

**TELFORD & WREKIN COUNCIL****CABINET - 23 FEBRUARY 2012  
COUNCIL - 1 MARCH 2012****SERVICE & FINANCIAL PLANNING 2011/12 – 2014/15: CAPITAL PROGRAMME****REPORT OF THE MANAGING DIRECTOR, CHIEF FINANCE OFFICER, THE ASSISTANT DIRECTOR: FINANCE, AUDIT & INFORMATION GOVERNANCE, THE ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & HOUSING AND THE ASSISTANT DIRECTOR: ENVIRONMENTAL & LEISURE SERVICES****PART A – SUMMARY REPORT****1. SUMMARY OF MAIN PROPOSALS**

The report details the revised capital programme for 2011/12 and the proposed capital programme for 2012/13 to 2014/15, together with the Capital Strategy (including the proposed Asset Management Plan and related Building Maintenance and the Highways and Transport capital investment programme).

**2. RECOMMENDATIONS**

**Members are asked to approve the report and associated capital estimates and variations for 2011/12 and 2012/13 – 2014/15, which incorporates the Capital Strategy, the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II), and Asset Management Plan (Annex III) and the three year Highways and Transport capital investment programme (Annex IV).**

**Members are asked to delegate authority to the Assistant Director: Development, Business & Housing to deliver the planned programme of works within the Asset Management Plan and to the Assistant Director: Environmental & Leisure Services the Highways and Transport capital investment programme in line with the approved budgets with any variations or changes to schemes in these programmes, that remain within overall approved budgets, after consultation with the appropriate Cabinet Members.**

**3. SUMMARY IMPACT ASSESSMENT**

**COMMUNITY IMPACT** *Do these proposals contribute to specific priority plan objectives?*

*Yes/No* *All priorities are covered by the report. The overall budget framework contains funding to support the Council's work to promote*

*Equalities & Diversity across the Borough.  
As part of the Planned Maintenance funding  
an allocation had been identified to improve  
accessibility, and service delivery from the  
Authority's buildings*

*Will the proposals impact on specific groups of  
people?*

*Yes/No An element of the capital improvements to  
Council buildings will be focused on  
improving accessibility. The allocation is  
prioritised using the full range of asset  
management data and specifically using the  
accessibility audits as well as working with  
Service Heads and the Equalities team.*

**TARGET  
COMPLETION /  
DELIVERY DATE**

*There are many different capital projects and each  
one has a different target completion date. Some of  
the programmes are ongoing, others will complete  
during the period of the programme as shown in  
Annex I.*

**FINANCIAL/VALUE  
FOR MONEY IMPACT**

*Yes/No Where appropriate these are detailed in the  
body of the report.*

**LEGAL ISSUES**

*Yes/No all proposals are covered by the legislative  
framework within which the council operates*

**OTHER IMPACTS,  
RISKS AND  
OPPORTUNITIES**

*Yes/No The Council's current Strategic Risk  
Register has been considered as part of  
allocating resources in the overall  
programme*

**IMPACT ON  
SPECIFIC WARDS**

*Yes/No Proposals affect all wards in the Borough*

## **PART B – ADDITIONAL INFORMATION**

### **4.0 SUMMARY**

- 4.1 This report presents the Council's Capital Strategy for 2011/12 – 2014/15 and later years and a capital programme of £336.092m that includes the proposed investments included in the overall budget strategy. It also sets out the Council's Asset Management Plan and proposed planned Building Maintenance programme, particularly focusing on 2012/13 and the three year Highways & Transport capital investment programme.
- 4.2 The strategy and programmes address our corporate priorities in conjunction with the service and financial planning strategy. The proposals in this report build upon the major review of the Council's capital expenditure commitments undertaken as part of the "100 Day Budget". This saw the exposure to prudential borrowing reduce by around £35m giving an annual revenue saving of just under £3m pa through the cancellation of some capital projects such as the building of new Civic Offices and the use of additional capital receipts to reduce debt rather than to fund new spending commitments.

