

## PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 12 February 2014

**COMPOSITE CAPITAL BUDGET 2013/20 & HOUSING INVESTMENT  
PROGRAMME 2013/18 – MONITORING REPORT No.3**

Report by the Head of Finance

**PURPOSE OF REPORT**

This report provides a summary position to date for the Composite Capital Programme for 2013/14 to 2019/20 and the Housing Investment Programme 2013/14 to 2017/18, and seeks approval for adjustments to the Programmes.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 The meeting of this Committee on 27 November 2013 approved a revised Composite Capital Budget for the seven years 2013/14 to 2019/20 (report 13/558 refers). The revised budget totalled £46,481,000 for 2013/14, £53,832,000 for 2014/15, £65,817,000 for 2015/16, £48,625,000 for 2016/17, £21,941,000 for 2017/18, £26,403,000 for 2018/19 and £27,033,000 for 2019/20. The meeting also approved a revised five year Housing Investment Programme for the 5 years to 2017/18, with the estimated gross expenditure over the 5 years totalling £68,451,000.
- 1.2 This report advises of expenditure to 31 December 2013 and the latest estimate of the projected outturn for each programme.
- 1.3 The Capital Programme Exceptions Report (Appendix V) provides summary information on the latest position for individual projects reported within Sections 3 and 4 of this report.

**2. COMPOSITE CAPITAL PROGRAMME – CAPITAL RESOURCES**

- 2.1 The current estimated total capital resources available in 2013/14 amount to £43,500,000, £51,005,000 in 2014/15, £66,293,000 in 2015/16, £51,685,000 in 2016/17, £22,978,000 in 2017/18, £27,202,000 in 2018/19, and £27,129,000 in 2019/20. The constituent elements for each year are summarised at Appendix I. Movements from the previous estimates approved on 18 September 2013 are also summarised at Appendix I, with the significant points detailed below.
- 2.2 Following a review of the current disposal programme, there has been no change in the estimated amount of **General Fund Property Disposal receipts**. However, it is anticipated that the total receipts in 2014/15 and 2016/17 will increase by £23,000 and £90,000 respectively, with decreases of £95,000 and £18,000 in 2014/15 and 2017/18. The review of property disposal receipts on the **Commercial Property Programme** has resulted in an anticipated increase of £99,000 over the seven year programme, and

together with the movements on Commercial Property expenditure (Section 3.3.10), will result in a projected increase of £188,000 in the carry forward of receipts at the end of 2019/20 for investment in future Commercial Property schemes. The review of capital receipts arising from the disposal of vehicles and equipment has resulted in an increase in **Ring-Fenced Receipts** of £1,343,000 over the 7 year programme. All budget adjustments are shown in Appendix II.

- 2.3 The reprofiling of the Scottish Government Digital Broadband Step Change Programme – Rest of Scotland has resulted in rephasing of the Council contribution from the **General Capital Grant**; the corresponding £400,000 adjustment between 2013/14 and 2014/15 is shown in Appendix II. There are a number of projects included within Service Revenue Budgets which are funded from **General Capital Grant**, including Private Sector Housing Grant and TACTRAN projects. Review of these projects has identified projected underspends in Private Sector Housing Grant (£494,000) and TACTRAN (£242,000) projects in the current financial year. It is therefore proposed to utilise an additional £736,000 of the Capital Grant to fund the Capital Budget in 2013/14, and to apply an equivalent amount of Capital Grant to the Revenue Budget in 2014/15.
- 2.4 The £1,013,000 reduction in **Third Party Contributions** primarily relates to a £238,000 increase in Developer Contributions towards the works at Inchtute Primary School Upgrade Project (as detailed in Section 3.2.6); a reduction of grant award of £530,000 from Transport Scotland towards the works on the Gleneagles Station – Road Access Improvement Scheme (as detailed in Section 3.3.6); and the removal of the £720,000 Sustainable Urban Development funding (as detailed in Section 3.3.10). In addition, the Third Party Contributions for the Perth Theatre Redevelopment project have been rephased in line with the anticipated programme of works (as noted in Section 3.2.3). All adjustments have been included in Appendix I and II.
- 2.5 The additional **Revenue Contributions** relate to contributions from the Property Energy Conservation and Central Energy Efficiency Fund (CEEF) budgets of £33,000 towards lighting and heating upgrade works at Abernethy and Kinnoull Primary Schools. In addition the Council Contribution from Reserves towards the Perth Theatre Redevelopment project has been rephased in line with the anticipated spend profile for the project.
- 2.6 The projected **Borrowing Requirement** in 2013/14, which is effectively the balancing item for resources, is £26,455,000, which is £3,353,000 less than the previous Borrowing Requirement reported to this Committee on 27 November 2013 (report 13/558 refers) of £29,808,000. This decrease is a combination of several factors, including movements in expenditure, receipts, resources carried forward, and Prudential Borrowing as described throughout this report. The total Borrowing Requirement in the subsequent years 2014/15 to 2019/20 has increased by £2,739,000 to £155,857,000. All movements in the Borrowing Requirement are shown in the Proposed Budget Adjustment column within Appendix II.

