

SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 20th February 2020

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PART I FOR DECISION

RECOMMENDATIONS OF CABINET, 3rd FEBRUARY 2020: CAPITAL STRATEGY: 2020 TO 2024

1 Purpose of Report

To consider the recommendation of the Cabinet from its meeting held on 3rd February 2020 to approve the capital strategy 2020 to 2024 and the capital programme for 2020/21.

2 Recommendation(s)/Proposed Action

The Council is requested to resolve:

- (a) Approve the capital strategy of **£259.0m** and the associated Minimum Revenue Provision;
- (b) Note the notional costs of borrowing for the capital programme to the revenue budget will be an increase of up to **£5.916m** per annum - commencing during the period of the capital strategy to fund borrowing.
- (c) Approve the principles underpinning the capital programme in paragraph 5.1.2 and the Minimum Revenue Provision principles in Section 7;
- (d) Approve the Prudential Indicators as set out in Section 6 of the report and the Authorised Limit as set out in Tables 1.7 and 1.8.
- (e) Approve, in order to provide increased flexibility to fund the Council's Capital Expenditure plans, the maximum level of external debt be brought forward to the 2020/21 limit with immediate effect.
- (f) Approve Appendices A and B detailing the capital programmes for the General Fund and the Housing Revenue Account.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The report helps achieve the Five Year Plan by contributing to the Council's overall financial planning processes.

4 **Other Implications**

(a) Financial: As detailed within the report.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
<p>That the Capital Strategy Of £259.0m and the Minimum Revenue Provision is approved and recommended to full council</p>	<p>The Capital strategy should be both affordable and Prudent and there are Prudential Indicators in Section 6 that demonstrate these criteria being met. The Capital strategy is supported by £171m in borrowing. There are estimates of the revenue implications in terms of Interest costs and Minimum Revenue Provision. If interest rates rise faster than expected interest payable costs could impact on revenue budgets. There is the risk of escalating capital costs and overspends</p>	<p>The council will work with its Treasury advisors in order to mitigate interest rate risk and ensure long term borrowing decisions are taken at the most advantageous time. The Prudential Indicators are controls. Cabinet receives update reports on the Capital Programme on a quarterly basis and Council every 6 months.</p>	<p>9-</p>	<p>The Council will look to convert some of its Temporary Borrowing which has funded Capital Expenditure in recent years to Longer Term Borrowing. This may be more expensive initially but will reduce risk in the medium term.</p>

	against budget. This could also impact on the Revenue budget going forward.			
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Risk	Mitigating action	Opportunities
Legal	None	none
Property	None	None
Human Rights	None	None
Health and Safety	None	None
Employment Issues	None	None
Equalities Issues	None	None
Community Support	None	None
Communications	None	None
Community Safety	None	None
Financial	Detailed within the report	None
Timetable for delivery – capital programme delivered under the 80% mark	Monthly review at Capital Strategy Board and quarterly by O&S / Cabinet	Ability to increase the deliver of capital schemes
Project Capacity	None	None
Other	None	None

(c) Human Rights Act and Other Legal Implications

No specific legal implications arise from this report.

(d) Equalities Impact Assessment

Equalities Impact Assessments will be conducted, if required, for projects contained within the Capital Strategy.

5. Supporting Information

5.1 Purpose

5.1.1 The capital strategy is one of three key strategic financial documents that the Council utilises in order to deliver its corporate objectives. The Council has a wide ranging number of capital commitments and purposes. The capital strategy, as with all other corporate documents, needs to underpin the delivery of the 5 year plan for the Council through to 2024.

5.1.2 The capital strategy is guided by a variety of core principles:

- That the capital strategy is affordable within the overall financial envelope for the Council;
- That the capital strategy supports the outcomes expressed in the five year plan;

- Any additional capital funding in excess of the current borrowing requirement should have a neutral impact on the revenue budget over the life of the strategy excluding delivering statutory capital schemes e.g. ICT compliance;
- That the Council maximises its assets to generate revenue savings or capital receipts in line with the asset management strategy and the objectives of the corporate plan;
- To deliver value for money through 'Invest to Save projects' to generate on-going revenue savings and to ensure that whole life costs are captured;
- That where borrowing is required, it is undertaken in line with CIPFA's prudential code;
- To take into account the asset management strategy, including highways & transport plans; and
- That there is a ten year payback on general fund secured capital schemes

5.2 Current Medium Term Financial Position

5.2.1 As detailed in the Council's Revenue Budget report 2020/21 the Council is facing difficult years ahead with increased demand led pressures.

