

This annex forms Annex 5 (a-d) for the Cabinet report and Annex 3 (a-d) for the Scrutiny report

Capital Prioritisation Assessment

1. Following the consideration of the Capital Investment Board in December, the CIB used more updated information which assumed a 30% cut to the Transport Funding, a 60% cut to the Education Funding and a 100% cut to the other departmental capital funding. This revised assumption provided about £10m additional capital funding to allocate across the projects on-hold and new pressures.
2. This meant that there was a £130.9m to allocate to projects on-hold and new pressures which required £147.2m corporate funding. A proposed list of priority capital schemes requiring £124.5m¹ corporate resources are provided as an annex to this report (Annex 5/3a).
3. This position shows that the Council cannot afford to invest in all schemes on-hold and new pressures. There are sufficient resources to meet the investment requirement for projects under priority categories 1 & 2, but there is only £6.8m to allocate to projects categorised as Priority 3 to Priority 6. Although, this position allows the Council to fund fully the Star Chamber proposals for the Waste Management & Energy Tax Reduction Programmes under category 3, the other two proposals in the priority 3 category cannot be funded fully: Additional Resources for the Transport Structural Maintenance Programme and the Secondary Schools Modernisation Programme. Similarly, the Council does not have any resources for proposals under other categories (4, 5 & 6).
4. As a result, it is proposed that a number of schemes requiring £17.9m (Annex 5/3b) should remain on hold until further resources become available. In addition, there are also a number of schemes/ funding allocations (Annex 5/3c) that are proposed to be taken out of the programme or deferred beyond five years horizon as they are unlikely to complete within the timescale or have been allocated across other schemes.
5. It must be noted that if the cut to government funding is different than currently estimated, the amount allocated to these schemes will be re-evaluated and amended where necessary. The proposed capital programme in January will reflect such changes.

¹ This total excludes the recently released schemes totalling £4.8m. When these schemes are also included, the call on available corporate resources reaches up to £129.3m.

Cut off point- only £1.5m is available for the rest of the projects/ proposals from this point.

Appendix A

Capital Programme Review- Prioritisation Overview following the Capital Investment Board Discussion (7th Dec 2010)