- 2.7 When considering the Capital Budget over the seven years together, the Borrowing Requirement has therefore reduced by £614,000 between 2013/14 and 2019/20. This can be summarised in the following table:

	2013/14	2014/15	2015/16	2016/17	Later Years	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Prudential Borrowing – Vehicle & Equipment Disposals (Section 3.3.11)	(93)	0	(200)	(150)	(900)	(1,343)
Prudential Borrowing – Wheeled Bins (Section 3.3.11)	30	0	0	0	381	411
Prudential Borrowing – Litter Bins (Section 3.3.11)	0	0	0	0	150	150
Prudential Borrowing – Other Recycling Containers (Section 3.3.11)	0	0	0	0	168	168
Movements arising from re-phasing of expenditure and receipts (Appendix II)	(3,290)	4,247	(3,334)	370	2,007	0
<b>Increase/(Decrease) in Borrowing Requirement</b>	<b>(3,353)</b>	<b>4,247</b>	<b>(3,534)</b>	<b>220</b>	<b>1,806</b>	<b>(614)</b>

- 2.8 As a result of all the movements detailed above, the total projected Capital Budget resources and gross project expenditure amounts to £289,792,000 over the seven years 2013/14 to 2019/20.

### 3. COMPOSITE CAPITAL PROGRAMME – EXPENDITURE

- 3.1 Total expenditure (net of grants and contributions) to 31 December 2013 on the Composite Capital Programme amounts to £22,313,000, total Grant received amounts to £3,781,000, and capital receipts amount to £982,000. A comprehensive monitoring exercise has been carried out, which is detailed at Appendix II, with the most significant features discussed below.

#### 3.2 Education and Children's Services

- 3.2.1 Expenditure to 31 December 2013 amounts to £7,948,000.

- 3.2.2 The Executive Director (Education & Children's Services) has reviewed the current programme and proposes various budget adjustments, the most significant being described below.

- 3.2.3 The revised programme of works for the Redevelopment of Perth Theatre project anticipates that 2014/15 expenditure will relate mainly to progressing design fees to Stage H prior to the commencement of construction works. It is therefore proposed that the expenditure budget for the project is rephased accordingly (£590,000 in 2014/15, £7,014,000 in 2015/16, £5,100,000 in 2016/17) and that the corresponding budgets for Third Party Contributions and the Council Contribution from Reserves are rephased in line with the anticipated spend profile. All the proposed budget adjustments are shown in Appendix II and future progress will be reported to this Committee.

