

COUNCIL
23 FEBRUARY 2010

COUNCILLORS' QUESTIONS

QUESTIONS FROM COUNCILLOR MARK PACKARD
CHIPPENHAM PEWSHAM DIVISION

TO COUNCILLOR FLEUR DE RHE PHILIPPE
CABINET MEMBER FOR FINANCE, PERFORMANCE AND RISK

Question 1

What will be the annual cost to the revenue budget of the proposed £45 million of borrowing for Workplace Transformation ?

Question 2

How much borrowing is planned to meet the £24 million Workplace Transformation expenditure scheduled for 2010-11 and what is the impact of the latter on the revenue budget ?

Response

The annual borrowing and capital repayment cost of the £45 million is £4 million. This cost has been included in the overall project costs. Additionally, the programme will contribute over £17 million sales back to the capital programme.

The net savings from the project will be £2.5 million in year 3, rising to an ongoing £3.5 million per year from year five. This net figure is after allowing for the cost of borrowing and capital repayment.