5.2.2 As detailed within the Treasury Management Strategy, the Council will only borrow as a last resort once it has exhausted all other sources of funding; however, revenue monies need to be set aside to fund any additional borrowing costs otherwise the Council will not have sufficient resources to repay its borrowings if that occurs. The Council is currently utilising short-term borrowing rates as these are currently at historically low levels and anticipated to remain low for the next decade. There is however some interest rate risks in adopting this approach, i.e. a risk to the council if interest rates start to rise. The council works closely with its Treasury Management advisers to calculate the best time to borrow longer-term through the Public Works Loans Board (or other sources) in order to reduce funding risk.

5.2.3 The summarised capital programme has been provided below in Table 1.1. This table highlights the key expenditure areas and the financing requirement for the capital programme over the period of the strategy. The Council's capital strategy is now over a four year period, and it is over this period that the Council needs to consider if additional borrowing is required. For example, if the first year showed a net cost of £10m but four year strategy showed £2.5m p.a. of net capital receipts, then the Council could take the decision not to borrow the £10m over the longer term, and finance the capital programme through short term borrowing initially that would be reduced by the net receipts coming into the capital programme.

Table 1.1 Summarised Capital Programme

Capital Expenditure and Financing (estimate)	19-20	20-21	21-22	22-23	23-24	2019-2024 Total
	£m	£m	£m	£m	£m	£m
General Fund	136.5	147.1	42.8	16.8	10.0	216.7
HRA	34.6	16.8	15.8	4.8	4.8	42.3
Total	171.1	163.9	58.6	21.7	14.8	259.0

Expenditure						
Grant Funded	32.8	33.8	9.0	4.4	1.5	48.7
Section 106	3.0	3.0	3.0	3.0	2.0	11.0
Capital Receipts	4.9	2.4	3.3	0.0	0.0	5.7
Major Repairs Reserve	14.7	8.9	1.5	3.8	3.8	18.1
RCCO	10.0	1.5	1.0	1.0	1.0	4.5
Borrowing *	105.7	114.3	40.8	9.4	6.4	171.0
Total Financing	171.1	163.9	58.6	21.7	14.8	259.0

5.2.4 The total revenue financing required to fund the capital strategy's borrowing requirement of **£171.0m** is **£5.916m** over 4 years. This is where there is a strong alignment between the treasury management strategy and the capital strategy. The Council has some short term cash funding available for the first year of the capital strategy, but will be required to fund the remaining programme. It is absolutely vital that the Council begins to set aside revenue funding to finance long term capital commitments during the life of the capital strategy, and this is linked to the Minimum Revenue Provision detailed further below in this report.

5.2.5 Table 1.2 shows the cost of borrowing to finance the capital programme. The annual minimum required to be set aside for **£171.0m** of capital borrowing (given the main assets being built this would be over an assumed 60 year lifecycle) would equate to an increase in revenue cost of borrowing of **£2.742m** from 2020/21 rising to **£5.916m** in 2023/24 if the Council went out to borrow from the PWLB¹. As noted above, at present, the Council will utilise any internal balances first before undertaking any new borrowings. There is a cost of doing this, but this is far lower than borrowing with average returns realising approximately 1%.

Table 1.2 Cost of borrowing to finance the capital programme

Cost of borrowing	20-21	21-22	22-23	23-24
	£	£	£	£
Cumulative borrowing	114,280,000	155,080,000	166,370,000	170,970,000
PWLB interest cost p.a.	2,742,720	3,721,920	3,992,880	4,103,280
MRP		1,267,830	1,648,515	1,812,922
Revenue	2,742,720	4,989,750	5,641,395	5,916,202