- 4.3 The revenue cost of the use of the Council's own resources and unsupported borrowing are built into the proposed 2012/13 budget and future projections, while the cost of government supported allocations is currently met through a combination of Revenue Support Grant and direct capital grants, though the former is currently restricted by the government's damping of the Council's grant, no new government supported allocations have been issued for 2012/13 or 2013/14, this is offset by a partial switching to capital grant.
- 4.4 The Asset Management Plan sets out the framework for assessing and prioritising property related issues. The approved framework has been adhered to in prioritising the planned building maintenance programme for 2012/13. The building maintenance programme has been set in accordance with the proposed budget 2012/13 – 2014/15.

## **5.0 STRATEGIC OVERVIEW**

In the short to medium term, Telford & Wrekin Council is in a period of significant transformation and change. The drivers of this are:

- The retrenchment of public spending by the coalition Government - the Council is facing the challenge of making significant savings of £40m over a three-year period whilst trying to protect front-line services as far as possible. Our Service and Financial Planning Strategy sets out our response to this challenge and how these savings are being identified and delivered.
- Becoming a Co-operative Council and ultimately a Co-operative Borough to reshape the relationship between the Council, its employees, the community and partners to:
  - **Improve and bring services together;**
  - **Deliver the things that matter to local people;**
  - **Strengthen and develop our communities;**

Our Co-operative Council "adopter programme" sets out our pathway to becoming a Co-operative Council.

Both of these challenges have required the Council to review its 'priorities' and longer term 'vision' for the Borough as part of its service and financial planning strategy. This has been informed by a broad ranging consultation programme in which we listened to some 3,000 residents and partners over summer 2011. Informed by this and needs analysis of the Borough, our emerging priorities and associated vision for 2020 is:

- **A growing local economy to create jobs** - we will work with our partners to attract greater investment and tourism into the Borough. We want to nurture and keep our own local talent and develop a well educated and trained workforce to work in any new jobs. We will have improved the prospects of 18 to 24 year olds through apprenticeships and work experience.

- **Improved lives for all** - we will make sure that all local people have opportunities to have the best life possible wherever they live and whatever their background. Children and families will be supported to have good lives through good quality education, training and job opportunities. Our programme of rebuilding schools will be completed and we expect to see better results across the Borough.
- **Vulnerable children and adults are protected** - the best place for most children and young people is with their families and in their own communities. Children will be in care for the right reasons. Services for families will be stronger, and will offer support early on. Children in care will be happier and have improved lives and adults will keep their independence in their communities for longer.
- **Clean and well maintained neighbourhoods and streets** - we want to have high and consistent levels of cleanliness across all of our neighbourhoods. The condition of roads and footways will have improved. High quality streetlights will help to lower anti-social behaviour and improve energy efficiency. We will have one of the highest recycling rates in the West Midlands and household waste services will be more efficient and easy to use.
- **Residents feeling safe and proud of where they live** - through partnership working, the level of crime and anti-social behaviour will have continued to fall. We will work with families that display anti-social behaviour and people will not be as worried about this issue and crime. The things that are special about Telford and Wrekin will be celebrated and we will work to develop a stronger local identity. Volunteering will be at the heart of community action and we will work with local people to build respect for the Borough.
- **Housing choices to meet the needs of all** - By 2020 we will ensure that we have enough good quality housing for residents and newcomers into the Borough. New housing developments will help to build sustainable communities and will be well designed. In new housing estates, there will be more affordable housing and mixed social and private housing. We want the condition of privately rented accommodation to be consistently better.

Capital investment clearly plays a key role in the achievement of our local priorities. Through our Asset Management Plan and Capital Strategy **we seek to maximise the value and opportunities of our assets to take forward the delivery of emerging strategic priorities.**

**Our Capital Strategy and Asset Management programme are not, however, just about 'concrete, tarmac, buildings etc', they are about making a positive difference to the quality of local people's lives** through specific projects, services, technology and facilities. In recent years, key initiatives progressed/ delivered through targeted capital investment include:

- Improvements to roads, pavements and street lighting;
- Redevelopment of the local centres
- Development of new 'state of the art' schools commencing with Abraham Darby Academy and Woodlands Primary