- 3.2.4 The procurement of an Online Payment system will be progressed in 2014/15, however, the software for an improved on-line booking system is still not available. It is therefore proposed to transfer £136,000 from the 2013/14 Investment In Learning (IIL) Schools – ICT Booking System budget accordingly.
- 3.2.5 The option appraisal process for the Alyth Primary School Upgrade Project is now complete and it is proposed that the programme budget for the project is rephased in line with the anticipated programme of works. The proposed budget adjustments shown in Appendix II (£89,000 from 2013/14; £1,500,000 from 2014/15; £565,000 from 2015/16; and £2,154,000 into 2016/17) reflect an expected late autumn 2015 start date on site and future progress will be reported to this Committee.
- 3.2.6 The programme of works for the Inchtute Primary School Upgrade Project has been revised and it is therefore proposed that the programme budget is rephased (£275,000 from 2013/14 to 2014/15) in line with the current anticipated spend profile for the project. In addition, it is proposed that additional Developer Contributions (£238,000) are applied towards the costs of the project and the corresponding expenditure budget is returned to the Modernising Primaries Programme; all of the proposed budget adjustments are reflected in Appendix II.
- 3.2.7 Construction of the new Invergowrie Primary School was completed earlier this financial year, however there has been delay to the demolition of the old school building due to utility companies having to firstly disconnect redundant services. It is therefore proposed that £671,000 budget is transferred from 2013/14 to 2014/15 to reflect the rephasing of costs relating to the demolition of the old buildings and construction of the Multi Use Games Arena.
- 3.2.8 Consultation and planning processes have impacted upon the progress of the New Sports Facilities project at Perth Academy and it is therefore proposed that £588,000 of the 2013/14 budget is transferred to 2014/15 and future year budgets are adjusted (£1,000,000 from 2014/15 to 2015/16) to reflect the revised phasing for the programme of works for the project.
- 3.2.9 It is proposed that £238,000 of the 2013/14 project budget for the Perth High School Upgrade Project is transferred to 2014/15 to reflect the revised phasing of the programme of works. This project requires the re-routing of mains gas and electricity supplies by utility companies, however it is expected that this will not occur until March 2014.
- 3.2.10 It is also proposed to rephase the future year budgets for the Perth Grammar School project to reflect the anticipated expenditure profiling for the project, which results in total budget movement of £1,500,000 from 2014/15 to 2015/16. In addition it is proposed that a total of £326,000 of the 2014/15 budget for the Accessibility and Modernising Primaries programmes is transferred to future years in line with the anticipated programme of works; the proposed adjustments are shown within Appendix II.

3.2.11 The Information Systems and Technology (IST) programme has been reviewed and it is proposed that £125,000 of the 2014/15 budget is accelerated to 2013/14 to meet the current year costs associated with the transition to the UK Government Public Services Network (PSN) programme, an increase in the IST estate and inflationary increases for IST licences. It is also proposed that future year IST budgets are revised to reflect the anticipated programme of works for the IST programme; the proposed budget adjustments are shown in Appendix II.

3.2.12 All the above adjustments have been reflected in Appendix II. In addition to these, there are also several other proposed adjustments which merely represent timing differences with the movement of budgets between 2013/14 and 2014/15, and these have also been reflected in Appendices I and II.

### 3.3 The Environment Service

3.3.1 Expenditure to 31 December 2013 amounts to £13,152,000.

3.3.2 The Executive Director (Environment) also proposes various movements within the current programme following a review of the overall budget. The significant movements are described below.

3.3.3 There is some budget movement between 2013/14 and 2014/15 within Asset Management – Roads & Lighting programmes, the most significant relating to the Street Lighting – Energy Efficiency LED programme. It is proposed that the £327,000 current year budget for this programme is transferred to 2014/15 in line with the revised programme of works and in keeping with the terms and conditions of the Salix Finance funding (reports 13/444 and 13/558 refer).

3.3.4 It is proposed to accelerate budget within the Asset Management – Bridges programme into 2013/14 for the Alt Phubil Bridge Refurbishment scheme (£90,000) in line with the revised costs and phasing for the project. In addition, the Thorter Bridge Culvert scheme has been developed and it is proposed that the corresponding £232,000 budget is transferred from the Short Span Bridge Replacement programme to progress the project. All proposed budget adjustments are shown within Appendix II.

3.3.5 The A9/A85 Road Junction Improvements scheme is currently being revisited following finalisation of the Local Development Plan. The scheme includes the upgrade of the local road and trunk road networks to unlock development potential at the north west of Perth. The trunk road network is the responsibility of Transport Scotland and Scottish Government Ministerial consent is required to permit the Council to borrow to fund capital expenditure on the third party (Transport Scotland) assets, however this cannot be obtained until the full costs of the scheme are confirmed.

3.3.6 The main budget movement within the Improvement Schemes programme relates to the Gleneagles Station – Road Access Improvement Scheme. The tender process has resulted in a reduction to previous cost estimates for the project and Transport Scotland has now confirmed a £1,000,000 contribution towards the total cost of the scheme. It is therefore proposed that the project

budgets are amended to reflect the reduced cost and third party contribution. In addition, it is proposed that the budget is rephased in line with the tender for the project, which results in £814,000 of expenditure being accelerated into 2013/14. The corresponding adjustments are shown within Appendix II.

