

**Medium Term Financial Strategy – Capital Programme**

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| <b>Final Decision-Maker</b>               | Council  |
| <b>Lead Head of Service/Lead Director</b> | Mark Green, Director of Finance and Business Improvement |
| <b>Lead Officer and Report Author</b>     | Paul Holland, Senior Finance Manager (Client)            |
| <b>Classification</b>                     | Public   |
| <b>Wards affected</b>                     | All  |

**Executive Summary**

This report forms part of the process of agreeing a budget for 2022/23 and setting next year's Council Tax. It develops the outline of the capital programme and reconfirms the principles behind the Council's capital strategy, explains how the capital programme will be funded, and describes the individual projects that comprise the programme.

**This report makes the following recommendations to this Committee:**

It is recommended that the Committee:

1. Agrees the capital strategy principles set out in paragraph 2.6;
2. Agrees the capital funding projection set out in Appendix 2 to this report;
3. Agrees the capital programme 2022/23 onwards as set out in Appendix 3 to this report;
4. Notes that in agreeing recommendations 2 and 3 above the Committee will set a prudential borrowing limit of £216.585 million over the period of the programme which will be recommended to Council as part of the Treasury Management Strategy 2022/23;

**Timetable**

| <b>Meeting</b>                 | <b>Date</b>      |
|--------------------------------|------------------|
| Policy and Resources Committee | 19 January 2022  |
| Council                        | 23 February 2022 |

# Medium Term Financial Strategy – Capital Programme

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue                                 | Implications  | Sign-off                           |
|---------------------------------------|---|------------------------------------|
| <b>Impact on Corporate Priorities</b> | The Medium-Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. Specifically, the capital programme allows for investment in long term projects that support the strategic plan objectives.  | Section 151 Officer & Finance Team |
| <b>Cross Cutting Objectives</b>       | The MTFS supports the cross-cutting objectives in the same way that it supports the Council's other strategic priorities.   | Section 151 Officer & Finance Team |
| <b>Risk Management</b>                | This has been addressed in section 5 of the report.   | Section 151 Officer & Finance Team |
| <b>Financial</b>                      | Set out in the report.  | Section 151 Officer & Finance Team |
| <b>Staffing</b>                       | Staffing implications are taken into account when developing individual capital schemes.  | Section 151 Officer & Finance Team |
| <b>Legal</b>                          | <p>Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management. The Medium-Term Financial Strategy demonstrates the Council's commitment to fulfilling its duties under the Act.</p> <p>The Council is required to set a council tax by the 11 March in any year and has a statutory obligation to set a balanced budget. The budget requirements and basic amount of Council Tax must be calculated in accordance with the requirements of sections 31A and 31B to the Local Government Finance Act 1992 (as amended by sections 73-79 of the Localism Act 2011).</p> <p>The Council is required to determine whether the basic amount of council tax is excessive as</p> | Mid Kent Legal Services            |

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|  | <p>prescribed in regulations - section 52ZB of the 1992 Act as inserted under Schedule 5 to the Localism Act 2011. The Council is required to hold a referendum of all registered electors in the borough if the prescribed requirements regarding whether the increase is excessive are met.</p> <p>Approval of the budget is a matter reserved for full Council upon recommendation by Policy and Resources Committee on budget and policy matters.</p> |   |
| <b>Privacy and Data Protection</b>       | <p>Privacy and Data Protection is considered as part of the development of new capital schemes. There are no specific implications arising from this report.</p>  | Policy and Information Team             |
| <b>Equalities</b>                        | <p>This report sets out the overall capital programme. When an individual capital scheme is developed, changed or reviewed, an evidence-based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be identified.</p>   | Equalities and Corporate Policy Officer |
| <b>Public Health</b>                     | <p>The resources to achieve the Council's objectives are allocated through the development of the Medium-Term Financial Strategy which sets the overall priorities for the capital programme.</p>   | Public Health Officer                   |
| <b>Crime and Disorder</b>                | <p>The resources to achieve the Council's objectives are allocated through the development of the Medium-Term Financial Strategy which sets the overall priorities for the capital programme.</p>   | Section 151 Officer & Finance Team      |
| <b>Procurement</b>                       | <p>Procurement of the capital schemes described in section 2 of this report will be in accordance with the procurement provisions within the Council's constitution.</p>  | Section 151 Officer & Finance Team      |
| <b>Biodiversity &amp; Climate Change</b> | <p>The capital programme includes provision for funding to deliver schemes which will help meet the Council's biodiversity and climate change objectives.</p>   | Biodiversity and Climate Change Manager |