## **6.0 CAPITAL STRATEGY: 2011/12 – 2014/15**

6.1 During 2012/13, we are planning to invest **£95.919m** as part of a **£336.092m** capital programme, to build and improve the facilities, assets and infrastructure to support the delivery of these objectives. This investment has been secured primarily through a combination of Government grants and supported borrowing allocations, use of the Council's own resources (capital receipts), and Prudential Borrowing by the Council. Over the planning period, our capital programme is as follows:

<b>Priority Area</b>	<b>Total £m</b>	<b>2011/12 £m</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>Later Years £m</b>
<b>A growing local economy to create jobs</b>	<b>41.854</b>	<b>6.100</b>	<b>27.207</b>	<b>6.854</b>	<b>1.693</b>	<b>0.000</b>
<b>Improved lives for all</b>	<b>213.413</b>	<b>47.328</b>	<b>52.250</b>	<b>56.135</b>	<b>28.236</b>	<b>29.464</b>
<b>Vulnerable children and adults are protected</b>	<b>6.807</b>	<b>2.968</b>	<b>2.917</b>	<b>0.922</b>	<b>0.000</b>	<b>0.000</b>
<b>Clean and well maintained neighbourhoods and streets</b>	<b>26.053</b>	<b>8.345</b>	<b>7.484</b>	<b>6.288</b>	<b>3.936</b>	<b>0.000</b>
<b>Residents feeling safe and proud of where they live</b>	<b>33.463</b>	<b>10.505</b>	<b>3.023</b>	<b>2.135</b>	<b>9.800</b>	<b>8.000</b>
<b>Housing choices to meet the needs of all</b>	<b>6.704</b>	<b>4.625</b>	<b>1.338</b>	<b>0.741</b>	<b>0.000</b>	<b>0.000</b>
<b>Managing the Organisation</b>	<b>7.798</b>	<b>4.398</b>	<b>1.700</b>	<b>1.700</b>	<b>0.000</b>	<b>0.000</b>
	<b>336.092</b>	<b>84.269</b>	<b>95.919</b>	<b>74.775</b>	<b>43.665</b>	<b>37.464</b>

6.2 Supporting Telford & Wrekin's role as a focus for continued growth and development until 2026 underpins all our priorities. This is very much a 'capital' agenda – though it must be supported by the day-to-day delivery of high quality and efficient and improving services for the community - and we will look creatively to utilise local resources such as the Council's land assets and land owned by other partners, and external funding and investment to turn vision into reality.

6.3 Details of the major projects and investments that we are looking to resource are detailed in Annex I. Many of these investments contribute in to the delivery of more than one Priority.

## **7.0 CAPITAL PLANNING FRAMEWORK**

7.1 The Council's Capital Strategy is driven by our shared Vision for the Borough and our Priorities. All our plans and spending proposals (both capital and revenue) are developed within a partnership framework. The capital strategy is seen as a key opportunity to:

- drive forward the Vision and Priorities for the Borough;
- influence the development of the Borough and the actions of other agencies;
- work in partnership with other bodies to pursue national and regional objectives;
- ensure that funding mechanisms are used effectively and external funding maximised;
- maintain and improve the condition and suitability of our assets.

7.2 A key feature of our approach is that capital and revenue expenditure are considered together through one integrated service and financial planning framework and process. The Capital Strategy process brings together all aspects of capital planning and management. It guides and acts as the focus for all work on capital issues. The capital strategy process is given firm leadership:

- at officer level by the Senior Management Team;
- at member level by the Cabinet.

Progress and the outcomes of capital expenditure are also considered by the Council's scrutiny committees as part of their service and financial performance monitoring role. They also input specifically to the strategy development process through scrutiny of the Draft Budget Strategy.

### (i) Approach

7.3 Our approach to the Capital Strategy Process is described below. This process is continually evolving and has been developed to enable the Council to respond effectively to the developments in Capital and Asset Management Planning.

7.4 The Prudential Code of Borrowing requires us to look at capital and revenue spend in an integrated way. Under this regime, the Council has much more freedom to invest in capital projects as long as the borrowing is determined to be **affordable, prudent, sustainable and represents value-for-money**. The prudential system of capital finance makes the capital strategy a much more integral and essential part of the annual budget setting process and medium term financial strategy; developed through an emerging 3-year forward planning framework which brings together service and financial planning priorities and proposed developments to support delivery of our priorities.