- 3.3.7 It is proposed that the current year budget (£165,000) for the Almondbank Flood Prevention Scheme is transferred to 2014/15 pending the outcome of the distribution of the flood component of the General Capital Grant for 2014/15 and 2015/16. In December 2013 the Scottish Government issued guidance relating to the process for accessing the flood funding; the deadline for bid submissions was 21 January 2014 and future updates will be reported to this Committee.
- 3.3.8 There are a number of proposed movements within the Community Greenspace budgets, the majority of which relate to the rephasing of income and third party expenditure between the current financial year and 2014/15. In addition, it is proposed that the budget for the Core Path Implementation programme is rephased in line with the revised programme of works (£9,000 into 2013/14; £11,000 and £27,000 from 2014/15 and 2015/16 respectively; and £29,000 into 2016/17).
- 3.3.9 A review of progress of the works within the Property Division programme has resulted in a proposed budget movement from 2013/14 to 2014/15. The proposed £63,000 budget movement within the Property Compliance Works Programme relates to the rephasing of the Property contribution towards fire safety works at the Parkdale RHE project (section 3.4.4). It is also proposed that the £100,000 current year Life Expired Building Replacement Programme budget is transferred to 2014/15 pending the full development of a programme of works.
- 3.3.10 The Commercial Property Investment Programme (CPIP) has been reviewed and it is proposed that the employee costs directly attributable to the progress of schemes, which are currently contained within the Additional Investment in Services Industrial Land & Small Units programme, are allocated to individual projects. The corresponding adjustments are shown in Appendix II and result in a total of £291,000 budget being allocated to projects within the Commercial Property programme. In addition, it is proposed to adjust the North Muirton Industrial Estate – Site Servicing & Provision of Units (Perth Food & Drink Park) programme budget in line with the phasing of works required for the site preparation for the Innovation Hub. It is also proposed that the £750,000 expenditure budget for Maidenplain Place, Aberuthven is removed for future reallocation as this site is now being marketed for sale and settlement is anticipated to conclude in 2014/15. In addition it is proposed to remove the current budget for potential income of £720,000 from ERDF funding as a third party contribution to servicing costs of the Perth Food and Drink Park as timeframes and emerging guidance indicate that this is unlikely to be eligible. Funding from this source may only be attributable to costs associated with further development of environmental and waste reduction initiatives on the site. Opportunities for securing this and other external funding are continuing to be explored within the context of generating leverage from capital investment in the CPIP programme.

3.3.11 The Executive Director (Environment) also proposes several budget adjustments within the Prudential Borrowing programme. Following the review of the Vehicle Replacement Programme, it is proposed to increase the budget for receipts arising from the sale of vehicles and equipment to reflect realistic targets and results in a £1,343,000 reduction in borrowing over the total programme. It is also proposed that the budgets for replacement of Wheeled Bins (£127,000), Litter Bins (£50,000) and Other Recycling Containers (£56,000) are extended to the years 2017/18 to 2019/20 in keeping with the planned programmes. In addition it is proposed to increase the 2013/14 budget by £30,000 for Domestic (£5,000) and Commercial Bin (£25,000) purchases. The effect of all the proposed budget adjustments results in a total reduction in borrowing of £614,000 over the 7 year programme. Other movements within the Prudential Borrowing Programme reflect movements in phasing of expenditure between the current financial year and 2014/15; the corresponding adjustments are included within Appendix II.

3.3.12 All the above proposed adjustments have been reflected in Appendices I and II. In addition to these, there are also several other proposed adjustments which merely represent timing differences with the movement of budgets between 2013/14 and 2014/15, which have also been reflected in Appendices I and II.

#### 3.4 Housing and Community Care – Community Care

3.4.1 Expenditure to 31 December 2013 amounts to £1,213,000.

3.4.2 Following a review of the overall programme, the Executive Director (Housing & Community Care) proposes to make some adjustments to the approved 7 year programme. The adjustments are included at Appendix II and the most significant are explained below.