5.3 Key elements

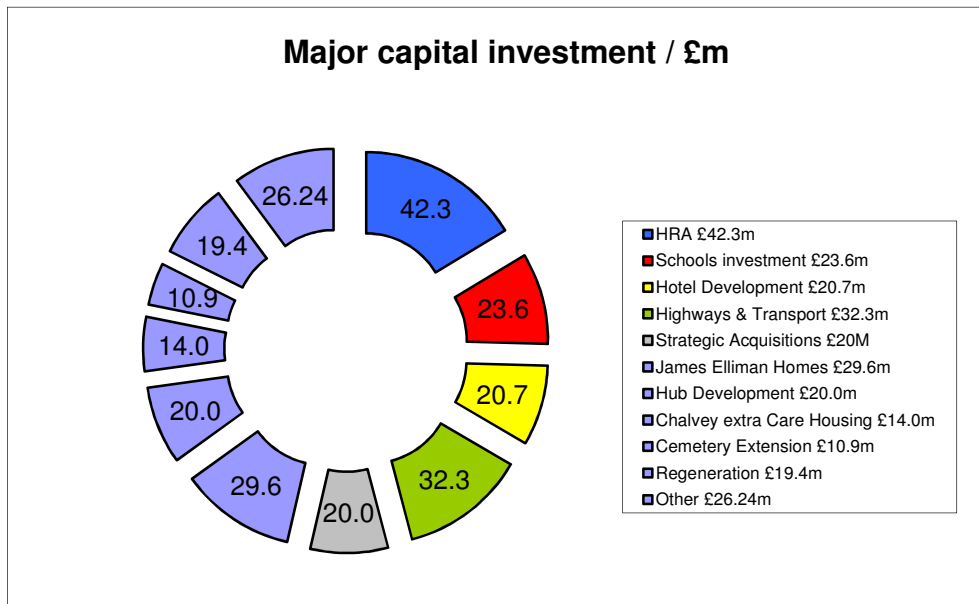
5.3.1 As can be seen from Table 1.1, above, broadly 15 % of the capital programme funded via general sources relates to expenditure through the Housing Revenue Account and 85% on other general fund activity.

¹ Assuming borrowing from the Public Works Loans Board at the rate as at 9th January 2020 of 2.40%

5.3.2 There are significant items of expenditure in the capital programme across future financial years, including:

- Expansions to the Borough’s Primary and Secondary schools - £23.6m
- Improvements to the Council’s housing stock and infrastructure - £42.3m
- Investment in James Elliman Homes - £29.6m
- New hotel on the Old Library site in the centre of Slough - £20.7m
- Hub Development - £20.0m
- Highways & Transport - £32.3m

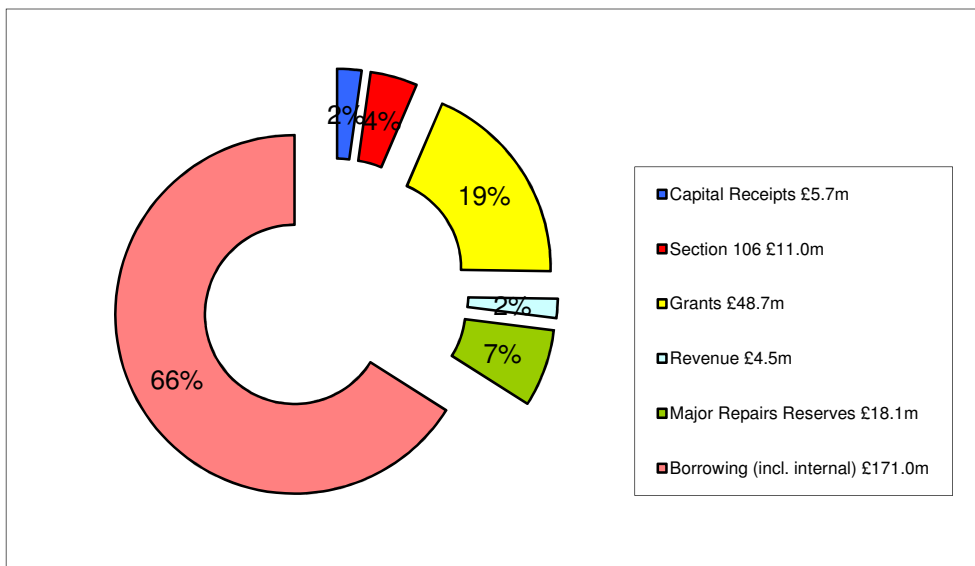
Chart 2.1: Key items included in the Capital Strategy



5.4 Financing the capital programme & prudential code

5.4.1 The Council has a variety of sources of funding for the capital strategy and these are summarised below:

Chart 2.2: Capital financing / £m: 2020-24



5.4.2 The majority of the Council's General Fund Capital Funding will come from borrowing as the level of grant funding diminishes. The HRA Capital Programme is funded from the Major Repairs Reserve, Revenue and Capital Receipts. The Council is actively reviewing its assets, and more detail of this is included within the Asset Management Strategy. This review is looking at assets that the Council holds across the Borough and is seeking to maximise returns from these, be this by maximising revenue streams from the asset or through disposal.

5.4.3 The main sources of income are:

Capital Receipts

5.4.4 The prime areas of General Fund capital receipts in recent years has come from monies received via the Council involvement within the Slough Urban Renewal Partnership (SUR). This is income derived from the sale of various sites included within the initial Option Agreement with SUR (eg Ledgers Road and Wexham Nursery).

