



**REPORT of
DIRECTOR OF RESOURCES**

**to
STRATEGY AND RESOURCES COMMITTEE
10 NOVEMBER 2022**

2023 / 24 CAPITAL PROJECT BIDS

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to consider the Capital projects that have been put forward by officers prior to the approval of the 2023 / 24 budget and updated Medium-Term Financial Strategy in February 2023.

2. RECOMMENDATION

That the Committee reviews the project bids set out in **APPENDIX A** in preparation to recommend a 2023 / 24 Capital Programme at the Strategy and Resources Committee in January 2023 for approval by the Council in February 2023.

3. SUMMARY OF KEY ISSUES

- 3.1 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.
- 3.2 The 2023 / 24 project bids set out in Table 1 below and detailed projects sheet can be found at **APPENDIX A**. The projects have been categorised by Officers into four 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;

3.3 Table 1

Project Category	Project Category	£'000
Vehicle and Plant Replacement		
E	White Van EF04 AFU	35
SF	White Van NJ59 PRZ	32
Maldon Promenade		
SF	The Valley - Play Galleon	220
SF	Play Equipment - Sensory	95

Project Category	Project Category	£'000
Riverside Park		
SF	Skate Park Equipment and Surface	120
SF	Play site equipment	45
Total Capital Programme		547
E	Essential	35
SF	Service Failure	512

- 3.4 Also, in the Capital Programme next year will be the two previously agreed rolling replacement programmes of £47k for employee laptops and accessories and £56k for Parks team vehicles. These are over and above the capital bids summarised in Table 1.
- 3.5 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.
- 3.6 At the start of 2022 / 23 the Council had capital reserves totalling £2.0m. £0.5m was scheduled to be used to support the 2022 / 23 capital programme, which would leave £1.5m to support future programmes for 2023 / 24 and beyond.
- 3.7 In considering the demands on the capital programme for 2023 / 24 and beyond, it must be noted in the absence of any sizeable capital receipts from disposals of assets, the Council is likely to use up its usable capital reserve within the next few years. This would mean that future capital programmes would need to be funded from borrowing. Whereas Maldon District Council (MDC) is currently debt free.

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 Committee is invited to comment on the capital schemes prior to their inclusion in the 2023 / 24 Capital Programme for Council approval in February 2023. Any revenue consequences of the approved capital projects will be included in the 2023 / 24 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 is also linked to the Strategic Themes.

6. IMPLICATIONS

- (i) **Impact on Customers** – The aims of the projects and impact on customers are detailed on the bid templates in **APPENDIX A**.

- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Risks have been considered as part of each project brief; this includes 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)** – Both capital and revenue implications are outlined within **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 this has been 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.
- (vii) **Impact on Strengthening Communities** – All above projects seek to improve services provided to communities with Maldon District.

Background Papers: None.

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