3.4.3 Projects for adapting Registered Social Landlord (RSL) properties which will provide tenants with enhanced levels of support are currently being developed by RSL and the Council. It is anticipated that Housing with Care expenditure for 2013/14 will be limited to costs associated with the installation of Telecare services and it is therefore proposed that £425,000 of the budget is transferred from the current year to 2014/15 (£175,000) and 2015/16 (£250,000). It is proposed that the Housing with Care programme budget is rephased when project proposals are sufficiently developed to facilitate the same.

3.4.4 The Parkdale RHE – Refurbish Bedrooms & Communal Areas project has commenced on site, however, the work is now to be undertaken in various phases to minimise service disruption during the works. Accordingly it is proposed that £166,000 of the budget is transferred from the current year to 2014/15 in line with the revised phasing for the works.

3.4.5 All the above adjustments have been reflected in Appendix II. In addition to these, there are also several other proposed adjustments which merely represent timing differences with the movement of budgets between 2013/14 and future years, and these have also been reflected in Appendices I and II.

#### **4. HOUSING INVESTMENT PROGRAMME**

- 4.1 Net expenditure to 31 December 2013 amounts to £8,848,000.
- 4.2 The Housing and Health Committee on 29 January 2014 approved the Housing Revenue Account (HRA) Strategic Financial Plan (report 14/18 refers) which included approval of the budget for the 5 Year HRA Capital Investment Programme to 2018/19. The approved budget adjustments covering the financial years 2013/14 to 2017/18 have been incorporated into Appendix III and result in an increase in budgeted expenditure of £140,000, an increase Capital Receipts of £300,000, and an increase in CFCR contributions of £1,614,000; the net borrowing requirement therefore reduces by £1,774,000 over the current 5 year programme.
- 4.3 In addition to the above, the Executive Director (Housing & Community Care) proposes to make several adjustments to the programme. These are all detailed at Appendix III and the most significant adjustments are summarised below.
- 4.4 The review of projects included within the Standard Delivery Plan has resulted in a proposed budget movement of £540,000 from 2013/14 to 2014/15. The works for Central Heating and Rewiring Works projects are anticipated to progress ahead of schedule and it is proposed that £223,000 of the budget is accelerated from 2014/15 to the current financial year in line with revised expenditure phasing. It is also proposed that the budgets for Double Glazing and Energy Efficiency projects are reprofiled in line with the revised programme of works, which results in budget movement of £277,000 from 2013/14 to 2014/15. Funding assistance options for private owners towards the cost of rendering works within the Multi Storey Flat programme are currently being developed and it is proposed that £486,000 of the budget is transferred from 2013/14 to 2014/15 as works will not commence until the next financial year.

It was reported to Committee on 18 September 2013 (report 13/444 refers) that Scottish & Southern Electric (SSE) had confirmed a £1.1m Energy Company Obligation (ECO) contribution towards funding insulation and rendering upgrades to Council houses. It is anticipated that the SSE ECO subsidy will increase to £1.428m and will improve the energy performance of 253 Council houses; the Energy Efficiency programme budgets have therefore been reprofiled into future years to support future phases of upgrade works.

- 4.5 There are also proposed adjustments from 2013/14 to 2014/15 within the Council House New Build programme. It is anticipated that the costs for the Quinns Cinema, Blairgowrie project will be £186,000 less than forecast and it is proposed that the saving is transferred to augment the 2014/15 budget for the Springbank Road, Alyth (Phase 2) project. It is expected that the projected cost for the Alyth project will increase due to Scottish Water having to undertake additional pumping station work to cope with the additional demand on the site; the additional £186,000 budget will meet the cost increase. It is



also proposed that £234,000 of the budget for the Perth Road, Scone project is transferred from the current year to 2014/15 as works will not be completed in 2013/14 due to the contractors going into liquidation and a new tender process being required. The Jeanfield Road, Perth project is anticipated to complete at the end of June 2014 and it is therefore proposed that the project budget is rephased in line with the revised expenditure profile, which results in a proposed budget movement of £465,000 from 2013/14 to 2014/15. The remaining movement from 2013/14 to 2014/15 (£87,000) within the Council House New Build programme relates to the Springbank Road, Alyth and Balbeggie projects as it is anticipated that current year spend for these will relate to design fees only.