5.4.5 The majority of HRA capital receipts arise from the sale of Council homes under the Right to Buy regime. Under the changes to the RTB regime, the Council has signed an agreement with the Government allowing it retaining a high proportion of those capital receipts provided they are used to build 'replacement' affordable/social homes.

Grant Funding

5.4.6 The Council receives a variety of capital funding grants from various Government departments. The Council strategy is based on the assumptions that all transport related expenditure is funded entirely within grant funds received from Government. The Council will seek every opportunity to maximise its use of grant funding across the organisation as well as utilise any opportunities from HRA funding.

Section 106 receipts

5.4.7 The Council also partially funds its capital programme from Section 106 receipts. The Council holds approximately £10.2m s106 receipts, which can be used on various projects over the next 10 years. It is planned to use £3m of Section 106 Contributions to fund the 2019-20 Capital Programme, with the remaining £7.2m to be used to part fund the 2020-24 Capital Strategy. Additional section 106 Contributions are likely to be received during the period of the 2020-24 Capital strategy and will always be used where possible in order to reduce the need to borrow. A summary of Section 106 Contributions currently available is shown in Table 1.3 below.

Table 1.3 Section 106 Contributions

	Total Deposited	Total Spent	Current Balance	Committed	Uncommitted
Open Space maintenance	1,588,077.80	115,851.34	1,472,226.46	824,696.33	647,530.13
Open Space Capital	1,247,051.27	25,135.34	1,221,915.93	1,153,875.52	68,040.41
Public Realm	255,019.85	255,019.85	0.00		0.00
Town Centre	39,818.02	39,818.02	0.00		0.00
Affordable Housing	4,743,074.05	4,280,757.65	462,316.40	437,316.40	25,000.00
Education	8,143,519.96	7,442,220.70	701,299.26	701,299.26	0.00
Highways & Transport	1,855,397.41	949,094.36	906,303.05	938,653.05	-32,350.00
Windsor Road/Conference Centre	231,943.54		231,943.54	231,943.54	0.00
Transport Vision	678,920.82		678,920.82	678,920.82	0.00
Bus Gates/stops	142,583.96	14,799.00	127,784.96	107,777.18	20,007.78
RTP1	193,298.38	18,998.38	174,300.00		174,300.00
Cycleway	590,855.54	129,236.35	461,619.19	234,619.19	227,000.00
Stoke Road	1,797,363.17		1,797,363.17	1,797,363.17	0.00
Travel Plan	217,523.45	13,500.00	204,023.45	177,849.57	26,173.88
Bus Pass Contribution	1,295,700.00	0.00	1,295,700.00	1,295,700.00	0.00
Highway Cleansing Maintenance	49,187.18	0.00	49,187.18	49,187.18	0.00
Parking	201,374.93	0.00	201,374.93	142,732.73	58,642.20
Air Quality/Electric Vehicle & Car Club	299,772.55	77,483.14	222,289.41	189,939.41	32,350.00
Total	23,570,481.88	13,361,914.13	10,208,567.75	8,961,873.35	1,246,694.40

Flexible use of Capital Receipts

- 5.4.8 Revenue expenditure where it is forecast that they will generate ongoing savings to Slough's net service expenditure and/or transform service delivery can be funded by the flexible use of capital receipts. To date officers calculate that £27.724m of additional capital receipts could be utilised under this initiative. The Council will continue to make use of this to fund certain revenue-related change costs in line with the approved strategy.

Revenue Contributions

- 5.4.9 These will be minimised wherever possible; the most effective way to fund capital expenditure is through spreading the cost of the asset over the lifetime of the asset. However, in some circumstances, where the Council might receive one-off monies for example, funding a capital scheme from revenue sources might be more beneficial. The majority of revenue contributions are to fund the HRA Capital Programme. Here voluntary revenue contributions are used to increase the value of the Major Repairs Reserve, a Balance Sheet reserve utilised to fund the HRA Capital Programme.

Borrowing

- 5.4.10 Where the Council has capital commitments that exceed its funding sources from the above, the Council is required to borrow in line with the prudential code. The Chartered Institute of Public Finance and Accountancy's (CIPFA) prudential code governs how Council borrows funds and ensures that it does so within an affordable framework. The Local Government Act 2003 requires the Council to have regard to the CIPFA's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good

professional practice. Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to MHCLG's Guidance on Minimum Revenue Provision.

5.4.11 The broad aim of the Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

5.4.12 Revenue contributions (HRA). The abolition of the HRA subsidy system and its replacement by the self-financing regime from April 2012 has enabled the HRA to retain more of its rental income. This additional income is being used to support the building of affordable homes in the capital programme as well as other elements of the capital programme. As a result, new affordable/social homes will be built within the Borough to help replace those sold under the Right to Buy (RTB) regime.

