

## Council Capital Borrowing

The table below identifies council borrowing during 2013/14 for capital investment .

<b>Council Borrowing in 2013/14</b>	<b>£ million</b>
Housing Revenue Account - 13/14 new borrowing	2.948
Housing Revenue Account – 12/13 reprofiled schemes	7.790
I360 Project	3.605
Withdean sports complex	2.305
Withdean athletics track	0.350
Replacment programme vehicles & plant	2.400
Social Care buildings	0.500
Historical Records Centre – The Keep	0.390
Woodvale cremators (slippage)	1.384
Woodingdean Library (reprofiled)	0.400
Private Sector Renewals Grants (reprofiled)	0.417
Controlled parking (slippage)	0.940
Street Lighting (slippage)	0.115
HR System (reprofiled)	0.165
<b>Total for Capital Programme</b>	<b>22.863</b>

- As part of the HRA business plan borrowing will be used to support the delivery of Decent Homes and funding of £7.790m was re-profiled from 2012/13 for investment in lift refurbishment, domestic rewiring, decorations and boiler replacement at various sites. A total sum of £2.948m is also profiled for investment in improving housing quality, sustainability and carbon reduction schemes, tackling inequality, standard works and building new homes. The financing costs have been identified to be met from the HRA capital financing revenue budget.
- The i360 Project is estimated to cost £37.8m funded from a council loan of £14.8m, a £3.0m LEP contribution and the remaining £20.0m from equity funders. A commercial rate of interest based upon the council's cost of borrowing plus a margin to reflect risk and return will be charged over a ten year period to Brighton i360 Ltd. This was reported to Policy and Resources Committee on 12<sup>th</sup> July 2012.
- Phase 1 of the investment to increase health and fitness facilities at Withdean Sports Complex is financed through borrowing. The financing costs will be met through an additional management fee under the Sports Facilities contract. This was detailed in a report to Cabinet in April 2012.
- Improved athletics facilities includes the replacement of the track at Withdean to an all-weather track and is estimated to cost £0.500m with

£0.150m from Sports Lottery funding and £0.350m from borrowing. The financing costs will be met from revenue savings generated by the sports contract.

- The provision of £2.400m is for replacement of vehicles during the year. This includes replacement refuse collection street cleansing vehicles for Cityclean and potential replacement of miscellaneous waste and parks vehicles. These assets may be currently provided through operational leases and paid for through the relevant service revenue budget.
- As a result of condition surveys on Social Care operational buildings an annual programme of planned works has been incorporated into the capital programme to ensure the buildings meet current standards and are fit for purpose.
- The new Historical Records Centre (the Keep) is being developed in partnership with East Sussex County Council and Sussex University and will house archival and historical public records. The city council contribution of up to £5.615m towards the development and construction costs commenced in 2011/12 with the final £0.390m of that planned spend in 2013/14. The financing costs of borrowing have been included in the revenue budget.
- The purchase of new plant and equipment that addresses mercury abatement and replaces cremators is estimated to be in the region of £1.800m and will be funded from a combination of reserves and borrowing financed through an existing income levy.
- The development of a new library and GP surgery at Woodingdean in partnership with the Primary Care Trust requires a total contribution of £0.500m from the council toward the development and fit out including supporting ICT for the new library (as detailed to Cabinet on 10 November 2011). A total of £0.400m is required in 2013/14 and the financing costs associated with the contribution have been identified in the revenue budget.
- Private Sector Renewals Grants have previously been met through the Brighton & Hove and East Sussex Together (BEST) partnership with funding provided by the Regional Housing Board. This funding has now come to an end and £1.500m was included in 2012/13 to allow investment in improving private housing quality within the city to continue with some of that investment profiled in 2013/14 to meet outstanding commitments for works approved but not yet completed. The financing costs of borrowing have been included in the revenue budget.
- The report to Cabinet in September 2011 detailed the requirement of investment in city infrastructure and car park improvements. This borrowing relates to the slippage spend for the ex-leased car park works affected by the weather. The financing costs are met by improved revenue streams at the car parks.
- Replacement of 650 street lighting lanterns and a number of full column changes across the city commenced in 2012/13. The investment will provide energy saving benefits to support the financing costs.
- The Human Resource System is financed from a combination of revenue budgets, corporate funds and borrowing. The financing costs will be met from repayments from the revenue budget resulting from savings on the system.