- 4.6 There are also proposed adjustments to the Other Investment in Council House Stock programme. It is proposed that £141,000 of the 2013/14 budget is transferred to 2014/15 for the Total Major Adaptations to Council House Stock programme, which is mainly due to the impact of the longer than anticipated consultation process with tenants. The expected completion date for the Old Mill Road, Blairgowrie project has been revised to the end of April 2014 and it is proposed that £260,000 of the budget is transferred to 2014/15 in line with the revised expenditure profile for the project. The only other budget movement within the programme (£75,000 from 2013/14 to 2014/15) relates to ICT Expenditure as options for new tablets for craft workers are being trialled and it is anticipated that purchases of equipment will occur during the next financial year.
- 4.7 Income received to December from 'Right to Buy' Council house sales is £586,000 and it is proposed that the budget is increased to £586,000 in line with the income received to date pending a review of anticipated income for the remainder of the financial year. It is also proposed to reduce the Capital Financed from Current Revenue (CFCR) budget by £175,000 to £3,691,000 in line with the current forecast for the anticipated 2013/14 Housing Revenue Account (HRA) contribution towards the programme.
- 4.8 The proposed adjustments noted above reduce the 2013/14 net borrowing requirement by £1,882,000 followed by an increase of £214,000 in the years 2014/15 to 2017/18. The total proposed Housing Investment Programme net borrowing requirement over the 5 year programme therefore reduces to £44,197,000 which is £1,668,000 less than approved by this Committee on 27 November 2013.

## **5. RENEWAL & REPAIR FUND**

- 5.1 Detailed at Appendix IV is the 2013/14 proposed revised budget and the projected outturn for the Renewal & Repair Fund. There are no movements on projected expenditure on the Fund to report at this stage.

## **6. CONCLUSION AND RECOMMENDATIONS**

- 6.1 The revised Capital Budgets approved by the Council in November 2013 have been reviewed and updated to reflect the latest monitoring exercise.

- 6.2 The latest projected net expenditure outturn for the Composite Capital Programme represents 81% of the 2013/14 budget approved by Council on 13 February 2014; net expenditure at 31 December 2013 on the programme represents 58% of the revised 2013/14 budget.
- 6.3 The latest projected gross expenditure outturn for the Housing Investment Programme represents 88% of the 2013/14 budget approved by the Housing & Health Committee on 6 February 2013; gross expenditure at 31 December 2013 on the programme represents 58% of the revised 2013/14 budget.
- 6.4 This report identifies revised projected expenditure and proposed budget movements on several projects. As detailed under Section 2.6 and 2.7 above, the proposed new borrowing requirement on the 7-year Composite Programme has reduced by £614,000, all of which relates to adjustments within the Prudential Borrowing programme (Section 3.3.11). The 7-year programme will continue to be closely monitored and reported as part of the ongoing Capital Budget monitoring process.
- 6.5 Proposed movements on the Housing Investment Programme have been detailed at Section 4, and this shows that the plans remain on course with only a small increase in borrowing over the 5-year period.
- 6.6 It is recommended that the Committee:
1. Notes the contents of this report
  2. Approves the proposed budget adjustments to the seven year Composite Capital Budget 2013/14 to 2019/20 set out in Sections 2 and 3 to this report and summarised at Appendices I and II.
  3. Approves the proposed budget and monitoring adjustments to the five year Housing Investment Programme Budget 2013/14 to 2017/18 set out in Section 5 to this report and summarised at Appendix III.

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#### Approved

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## ANNEX

### 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

#### 1. Strategic Implications

##### 1.1. Corporate Plan

1.1.1. The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.1.2 This report relates to all of these objectives.

#### 2. Resource Implications

##### 2.1. Financial

2.1.1. There are no direct financial implications arising from this report other than those reported within the body of the main report.

## 2.2. Workforce

2.2.1. There are no direct workforce implications arising from this report other than those reported within the body of the main report.

## 2.3. Asset Management (land, property, IT)

2.3.1. There are no direct asset management implications arising from this report other than those reported within the body of the main report.

