

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

15 JULY 2015

REPORT OF THE CORPORATE DIRECTOR RESOURCES

CAPITAL PROGRAMME 2015-16 TO 2024-25

1. Purpose of the report

- 1.1 The purpose of this report is to obtain approval from Council for a revised capital programme for 2015-16 to 2024-25.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 Capital investment in our assets is a key factor in meeting the Improvement Objectives set out in the Council's Corporate Plan.

3. Background

- 3.1 In February 2015 Council approved a capital programme for 2014-15 to 2024-25 of £153.014 million. The capital programme as approved by Council in February 2015 is attached as **Appendix 1** for information. Since then the programme has changed to reflect funding changes to some schemes, slippage from 2014-15, additional external funding approvals and changes to expenditure profiles.

- 3.2 The main reasons for the difference between the programme approved by Council in February and the current programme are:

- Additional funding of £6.584 million from Welsh Government in respect of the Community Care Information Solution project (CCIS).
- Additional grant approvals and capitalisation of revenue minor works.
- Slippage of £1.63 million in respect of the depot rationalisation into 2015-16.
- Slippage on Disabled Facility and Private Sector Housing Grants of £987,000 to meet anticipated demand in 2015-16.
- Slippage of £669,000 in respect of the maximising space and technology programme into 2015-16, along with the incorporation of the Domestic Abuse Grant.
- Slippage on a number of 21st Century School projects, including Additional Learning Needs at the former Ogmores Comprehensive, and the Mynydd Cynffig School amalgamation.

4. Current situation / proposal

- 4.1 A number of schemes, for which funding has already been identified, need approval for inclusion in the capital programme. Further detail on the individual schemes is provided below:

Shopmobility

Cabinet agreed on 11th November 2014 to relocate the Shopmobility service from the Rhiw car park to Brackla 1 multi-storey car park. Whilst it was agreed that the cost would be met from the budget for the Rhiw Car Park it has since been considered more appropriate to fund this from Council resources, and not from the VVP grant, to enable the permanent relocation of the service without putting the grant funding at risk. The cost of this is estimated to be £105,000 and funding has been reserved for this within the Council's earmarked reserve to fund revenue contributions to capital expenditure.

Joint Vehicle Maintenance

The fleet service moved into the ex-Fiskars property in February 2015 upon the establishment of the collaborative Joint Vehicle Maintenance facility with South Wales Police. Whilst the facility has a number of vehicle lifts for smaller vehicles, it has become apparent that the service needs a 30 Tonne lift ramp to enable it to fulfil a wider range of operations. The proposed new lift will have radius plates fitted to it to enable the checking of axle movement both vertically and laterally, which is currently being undertaken using the inspection pit at Waterton Depot until it is decommissioned. The estimated cost of this equipment is £46,000. The Council has previously set aside an earmarked reserve to meet the costs associated with the establishment of the Joint Vehicle Maintenance facility and there is sufficient funding in this reserve to meet this cost.

West Park Primary School

A temporary classroom is required at the school to accommodate rising pupil numbers and increased demand for places from September 2015. The estimated cost of the scheme is £250,000 and this will be funded from revenue, from excess surplus balances clawed back from schools at the end of the 2014-15 financial year in accordance with the School Funding (Wales) Regulations 2010.

4.2 Studio 34

In September 2014 Cabinet agreed to the sale of Studio 34, in Village Farm Industrial Estate, Pyle, following the transfer of the service to Bridgend College's Maesteg Campus. Although the Council owned the property outright, in November 2013 Cabinet approved a formalisation of the college's equitable interest in view of its joint funding of the project. A deed has been drawn up for the Council to hold the property on trust for itself and the college in 60/40 proportions respectively. Consequently the proceeds from any disposal should reflect this agreement. A capital receipt of £185,000 has been realised from the sale of the property and the Council is now required to pay the College its 40% share, or £74,000, with the Council retaining 60% of the capital receipt, or £111,000. Due to accounting regulations, this transfer of funding will need to be reflected as a capital transaction within the capital programme, funded from the total capital receipt.

- 4.3 A revised capital programme allowing for the proposed changes along with anticipated slippage from 2014-15, additional external funding approvals and changes to expenditure profiles is attached as **Appendix 2** to this report.

5. Effect upon Policy Framework and Procedure Rules

- 5.1 Paragraph 3 of the Financial Procedure Rules requires that any variations to the capital programme shall require the approval of the Council.

6. Equality Impact Assessment

- 6.1 Projects within the capital programme will be subject to the preparation of Equality Impact Assessments before proceeding.

7. Financial Implications

- 7.1 These are reflected in the report.

8. Recommendations

Council is recommended to approve the revised Capital Programme as set out in **Appendix 2** of this report.

Ness Young
Corporate Director - Resources

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Contact Officer

Deborah Exton – Group Manager – Financial Planning and Budget Management ext 3604

e-mail: deborah.exton@bridgend.gov.uk

Background Papers

Report to Council 25 February 2015

Report to Cabinet 16 September 2014

Report to Cabinet 11 November 2014