



**REPORT of
INTERIM SECTION 151 OFFICER**

to
COUNCIL
13 FEBRUARY 2020

CAPITAL PROJECT BIDS 2020 / 21

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to consider the Capital Projects that have been recommended for approval by the Strategy and Resources Committee on 5 December 2019 and 29 January 2020.

2. RECOMMENDATION

That the Council approves the projects set out in this report for inclusion in the 2020 / 21 Capital Programme as set out in **APPENDIX A**.

Project Category	Capital Project Bid Details	£'000
Vehicles		
SF	2 Ride on John Deere mowers	41,000
E	Wood Chipper	17,600
E	Rolling replacement Van	20,000
Rivers		
E	Rigid Inflatable Boat	40,000
Playsites		
E	Play site Resurfacing – West Maldon Community City (WMCC) and Hester place	28,000
E	Multi Use Games Area (MUGA) Maldon	20,000
E	MUGA Burnham-on-Crouch	26,000
Cemeteries		
E	Toilet Provision Maldon and Heybridge Cemetery	25,000
Promenade Park		
E	Waste Transfer Station Containers	12,000
Leisure Centres		
E	Air Handling Unit	24,500
		254,100
Essential		213,100
Service Failure		41,000

3. SUMMARY OF KEY ISSUES

- 3.1 The Council's capital programme reflects the three strategic themes set out in the Council's Corporate vision of Place Community and Prosperity.
- 3.2 The 2020 / 21 project bids set out in the table above have been categorised by Officers into three main groups:
- Essential (E): Failure to carry out the project is likely to have health and safety implications and/or will have fundamental impact on service provision;
 - Service failure (SF): Relating to an operational asset that requires capital funding to ensure continued reliability or service provision;
 - Service improvement (SI): An asset that can be updated / upgraded to improve performance or function.
- 3.3 As part of the budget strategy the broad principles adopted in relation to capital are that expenditure should be financed from existing capital resources and not directly from revenue.
- 3.4 At the start of 2019 / 20 the Council had capital reserves totalling £3.1m. £1.5m was scheduled to be used to support the 2019 / 20 capital programme, which would leave £1.6m to support future programmes for 2020 / 21 and beyond.
- 3.5 In the absence of a sizeable capital receipt from a disposal of an asset, the Council will have used up its usable capital receipts within circa. 4 years at the rate of the capital programme suggested for 2020 / 21. That would mean that future capital programmes will have to be funded from borrowing. The Council is currently debt free.
- 3.6 The Committee should note that any large capital project(s) as a result of the Commercial Strategy will be presented for consideration on a project by project business case basis under the governance arrangements for the delivery of the Commercial Strategy. The financing options of those project(s) would be included as part of the business case for the project(s).

4. CONCLUSION

- 4.1 It is essential that the Council's assets are maintained to ensure continued reliability and service provision either at current or improved level.
- 4.2 The projects listed above are to form the 2020/21 Capital Programme. Any revenue consequences of the capital projects will be included in the 2020/21 revenue budget.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Strategic and Financial Planning process is designed to ensure the Council delivers its organisational focus on Performance and value.
- 5.2 Each of the capital projects are linked to the Strategic Themes.

6. IMPLICATIONS

- (i) **Impact on Customers** – The aims of the projects and impact on customers were outlined in the original project briefs.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Risks were considered as part of each project brief; this included information about the risks should the project not be taken forward, as well as risks that may impact on the success of the project.
- (iv) **Impact on resources (financial)** – The Capital programme is outlined in **APPENDIX A**. The capital programme will be financed internally by utilising capital reserves and the consequent impact on revenue will be factored into the Medium Term Financial Strategy.
- (v) **Impact on Resources (human)** – As well as financial factors, staff resources to deliver each project has been considered and was included within each project brief.
- (vi) **Impact on the Environment** – Many of the capital project bids are to maintain existing facilities or infrastructure. Any repair works will be undertaken sensitively to minimise the impact upon the wider environment.

Background Papers: **APPENDIX A**.

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