

CABINET

Report of: Director of Resources

Date: 17 May 2021

Cabinet Portfolio: Finance

COUNTY COUNCIL BUDGET

CAPITAL PROGRAMME UPDATE MAY 2021

Purpose

To approve:

- Concept Bids – feasibility costs required to progress prospective capital projects to Full Business Case. Costs are the maximum required.

Costs can be capitalised once they can be directly attributed to an asset.

- Full Business Cases – new projects to be included in the current capital programme.

Details of which are attached in **Appendix A**.

Comments by Director of Resources

Feasibility costs will initially be funded from the Programme for Administration Reserve.

In respect of the new capital bids to be considered, Full Business Case cost of £11,095,779 will be offset by external funding of £10,318,267. Cost to the Authority will be £777,512, however this figure will reduce if additional external funding is secured. Unless funded from service revenue budgets, any borrowing costs will count towards the current £14.07m per annum capital financing costs cap.

As illustrated within the County Council Budget 2021-22 and Medium Term Financial Plan 2021-22-2024-25 reported for Full Council on 4 March 2021, an additional £10m prudential borrowing in 2021-22 shows there is only £0.06m capacity within the proposed cap before it is exceeded. Capital financing costs will be revised to take into account the updated Capital Programme.

Comments by Head of Legal and Democratic Services

There are no legal issues arising from this report.

Comments by Head of Human Resources

There are no human resources issues arising from this report.

IMPACT ASSESSMENT

The Capital Programme has been considered against the five ways of working (long term, prevention, integration, collaboration, involvement) in the Well-being of Future Generations sustainable development principle. Important issues to note are:



Long term

The Capital Programme is set in the context of the Medium Term Financial Plan to ensure that services are affordable into the long term.



Prevention

Investment in our assets is an effective way to assist in the delivery of revenue savings via reduced maintenance and running costs.



Integration

This report was produced alongside the Capital Strategy, which underpins the Council's Well-being objectives set out in the Corporate Plan, the Pembrokeshire Public Services Board Well-Being Plan as well as considering the wider strategic influences.



Collaboration

Securing external funding for new schemes is a high priority. This will ensure we minimise the financial pressure to The Authority.



Involvement

Stakeholders were involved in the commencement of new projects

The amended capital programme is unlikely to impact on the Equality Act 2010.

The amended capital programme is unlikely to impact on the Council's obligations under the Welsh Language Standard Regulation 2015.

RECOMMENDATION

As set out in Appendix A to this report:

- To approve the additions to the Capital Programme for 2021-22.

Reason for Recommendation

To comply with statutory requirements and the Councils Capital Strategy 2021-22 to 2024-25.

Background Documents:

- Capital Strategy 2021-22 to 2024-25 (Council 4 March 2021)

- County Council Budget 2021-22 and MTFP 2021-21 to 2024-25 (Council 4 March 2021)