### (ii) Capital Strategy Process

#### a) Strategic Review of Needs

7.5 We annually review plans and priorities for capital spending. This is done as part of the annual corporate planning process, the development of key planning documents such as Priority Plans, and the outcome of major policy and/or service reviews. In seeking to determine priorities for investment and action, it is important to understand the key issues, needs and opportunities that need to be addressed. The following documents in particular map these out in detail, these are:

- The LSP's Vision 2026, Community Strategy and Local Area Agreement;
- The Council Plan/Priority Plans;

7.6 The result is a clear strategic view of priorities which identifies both **pressures and developments** in terms of:

- Projects required to progress the Vision for the Borough – whether partner, Council or joint (developments);
- Projects required to meet service priorities (pressures and developments);
- Maintenance spending required on assets (pressures).

This process is done collaboratively through dialogue with partners and is also informed by the Council's annual consultation strategy. This framework encourages a joined-up focus on outcomes, on major strategic initiatives and partnership working. The outcome is a broadly-based overview of capital spending priorities, business needs and opportunities, and outcomes to be realised.

#### **b) Strategic Consideration of Priorities, Resources and Resource Implications**

7.7 The financial implications of new capital spending requirements are carefully assessed within a business case in terms of:

- Overall resource availability including the anticipated results of asset disposals;
- Identification and consideration of whole life costings;
- Identification of significant revenue implications for capital proposals, with overall decisions on capital programme being made (and consulted on) as part of the overall service, financial planning and value-for-money process;
- Consideration of appropriate procurement strategies and potential funding regimes.
- 'Pay back'/Invest to Save potential, such as for example investment in Waste Recycling facilities to reduce the future impact of Landfill Tax increases.

7.8 The Prudential Code of Borrowing highlights the need, in making decisions on capital investment, to have regard to a number of core factors. As such, the Capital Strategy and Programme for 2012/13 has been developed around the following principles and processes:

#### **- Corporate Strategic Planning Assessment:**

7.9 Revenue and capital budgets are planned together as far as practicable each year. Desired spending has been prioritised and narrowed down into an overall capital strategy taking account of local, national and regional priorities. National priorities are considered within the parameters of the Government's Annual Capital Guidelines (ACG's) for major service areas.

#### **- Options Appraisal to Secure Value for Money:**

7.10 In developing the capital programme, the Council has sought to identify which of a number of alternative ways is the best way to fund and deliver a capital project to meet its objectives. Also, to ensure that the Council's approach to prudential borrowing is affordable, prudent and sustainable, a set of prudential indicators have

been developed to monitor performance. The business case for capital investment requires consideration/identification of how such spend represents or will improve value-for-money to the community.

### **c) Detailed Capital Programme**

7.11 The Strategic Assessment of capital spending priorities is then subjected to further internal and external consultation and translated into an achievable phased programme across the whole Council with clearly agreed and identified:

- Revenue implications.
- Procurement Arrangements;
- Timescales, project management arrangements and accountabilities;

**Annex I** sets out details of our committed Capital Programme 2011/12 – 2014/15 and Detailed Analysis of Capital Grants.

### **d) Control, Monitoring, Performance Management & Review**

7.12 A corporate framework for project management exists for capital schemes. Regular monitoring of progress and spend takes place both at service level and corporately. The Asset Management Plan ensures that relevant property PIs have been incorporated into corporate performance monitoring arrangements and into the monitoring of the management of the capital programme. In-year progress is highlighted as part of the reporting arrangements of the Service & Financial Performance Management Framework.

## **8.0 ASSET MANAGEMENT PLANNING & PROGRAMME**

### **Our Strategic Approach**

8.1 The Asset Management Plan (Annex III) and associated data on Property (i.e. condition, suitability, sufficiency, access, asbestos surveys) informs the Council's Building Investment Programme. The Council has completed all surveys for Operational Properties used for the delivery of its services and these are updated on a rolling programme each year. The Council's Asset Management Plan 2011 /2015 has identified a condition backlog of £12.8 million for Operational Properties (excluding schools) and £28.6m for Schools / education properties. The school condition back log will be significantly addressed over the next few years with the investment from the Building Schools for the Future Programme (BSF). The Operational Property backlog will also show significant reductions as a result of Property Rationalisation.

