

CABINET
7 FEBRUARY 2023

Capital Strategy 2023/24 & Capital Programme 2023/24 – 2027/28

Cabinet Member Cllr Bob Deed, Leader and Cabinet Member for Finance
Responsible Officer Andrew Jarrett, Deputy Chief Executive (S151)

Reason for Report: To agree the proposed 2023/24 Capital Strategy and to seek approval of the 2023/24 Capital Programme and note the indicative Capital Programmes for 2024/25 to 2027/28.

RECOMMENDATIONS: That Cabinet recommend to Full Council:

1. That the proposed 2023/24 Capital Strategy is approved.
2. To approve in principal the current estimated amounts of Slippage of £6,201k from the 2022/23 Deliverable Capital Programme and £33,231k of 2022/23 Capital Programme expenditure profiled over the life of the MTFP. This will be finalised and formal approval sought as part of 2022/23 Outturn report.
3. The overall Capital Programme for projects commencing in 2023/24 of £98,375k be approved and the indicative Capital Programmes across the four remaining years of this Medium Term Financial Plan covering 2024/25 to 2027/28 be noted.
4. To approve the 2023/24 Deliverable Budget based on the forecast spend profile of £64,826, this will include elements of amounts detailed in recommendations 2 & 3 above and will form the budget to monitor against in 2023/24, subject to any changes referred to in recommendation 2 at Outturn.

Relationship to the Corporate Plan: A strategic approach to Asset Management supports our Corporate Plan priorities of business retention, growth and development. Maximising our return from all associated treasury activities enables the Council to support current levels of spending in accordance with our Corporate Plan. The Capital Programme identifies the capital investment proposed across all strands of the Corporate Plan over the next five years.

Financial Implications: Good financial management and administration underpins the entire strategy. The Capital Strategy sets the boundaries in which the Council's capital and treasury management functions operate. The Capital Programme submitted for 2023/24 of £98,375k is fully funded. It does, however, include £46,170k of anticipated PWLB borrowing to fund various projects. Future capital receipts are now estimated at such a low level that the Council needs to continually evaluate ways of making additional provision to fund its long-term capital programme or reduce its property portfolio. This is especially relevant due to the uncertainty around the future of New Homes Bonus and its availability as an income stream going forward.

Legal Implications: Authorities are required by regulation to prepare a Capital Strategy for each financial year that needs to be approved by Full Council prior to the start of the financial year. Authorities must also have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003.

Risk Assessment: The S151 Officer is responsible for the administration of the financial affairs of the Council. A co-ordinated approach to Asset Management and Financial Planning will help mitigate the risks associated with holding and utilising assets. Financial risk is mitigated by sound Treasury Management practices and defined limits. There is a risk of clawback of external funds if sums received are not spent in accordance with the terms on which they were given, or not within agreed timescales. New Capital Receipts for 2023/24 have been projected at a prudent level of £1,324k but there is a risk that if these do not materialise, the Authority may need to delay scheme start dates to the following financial year or identify an alternative funding mechanism to ensure full programme delivery. Other risks, such as cashflow management are managed through the operation of the Treasury Management Strategy.

Equality Impact Assessment: Each of the capital investments will be, where appropriate, subject to an impact assessment. This is done with a view to identifying possible actions to mitigate negative impacts. However, many of the proposals do not have a direct impact on the public and therefore do not require an Impact Assessment.

Impact on Climate Change: The Council has committed to a net zero carbon policy by 2030. Any major asset replacements/upgrades will consider the environmental impact in relation to carbon footprint.

The Capital Strategy 2023/24

1. Introduction

- 1.1. The Capital Strategy gives a high-level 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.
- 1.2. The strategy is designed to be a user-friendly document, which can direct stakeholders to the relevant documents relating to Treasury decisions, Asset Management and the Capital Programme for the coming years. It provides a link between these activities and reiterates the need for these to be co-ordinated to support the objectives of the Corporate Plan.
- 1.3. This strategy brings together the statutory requirements of the Chartered Institute of Public Finance Accountants (CIPFA) and the CIPFA Prudential Code for Capital Finance in Local Authorities. There is also a strong link with the Treasury Management Strategy that provides a framework for the borrowing and lending activity of the Council.

1.4. The Capital Strategy needs to be relevant in the current financial and economic climate and therefore needs a cautious and measured, yet flexible, approach that reflects the fact that:

- The impact on the Revenue Budget arising from the Capital Investment Programme must be affordable and sustainable, and be used to aid the bottom line;
- Capital resources available to the Council are limited, with little direct funding provided from Government and currently limited scope to raise income from Capital Receipts;
- Local Government's range of responsibility is constantly changing along with the role that it plays within the community, leading to an expectation that Society will assist in the delivery of services.

1.5. The Council is required, by regulation, to publish a number of indicators relating to the Capital Investment Programme, Treasury Management and the revenue implications of the programme, known as the Prudential Indicators. This report, along with the Treasury Management Strategy, publishes those indicators, based on the assumption that Cabinet / Council will approve the proposals contained within the Revenue Budget and Capital Programme.

2. Strategic Aims

2.1. The key objective of the Capital Strategy is to deliver a Capital Programme that:

- Ensures that the Council has assets that are fit for purpose and enable the delivery of the priorities set out in the Corporate Plan;
- Supports the Council's service specific plans and strategies;
- Facilitates income generation that aids the Revenue Budget;
- Is affordable, financially prudent and sustainable.

