

## ***Report to the Council***

**Committee:** Cabinet **Date:** 1 December 2016  
**Subject:** Capital Review 2016/17 – 20/21  
**Portfolio Holder:** Councillor G Mohindra (Finance)

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### **Recommending:**

- (1) That a Capital supplementary estimate in the sum of £346,000 for the St John's Road development be approved;**
  - (2) That a Capital supplementary estimate in the sum of £28,000 for Grounds Maintenance Vehicles be approved, to be funded from external sources; and**
  - (3) That a Capital supplementary estimate in the sum of £130,000 for Disabled Facility Grants be approved, to be funded from a Government grant.**
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1. At its meeting on 1 December 2016, the Cabinet considered the Council's Capital Programme for the five-year period 2016/17 to 2020/21. This included: the forecast capital investment in Council owned assets; estimates of capital loans to be made for private housing initiatives; and projected levels of revenue expenditure funded from capital under statute.

2. As part of the Review, the Council's projected capital expenditure was reviewed and a number of amendments agreed, including carry forwards, reductions, virements and re-phasing of projects. There were also four areas where additional funding was considered necessary and the Cabinet agreed to seek the Council's approval for three supplementary estimates in 2016/17.

### St John's Road Development

3. The St John's Road Development in Epping has progressed with approval having been granted for the purchase of the land at St John's Road from Essex County Council with the expected purchase date in November 2016. The full budget for the St John's Road Development was increased to £6,750,000 after a report was presented and approved by the Cabinet, which removed the inclusion of Lindsay House as part of the transfer. This budget did not include the cost of stamp duty or capital fees and a supplementary capital estimate of £346,000 is requested to cover these costs.

### Grounds Maintenance Vehicles

4. The annual allowance for the replacement of Grounds Maintenance vehicles, plus the sum carried forward from 2015/16, is expected to be fully spent on new machinery by the end of the year. An additional sum of £25,000 has been

supplemented to this budget to purchase a new mower and trailer, financed from a commuted sum relating to open space land at Tower Road, Epping. A further small addition of £3,000 was also made to this budget to allow for a trade-in on a sold vehicle. The Council is requested to approve a Capital supplementary estimate of £28,000 to cover these two additional sums.

#### Disabled Facility Grants

5. The Council has a legal duty to provide Disabled Facility Grants (DFGs) to all residents who meet the eligibility criteria. Demand for DFGs has been growing over the past 18 months or so with the number of occupational therapist referrals rising since the beginning of 2015/16. The Council responded to this by uplifting the allocation in the capital programme by £120,000 to £500,000 for each of the four years from 2015/16 until 2018/19. Since this was agreed, demand has continued to rise and it is now thought that expenditure could be as high as £630,000 this year. At the same time, the Council has received a Better Care Fund contribution of £665,000, which means that the additional £120,000 Capital Growth Bid will not be needed to be funded by the Council in 2016/17. The Council is now requested to increase the allocation by £130,000 for 2016/17, which will be fully financed from the Central Government Grant.

#### Conclusion

6. We recommend as set out at the commencement of this report.