8.2 The Building Investment Programme as identified in Annex II, is set in accordance with the approved framework for prioritising condition backlog as included in the Asset Management Plan. The proposed level of investment included in the Capital Programme 2012/13 is £1.63m for Educational Assets and £1m for all other Operational Assets. The budget allocations do not take into account the capital investment relating to Schools and the secured investment relating to BSF which will greatly reduce the condition backlog for Education Properties as part of the building rationalisation process. In addition to the above capital allocations, Schools are also in receipt of Devolved Formula Capital (DFC)

which is used fundamentally for repairing and maintaining the School building stock on a day to day basis.

#### Priority 1

Urgent works that will prevent closure of premises and/or address a high risk to the health and safety of occupants and/or remedy a serious breach of legislation.

#### Priority 2

Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address medium risk to the health and safety of the occupants and/or remedy a minor breach of legislation.

#### Priority 3

Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of legislation.

### 8.5 Previous year comparisons

		2007	2008	2009	2010	2011
Schools	P1-P3	£26,491,290	£25,277,205	£27,657,372	£29,352,678	£28,593,580
Operational	P1-P3	£10,173,636	£11,984,120	£10,134,790	£11,080,659	£12,766,526

\*Note: Hadley PFI / Jigsaw / Madeley Academy / Abraham Darby Academy have not been included within the above figures.

- 8.6 The proposed level of investment included in the Capital Programme 2012/13 is £1.63m for Educational assets and £1.0m for all other operational assets. The budget allocations do not take into account the capital investment relating to amalgamation of schools and the secured investment relating to Building Schools for the Future which will greatly reduce the condition backlog for Education properties as part of the building rationalisation process.

In addition to the above capital allocations schools are also in receipt of Devolved Formula Capital (DFC) which is used fundamentally for repairing and maintaining the school building stock on a day to day basis.

The Asset Management Database is analysed on a yearly basis as the priorities may change due to new findings as part of continuing re-surveys of property. Emergencies that occur within the financial year may also lead to reprioritisation of the allocated budgets and a change to the programme identified.

- 8.7 In accordance with prioritisation as set out in 7.4 Annex II, identifies the building maintenance programme for 2012/13; all schemes listed are priority 1 or priority 2 items, health and safety, or are deemed necessary in order to maintain service delivery.

### **9.0 PARTNERSHIP AND CROSS CUTTING ACTIVITY**

- 9.1 There is a very well-developed Local Strategic Partnership, bringing together key local organisations and agencies across all sectors. The Partnership is overseen by

S&FPCapitalProgramme

an 'executive' Agenda Group which comprises the chief officers of the main public, private and voluntary organisations in Telford & Wrekin.

9.2 Partnership working is the framework through which all key local cross-cutting issues are tackled. The Partnership has a range of both 'thematic' and 'area based' sub-partnerships tackling local issues and informed by an extensive programme of consultation.

9.3 The Council actively works with partners to maximise assets. For example through various co-locations of services which is a key feature in particular of the Learning Communities that are being developed. Amalgamation and co-location of services and community facilities is a key aim that drives our asset management and service planning.

## 10.0 CONSULTATION

10.1 Over the past few months, the Council has been engaging widely with the local community around service and financial planning. Further details are set out in the over-arching Service and Financial Planning report considered by Cabinet on 22 December 2011. As capital programmes are being rolled out there will be a need for further consideration on consultation with the public.

## 11.0 RESOURCES

### 11.1 Mainstream Government Supported Borrowing

The main borrowing allocations received, along with forward indications of minimum future allocations are as follows:

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Later Years £m
<b>Improved lives for all</b>	1.941	0.000	0.000	0.000	0.000
<b>Clean and well maintained neighbourhoods and streets</b>	0.721	0.138	0.000	0.000	0.000
<b>Managing the Organisation</b>	2.000	0.000	0.000	0.000	0.000
<b>Total</b>	4.662	0.138	0.000	0.000	0.000

In the comprehensive spending review the government announced that no new allocation would be issued for 2012/13 or 2013/14.

