

EXECUTIVE DECISION RECORDING SYSTEM :  
REFERENCE NUMBER <>

CHIEF EXECUTIVES MANAGEMENT TEAM	9/02/09
LEADERSHIP BRIEFING	9/02/09
CABINET	17/02/09
COUNCIL	25/02/09

## **Capital Programme 2009-12**

### **REPORT OF DIRECTOR OF FINANCE INTERIM.**

#### **1.0 PURPOSE OF REPORT**

- 1.1 To set out the strategy for the 2009-12 capital programme and the proposed 3 year capital programme having regard to the resources available and a methodology for the allocation of general provisions included within the proposed programme.

#### **2.0 RECOMMENDATIONS**

That Members approve:

- 2.1 The capital programme for 2009-12 as presented in Appendix 1 so that a balanced programme is achieved over the 3 year timeframe
- 2.2 The Capital strategy as set out in Section 4 of the report
- 2.3 That the Capital Programme Working Party considers bids for new starts for 2009-10 to allocate some or all of the £3.319m general provision using a scoring criteria and also undertakes an initial scoring for potential schemes for 2010-12 and reports back with its recommendations to the March Cabinet
- 2.4 That the Capital Programme Working Party considers detailed bids for the allocation of ring fenced funds for 2009-10 using a scoring criteria and reports back with its recommendations to the March Cabinet
- 2.5 The Capital Programme Working Party to oversee a further review of capital spending plans which, over a longer term perspective, will aim to align the capital spending plans to those of Service Strategies.

#### **3.0 INTRODUCTION**

- 3.1 In April 2008 Council agreed the Capital Strategy for the three year period 2008-11 as part of the Financial Strategy. The Capital Strategy is updated on an annual basis and the key principles of the strategy, which are proposed for the financial years 2009-12, are set out in Section 4 of this report.

- 3.2 The Council is also required to set out its capital programme for the period 2009-12 based on the principles of the capital strategy. There has been an extensive review of capital spending proposals in view of the prevailing economic climate which has had a significant negative impact on the level of capital receipts likely to be generated and therefore the resources available to finance the capital programme. The review has looked at those schemes for which there was a contractual commitment, where funding was ring fenced to particular schemes or areas, options for the deletion and inclusion of schemes and consequently the available level of general capital resources for new starts. Based on the results of the review, the table below sets out the summary of the anticipated expenditure and income using best current information for the 3 year period 2009-12, such that there is a balanced position over the 3 year timeframe. The detailed programme is set out at Appendix 1.

Table 1 Proposed Capital Programme 2009-12

	2009/10	2010/11	2011/12	Total
	£'000	£'000	£'000	£'000
Expenditure	68,668	54,149	66,952	189,769
Income	(64,433)	(57,367)	(67,969)	(189,769)
Shortfall/(Surplus) in Resources	4,235	(3,218)	(1,017)	Nil

#### 4.0 STRATEGY

##### 4.1 Capital Strategy

The Councils capital strategy for the period 2009-12 will be to:

- a) use capital allocations from Government for those programmes for which the resources have been allocated. Where resources are part of the Single Capital Pot, some reprofiling of the allocations may be undertaken in order to prioritise schemes. This is mainly due to the fact that while notionally most capital resources flow into a "single capital pot", in practice if resources are not spent on the items for which they are allocated, individual Government Departments seek recovery from future years allocations. The summary of ring fenced resources is shown Table 2 below with the detail at Appendix 2.

Table 2 Government Resources to be ring fenced (grants and supported borrowing i.e. no revenue cost of borrowing)

<b>Directorate</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>Total</b>
	£'000	£'000	£'000	£'000
Children, Young People & Families	15,007	16,484	7,548	39,039
Adult & Community Services	733	737	737	2,207
Environmental Services (inc Transport Regeneration)	4,831	4,906	4,700	14,437
Strategy & Resources	200	0	0	200
Housing Private Sector (inc MRF* & RHCP)**	18,327	16,953	15,255	50,535
Housing Public Sector (HRA)***	8,281	8,214	7,954	24,449
<b>Total</b>	<b>48,098</b>	<b>47,294</b>	<b>36,194</b>	<b>131,586</b>

\* HMRF is Housing Market Renewal Fund

\*\* RHCP is Regional Housing Capital Pot

\*\*\* HRA is Housing Revenue Account

It should be noted that some of these allocations are only provisional figures at present, and these allocations will be updated as confirmation is received. See Appendix 3 for the key grant funding assumptions.

