

CAPITAL PROJECT BIDS 2021 / 22**1. SUMMARY**

This appendix outlines the Capital projects that have been put forward by officers prior to the approval of the 2021 / 22 budget and updated Medium Term Financial Strategy. The projects have been taken to the Strategy and Resources Committee on the 28 January 2021 where members made recommendations to this meeting.

- 1.1 The Council's capital programme will need to reflect the three strategic themes set out in the Council's Corporate vision of Place Community and Prosperity.
- 1.2 The 2021 / 22 project bids set out in the table below and detailed projects sheets can be found at **APPENDIX A**. The projects have been categorised by the Strategy and Resources Committee and shown on the first page of Appendix A. The detailed project bids are included in the subsequent pages of Appendix A.
- 1.3 As part of the budget strategy the broad principles adopted in relation to capital are that expenditure will be financed from existing useable capital resources and not directly from revenue.
- 1.4 At the start of 2020/21 the Council had capital reserves totalling £2.3m. £0.6m is scheduled to be used to support the 2020/21 capital programme, which will leave £1.7m to support future programmes for 2021/22 and beyond.
- 1.5 The current 5-year capital programme is set out within MDC's Medium-Term Financial Strategy. 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 6 years, at the rate of the capital programme suggested for 2021/22. That would mean that any capital programme extending beyond that would have to be funded from borrowing. The Council is currently debt free.
- 1.6 The Council 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).
- 1.7 It is essential that the Council's assets are maintained to ensure continued reliability and service provision either at current or improved level. To that end, repairs and renewals of Council assets are programmed into MDC's Medium-Term Financial Strategy.