The revenue cost of utilising these government allocations should be funded by Revenue Support Grant although this is impacted by the RSG damping mechanism which withholds a substantial part of the additional revenue funding due to the Council to support the cost of these allocations at present.

## 11.2 Supplementary Grants

While information is still awaited on some allocations, the following new allocations have been built into the overall resources position: This takes into account the reduction in grant for Sports and Learning Communities discussed in 6.3 above.

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Later Years £m
<b>A growing local economy to create jobs</b>	9.473	1.094	1.496	0.000	0.000
<b>Improved lives for all</b>	33.026	39.064	50.963	22.082	14.047
<b>Vulnerable children and adults are protected</b>	2.653	1.505	0.882	0.000	0.000
<b>Clean and well maintained neighbourhoods and streets</b>	4.242	4.995	4.038	3.936	0.000
<b>Residents feeling safe and proud of where they live</b>	0.262	0.500	1.200	9.300	3.400
<b>Housing choices to meet the needs of all</b>	2.308	0.000	0.000	0.000	0.000
<b>Total</b>	51.964	47.158	58.579	35.318	17.447

## 11.3 Capital Receipts

The capital programme places a significant reliance on future capital receipts, totalling £110.154m shown in the table below. Any shortfall in the amounts received or re-phasing of schemes would have a revenue impact which is not built into the budget strategy. This would have to be mitigated through re-phasing of spend, re-prioritising schemes or incurring additional borrowing which would have a revenue impact which would have to be taken into account in future in the Medium Term Service & Financial Planning Strategy.

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Later Years £m
<b>Total</b>	2.683	34.203	36.590	11.278	25.400

## 11.4 Prudential Borrowing Regime

Within the budget strategy for 2011/12 to 2014/15 the level of Prudential Borrowing assumed is as follows:

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Later Years £m
<b>A growing local economy to create jobs</b>	-4.068	18.738	-19.932	-1.545	0.000
<b>Improved lives for all</b>	10.843	5.521	-1.390	0.684	1.517
<b>Vulnerable children and adults are protected</b>	0.250	1.200	0.000	0.000	0.000
<b>Clean and well maintained neighbourhoods and streets</b>	3.382	2.351	2.250	0.000	0.000
<b>Residents feeling safe and proud of where they live</b>	5.273	0.373	-4.603	-11.135	4.600
<b>Housing choices to meet the needs of all</b>	2.167	1.338	0.741	0.000	0.000
<b>Managing the Organisation</b>	6.073	-15.313	2.500	9.065	-11.500
<b>Total</b>	<b>23.920</b>	<b>14.208</b>	<b>-20.434</b>	<b>-2.931</b>	<b>-5.383</b>

### 11.5 Overall Resources Position

For planning purposes, some forward allocation indications have been included below. In these cases no firm scheme proposals will be put forward for approval until actual allocations are known.

Resources Available	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Later Years £m	Total £m
Government Allocations						
Improved lives for all	1.941	0.000	0.000	0.000	0.000	1.941
Clean and well maintained neighbourhoods and streets	0.721	0.138	0.000	0.000	0.000	0.859
Managing the Organisation	2.000	0.000	0.000	0.000	0.000	2.000
	<b>4.662</b>	<b>0.138</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4.800</b>
Grant Allocations						
A growing local economy to create jobs	9.473	1.094	1.496	0.000	0.000	12.063
Improved lives for all	33.026	39.064	50.963	22.082	14.047	159.182
Vulnerable children and adults are protected	2.653	1.505	0.882	0.000	0.000	5.040
Clean and well maintained neighbourhoods and streets	4.242	4.995	4.038	3.936	0.000	17.211
Residents feeling safe and proud of where they live	0.262	0.500	1.200	9.300	3.400	14.662
Housing choices to meet the needs of all	2.308	0.000	0.000	0.000	0.000	2.308
	<b>51.964</b>	<b>47.158</b>	<b>58.579</b>	<b>35.318</b>	<b>17.447</b>	<b>210.466</b>
Other Resources						
Capital Receipts	2.683	34.203	36.590	11.278	25.400	110.154
Revenue/External	1.040	0.212	0.040	0.000	0.000	1.292
Prudential Borrowing	23.920	14.208	-20.434	-2.931	-5.383	9.380
	<b>27.643</b>	<b>48.623</b>	<b>16.196</b>	<b>8.347</b>	<b>20.017</b>	<b>120.826</b>
<b>Total</b>	<b>84.269</b>	<b>95.919</b>	<b>74.775</b>	<b>43.665</b>	<b>37.464</b>	<b>336.092</b>