- a) maximise the use of external grant funding to support or enhance capital investment where this investment meets the Council's priorities.
- b) use prudential borrowing to allow demonstrable "invest to save" initiatives to progress but minimising the usage of prudential borrowing so that there is minimal impact on the revenue budget
- c) provide an annual programme to support legal obligations as a first call on Council Resources. These are Disability Discrimination Act, Water Quality, and Asbestos Management.
- d) provide match funding for the Disabled Facilities Grant as required.
- e) provide an annual amount to enable the upgrade of the IT infrastructure and ensure it remains "fit for purpose". Within the contract with Unity, a minimum provision for this area is specified.
- f) Include within the capital programme expenditure/resources required for any capitalisation of corporate restructuring costs as and when required in accordance with a DCLG capitalisation direction.

- 4.2 All projects or programmes should be able to demonstrate that they are the best way of :
- a. Meeting corporate priorities
  - b. Maintaining assets and infrastructure
  - c. Assisting with improving performance or efficiency
  - d. Representing value for money.

These merits of schemes for inclusion in the programme will be considered on submission of a business case and scored and thereby ranked in relation to a set of agreed criteria. A key consideration in this scoring will be to ensure that all cost implications including exit strategies and replacement requirements have been accounted for.

- 4.3 There is a need for the Council to reduce its asset portfolio whilst still obtaining best value for disposals, and make more efficient use of the assets it holds, for example through shared accommodation and ensuring accommodation is fit for purpose. The Corporate Property Strategy identifies these as key priorities and work by the Corporate Property function will assist in identifying the resources required. It is however recognised that at this time the prevailing market conditions limit opportunities for disposals of property on the most advantageous terms.

#### **4.4 Funding Strategy**

In order to fund the capital programme there are a number of resources that the Council can utilise, these can be split between sources that have no revenue consequences, and sources that have revenue consequences which need to be funded from council tax.

## **No revenue consequences**

- **Supported Borrowing Approvals from Central Government (SCE(R))**  
This is permission by the Government to borrow, the repayments both principal and interest will be funded by Central Government. These can be specific to a project or deliverable through the Single Capital Pot.
- **Government grants & other external grants & contributions**  
Funding provided directly by Government or other external providers. This can be either specific to a project or single capital pot.
- **Major Repairs Allowance**  
This is money received via the Housing Subsidy to be spent on maintaining the Housing stock. (Should there be a stock transfer during 2010, then this funding will cease as the Council will no longer have responsibility for the capital works).
- **Capital Receipts**  
This is money received from the sale of Council assets.

## **With Revenue Consequences**

As previously highlighted, the strategy of the Council is to minimise the requirement for the revenue budget to accommodate the consequences of capital spending decisions. Any schemes that have revenue implications will need to be supported by a business case, subject to review and scored against corporate priorities. The budget from which the cost will be met should also be identified. However, the three areas where there will be a revenue impact are:

- **Unsupported Borrowing Approvals from Central Government**  
This is permission by the Government to borrow, but the repayments are unsupported and therefore have to be funded through the revenue budget. These can be specific to a project or deliverable through the Single Capital Pot.
- **Prudential Borrowing**  
This is borrowing undertaken by the Council for specific projects that normally have identifiable savings that can repay the costs of borrowing over a number of years. (The vast majority of prudential borrowing in the proposed capital programme is as a consequence of the Building Schools for the Future (BSF) programme which has been identified as a key corporate priority).
- **Revenue**  
Directorates can use part of their revenue budgets to fund capital schemes.

## **4.5 Proposed Funding for the 2009-12 Capital Programme**

The table below shows, for the proposed capital programme, the split of this funding over the categories identified and split between Single Capital Pot and Specific funding.