## **2. INTRODUCTION AND BACKGROUND**

### **Background**

- 2.1 The capital programme plays a vital part in the Council's Strategic Plan, since long term investment is required to deliver many of the objectives of the plan. The capital programme is a rolling five-year programme, so sets out over the medium term how the Council will invest its capital resources.
- 2.2 The current capital programme 2020/21 – 2025/26 was approved by Council at its meeting on 24<sup>th</sup> February 2021 and totals £129.5 million over five years. Details are set out in Appendix 1.
- 2.3 The updated capital programme represents a significant expansion, owing mainly to a further £82 million for Affordable Housing in light of the commitment to provide 1,000 new affordable homes and a new item of £30 million for re-provision of leisure facilities at the end of the current Serco contract. Individual items within the programme will be subject to specific reports to the Committee in due course, but overall it is considered that the expansion of the programme is affordable and sustainable, and is required in order to deliver the Council's strategic objectives.

### **Capital Strategy**

- 2.4 Under CIPFA's updated Prudential Code, the Council is now required to produce a Capital Strategy, which is intended to give an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 2.5 The Capital Strategy is being considered by Audit, Governance & Standards Committee at its meeting on 17<sup>th</sup> January 2022. The Strategy describes how the Capital Programme is developed and the key points are set out below.
- 2.6 The Council has defined certain core principles for the inclusion of schemes within the capital programme. Schemes may be included in the capital programme if they fall within one of the four following categories:
  - (i) Required for statutory reasons, e.g. to ensure that Council property meets health and safety requirements;
  - (ii) Self-funding schemes focused on Strategic Plan priority outcomes;
  - (iii) Other schemes focused on Strategic Plan priority outcomes; and
  - (iv) Other priority schemes which will attract significant external funding.
- 2.7 All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code and the following locally set principles:

(a) Where schemes fit within a specific strategy and resources are available within the capital programme for that strategy, such as the Asset Management Plan, the schemes are also subject to appraisal and prioritisation against the objectives of that strategy. These schemes must be individually considered and approved by the relevant service committee.

b) Where schemes require the use of prudential borrowing, a business case must first be prepared setting out the viability and justification in terms of necessity or contribution to the delivery of strategic goals.

2.8 Where schemes do not fit within the criteria above but an appropriate option appraisal has been completed, they may still be included within the programme if they fall within one of the four categories set out above.

2.9 If, following all considerations, there are a number of approved schemes that cannot be accommodated within the current programme, a prioritised list of schemes that can be added to the programme as future resources permit will be created and approved by Policy and Resources Committee, thus allowing officers to focus funding efforts on delivering schemes that are next in priority order.

2.10 The Medium-Term Financial Strategy (MTFS) requires the Council to identify actual funding before commencement of schemes. Accordingly, while schemes may be prioritised for the programme, ultimately commencement of any individual scheme can only occur once all the necessary resources have been identified and secured.

2.11 The MTFS principles require that the Council will maximise the resources available to finance capital expenditure, in line with the requirements of the Prudential Code, through:

a) The use of external grants and contributions, subject to maintaining a focus on the priority outcomes of its own strategies;

b) Opportunities to obtain receipts from asset sales as identified in the asset management plan and approved for sale by Policy and Resources Committee;

c) The approval of prudential borrowing when the following criteria also apply to the schemes funded by this method:

- i. financial viability of the schemes can be clearly evidenced;
- ii. the outcome returns economic value commensurate to the cost incurred by borrowing to fund the schemes;
- iii. after covering the cost of funding, a further benefit accrues to the Council that directly or indirectly supports the objectives of the strategic plan or the medium term financial strategy.

d) The use of residual New Homes Bonus for capital purposes (after a £1m topslice to support the revenue budget), in line with the Council's strategic plan priorities;

e) The implementation of a community infrastructure levy (CIL) and the management of its use, along with other developer contributions (S106), to deliver the objectives of the infrastructure delivery plan.

2.12 Service managers submit proposals to include projects in the Council's capital programme. Bids are collated by Corporate Finance who calculate the financing cost (which can be nil if the project is fully externally financed). Each Committee appraises the proposals based on a comparison with corporate priorities. Policy & Resources Committee recommends the capital programme which is then presented to Council in February each year.

