

**Written statement of a budget and policy framework decision**

<b>Title</b>	<b>Capital Programme Update</b>
Decision maker	Cabinet * for recommendation to: Council * Information about cabinet, including the names and contact details of the cabinet members, can be found here: <a href="http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251">http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251</a>
Date of decision	28 June 2018
Report exemption class	Open
A notice was served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	<p>To recommend to Council proposed in year adjustments to the capital programme including proposed investment additions for 2018/19, 2019/20 and 2020/21. These items are in addition to the £92.418m for 2018/19, £48.078m 2019/20 and £8,484m 2020/21 capital funding approved by Council in January 2018</p> <p>The report proposes some adjustments to reflect increased or unanticipated grant allocations and s106 funding secured and proposes some changes to reflect the way in which some individual projects are now anticipated to be funded. Additional provision is sought to enable development of the Shell Store; the additional provision arises as a result of construction costs inflation and an error in the programme approved by Council. In addition, two new schemes are proposed to be added:</p> <ul style="list-style-type: none"> <li>the Cyber Security Centre to support the development of specialist facilities including business space for small and medium enterprises (SME's), research and product testing lab space, and educational and training space at Rotherwas; and</li> </ul>

- the redevelopment of the Hillside Rehabilitation Centre to provide additional residential nursing care provision in the county.

If approved the proposals will have an increase in the capital programme of £3.5m and £1.5m respectively and funded by £1.5m use of capital receipts, £2m borrowing for Cyber Security Centre and £1.5m borrowing for Hillside.

A delegation is sought to enable the Chief Finance Officer (as s151 officer) to approve in year amendments to the capital budget where the amendment arises as a result of securing external funding.

**Decision**

**That the following be recommended to Council**

- (a) the addition of £6.711m grant funding and s106 contributions to existing project budgets within the existing capital programme as detailed in the table below be approved**

<b>Scheme Name</b>	<b>2018/19 New Budget/ Grant (000)</b>
<b>Economy, Communities and Corporate</b>	
Local Transport Plan (LTP)	3,198
Fastershire Broadband	1,674
ECC's S106	756
<b>Total ECC Capital Projects</b>	<b>5,629</b>
<b>Childrens wellbeing</b>	
Schools Capital Maintenance Grant	33
CYPD's S106	589
Special Provision Capital Fund	167
Healthy Pupils	99
Basic Needs Funding	48
<b>Total CWB Capital Projects</b>	<b>936</b>
<b>Adults and wellbeing</b>	
Disabled facilities grant	147
<b>Total AWB Capital Projects</b>	<b>147</b>
<b>Total</b>	<b>6,711</b>

- (b) the special provision capital fund be increased by £167k in each of 2019/20 and 2020/21 capital budgets for the new grant allocation;**
- (c) additional provision of £1.116m be made to support development of the Hereford Enterprise Zone Shell Store making the total provision for this project £7.316m;**
- (d) provision of £1.5m be made to support conversion of the Hillside Rehabilitation Centre to provide a nursing home facility;**
- (e) provision of £3.5m be made to support delivery of a Cyber Security Centre at Rotherwas;**
- (f) approve the changes set out at paragraphs 35 and 36 to funding streams for Ross Enterprise Park and Childrens Wellbeing projects and adjustments across directorate projects with an overall reduction of £476,000;**
- (g) the revised 2018/19 capital budget of £145.315m detailed in appendix 1**

	<p><b>be adopted, which consists of £40.816m 2017/18 brought forward balances and previous approved budgets of £92.148m, along with the below items recommended for approval; and</b></p> <p><b>the chief finance officer be authorised, following consultation with the Cabinet Member Finance and Corporate Services to make in year amendments to the capital programme to reflect additional external funding secured in year.</b></p>
Reason for the decision	As set out in the report. Documents relating to this decision are available at <a href="http://councillors.herefordshire.gov.uk/mglssueHistoryHome.aspx?IId=50026668">http://councillors.herefordshire.gov.uk/mglssueHistoryHome.aspx?IId=50026668</a>
Options considered	<ol style="list-style-type: none"> <li>1. Not to recommend the proposed amendments and additions. This is not recommended as this would lead to a loss of £6.711m additional income or the inability to deliver projects brought forward in order to further achievement of the corporate plan priorities and outcomes</li> <li>2. Not to seek a delegation to make in year amendments to the capital budget to reflect external funding secured. This is not recommended as the addition of external funding to the budget does not adversely impact on the council's financial position and any drawing down of that funding would be subject to separate governance.</li> </ol>
Declarations of interest (see below)	
Call-in expiry date	<p>Budget and policy framework item</p> <p>Under part 4, section 3 of the constitution, this decision is not subject to the usual call-in procedure as it is a budget and policy framework item and therefore must be decided at a meeting of the full Council.</p>

<p>Councillor: .....</p> <p>Leader of the Council</p> <p>(Councillor JG Lester)</p>	<p>Date 28 June 2018</p>
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- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;
- and
- in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.