Table 3 Proposed Funding for 2009-12

<b>Funding</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b><u>No Revenue Consequences</u></b>				
SCE(R) Single capital pot *	5,426	4,236	3,916	13,578
SCE(R) Specific *	0	0	0	0
Government Grant Single Capital Pot	237	237	237	711
Government Grants Specific	40,244	38,866	46,728	125,838
Other External Contributions (Specific)	1,083	0	0	1,083
Major Repairs Allowance (Specific)	8,021	7,954	7,954	23,929
Capital Receipts	6,065	4,314	1,292	11,671
<b>Total No Revenue Consequences</b>	<b>61,076</b>	<b>55,607</b>	<b>60,127</b>	<b>176,810</b>
<b><u>With Revenue Consequences</u></b>				
Revenue	38	0	0	38
Prudential Borrowing (mostly BSF)	3,319	1,760	7,842	12,921
<b>Total With Revenue Consequences</b>	<b>3,357</b>	<b>1,760</b>	<b>7,842</b>	<b>12,959</b>
<b>TOTAL</b>	<b>64,433</b>	<b>57,367</b>	<b>67,969</b>	<b>189,769</b>

Note: This figure is different from the figure in Table 2 as not all the resources available are ring fenced to Directorates' capital programmes or particular schemes and the table above includes more than government funding.

\* SCE(R) Supported Borrowing Approvals from Central Government

## 5.0 PROPOSALS FOR THE 2009-12 CAPITAL PROGRAMME

### Current Issues Impacting on the Capital Programme

- 5.1 A major factor influencing the capital programme position for the financial year 2008/09 and also future years has been the change in the national and international economic climate, which has, over recent months, had a significant impact on the Councils capital receipts projections. When initial plans were set for the capital programme for the 3 years 2008-11, it was anticipated that the level of capital receipts required to finance the programme was attainable, and although there had been a small slow down in the housing market, the impact of this was not substantial. However, now that the economy has gone into recession, the level of capital receipts that can realistically be anticipated has significantly reduced. Capital receipts now anticipated in 2009-10 total £6.065m allowing for a reduction for current market conditions (see Appendix 4). Purchasers have withdrawn or lowered offers both due to lack of funds and also as the value of assets has reduced. Therefore a range of capital receipts have not been realised in 2008-09 nor may they be realised in the near future. This has therefore required action with regard to the rationalising the capital spending plans for 2008/09, but also has required a significant review of plans for 2009/12.

- 5.2 Members will recall that the Cabinet, at its, meeting on 26<sup>th</sup> January 2009, considered a report which set out the potential position with regard to the capital programme for 2009-12. This established that, based on existing projections at that time, there would be a shortfall in resources of £8.132m in 2009-10 and £6.897m for the 3 year period 2009-12 just in relation to existing projects, and before the consideration of any new schemes.
- 5.3 Since then there has been a review of proposed capital spending plans for 2009-12 based on more up to date information about capital schemes and projected funding levels and taking into account the decision of the January 26<sup>th</sup> Cabinet (see Appendix 5) which agreed to:
- Substitute ring fenced funding for general capital resources on schemes totalling £2.669m in 2009-10
  - Remove all uncommitted general provisions totalling £2.597m and replace these with a general provision of £250k
  - Remove from the programme a range of uncommitted schemes, which were not in receipt of external funding (£4.142m)
- 5.4 In addition, a review of the 2008/09 projected outturn based on month 9 monitoring information has indicated that there is likely to be an overspend of £4.854m, unless further remedial action can be taken before 31<sup>st</sup> March 2009.

### **Proposals for the 2009-12 Capital Programme**

- 5.5 Taking all this information into account and in line with the capital strategy as set out a section 4 of the report, a revised capital programme has been prepared which balances resources and spending plans over the 3 year time scale, whilst allowing a general provision for new starts in 2009/10 of £3.319m. This proposed programme is set out at Appendix 1. It should be noted that this programme also allows for some specific programme provisions, such as transport (a total of £4.440m), for which detailed proposals have yet to be presented.
- 5.6 Members will also recall that in order to allow detailed review of capital schemes and the prioritisation of capital spending, a Capital Programme Working Party has been established. This Working Party will be able to undertake the in depth review of projects which have been put forward for inclusion in the capital programme.
- 5.7 In order to allocate the 2009-10 general provision of £3.319m to detailed schemes and consider initial proposals for the 2010-12 programme, it is therefore proposed that officers prepare an outline business case for each potential capital scheme that requires finance from general resources. This will include schemes delayed from the 2008/9 programme, schemes previously included in the 2009/10 programme but not in receipt of any external funding and schemes for new proposals not previously considered by Members. These business cases will be scored using agreed criteria, incorporating issues such as the achievement of corporate plan objectives value for money and contributions to the efficiency agenda. These scores will be presented to a meeting of the Capital Programme Working Group that will be held during March.
- 5.8 In addition, officers will also prepare proposals for the allocation of ring fenced funding to capital schemes, for example, setting out in detail, the transport and

housing capital programmes. The Capital Programme Working Group will also consider these proposals.