## 3. **Assessments**

### 3.1. Equality Impact Assessment

3.1.1. Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

3.1.2. The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

### 3.2. Strategic Environmental Assessment

3.2.1. The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

3.2.2. The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### 3.3. Sustainability

3.3.1. Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

3.3.2. The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## 4. **Consultation**

### 4.1. Internal

4.1.1. The Chief Executive and all Executive Directors have been consulted in the preparation of this report.

## **5. BACKGROUND PAPERS**

- 5.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

## **6. APPENDICES**

Appendix I – Composite Capital Programme - Estimated Capital Resources 2013/14 to 2019/20

Appendix II – Composite Capital Programme - Summary of Capital Resources and Expenditure 2013/14 to 2019/20

Appendix III – Housing Investment Programme – Summary of Capital Resources and Expenditure 2013/14 to 2017/18

Appendix IV – Renewal & Repair Fund Budget 2013/14

Appendix V – Capital Programme Exceptions Report

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2013/14 to 2019/20*

APPENDIX I

	Capital Resources 2013/14 (£'000) Revised Budget	Capital Resources 2014/15 (£'000) Revised Budget	Capital Resources 2015/16 (£'000) Revised Budget	Capital Resources 2016/17 (£'000) Revised Budget	Capital Resources 2017/18 (£'000) Revised Budget	Capital Resources 2018/19 (£'000) Revised Budget	Capital Resources 2019/20 (£'000) Revised Budget	Capital Resources TOTAL (£'000) Revised Budget
<b>Capital Grants</b>								
Cycling, Walking & Safer Streets	158	232	202	200	200	200	200	1,392
General Capital Grant	8,434	9,649	11,185	10,193	10,852	10,852	10,852	72,017
<b>Total Capital Grants</b>	<u>8,592</u>	<u>9,881</u>	<u>11,387</u>	<u>10,393</u>	<u>11,052</u>	<u>11,052</u>	<u>11,052</u>	<u>73,409</u>
<b>Capital Receipts</b>								
Capital Receipts b/f (Commercial Property)	2,132	553	660	(143)	343	(493)	115	2,132
General Fund - Capital Receipts	1,667	1,481	1,475	205	203	250	250	5,531
Commercial Property - Capital Receipts	192	101	887	576	0	608	743	3,107
General Fund - Housing Receipts	10	10	0	0	0	0	0	20
General Fund - Ring Fenced Receipts	427	333	300	300	300	300	300	2,260
Capital Receipts Carried-forward	(553)	(660)	143	(343)	493	(115)	(858)	(858)
<b>Total Capital Receipts</b>	<u>3,875</u>	<u>1,818</u>	<u>3,465</u>	<u>595</u>	<u>1,339</u>	<u>550</u>	<u>550</u>	<u>12,192</u>
<b>Contributions</b>								
Third Party Contributions	2,223	2,901	3,400	3,300	0	0	500	12,324
Revenue Budget Contributions	2,355	3,190	4,010	0	0	0	0	9,555
<b>Total Contributions</b>	<u>4,578</u>	<u>6,091</u>	<u>7,410</u>	<u>3,300</u>	<u>0</u>	<u>0</u>	<u>500</u>	<u>21,879</u>
<b>Capital Borrowing Requirement</b>	26,455	33,215	44,031	37,397	10,587	15,600	15,027	182,312
<b>TOTAL CAPITAL RESOURCES/ GROSS BUDGET EXPENDITURE</b>	<u>43,500</u>	<u>51,005</u>	<u>66,293</u>	<u>51,685</u>	<u>22,978</u>	<u>27,202</u>	<u>27,129</u>	<u>289,792</u>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2013/14 to 2019/20*