5.4.13 Major Repairs Reserve (HRA). This reserve is a revenue funded reserve used to maintain the Council's housing stock at a 'Decent Homes' standard and is a major contributor to funding the HRA capital programme.

6 Prudential Indicators

6.1 The Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Council's planned capital expenditure and financing may be summarised as follows.

Table 1.4: Capital Programme

Capital Expenditure and Financing	31.03.20 Revised	31.03.21 Estimate	31.03.22 Estimate	31.03.23 Estimate
	£m	£m	£m	£m
General Fund	131	147	43	17
HRA	35	17	16	5
Total Expenditure	166	164	59	22
Capital Receipts	5	2	3	
Grants & Contributions	36	37	12	7
Revenue	10			1
Reserves	20	11	3	4
Borrowing (incl. internal)	95	114	41	10
Total Financing	166	164	59	22

Table 1.5 Estimates of Capital Financing Requirement:

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.20 Revised	31.03.21 Estimate	31.03.22 Estimate	31.03.23 Estimate
	£m	£m	£m	£m
General Fund	509	603	635	655
HRA	164	168	178	178
Total CFR	673	771	813	833

The CFR is forecast to rise by £160m over the next three years. This represents capital expenditure which has no sources of funding (such as Grants, Revenue Contribution, Capital receipts, Section 106 Agreements). This increase will therefore be funded from external and internal borrowing.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Table 1.6 Estimates of Gross Debt

Debt	31.03.20 Revised	31.03.21 Estimate	31.03.22 Estimate	31.03.23 Estimate
	£m	£m	£m	£m
Borrowing	588	676	713	733
Leases	6	25	25	25
PFI liabilities	33	31	29	28
Total Debt	627	732	767	786

Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external

debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Table 1.7 Operational Boundary

Operational Boundary	2019/20 Limit	2020/21 Limit	2021/22 Limit	2022/23 Limit
Borrowing	584	712	754	774
Other long-term liabilities	39	59	59	59
Total Debt	623	771	813	833

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

At the February 2020 Cabinet meeting, officers reported the possibility of bringing forward planned 2020/21 capital expenditure to realise a unique opportunity to purchase land which would be suitable for building affordable homes and/or new housing stock. It is therefore proposed to bring forward the 2020/21 Authorised limit, with immediate effect, to allow this opportunity to be seized if practical and possible.

Table 1.8 Authorised Limit

Authorised Limit	2019/20 Limit	2020/21 Limit	2021/22 Limit	2022/23 Limit
	£m	£m	£m	£m
Borrowing	594	742	784	804
Other long-term liabilities	39	59	59	59
Total Debt	633	801	843	863

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Table 1.9 Ratio of Financing Costs to Net Revenue Stream

Ratio of Financing Costs to Net Revenue Stream	2019/20 Revised %	2020/21 Estimate %	2021/22 Estimate %	2022/23 Estimate %
General Fund	2.8	4.3	5.1	5.9
HRA	12.8	13.0	12.94	12.8

Adoption of the CIPFA Treasury Management Code: The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (The Code). It fully complies with the Code's recommendations

7 Minimum Revenue Provision Statement

- 7.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance) most recently issued in 2012.
- 7.2 The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 7.3 The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.
- 7.4 CLG has issued guidance on the calculation of MRP, including a number of methods which it considers to be prudent. The guidance is clear that authorities are also free to devise other methods they consider prudent.
- 7.5 The guidance details:
- **A: Regularity Method: Finance leases and Private Finance Initiative (PFI) :** MRP on assets acquired through finance leases and Private Finance Initiative (PFI) should be equal to the cash payments that reduce the outstanding liability each year.

- **B: CFR Method: Capital expenditure incurred before 1st April 2008:**
MRP on all capital expenditure incurred before 1st April 2008, and on expenditure funded by supported borrowing thereafter, is equal to 4% of the opening CFR with some optional adjustments.
- **C: Asset Life/ Depreciation Method: Unsupported Capital Expenditure (“Prudential” borrowing):**
MRP on expenditure incurred from April 2008 onwards that is funded by unsupported “prudential” borrowing should be calculated by reference to the asset’s useful life, using either a straight line or an annuity method, starting in the year after the asset becomes operational. This may also be used for supported Non-HRA capital expenditure if the Council chooses. There is no requirement to charge MRP in respect of HRA capital expenditure funded from borrowing.

Here, the Council has three broad options:

- Option 1: the 4% reducing balance method
- Option 2: the straight line asset life method, and
- Option 3: the annuity asset life method.