- 5.9 The decisions/recommendations from The Capital Programme Working Group will be reported at a March Cabinet meeting in order that the finalised detailed capital programme can be agreed
- 5.10 During the summer months, there will be further work which aims, over the longer term to align the capital spending plans to those of Service Strategies, for example, the libraries, leisure and property strategies, all of which aim to deliver service improvements and enhance life chances and quality of life in the Borough. This work will be linked to that of the Capital Programme Working Party and, resource allocations referred to in paragraph 5.7, will be undertaken having regard to the subsequent overarching review.

## 6.0 Revenue Implications

The revenue implications of the capital programme are largely around paying back debt, this is made up of interest and principal repayments. Current legislation requires the Council to make a minimum revenue provision (MRP) for the repayment for principal, how this provision is calculated is up to the Council as long as it can be demonstrated that it is a prudent provision. The methodology for calculating this has been agreed within the Councils Treasury Management Strategy. The revenue consequences of the current capital programme proposals are set out in the table below:

Table 7 Revenue Consequences of the Capital Programme

	2009/10 £'000	2010/11 £'000	2011/12 £'000	Total £'000	Financed from
Interest	134	376	580	1,090	Revenue Support Grant
MRP	0	217	386	603	Revenue Support Grant
Prudential Borrowing Repayments	0	28	28	56	Savings within Revenue Budget
<b>Total</b>	<b>134</b>	<b>621</b>	<b>994</b>	<b>1,749</b>	

Where capital schemes have specific revenue consequences specific other than those detailed above, the consequences have either been built into the revenue estimates or are funded from grant.

## 7.0 CORPORATE HUMAN RESOURCES COMMENTS

None

## **8.0 LEGAL SERVICES' COMMENTS**

There are no legal comments (PAE)

## **9.0 TREASURERS COMMENTS**

The report sets out the proposed 2009-12 capital programme highlighting balanced programme over a three year timeframe. The programme contains a number of general provisions and a Members Working Group will be required to review bids for new starts, prioritising projects in relation to a scoring criteria. (AR)

## **10.0 IT IMPLICATIONS**

None

## **11.0 PROPERTY IMPLICATIONS**

The level of capital receipts generated underpins the financing of the capital programme. Every effort will be made to maximise capital receipts but also achieve best consideration.

Any proposed new capital projects and capital programme developments will be considered and reviewed in the context of the Corporate Property Strategy.

## **12.0 COMMUNITY COHESION IMPLICATIONS (INCLUDING CRIME AND DISORDER IMPLICATIONS IN ACCORDANCE WITH SECTION 17 OF THE ACT)**

None

## **13.0 FORWARD PLAN REFERENCE**

SR – 28 – 08 Cabinet  
SR – 29 - 08 Council

## **14.0 BACKGROUND PAPERS**

The following is a list of background papers on which this report is based in accordance with the requirements of Section 100D(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information, as defined by that Act.

Files held by Assistant Director of Finance, Room 442, Civic Centre, West Street, Oldham. Tel: 0161 770 4902



