

Subject:	Capital Investment Programme 2009/10		
Date of Meeting:	9 July 2009		
Report of:	Interim Director of Finance & Resources		
Contact Officer:	Name:	Nigel Manvell	Tel: 29-3104
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Key Decision:	Yes	Forward Plan No: CAB11354	
Wards Affected:	All		

FOR GENERAL RELEASE

This report has been included as a late item in the council's forward plan. The reason for the urgency is to seek approval to the schemes in order to start or procure the relevant works. The next meeting of the Cabinet is not until September which would delay the works. Such approvals would normally be sought as part of a Targeted Budget Management report but given the early stage in the financial year this will not be considered formally until September.

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report provides further details of capital schemes previously approved by Full Council as part of the Capital Investment Programme 2009/10 which now require the Cabinet's approval to proceed in accordance with Financial Regulations. The report also contains a new capital scheme for approval and a variation request for one capital scheme.

2. RECOMMENDATIONS:

- 2.1 That Cabinet approve the capital schemes detailed at Appendix 1.
- 2.2 That Cabinet approve the capital variation requested at Appendix 2.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Fully financed General Fund and Housing Revenue Account (HRA) Capital Investment Programmes have been approved for 2009/10 assuming that existing approved capital projects spend in-line with their budget. The capital programme is funded through a combination of government grants, supported and unsupported borrowing, capital receipts and reserves and revenue contributions.
- 3.2 The General Fund and HRA Capital Investment Programmes for 2009/10 were approved by Full Council on 26 February 2009. This approval covered the capital investment framework, including anticipated schemes, estimated payment profiles, expected sources of funding and capital reserves and contingencies. During the year, for schemes over £100,000, Financial Regulations require that

full details of each scheme are drawn up and approved by the Cabinet including confirmation of costs, funding and payment profiles together with any potential revenue implications. A number of schemes are included at Appendix 1 for the Cabinet's consideration. Appendix 1 also contains proposals for the conversion of properties with shared facilities and represents an expansion of a programme of similar works to be funded from HRA capital reserves.

- 3.3 Financial Regulations also require the Cabinet to approve variations to capital schemes where these exceed £50,000 or 10% of the original estimated cost, whichever is the lesser. A scheme variation is included at Appendix 2 for the Cabinet's consideration.

4. CONSULTATION

- 4.1 No specific consultation was undertaken in relation to this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The financial implications are covered in the body of the report and Appendices 1 and 2.

Finance Officer Consulted: Nigel Manvell Date: 29/06/09

Legal Implications:

- 5.2 The Cabinet is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the council.
- 5.3 When authorising capital schemes and capital variation, the Cabinet must be assured of compliance with the council's Financial Regulations (set out in part 8.2 of the constitution), which are a framework of control, responsibility and accountability for the proper administration of the council's financial affairs.
- 5.4 For the purposes of this report, the relevant Financial Regulations are B.2.6.9 (in relation to recommendation 2.1) and B.2.6.18 (in relation to recommendation 2.2). This report complies with both these Regulations.

Lawyer Consulted: Oliver Dixon Date: 29/06/09

Equalities Implications:

- 5.5 There are no direct equalities implications arising from this report.

Sustainability Implications:

- 5.6 The replacement of lifts at Walter May House and Rosehill Court will reduce maintenance and energy requirements while the significant investment in Private

Sector Housing will have considerable energy efficiency benefits as described in Appendix 1.

Crime & Disorder Implications:

- 5.7 The non-replacement of door entry systems described in Appendix 1 could have implications for tenant safety and may encourage anti-social behaviours.

Risk & Opportunity Management Implications:

- 5.8 The council's revenue budget and Medium Term Financial Strategy contain risk provisions to accommodate emergency spending, even out cash flow movements and/or meet exceptional items. The council maintains a working balance of £9 million to mitigate these risks as recommended by the Audit Commission and Chartered Institute of Public Finance & Accountancy (CIPFA). The council also maintains other general and earmarked reserves and contingencies to cover specific project or contractual risks and commitments.

Corporate / Citywide Implications:

- 5.9 The Council's financial position impacts on levels of Council Tax and service levels and therefore has citywide implications.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The capital investments detailed in Appendix 1 and 2 have been approved in principle by Full Council as part of the Capital Investment Programme 2009/10. Appendix 1 sets out the rationale for investing in each scheme and details any options considered in drawing up final scheme details. Appendix 2 sets out the reasons for the variation and the method of funding the increase.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 For capital schemes in excess of £100,000, Financial Regulations require the Cabinet's approval before schemes can proceed and any expenditure is incurred.

SUPPORTING DOCUMENTATION

Appendices:

1. New Capital Schemes
2. Variation Request

Documents in Members' Rooms

None

Background Documents

None