The revenue impact of the use of Council resources, government allocations and prudential borrowing in the proposed programme are built in to the budget summary.

## **12.0 CONCLUSION**

12.1 Because Telford & Wrekin is a growing and changing area it has substantial capital spending needs:

- to support and meet the growing needs of the Borough and our aspirations to transform Telford & Wrekin;
- to maintain and develop the Council's own stock of capital assets;
- to address the 'New Town effect' of a commonly-ageing infrastructure.

12.2 As a former new town area, with the Council having limited land and asset holdings, we have a more limited capacity to generate capital receipts through disposals than some other authorities. We, therefore, take the capital strategy and its asset management planning very seriously. We look on capital spending as an integral element of our overall approach to Community Planning, partnership working and community engagement.

12.3 We are committed to maximising the effectiveness of our assets and capital spending and to identifying or creating opportunities to attract external funding resources. **Our focus is on delivering our priorities and policy objectives and on ensuring that our vision for the community can, each year, become more of a reality for local people.**

### **Background Papers**

Funding notifications, investment proposals, cabinet reports on various schemes, previous Capital Strategy documents and capital programmes.

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**Capital Programme 2011/12 to 2014/15 and later years**  
**See attached Excel spreadsheet**

**Property Programme 2012/13**

**Education Planned Building Capital Works Programme 2012/13**

Asset	Description of Works	Estimated Budget	Ward
Donnington Wood Infants	Re-roofing of main school block and partial replacement of curtain walling. The main school roof is in poor condition, the glazing system also leaks and generally the construction is very inefficient from an energy perspective. The proposed works are to re-roof the school, replace elements of glazing system and provide insulation.	£280,000	Donnington
Dothill Primary	Phase 2 Heating installation - The boilers to the main school were replaced in 2011/12 and the proposals are to replace the heat emitters in the class bases as part of the phase 2 investment. This will provide a more efficient heating system and reduce energy usage.	£75,000	Dothill
Lilleshall Primary	Roofing and window replacement - Works have been undertaken in 2011 which included partial roof replacement. As part of the planned Phase 2 work the high level windows over the hall will be replaced as they are beyond economical repair.	£50,000	Church Aston & Lilleshall
Southall Primary	Works to the existing three class base demountable - The demountable is no longer useable due to the poor condition of the roof. The building requires re roofing and redecoration which would provide the school with the required accommodation for their capacity. The works will include insulating the roof to reduce energy costs.	£30,000	Dawley Magna
St Lawrence Primary	Re-roofing of demountable - The existing demountable building roof is leaking which is causing disruption. It is proposed to replace this with an insulated roofing system which would reduce energy costs.	£20,000	Ercall Magna
Haughton Special School	Re -roofing of main school - The main school roof is leaking and beyond economic repair. The project will include re roofing the school with an insulated roofing system to reduce energy costs.	£100,000	Cuckoo Oak
Newport Junior	Boiler replacement - It is proposed to undertake a full boiler replacement including controls and associated pumps and valves. This will reduce the schools expenditure on repairs and heating costs.	£100,000	Newport South
John Randal Primary	Electrical installation replacement - The power and lighting at the school is in need or replacement. The school are undertaking a project to replace light fittings to some areas, from a procurement and economies of scale perspective it makes sense and	£75,000	Cuckoo Oak

