Council Housing	4,325	3,225	3,325
Replacement of Housing Computer System			
Friary CCTV Upgrade (HRA element)			
<i>Total Housing Revenue Account</i>	4,600	3,500	3,600

Allocation of the Major Repairs Allowance (MRA) for 09/10 is £3.4m plus an estimated £1.2m underspend brought forward from 08/09 also funded from unspent MRA

Future years allocations made assuming MRA rises each year by £100k per annum and no brought forward underspends