2.13 Prior to any capital commitment being entered into, a detailed report setting out a full project appraisal and detailed financial projections is considered by the relevant service committee.

### **Funding the Capital Programme**

2.14 All capital expenditure must be financed, either from external sources (grant funding and other contributions), the Council's own resources (revenue contributions, earmarked reserves, internal borrowing and capital receipts) or debt (external borrowing and other forms of corporate finance).

2.15 The Council currently has external borrowing of £9 million, comprising short term borrowing from another local authority of £2m and Public Works Loan Board borrowing of £7 million. With internal resources expected to be fully utilised in future, the Council will look to increase external borrowing to a maximum of £247.585m over the 5 year lifetime of the capital programme. Over this time the Council will seek a mixture of long term and short-term debt to minimise the risk of refinancing. The Director of Finance & Business Improvement may look to procure forward borrowing terms ahead of requiring funding for the capital programme. This is to lock into preferential rates in case of future rate rises.

2.16 The Council has hitherto used the New Homes Bonus to fund capital expenditure. It is now proposed that £1 million of the 2022/23 New Homes Bonus be topsliced for revenue expenditure that supports the provision of new homes. The balance will be used for capital purposes, in the form of a Housing Investment Fund to support the Affordable Housing Programme, as described in a separate report elsewhere on this agenda.

2.17 External funding is sought wherever possible. The Council has been successful in obtaining Government Land Release Funding for its housing developments and ERDF funding for the Kent Medical Campus Innovation Centre, and funding will be sought in particular to support the Affordable Housing Programme.

2.18 Funding is also available through developer contributions (S 106) and the Community Infrastructure Levy (CIL).

2.19 The resource available for the capital programme, based on the detail above, is given in Appendix 2. The appendix shows total resources expected in the period 2022/23 to 2026/27 as £233.546m.

## **Capital Programme Proposals**

2.20 Capital Programme proposals have been developed based on the principles set out above and reflect the strategic priorities agreed by Council when it set the current Strategic Plan.

2.21 Appendix 3 to this report sets out the recommended programme. This includes schemes that already form part of the existing capital programme together with new schemes that it is now proposed to include within the capital programme. Further details are set out below.

### *Communities, Housing and Environment*

2.22 Disabled Facilities Grants - £4.7 million

The Council works with Kent County Council Social Services to deliver adaptations and facilities to enable disabled people to remain at home. This element of the capital programme therefore has a directly beneficial impact for individual local residents. Assistance under this budget is not funded by the Council but is funded from the Department of Health Better Care Fund (BCF) as a specific capital grant.

2.23 Temporary Accommodation - £1.5 million

The Council has a programme to acquire housing on the open market for temporary accommodation, as it is more cost-effective to use our own property for this purpose and enables delivery of a revenue saving. It is proposed to buy further units in 2022/23.

2.24 Springfield Mill Phase 2 - £200,000

These are the final costs associated with the completion of this acquisition.

2.25 Private Rented Sector Housing Programme - £46.3 million

This incorporates a number of schemes that are in the process of being developed. These will be the subject of separate committee reports at the point a decision to proceed or not is required.

There is also further funding for indicative schemes which come forward that represent opportunities to grow the market rented portfolio. Some schemes have already been identified and exploratory talks and early negotiations have been undertaken.

2.26 Affordable Housing Programme (Trinity Place) - £500,000

This budget is for the conversion and renovation of Trinity Place into suitable accommodation for affordable housing.

## 2.27 1,000 Homes Affordable Housing Programme - £113.6 million

In the Autumn of 2021, The Leader of the Council announced his ambition to build 1,000 affordable homes in the shortest period possible. A development strategy setting out how this ambition can best be achieved is being proposed to the Policy & Resources Committee on 19th January 2022. It is likely that the whole programme will take ten years to deliver, but the MTFS and capital programme is focussed upon the expenditure that will occur in the first five years. The programme is likely to provide only Affordable Rented homes that will be let at 80% of market rent, capped at the Local Housing Allowance. The expenditure shown is net of any grant receipts from the likes of Homes England that will be necessary to deliver the programme. Expenditure in the initial years of the programme will be relatively modest as the focus will be upon land identification and acquisition, and the more costly works contracts will follow in the later years.

As indicated in the report on this item elsewhere on this evening's agenda, a subsidy will be required to deliver this Programme, which will be provided through a separate Housing Investment Fund.

