

**CABINET – 22 APRIL 2025**

**CAPITAL PROGRAMME APPROVALS – APRIL 2025**

**Report by the Executive Director of Resources and Section 151 Officer**

**Recommendations**

1. The Cabinet is RECOMMENDED to:
  - a. approve the addition of a new phase of energy saving measures into the capital programme, at a total cost of £10.360m. The two-year programme will run from 2025-2027 and is to be funded by £10.000m from corporate resources, as approved by Council in February 2025, with the remaining £0.360m to be funded by a successful bid to Phase 4 of the Public Sector Decarbonisation Scheme (PSDS4).
  - b. approve the inclusion of phase 2 and 3 of Fire Compartmentation Remedial works into the capital programme, at a cost of £3.700m. The programme of work is to be funded from £2.000m corporate resources agreed by Council in February 2024 and a further £1.700m agreed by Council in February 2025.

**Executive Summary**

2. The 2024/2025 Capital Programme was approved by Council in February 2024 and is updated during the year through the quarterly capital programme and monitoring reports. The programme is refreshed annually to include new capital priorities and was approved by Council in February 2025. This report sets out change requests requiring Cabinet approval that will be incorporated into the agreed programme and included in the next update to the Capital Programme in June 2025.

**Introduction**

3. The Capital Programme sets out how the Council will use Capital expenditure to deliver the Council's priorities as set out in the Strategic Plan 2022-25. The Capital Programme is updated quarterly and fully refreshed annually as part of the Budget and Business Planning Process to ensure that it remains aligned to the latest priorities, reflects the latest cost projections and profile for delivery, and incorporates the current funding position.
4. On occasion, variations to the Capital programme are recommended to Cabinet. There are no variations included in this report.

**Property**

### Energy Saving Measures Programme

5. This new programme of work, which will run from 2025-2027 across the Council's corporate estate, will remove fossil-fuelled heating, replace a number of broken, end-of-life components with sustainable and environmentally responsible solutions and implement decarbonisation measures. It is a key priority required to meet the Council's net zero target by 2030.
6. The Council has previously been successful in securing PSDS1, PSDS3a and PSDS3c funding and has just been awarded a further £0.360m of PSDS4 funding. Through the Council's annual budget setting process, a further £10.000m of corporate funding was agreed by Council in February 2025, to commence a new programme of work, which is in addition to £10.2m already committed.
7. A further £1.500m was committed to the 2024-2025 programme, to fund a budget increase due to poor estate conditions and supply chain issues.

### Fire Safety Remedials Programme

8. This programme of work will complete the remedial actions identified in the fire compartmentation surveys. This is a statutory obligation in line with the Regulatory Reform order 2005 – Fire Safety Act.
9. The programme of work is to be funded from £2.000m corporate resources agreed by Council in February 2024 and a further £1.700m agreed by Council in February 2025.

## **Financial Implications**

10. The financial implications are contained within the report. Funding for the schemes mentioned in this report is to be met from corporate resources agreed by Council and grant funding.

Comments checked by:  
Lorna Baxter, Executive Director of Resources and Section 151 Officer

## **Staff Implications**

11. There are no staffing implications arising directly from the report.

## **Equality & Inclusion Implications**

12. There are no equality and inclusion implications arising directly from this report.

## **Legal Implications**

13. **Legal Obligations:** Responsibility for the budget is a function of the Council. The Cabinet are required to recommend a budget to the Council and subsequently exercise their executive functions in accordance with the agreed budget envelope. These recommendations relate to budget allocated to the Cabinet or sourced by the exercise of executive functions. It is therefore within the Cabinet's remit to make these decisions. Local authorities are required to have robust governance structures in place to oversee capital programmes, including regular reviews and updates to capital strategies, ensuring decisions are made transparently.
14. **Prudential Code Compliance:** Local authorities must adhere to the Prudential Code for Capital Finance, which emphasizes affordability, prudence, and sustainability in borrowing and investment decisions. This ensures that capital investments are financially sound and do not jeopardize the authority's financial stability.
15. **Regulatory Framework:** The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, as amended, govern how local authorities manage their capital finance. These regulations include provisions for borrowing limits, capital receipts, and the use of capital allowances. This report is the assurance by officers that the regulatory framework and the prudential code are being complied with.

Kim Sawyer Interim Head of Legal & Governance

**LORNA BAXTER**

Executive Director of Resources and Section 151 Officer

Background papers: none

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