APPENDIX I

**Movements in Resources from Approved Budget - 27th November 2013**

	<b>Report Section</b>	<b>Revised Budget 2013/14 £'000</b>	<b>Revised Budget 2014/15 £'000</b>	<b>Revised Budget 2015/16 £'000</b>	<b>Revised Budget 2016/17 £'000</b>	<b>Revised Budget 2017/18 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Revised Budget 2019/20 £'000</b>	<b>Revised Budget TOTAL £'000</b>
Increase/(Decrease) in Capital Receipts - General Fund	2.2	23	(95)	0	90	(18)	0	0	0
Increase/(Decrease) in Capital Receipts - Comm Property	2.2	(2)	101	0	0	0	0	0	99
Increase/(Decrease) in Capital Receipts - Ring Fenced	2.2	93	0	200	150	300	300	300	1,343
Increase/(Decrease) in Capital Grants:									
General Capital Grant	2.3	1,136	(1,136)	0	0	0	0	0	0
Increase/(Decrease) in Third Party Contributions	2.4	(356)	(4,257)	1,000	2,600	0	0	0	(1,013)
Increase/(Decrease) in Revenue Contributions	2.5	33	(2,810)	2,810	0	0	0	0	33
Increase/(Decrease) in Resources b/f	2.2	0	555	(568)	(568)	(568)	(562)	(562)	(2,273)
(Increase)/Decrease in Resources c/f to future years	2.2	(555)	568	568	568	562	562	(188)	2,085
Increase/(Decrease) in Borrowing Requirement	2.6 & 2.7	(3,353)	4,247	(3,534)	220	761	499	546	(614)
<b>Total Increase/(Decrease) in Resources</b>		<b>(2,981)</b>	<b>(2,827)</b>	<b>476</b>	<b>3,060</b>	<b>1,037</b>	<b>799</b>	<b>96</b>	<b>(340)</b>
Approved Resources per SP&R2 - 27 November 2013 (report 13/xxx)		46,481	53,832	65,817	48,625	21,941	26,403	27,033	290,132
<b>Revised Resources</b>		<b>43,500</b>	<b>51,005</b>	<b>66,293</b>	<b>51,685</b>	<b>22,978</b>	<b>27,202</b>	<b>27,129</b>	<b>289,792</b>



**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
**SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2013/14 to 2019/20**

	Approved Council Budget Report 2 2013/14 (£'000)	Proposed Budget Adjustment Report 3 2013/14 (£'000)	Revised Budget Report 3 2013/14 (£'000)	Actuals to 31-Dec-13 2013/14 (£'000)	Projected Outturn 2013/14 (£'000)	Approved Council Budget Report 2 2014/15 (£'000)	Proposed Budget Adjustment Report 3 2014/15 (£'000)	Revised Budget Report 3 2014/15 (£'000)	Approved Council Budget Report 2 2015/16 (£'000)	Proposed Budget Adjustment Report 3 2015/16 (£'000)	Revised Budget Report 3 2015/16 (£'000)
EDUCATION AND CHILDREN'S SERVICES	14,435	(2,225)	12,210	7,948	12,210	17,537	3,209	20,746	25,090	(3,496)	21,594
THE ENVIRONMENT SERVICES	24,273	136	24,409	13,152	24,409	19,876	698	20,574	36,255	(367)	35,888
HOUSING AND COMMUNITY CARE	2,380	(662)	1,718	1,213	1,718	2,696	333	3,029	570	329	899
<b>TOTAL NET EXPENDITURE</b> <small>(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)</small>	<b>41,088</b>	<b>(2,751)</b>	<b>38,337</b>	<b>22,313</b>	<b>38,337</b>	<b>40,109</b>	<b>4,240</b>	<b>44,349</b>	<b>61,915</b>	<b>(3,534)</b>	<b>58,381</b>
LESS GENERAL CAPITAL GRANT	(7,298)	(1,136)	(8,434)	(3,781)	(8,434)	(10,785)	1,136	(9,649)	(11,185)	0	(11,185)
LESS CAPITAL RECEIPTS	(1,848)	(21)	(1,869)	(982)	(1,869)	(1,586)	(6)	(1,592)	(2,362)	0	(2,362)
ANNUAL BORROWING REQUIREMENT	31,942	(3,908)	28,034	17,550	28,034	27,738	5,370	33,108	48,368	(3,534)	44,834
CAPITAL RECEIPTS BROUGHT FORWARD	(2,132)	0	(2,132)	(2,132)	(2,132)	2	(555)	(553)	(1,228)	568	(660)
CAPITAL RECEIPTS CARRIED FORWARD	(2)	555	553	1,949	553	1,228	(568)	660	425	(568)	(143)
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>29,808</b>	<b>(3,353)</b>	<b>26,455</b>	<b>17,367</b>	<b>26,455</b>	<b>28,968</b>	<b>4,247</b>	<b>33,215</b>	<b>47,565</b>	<b>(3,534)</b>	<b>44,031</b>



