## 2.28 Market Sale Housing Programme - -£4.4 million

The Council has developed a track record of delivering homes for market sale through joint venture arrangements. On the right site, market sales homes can provide cross-subsidy to help provide affordable housing, and on larger sites in particular, can also help to provide more balanced communities in terms of tenure diversification. Market sale will be modest relative to the Affordable and PRS housing programmes, and in terms of risk management, the tenure could be switched to rented tenures were market conditions to worsen. Market sales homes will be provided by way of joint venture arrangements with experienced contractors and will be focussed upon houses rather than apartments.

## 2.29 Acquisitions Officers Social Housing Delivery Partnership - £800,000

This funding for two Acquisitions Officers over five years to ensure delivery of the affordable housing programme, with the costs of the post and ancillary costs capitalised and charged to the programme.

## 2.30 Granada House Refurbishment Works - £2.0 million

Granada House is in need of refurbishment upgrade works to improve the external façade and visual appearance as well as internally to the communal areas and residential flats.

## 2.31 Street Scene Investment - £250,000

This capital programme item allows for items such as the provision of new bins.



### 2.32 Flood Action Plan - £750,000

The Council works with the Environment Agency and Kent County Council as part of the Medway Flood Partnership to develop measures to manage and reduce flood risk. A capital budget of £1 million was set aside for a flood action plan following the last major floods in the Maidstone area in winter 2013/14. No large scale flood mitigation scheme was found to be feasible and individual household flood mitigation measures have been funded through central government grants. The residual budget is therefore being carried forward to fund further schemes that may be developed, including natural flood management schemes.

### 2.33 Parks Improvements - £250,000

This an annual budget to allow for any works that are identified in the parks to be undertaken, particularly where there is a health and safety issue to be addressed.

### 2.34 Gypsy & Traveller Sites Refurbishment - £1,900,000

The Council owns two sites at Stilebridge Lane & Water Lane. These sites have not been adequately maintained over the years and now extensive catch-up repairs and refurbishment are required to bring them back up to an acceptable standard. As reported previously to this Committee the budget for these works was increased from £1.0m following the receipt of tenders.

### 2.35 Waste Crime Team Additional Resource - £25,000

Over the past 18 months there has been an increase in such crimes with fly tipping seeing the biggest raise of 250%. To combat this increase there is needs for greater enforcement actions and equipment to carry out such work. These addition resources will deployed/used within the existing Waste Crime Team. This budget proposal is for the purchasing of addition CCTV cameras and related equipment to ensure they work within a variety of locations.

### 2.36 Section 106 Funded Works Open Spaces – £2.0 million

This is a new line in the programme to reflect open spaces capital projects that are funded by S.106 contributions. These works have been taking place for a number of years but it is considered appropriate that the programme reflects this to show the total forecast capital expenditure.

## *Economic Regeneration & Leisure*

### 2.37 Mote Park Visitor Centre & Estate Services Building - £1.5 million

Construction is now under way on the new building, and it is expected to open in Summer 2022.

### 2.38 Museum Development Plan - £389,000

The project stems from the work on the Museum's 20-year plan. In 2019 Innes Architect was appointed to set out how this vision could be realised within the building. After extensive consultation, this formed the basis of a National Lottery Heritage Fund bid, which although unsuccessful, is still accepted by ERL Committee as the preferred long-term aspiration for the Museum. The vision is achievable in discrete phases. The first phase is estimated to cost £1.5m.

A report was taken to Economic Regeneration & Leisure Committee in November 2021 to identify initial proposals to progress this scheme. The preferred option is to improve a gallery space which is supported by the Maidstone Museum Foundation and Kent Archaeological Society. However more work is needed to create proposals which reflect Member ambitions for a dynamic and changing museum high quality experiences for visitors and drive-up visitor numbers.

### 2.39 Leisure Provision - £30.0 million

Options are currently being considered for the future of the leisure centre, and some initial options were presented to the Economic Regeneration & Leisure Committee in December 2021. This is an indicative budget at this stage, allowing for either refurbishment or replacement of the centre.

### 2.40 Cobtree Golf Course New Clubhouse - £449,000

The clubhouse is in need of major refurbishment or replacement. Responsibility for this lies with the Cobtree Manor Estate Committee, but the Council does have a 2/9ths interest in the golf course, and this indicative budget represents the contribution the Council would make towards the total cost. Again, this is an indicative budget whilst options are being considered.