- 7.6 Up to 2015/16 the Council used Option 1 respect of supported capital expenditure funded from borrowing and Option 2 in respect of unsupported capital expenditure funded from borrowing and Private Finance Initiative schemes. MRP in respect of leases brought on Balance Sheet under the International Financial Reporting Standards (IFRS) based Accounting Code of Practice matched the annual principal repayment for the associated deferred liability.
- 7.7 The Council MRP Policy changed in 2017/18. At a time of increasing pressure on the revenue budget, savings in the annual cost of MRP may reduce the need for savings to be made in front line services. During 2016-17 the Council’s Treasury Management advisors were commissioned to conduct a review of MRP, and advisors recommended moving to an annuity basis (Option 3) for both supported and unsupported capital expenditure (including PFI liability) with effect from 1st April 2016. This reduced the MRP charged in this and for future years for the foreseeable future though it is estimated to become a cost to the council in 2037/38.
- 7.8 This change to the previous MRP policy resulted in a credit from the overprovision made in previous years (approximately £3.6m). The benefit arising will be applied prospectively, spread over a period of 10 to 15 years to link in with the Medium Term Financial Planning process. This “recovery” method is in line with guidance issued by the National Audit Office (NAO).
- 7.9 Capital expenditure incurred during 2019/20 would not be subject to a MRP charge until 2020/21.
- 7.10 Based on the Council’s latest estimate of its Capital Financing Requirement on 31st March 2020, the budget for MRP is shown in Table 1.10 below. The table below differs from Table 1.2 as it includes the charging of MRP on unfinanced capital expenditure incurred prior to the 2020-21 financial year. Also where resources allow the council will consider using capital receipts to fund MRP in order to relieve pressure on the Revenue budget.

Table 1.10 MRP Method – Option 3 (Annuity)

31 March	2020	2021	2022	2023
	£k	£k	£k	£k
50 Year Annuity MRP charge	3,208	4,362	5,707	6,173
Over provision of £3.6m spread over 10 years:	(360)	(360)	(360)	(360)
MRP Charge	2,848	4,002	5,347	5,813

8 Community Investment Fund

- 8.1 The Community Investment Fund programme for 2020/21 has an indicative budget of £1.050m with the majority to be spent on neighbourhood enhancements through identified member need in the wards across the Borough. All elected Councillors will have £20,000 each to spend on Capital projects of their choosing and Cabinet has an additional Community Investment Fund Capital Allocation of £210,000. The only stipulation is that this must be capital and not revenue expenditure. Allocations are for individual councillors but two or more Councillors can pool resources in order to fund a larger project. Thus far orders have been raised for Park and Recreation Ground improvements, footway and alleyway resurfacing and improvements to green verges.

9 Comments of Other Committees

This report was considered by the Overview & Scrutiny Committee on 30th January 2020. No substantive comments were requested to be raised at the subsequent Cabinet meeting on 3rd February 2020; where it was agreed to recommend the report to Council for approval..

10 Conclusion

The Council are requested to approve the capital strategy.

11 Appendices Attached

- 'A' - Summary of draft 2019-24 General Fund strategy
- 'B' - Summary of draft 2019-24 HRA strategy

12 Background Papers

- '1' - Local Government Finance Settlement – 2020/21
- '2' - Revenue Budget Report 2020/21
- '3' - Asset Management Strategy
- '4' - Treasury Management Strategy 202/21

Appendix A – General Fund Capital programme

_Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
		£'000	£'000	£'000	£'000	£'000	£'000
Children, Learning and Skills							
	Early Years & Prevention						
P749	Children's Centres Refurbishments	132					0
P142	Children's Centres IT	24					0
P196	Early Years Service Capital Development Programme	500	250	250	250	0	750
	Total Early Years & Prevention	656	250	250	250	0	750
	Schools						
P051	Primary Expansions	477	250	100	0	0	350
P076	Town Hall Conversion	100					0
P093	Schools Modernisation Programme	532	890	600	600	200	2,290
P101	SEN Resources Expansion	3,955	1,250	250	250	250	2,000
P783	Schools Devolved Capital	100	90	80	80	80	330
P673	DDA/SENDA Access Works	50					0
P139	323 High St/Haybrook	54					0
P153	Special School Expansion	437	3,340	9,150	1,600	0	14,090
P095	Secondary Expansion Programme	13,378	1,800	0	0	2,000	3,800
P207	Refurbishment of Wexham House	75					0
	Total Schools	19,158	7,620	10,180	2,530	2,530	22,860
Total Children, Learning & Skills		19,814	7,870	10,430	2,780	2,530	23,610
Place & Development							
	Environmental Services						
P580	Mayrise Insourcing	21					
P176	Refuse fleet & Grounds Plant equipment	459					

_Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
	Environmental Services (Cont.)	£'000	£'000	£'000	£'000	£'000	£'000
P581	Domestic Wheeled Bins & Containers	125	125	125	125	125	500
P219	Urban Tree Challenge Fund		1,023	0	0	0	1,023
P177	Recycling Initiatives		500	500	0	0	1,000
	Total Environmental Services	605	1,648	625	125	125	2,523
	Housing People Services						
P006	Disabled Facilities Grant	564	550	550	550	550	2,200
P184	Refurbishment 2 Victoria St and 34 Herschel St	28					
	Total Housing People Services	592	550	550	550	550	2,200
	Housing Development & Contracts						
P194	Compulsory Purchase Order Reserve	430	1,645	0	0	0	1,645
P181	Nova House Capital Loan	1,045	5,000	0	0	0	5,000
P208	Chalvey Extra Care Housing	500	14,800	0	0	0	14,800
	Total Housing Development & Contracts	1,975	21,445	0	0	0	21,445
	Building Management						
P185	Manor Park Hall & Comm Centre Refurbishment	13					0
P146	Arbour Park Community Sports Facility	42					0
P191	Fire Risk Assessment Works	498					0
P193	Purchase new Corporate HQ	7,591	3,000	0	0	0	3,000
P1931	Customer & Accommodation	4,000					0
	Total Building Management	12,144	3,000	0	0	0	3,000
Total Place & Development		15,316	26,643	1,175	675	675	29,168

_ Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
	Finance & Resources	£'000	£'000	£'000	£'000	£'000	£'000
	Digital & Strategic IT						
P145/P161	Financial Systems Upgrade	1,000	500	0	0	0	500
P084	IT Infrastructure Refresh	3,345	3,350	350	350	350	4,400
P183	Management Information Centre	110					0
	Total Digital & Strategic IT	4,455	3,850	350	350	350	4,900
	Finance						
P871	Community Investment Fund	1,825	1,050	1,050	1,050	1,050	4,200
	Total Finance	1,825	1,050	1,050	1,050	1,050	4,200
	Total Finance & Resources	6,280	4,900	1,400	1,400	1,400	9,100
	Adults and Communities						
	Adult Social Care Operations						
P331	Social Care IT Developments	486					0
P577	Learning Disability Change Programme	912					0
P133	Extra Care Housing	0	0	0	0	1,844	1,844
P195	Autism Capital Grant	6					0
	Total Adult Social Care Operations	1,404	0	0	0	1,844	1,844
	Regulatory Services						
P083	Cemetery Extension	151	5,700	2,000	2,000	1,233	10,933
P873	Crematorium Project	54					0
P198	Allotments Improvement Project	535					0
	Total Regulatory Services	740	5,700	2,000	2,000	1,233	10,933
	Communities & Leisure						
P107	Repairs to Montem	39					0

_Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
	Communities & Leisure (cont.)	£'000	£'000	£'000	£'000	£'000	£'000
P162	Community Leisure Facilities	153	66	0	0	0	66
P141	Langley Leisure Centre	725					0
P969	Salt Hill Leisure	1,000					0
P165	Leisure Centre Farnham Road	4,348					0
P164	New Ice	700					0
	Total Communities & Leisure	6,965	66	0	0	0	66
Total Adults & Communities		9,109	5,766	2,000	2,000	3,077	12,843
Regeneration							
	Regeneration Development						
P204	Hub Development	100	5,000	5,000	5,000	0	15,000
P205	Youth Hub		5,000	0	0	0	5,000
P127	Demolition Montem/TVU Site	1,950	1,950	0	0	0	1,950
P171	Slough Basin	76					0
P135	Plymouth Road	123					0
P172	TVU development	9,031	4,000	0	0	0	4,000
P156	Strategic Acquisition fund	26,303	20,000	0	0	0	20,000
P159	Hotel development	17,271	20,673	0	0	0	20,673
P206	Refurbishment 32 Chalvey Road East	75					0
P178	Lease surrender Serena Hall	85					0
P179	James Elliman Homes	13,900	13,000	16,600	0	0	29,600
P056	Slough Dog Recreation Area	16					0
	Total Regeneration Development	68,930	69,623	21,600	5,000	0	96,223
	Regeneration Delivery						
P180	Capital works following Stock Condition Survey	3,799	2,400	2,400	2,400	0	7,200
	Total Regeneration Delivery	3,799	2,400	2,400	2,400	0	7,200

_Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
		£'000	£'000	£'000	£'000	£'000	£'000
P174/ P111	Highways Maintenance Programme	1,384	1,289	1,289	1,289	1,289	5,156
P112	Minor Highways, Pavements & Street Improvements		1,000	500	500	500	2,500
P728	Highway Reconfigure & Resurface	634	500	500	500	500	2,000
	Total Planning & Transport	2,018	2,789	2,289	2,289	2,289	9,656
	Major Infrastructure Projects						
P102	Local Sustainable Transport Fund	191					0
P149/P098	A332 Windsor Road Widening Scheme LEP	1,500					0
P192	LTP Implementation Plan	771	400	0	0	0	400
P160	LED Upgrade	2,150					0
P881	Colnbrook Bypass	0	129	0	0	0	129
P186	Bridge Capital Works	108	1,600	0	0	0	1,600
P201	Stoke Road LEP	1,349	9,540	0	0	0	9,540
P202	MRT Phase 2 LEP	2,270	11,000	0	0	0	11,000
P157	Burnham Station LEP	668					0
P053	Langley Station LEP	764					0
P579	A4 Cycle	298					0
P188	Community Transport Fleet	630					0
	Total Major Infrastructure Projects	10,699	22,669	0	0	0	22,669
	Environmental Quality & Land Charges						
P155	Air Quality Monitoring	76	38	0	0	0	38
P125	Electric Vehicle Network	177	600	400	200	0	1,200
P170	Carbon Management-Fleet Challenge	29	970	0	0	0	970

_Cost Centre	Scheme Name	19-20 Final	20-21	21-22	22-23	23-24	Total 2020-24
	Environmental Quality & Land Charges Continued	£'000	£'000	£'000	£'000	£'000	£'000
P168	Re-fit Programme	154	1,334	500	0	0	1,834
P203	Car Club	100	500	100	100	0	700
	Environmental Initiatives- match funding		1,000	500	0	0	1,500
	Total Environmental Quality & Land Charges	536	4,442	1,500	300	0	6,242
Total Regeneration		85,982	101,923	27,789	9,989	2,289	141,990
	TOTAL	136,501	147,102	42,794	16,844	9,971	216,711
	FUNDING						
	Grant Funded	32,825	33,816	8,995	4,398	1,525	48,734
	Borrowing	100,676	110,286	30,799	9,446	6,446	156,977
	Section 106	3,000	3,000	3,000	3,000	2,000	11,000
	Total	136,501	147,102	42,794	16,844	9,971	216,711

Appendix B – HRA Capital programme

Cost Centre	Scheme name	19-20 revised budget	20-21	21-22	22-23	23-24	Total 20-24
	Housing Revenue Account	£'000	£'000	£'000	£'000	£'000	£'000
	RMI - Capital Programme						
P419	Garage Sites	2,000	2,000	2,000	2,000	2,000	8,000
P409	Boiler Replacement	900	500	500	500	330	1,830
P413	Kitchen & Bathrooms	700	700	700	700	700	2,800
P417	Roofing	0	0	0	0	615	615
P431	FRA & Asbestos Removal Works (bring forward £3m years 6/7)	3,000					
P415	Re-Wiring/Consumer Units	120	120	120	120	120	480
P436	De-Designated Refurbishment	1,000					
P547	Major Aids & Adaptations	250	250	250	250	324	1,074
P412	Windows and Door Replacement	700	700	700	700	700	2,800
P422	Security & Controlled Entry Modernisation	1,200	483	493	493	0	1,469
P433	Capitalised VOIDS	60	60	60	60	60	240
P406	Stock Condition Survey	192					
P405	Tower and Ashbourne	2,839					
P432	RMI Remodelling and Investment	5,289	4,000				4,000
	Total Planned Maintenance - Capital	18,250	8,813	4,823	4,823	4,849	23,308
	Other						
P575	Affordable Homes	16,384	8,000	11,017			19,017
	Total Other	16,384	8,000	11,017	0	0	19,017
	TOTAL	34,634	16,813	15,840	4,823	4,849	42,325
	RCCO	(10,000)	(1,500)	(1,000)	(1,000)	(1,000)	(4,500)
	Capital Receipts	(4,915)	(2,400)	(3,305)	0	0	(5,705)
	Major Repairs Reserve	(14,719)	(8,922)	(1,535)	(3,823)	(3,849)	(18,129)
	Borrowing	(5,000)	(3,991)	(10,000)			(13,991)
	TOTAL	(34,634)	(16,813)	(15,840)	(4,823)	(4,849)	(42,325)