## Appendix 1 Capital Programme 2009-12

	<u>09/10</u> <u>Budget</u>	<u>10/11</u> <u>Budget</u>	<u>11/12</u> <u>Budget</u>
<b><u>Expenditure</u></b>			
<b>Overspend Carried Forward from 2008-9</b>	<b>4,854</b>		
<b>Adult &amp; Community Services</b>			
Lees Library Community Hub	10		
DFG- Borough wide	0	0	278
DFG- Borough wide	418	418	418
Adult Social Care IT Infrastructure	78	82	82
Adult Personal Social Services	108	108	108
Mental Health Grant	129	129	129
<b>Total Adult &amp; Community Services</b>	<b>742</b>	<b>737</b>	<b>1,015</b>
<b>Childrens Young People &amp; Families</b>			
Contribution re LEA Liability	150		
Beever extension	9		
Byron St & Highbarn replacement school	1,885	107	
Higher Failsworth rewire	5		
Werneth Infants/Juniors amalgamation	3		
NDS	362		
School Access	318		
Freehold	1,359	999	56
Greenhill	672	494	28
Parish St Stephen's	300		
St Thomas, Werneth	366	282	16
Stanley Road	681	712	33
Youth Capital Grant	139	139	
Childrens Centre Indicative Allocation	568	356	
Extended Schools General Provision	512	265	
Expansion of integrated services 3-4yr olds General Prov'n	1,123	1,123	
NDS	1,374	223	
NDS Grant	0	2,040	
Primary Pupil SCE (r )	991	991	991
Primary Capital Programme	818	3,955	4,000
School Access	425	425	425
Devolved Formula Capital Grant	3,342	3,374	2,000
Harnessing Technology Grant	936	1,000	
BSF	8,380	5,758	30,480
<b>Total Childrens Young People &amp; Families</b>	<b>24,718</b>	<b>22,242</b>	<b>38,028</b>
<b>Environmental Services</b>			
Leesbrook (Big Lottery Fund)	50		
Tandle Hills (Big Lottery Fund)	45		
Legionella - General Works	100	100	
General Provision Asbestos	100	100	
General Provision DDA Programme	100	100	

	632		
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Managed Weekly Collections			
Gen Provision Defra Grant	0	144	
Transport	2,041	2,165	2,200
Transport SCE(r )	2,399	2,597	2,500
<b>Total Environmental Services</b>	<b>5,467</b>	<b>5,206</b>	<b>4,700</b>
<b>Housing Private Sector</b>			
Phase 1 - Internal Works (Additional)312-314 & 322-324 Ashton Road	12		
Phase 2 - 204-220,222-240 & 242-248 Ashton Road	68		
Phase 2 - 161-165 & 363-369 Ashton Road	24		
Regional Housing Capital Pot	2,982	2,982	3,000
HMRF Acquisitions	10,775	5,830	7,500
HMRF New Build	2,374	5,401	3,410
HMRF Other Interventions	939	2,740	1,345
HMR - Werneth - Env Imps - General Provision - (In-Principle)	80		
<b>Total Housing Private Sector</b>	<b>17,254</b>	<b>16,953</b>	<b>15,255</b>
<b>Housing Public Sector</b>			
Regional Housing Capital Pot	260	260	
Major Repairs Allowance	8,021	7,954	7,954
<b>Total Housing Public Sector</b>	<b>8,281</b>	<b>8,214</b>	<b>7,954</b>
<b>Regeneration</b>			
ERDF Grant payback re Salmon Fields		230	
Wibsey Playing Fields (Section 106 funded)	1		
Earl Mill - Development Grant	490		
Sports Zone	1,012		
NDC Area (Borough Triangle) - 166 Ashton Road - Acquisition	0		
NDC Area (Borough Triangle) - Falcon House - Acquisition	25		
NDC Area (Borough Triangle) - not in Cap Prog or Receipts		567	
The Roxy Cinema, Acquisition, Demolition,etc	119		
NDC Area (Borough Triangle) - not in Cap Prog or Receipts	1,257		
Southlink Business Village - Acquisition of Land from OEDA Ltd	50		
Office Block 3 Southlink - Purchase of Land from OEDA Ltd	200		
Town Centre Land /Prop. Acquisitions, Outstanding CPO Compen.	100		
<b>Total Regeneration</b>	<b>3,254</b>	<b>797</b>	<b>0</b>
<b>Strategy &amp; Resources</b>			
2nd Wave HMR Intervention Area Specialist Procurement Advisors	280		
<b>Total Strategy &amp; Resources</b>	<b>280</b>	<b>0</b>	<b>0</b>
<b>Corporate</b>			
General Provision	250		
General Provision re CPO compensation	250		
Provision for new starts	3,319		