### 2.41 Tennis Courts Upgrade - £20,000

This funding is required to bring the courts in the parks back up to an acceptable playing standard.

### 2.42 Riverside Walk Works - £500,000

The Economic Regeneration & Leisure Committee has considered proposals for a riverside walk alongside the Medway by the Lockmeadow Millennium Bridge. Better access to the river would be created from the Maidstone road bridge and other areas of interest along the river would be linked, such as the memorial park and Archbishop's Palace. Improvements to the riverside path would increase safety and reduce antisocial behaviour. Costings and

detailed proposals are still to be developed. Third party funding will be sought for the project. Specific proposals will be brought to the Committee in due course but for the purpose of developing the capital programme an indicative budget of £500,000 has been included here.

### *Policy & Resources*

#### 2.43 Corporate Property Acquisitions - £12.5 million

It is envisaged that the Council will continue to seek further suitable opportunities to acquire assets, following the acquisitions of the Lockmeadow Leisure Complex and the Wren Industrial Estate. The capital programme includes this fund which is intended to give the capacity to pursue opportunities to enhance the corporate property portfolio. The Council continues to work with selected agents to identify suitable opportunities and these will be brought forward for member approval when identified.

#### 2.44 Kent Medical Campus - Innovation Centre - £250,000

The Centre was completed and handed over to the Council in December 2021. The need for additional parking has been identified and plans have been drawn up, with the funding to come from the Enterprise Zone.

#### 2.45 Lockmeadow ongoing investment - £1.8 million

Improvements are required to the exterior of the market hall and undercroft. There is also a need for new signage and expansion of the new play area for older children. There may also need to be provision for the reconfiguration of a larger unit that may become vacant in the future.

#### 2.46 Garden Community - £1.0 million

Good progress continues to be made with the public sector led garden community, where the Council has entered into a collaboration agreement with Homes England. The project now features as a draft allocation in the Council's Local Plan Review at Regulation 19 stage, which is scheduled to go to public examination in the summer of 2022. Assuming the sites becomes an allocation in an adopted Local Plan, the Council will continue to work very closely with Homes England to take the project through to the point of Planning consent, and then Homes England will exclusively take on the master developer role thereafter. The Council's role will then become more focussed upon the governance and stewardship of the new community. Furthermore, once the project reaches the delivery stage, the Council will also benefit from rights of first refusal in terms of acquiring the affordable housing and employment land, so these elements could feature in the Council's capital programme in years to come.

#### 2.47 Infrastructure Delivery - £5.0 million

Infrastructure schemes as outlined in the Local Plan are in general funded directly from the benefits gained from the development. However, in some cases, it is appropriate for the Council to invest directly in infrastructure, for example where viability assessments indicate a funding gap and where it is

appropriate for the Council to meet the shortfall in order to enable strategic priorities to be met. An annual amount of £1.0 million has been set aside within the capital programme for this purpose. Including rolled up unspent budget from previous years, this gives a total allocation of £6.2 million over the lifetime of the capital programme.

#### 2.48 Asset Management / Corporate Property - £875,000

The Property Services section carries out a 5 year cycle of condition surveys of Council property which provide a costed programme of essential replacement or refurbishment of building elements to ensure the proper, compliant and efficient operation of the buildings in accordance with the Asset Management Plan. There is no financial return from the projects, but they do eliminate the accumulation of a backlog of maintenance, reduce the risk of failure and interruption of service and the cost of reactive maintenance.

#### 2.49 Other Property Works - £980,000

This budget is for work required to various commercial properties to meet the requirements of the current Minimum Energy Efficiency Standards. This will mainly be upgrades to LED lighting and heating systems, but there may be a need to replace windows and improve insulation in some of the older buildings.

#### 2.50 Biodiversity & Climate Change - £2.9 million

In April 2019 the Council declared twin emergencies in Biodiversity and Climate Change. P&R then set up a Member led working group to produce an action plan for agreement in April 2020. In order to fund that action plan directly and to provide pump prime funding and funds for embedding biodiversity and climate change actions across the authority, a pot of funding was approved last year, and an officer appointed to support the work. This pot will fund the action plan items directly, each of which will be costed where relevant, and will provide a reserve pot for other initiatives to bid into.

#### 2.51 Feasibility Studies - £250,000

An allowance has been included in the capital programme for feasibility works on schemes that are not yet ready to be included in the main programme.

#### 2.52 Digital Projects - £125,000

This programme is for hardware and software development carried out in-house by the Digital team, such as website re-design, new webcasting facilities, and investment to streamline ways of working.