	minimises disruption to undertake the two projects under one contract.		
Asset	Description of Works	Estimated Allocated Budget	Ward
John Fletcher	Partial re roofing - the main teaching block roof is leaking which is causing disruption. The proposal is to partially replace the roof covering with an insulated system to reduce energy costs.	£35,000	Madeley
Wombridge Primary	Boiler replacement - The boilers are oil fired, they are inefficient and at the end of their economic life.. It is proposed to replace the existing boilers and associated pumps and valves with high efficiency gas boilers. This will lower costs and also contribute the Councils Carbon Reduction Commitment.	£100,000	Ketley & Oakengates
Teagues Bridge Primary	Curtain Walling Phase 2 - Partial replacement of the curtain walling system was undertaken in 2010. Completion of the curtain walling is planned to be carried out in a final phase in 2013/14 subject to assessment of future budget provision.	£200,000	Wrockwardine Wood & Trench
Tibberton Primary School	Re-roofing of main school block - the existing school roof is beyond economic repair. The proposal is to replace the roof with an insulated system.	£130,000	Edgmond
Meadows Primary	Electrical installation replacement - The power and lighting systems at the school are in need or replacement.	£80,000	Ketley & Oakengates
Various Schools	Data updates - to update the asset management data. This will include condition and suitability surveys and re drawing of plans to buildings as and when upgrades are carried out.	£30,000	Various
Various Schools	Asbestos removals - Carry out asbestos removals within school buildings. The removals will be prioritised using the Asbestos Management survey data.	£100,000	Various
Various Schools	External decoration and preventative maintenance - It is vital to carry out a programme of preventative planned maintenance to minimise future significant capital expenditure. The proposed programme is carry out work to approximately 15 schools per year based on a 4 year programme.	£75,000	Various
Various Schools	Emergency works - budget allocation for emergency works. Examples are major boiler failures. This will ensure that schools are able to remain operational with minimum closures.	£150,000	Various
Total		£1,630,000	

### Corporate Planned Building Capital Works Programme 2012/13

Asset	Description of Works	Estimated Allocated Budget	Ward
Various Properties	Emergency Works - A reserved budget to cover landlord responsibilities for major un planned replacements (i.e. boiler failure). This is required to ensure continuation of service.	£300,000	Various
Various Properties	External Painting - It is vital to undertake preventative planned maintenance to minimise future capital expenditure, it is proposed to repaint approximately 15 properties per year based on a 4 year programme.	£65,000	Various
Various Properties	Asbestos Removals - Carry out asbestos removals within Operational Buildings. The removals will be prioritised using the Asbestos Management survey data.	£75,000	Various
Various Properties	Carbon Reduction Commitment Funding - To ensure that the Council meets its obligations regarding legislative carbon reduction. This is linked to 'Salix' grant funding and includes replacement heating controls and monitoring together with lighting and sensor control upgrades.	£75,000	Various
Various Properties	Data Updates - to update the asset management data on operational assets. This includes condition and suitability surveys together with updated plans on 20% of properties.	£30,000	Various
The Place Oakengates	Stage Winch Replacement - The stage winches require replacement as they no longer comply with current H&S requirements.	£60,000	Ketley & Oakengates
Oakengates Leisure Centre	Internal Refurbishment - Works are required to the internal fabric of the building which would include wet side changing rooms, toilets, sports hall floor, lighting and decoration. Assessment of proposed BSF Programme will be carried out.	£100,000	Wrockwardine Wood & Trench
Leegomery Changing Rooms	Showers - The showers are past economic repair and in need of replacement.	£25,000	Hadley & Leegomery
Darby House	Roof Replacement - The roof over Darby House is leaking. It is proposed to replace the roof covering with an insulated system.	£100,000	The Nedge
Wellington Chapel of Rest (Cemetery)	Essential Electrical Works - The electrical installation at the property is in a poor state and requires replacement.	£30,000	Ercall
Stirchley Leisure Centre	Boiler Replacement - the boilers at the property are at the end of their economical life and require replacing. The proposal would be to replace them with high efficiency boilers which would contribute to the council's carbon reduction commitment.	£140,000	Brookside

Total		£1,000,000	
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Note- The costs are estimated, actual costs will be established by competitive tendering in accordance with the Councils Financial Regulations with variances managed within the overall budget allocations.