Total Corporate	3,819	0	0
TOTAL EXPENDITURE	68,668	54,149	66,952
	<u>09/10</u> <u>Budget</u>	<u>10/11</u> <u>Budget</u>	<u>11/12</u> <u>Budget</u>
<b>Funding</b>			
<b>No revenue consequences</b>			
Loans – SCR( R) Single Capital Pot	5,426	4,236	3,916
Government Grants Single Capital Pot	237	237	237
Government Grants	40,244	38,866	46,728
Non Government Grant – External Contributions	1,083	0	0
MRA	8,021	7,954	7,954
Capital Receipts	6,065	4,314	1,292
<b>With Revenue Consequences</b>			
Revenue	38	0	0
Prudential Borrowing	3,319	1,760	7,841
<b>TOTAL FUNDING</b>	<b>64,433</b>	<b>57,367</b>	<b>67,969</b>
Net Expenditure in Year	4,235	-3,218	-1,017
Cumulative Expenditure/resourcing position	4,235	1,017	Nil

**Appendix 2 – Ring Fenced Funding (included within overall funding and spending plans)**

<b>Expenditure</b>	<b><u>09/10</u> <u>Budget</u> <u>£'000</u></b>	<b><u>10/11</u> <u>Budget</u> <u>£'000</u></b>	<b><u>11/12</u> <u>Budget</u> <u>£'000</u></b>
<u>2008-09 Delayed Schemes</u>			
Leesbrook (Big Lottery Fund)	18		
Tandle Hills (Big Lottery Fund)	20		
<b>Sub total</b>	<b>38</b>	<b>0</b>	<b>0</b>
<u>2009-10 Planned &amp; Approved Schemes</u>			
DFG- Borough wide	418	418	418
Freehold	1,359	999	56
Greenhill	672	494	28
Parish St Stephen's	300		
St Thomas, Werneth	366	282	16
Stanley Road	681	712	33
Regional Housing Capital Pot	260	260	
Major Repairs Allowance	8,021	7,954	7,954
<b>Sub Total</b>	<b>12,077</b>	<b>11,119</b>	<b>8,504</b>
<u>2009-10 funding streams with no planned or approved expenditure</u>			
Lees Library Community Hub	10		
Beever extension	9		
Byron St & Highbarn replacement school	1885	106.6	
Higher Failsworth rewire	5		
Phase 1 - Internal Works (Additional)312-314 & 322-324 Ashton Road	12		
Phase 2 - 204-220,222-240 & 242-248 Ashton Road -	68		
Phase 2 - 161-165 & 363-369 Ashton Road	24		
Earl Mill - Development Grant	490		
Sports Zone	1012		
NDC Area (Borough Triangle) - 166 Ashton Road - Acquisition	0		
NDC Area (Borough Triangle) - Falcon House - Acquisition	25		
Wibsey Playing Fields (Section 106 funded)	1		
Adult Social Care IT Infrastructure	78	82	82
Adult Personal Social Services	108	108	108
Mental Health Grant	129	129	129
Youth Capital Grant	139	139	
Childrens Centre Indicative Allocation	568	356	
Extended Schools General Provision	512	265	
Expansion of integrated services 3-4yr olds General Prov'n	1,123	1,123	
NDS	1,374	223	
NDS Grant	0	2,040	
Primary Pupil SCE (r )	991	991	991
Primary Capital Programme	818	3,955	4,000
School Access	425	425	425
Devolved Formula Capital Grant	3,342	3,374	2,000

Harnessing Technology Grant	936	1,000	
Gen Provision Defra Grant	391	144	
Regional Housing Capital Pot	2,982	2,982	3,000
Transport	2,041	2,165	2,200
	<b><u>09/10</u></b>	<b><u>10/11</u></b>	<b><u>11/12</u></b>
	<b><u>Budget</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Transport SCE(r )	2,399	2,597	2,500
HMRF Acquisitions	10,775	5,830	7,500
HMRF New Build	2,374	5,401	3,410
HMRF Other Interventions	939	2,740	1,345
<b>Sub Total</b>	<b>35,984</b>	<b>36,174</b>	<b>27,690</b>
<b>Total Expenditure</b>	<b>48,098</b>	<b>47,294</b>	<b>36,194</b>
<b>Funding</b>			
Revenue	38		
Loan SCP	5,426	4,236	3,916
Grant SCP	4,443	2,793	237
Grant Non SCP	30,170	32,311	24,087
MRA	8,021	7,954	7,954
<b>Total Grant and supported borrowing</b>	<b>48,098</b>	<b>47,294</b>	<b>36,194</b>

