



AGENDA ITEM: 16

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:
5th February 2009**

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor D. Westley

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SUBJECT: MEDIUM TERM CAPITAL PROGRAMME

District wide interest

1.0 PURPOSE OF THE REPORT

1.1 To provide details of the Medium Term Capital position and an opportunity to influence the process for setting the next Programme.

2.0 RECOMMENDATIONS

2.1 That consideration be given to how a balanced Capital Programme can be achieved and that any comments agreed by the Committee be submitted to the Portfolio Holder for Finance in advance of the Council meeting to be held on 25th February 2009.

3.0 BACKGROUND

3.1 The report attached as Appendix A was considered by Cabinet on 20 January 2009. It projects that there will be a significant reduction in capital receipt funding of £1.832m for the Capital Programme in future years. This is a result of a significant slowdown in Council House Sales and is a factor that is affecting Councils across the country. Consequently, there is a need to take steps to ensure a balanced future Programme in terms of either reducing planned expenditure or increasing the available funding.

4.0 PROPOSALS

- 4.1 Members are asked to debate and consider how a balanced Medium Term Programme can be achieved. The available options include deleting existing schemes, reducing their value, deferring them to later years, or increasing funding by borrowing or contributions from revenue. Each of these options will have its advantages and disadvantages and Members will need to weigh the implications of different approaches carefully.
- 4.2 Attached at Appendix B are a number of potential options suggested by the Finance Portfolio Holder for debate to reduce the Programme. These options will either have a limited impact on service levels or reflect schemes that are unlikely to progress due to external factors. **Consequently, this set of options may prove to be widely acceptable although they would not be sufficient by themselves to produce a balanced Programme.**
- 4.3 Any comments on the capital programme agreed by the Committee will be forwarded on to the Portfolio Holder for Finance in advance of the Council meeting on 25th February 2009 so that he can take account of them in submitting proposals to Council on that date.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

A – Medium Term Capital Programme Report to Cabinet 20th January 2009

B – Potential Options to Reduce Capital Expenditure Funded From Capital Receipts