#### 2.53 Software/PC Replacement - £1.0 million

This is an annual budget to allow replacement of ICT resources on an ongoing basis.

#### 2.54 Maidstone House Works - £1.0 million

Capital investment is envisaged at Maidstone House.

#### 2.55 Automation Projects - £200,000

These projects are likely to focus around voice automation in customer services and should eventually yield revenue savings.

#### 2.56 New Ways of Working Make the Office Fit For Purpose - £40,000

Further investment is needed to continue to ensure Maidstone House is suitable to meet the demands of the new ways of working that have evolved as a result of the pandemic.

#### 2.57 Archbishop's Palace Works - £800,000

Due to the expiration of the contract with Kent County Council, options are being explored as to how the Archbishop's Palace will be used in the future. A procurement exercise is currently ongoing to gain proposals from interested parties. The council may need to undertake some capital works as part of any agreement with a provider, and if no external bids are successful or an internal proposition is preferable, may undertake to run services from the palace itself, which would require extensive capital works to prepare and improve the building sympathetically.

#### 2.58 Fleet Vehicle Replacement Programme – £1.4 million

Vehicle purchases have been capitalised previously but not included on the programme. Funding comes from capital receipts including the sale of vehicles when they reach the end of their useful life.

### *Strategic Planning & Infrastructure*

#### 2.59 Bridges Gyratory Scheme - £120,000

This is an additional budget allocation to allow works to commence on the Medway Street flood barrier. The costs of the project have increased since it was initially included in the programme.

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### **3. AVAILABLE OPTIONS**

- 3.1 Agree the capital strategy principles, funding arrangements and detailed proposals as set out in section 2 above.
- 3.2 Amend or delete some or all of the proposals and agree alternative proposals.

- 3.3 Defer a decision on the proposals to this Committee's meeting on 9 February 2022.
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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 The preferred option is that the Committee agrees the proposals set out in section 2. Whilst a final decision is not required until Council sets a budget on 23 February 2022, an early decision by this Committee will allow advance planning to commence and will potentially allow the benefits of investment to be realised more quickly.
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#### **5. RISKS**

- 5.1 From now on, the capital programme will primarily be funded through prudential borrowing. Many of the schemes outlined above are projected to be self-funding. However, this assumes that the income assumptions on which they are based are reliable. In an uncertain economic environment, there is a significant risk that the cost of borrowing and the requirement to make provision for repayment will not be covered.
- 5.2 The scale of the capital programme – over £200 million - will require considerable capacity for delivery and project management.
- 5.3 At present it is anticipated that funding will be available for the capital programme. In the past, local authorities have relied for funding on the Public Works Loan Board. PWLB borrowing has recently become more expensive, and whilst alternative sources of finance are currently available at lower rates, there is a risk that funding could become more expensive generally, thus putting at risk the viability of more marginal schemes.
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#### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 Policy and Resources Committee received an initial report on the MTFs at its meeting on 24 November 2021.
- 6.2 Consultation is currently being carried out on the broader budget proposals for 2022/23. Individual Service Committees are considering the budget proposals relating to capital schemes within their areas of responsibility. There will be an opportunity for Policy and Resources Committee to consider the outcomes of consultation at its meeting on 9th February 2022, before submitting final budget proposals to Council.
- 6.3 Public consultation on the budget has been carried out, as described in the report on revenue budget proposals elsewhere on the Committee's agenda. This identified that the most popular area amongst respondents for new

investment was infrastructure, with flood prevention and the street scene cited as examples in the survey to illustrate what 'infrastructure' means.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

7.1 The timetable for setting the budget for 2022/23 is set out below.

| <b><i>Date</i></b> | <b><i>Meeting</i></b>          | <b><i>Action</i></b>                                       |
|--------------------|--------------------------------|--|
| January 2022       | All Service Committees         | Consider 22/23 budget proposals                            |
| 9 February 2022    | Policy and Resources Committee | Agree 22/23 budget proposals for recommendation to Council |
| 23 February 2022   | Council                        | Approve 22/23 budget                                       |

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## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: Existing Capital Programme 2021/22 to 2025/26
  - Appendix 2: Estimated Capital Resources 2022/23 to 2026/27
  - Appendix 3: Proposed Capital Programme 2022/23 to 2026/27
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## **9. BACKGROUND PAPERS**

There are no background papers.