### **Appendix 3 – Key Assumptions**

The key assumptions made about resources are:

1. All SCE(R ) issued will be supported by Central Government.
2. That the following grants and SCE(R)'s will continue at their current level
  - Adult Social Care IT Infrastructure - £82k
  - Adult Personal Social Services - £108k
  - Mental Health grant - £129k
  - Primary Pupil SCE(R) - £991k
  - Primary Capital Programme - £3,000k for 2011/12
  - School Access - £425k
  - Regional Housing Capital pot - £3,000k for 2011/12
  - Transport Local Transport Plan SCE(R) & Grant - £4,700k for 2010/11
  - HMRF – rounded to £14m for 2009/10 & 2010/11, £12m for 2011/12
3. The current New Deal for Schools funding will drop to £1,000k due to Building Schools for the Future and Primary Capital Programme.
4. Devolved Capital Funding has been reduced in 2011/12 to take account of Building Schools for the Future and the reduction in Council owned secondary schools.

#### Appendix 4 Anticipated Capital Receipts

<b>CAPITAL RECEIPTS AND OTHER FUNDING</b>	<b><u>09/10</u> <u>Budget</u> <u>£'000</u></b>	<b><u>10/11</u> <u>Budget</u> <u>£'000</u></b>	<b><u>11/12</u> <u>Budget</u> <u>£'000</u></b>
Salmon Fields Plateau 1		398	
Hardman St Area		350	
Albert St/Roman Rd Hollinwood Development Area		500	500
Oldham Broadway plot 1	360		
Limehurst Estate		300	
Land at Meek St re Beal Valley	225		
Rose Mill	300		
Land at Beal Valley	750		
Delph Donkey	150		
Former Eustace St school	400		
Hill Top school	300		
New Barn Junior School	695		
45 Netherhey	250		
Byron St School		500	
Greenacres Lodge	250		
Marian Walker		1,400	
Land adj Royton Health Centre	30		
Land rear 96-106 Union St	25		
Land at Dumfries Drive Denshaw	30		
Land Lorne Ave	129		
Land Knowsley Ave	162		
M60 Claims	592		
Land Greaves Ave	194		
M60 Kaskenmoor synthetic pitch	35		
M60 Kaskenmoor Gym	53		
M60 noise works	340		
Loxton Leisure Services Ltd - Loan	10	3	
Manchester Airport - Loan Repayments	195	195	195
HRA	744	669	597
Receipts in advance	22		
Land at Meek St	2,000		
Contingency for Current Market Conditions/Commitments	-2,176		
<b>Total Capital Receipts</b>	<b>6,065</b>	<b>4,314</b>	<b>1,292</b>

## Appendix 5 - Substitution of Funding Already Agreed by Cabinet

Option	2009/10 £'000	2010/11 £'000	2011/12 £'000
<u>Substitution of Ring fenced Funding</u>			
1. Fund £500k for Highbarn from NDS Ring fenced Funding – No detailed programme yet in place	(500)		
2. Fund Disabled Facilities Grant from Regional Housing Capital Pot Ring fenced Funding – no detailed programme in place	(278)	(278)	
3. Fund LEA Liability for St Thomas from NDS ring fenced funding – no detailed programme in place	(150)		
4. Fund Retaining Walls Bid from LTP ring fenced funding – No detailed programme yet in place	(360)		
5. Fund Contribution to Public Sector Housing from Regional Housing Capital Pot – no detailed programme in place less money available for private sector housing programme	(990)		
6. Apply DEFRA grant to Managed Weekly Collection – no risk of clawback	(391)		
<u>Other Options</u>			
7. Take out All Uncommitted General Provisions replace with one central provision for 0.5% of programme (£250k)- considered to be minimal impact as many of these provisions have been unused for some time. Risk minimised by retention of a general provision for emergency use	(2,597)		



8. Review uncommitted schemes with no external funding – each scheme will carry different risk elements, none of the schemes have been included in the options elsewhere.	(4,142)	(1,144)	(174)
<b>Total Substitution Agreed</b>	<b>(9,408)</b>	<b>(1,422)</b>	<b>(174)</b>