
CAPITAL PROGRAMME UPDATE

1 BACKGROUND

- 1.1 The Capital Programme for the Authority shows the capital expenditure and how it is financed. The expenditure is for capital purposes. This broadly equates to how the Council invests in assets. These assets can be tangible assets of the Authority e.g. the purchase of land, property and equivalent, other forms of investment e.g. major repairs to Council assets or investments, which do not appear on the Council's balance sheet e.g. Town Centre improvements, grants to Housing Associations.
- 1.2 The Capital Programme is funded by usable capital receipts, credit approvals issued by the Government, capital grants and from revenue. Usable capital receipts are from the sale of assets that the Government agrees can be used. (Right to buy 25 %)
- 1.3 The Capital Programme is presented in two sections and is shown as Appendix A and B. These sections are for the General Fund and housing.
- 1.4 Within General Fund, each scheme is shown together with the resources allocated over the three years 2002/03 – 2004/05.
- 1.5 Section 12 of the Statement shows the position on capital receipts. The balance on the capital receipts is the overall indicator as to whether the Capital Programme is overdrawn or in hand. Members may recall that during the last budget cycle, the Capital Programme was reported as overdrawn. With new estimates for the anticipated receipts from the sale of Council Housing, together with new receipts from the sale of land, the programme is now in hand. Hopefully, this position will be improved further so that during the budget cycle, options for the Capital Programme can be considered.
- 1.6 Item 7 within Vehicles and Equipment has been replaced at a cost of £9,400 against a provision of £15,000.
- 1.7 Item 10 was shown in the 2003/04 Programme, however this has now been moved to 2002/03 as a report has now been agreed on the future of the Civic Car.

2 HOUSING

- 2.1 For 2002/03, the overall Programme in respect of the Housing Revenue Account is over-committed by £40,000. However, this is

expected to be covered by either the result of tender submissions or expenditure that will slip into 2003/04.

- 2.2 Sections 17 of the Programme shows housing other than Housing Revenue Account. Item 17(5) is a scheme with Springboard Housing Association to provide additional units.
- 2.3 Item 17(6) includes the amount committed in 2001/02 of £120,000 to assist Swan Housing Association purchase properties for letting. There is an additional provision of £167,000 within the Programme which could be used for either Local Authority Social Housing Grants (LASHG) or Private Sector Renewal Grants (PSRG). At the moment, the view of Officers is that there should be an initial split of £100,000 to LASHG and £67,000 PSRG. The authority is currently looking at option to deal with a long term empty, private sector dwelling that is causing some problems. It may be that some of this initial allocation to LASHG may have to be utilised to solve this problem. This will be brought to Members in a separate report.

3 RECOMMENDATION

- (1) Members are recommended to agree the revised Capital Programme.
- (2) Members are requested to approve the allocation of £100,000 to LASHG and £67,000 to PSRG. (HFS)

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Background Papers:

None

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