This should not however prevent the authority from:

- Reducing the on-going liability of holding assets by engaging with communities to develop alternative service delivery options including asset transfer;
- Fully utilising resource opportunities available for Capital Investment from outside sources where this does not create ongoing revenue liabilities or commitments that cannot be met.

3. Priorities

3.1. The Council's priority areas for investment can be summarised as:

3.1.1 **Asset replacement and/or enhancement:** The services delivered by the Council depend upon a variety of assets such as Plant, Property and Equipment (PPE) or vehicles. These need to be updated/upgraded on a

regular basis to ensure service delivery is maintained or enhanced. Asset maintenance is a revenue cost; the purchase or enhancement is a capital cost.

- 3.1.2 **Income Generation:** The Council is looking to identify investments that generate an income to replace the lost grant funding and ease the pressure on the Revenue Budget. Specific projects / investment opportunities will be brought forward for approval by the Cabinet as they are identified.
- 3.1.3 **Economic Regeneration:** The Council is committed to investing in the District's future through regeneration projects. Any schemes will need to be self-financing so that borrowing costs are covered by either Grant, investment income or capital receipts leaving no ongoing impact on the Council's Revenue Budget.
- 3.1.4 **Invest to save:** The Council is always looking for opportunities to deliver future efficiencies in service provision, known as 'Invest to Save'. This could include investment in technology or processes. The "green" investments are a good example of this, where investment in more efficient heating systems reduces the ongoing cost of energy consumption.
- 3.1.5 **Health and Wellbeing:** The Council's receives the Disabled Facilities scheme, which pays for essential housing adaptations to help disabled people stay in their own homes. In the current climate, it is also important that the Council plays a wider role in the health and wellbeing of its local community.

4. Capital Expenditure and Financing

- 4.1. Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In Local Government, this includes spending on assets owned by other bodies, or loans and grants to other bodies enabling them to buy/build assets. The Council has limited discretion on what counts as capital expenditure, for example assets costing below £20k are deemed de minimis and are not capitalised but are instead charged to revenue in-year.
- 4.2. The detail of our approach to capitalisation is shown in our Accounting Policies in the Statement of Accounts that are produced each year. The Audit Committee have approved the latest draft Accounts subject to some minor outstanding queries. The Accounts for the year 2021/22 can be found here:

<https://www.middevon.gov.uk/your-council/finance/annual-accounts/>
- 4.3. Service managers bid annually to include projects in the Council's Capital Programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The relevant PDGs consider the Capital Programme and the funding thereof and can make recommendations to Cabinet and are able to. The final Capital Programme is then presented to Cabinet in February who recommend it to Full Council for approval the same month each year.

- 4.4. In 2023/24, the Council is requesting approval of new capital expenditure of £98,375k for projects due to start in 2023/24 as well as estimated £39,432k of expenditure approved in prior years that has slipped in timescale or was planned for future years. These projects have an expenditure profile within 2023/24 of £64,826k which forms the Deliverable Budget for the year (as detailed in Appendices 1 & 2). It can be summarised as follows:

Table 1: Prudential Indicator: Estimates of Capital Expenditure

Capital Expenditure £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
General Fund Projects	3,836	5,224	17,084	23,992	2,855
HRA Projects ¹	4,196	7,446	21,634	32,574	26,705
Loans to Subsidiary Company*	3,591	9,282	26,108	11,162	14,138
Total	11,623	21,952	64,826	67,728	43,698

*This figure is gross loans and excludes repayments and working capital loans (which are treated as Revenue)

- 4.5. A summary of the projects included in the 2023/24 Capital Programme are included in paragraphs 11.5 and 11.7 below.
- 4.6. All capital expenditure must be financed, whether from external sources (Government grants and other contributions), the Council's own resources (Revenue, Reserves and Capital Receipts) or Debt (Borrowing, Leasing and Private Finance Initiative).
- 4.7. Borrowing may be internal or external:
- 4.7.1. **Internal borrowing** uses the cash balances of the Council. Currently, these balances yield small returns on the investment market and is therefore cheaper than the interest rate payable on an external loan and so is maximised as far as possible. This has been a significant funding source in recent years.
- 4.7.2. **External borrowing** is via loans. Within Local Government, the main provider for long-term borrowing has traditionally been the Public Works Loan Board [PWLb]. However, the Council also uses other organisations, such as other Local Authorities for shorter-term cash flow requirements.
- 4.8. An increasing number of assets are leased, such as the new vehicles within our fleet. These are normally taken through Finance Leases where the asset remains owned by the finance company, but the Council rents them.
- 4.9. The planned financing of the expenditure in Table 1 above is as follows:

¹ The Housing Revenue Account (HRA) is a ring-fenced account, which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately.

Table 2: Capital financing

Financing of Capital Expenditure £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Capital receipts	1,484	1,190	1,575	2,426	1,587
Capital grants	1,367	4,934	15,023	29,652	11,016
Capital reserves	0	0	0	0	0
Revenue Contributions	2,889	4,733	4,934	5,661	2,927
Borrowing	5,883	11,095	43,294	29,989	28,168
Total	11,623	21,952	64,826	67,728	43,698

4.10. Debt is only a temporary source of finance, as loans and leases must be repaid and is therefore replaced over time by other financing, usually from revenue, which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as Capital Receipts) may be used to replace debt finance.

4.11. The Council's full Minimum Revenue Provision / loans fund repayments statement is shown in Appendix 1 of the Treasury Management Strategy Statement. This strategy is also included elsewhere on the meeting agenda. Planned MRP is as follows:

Table 3: Planned MRP payments

Planned MRP Payments £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
General Fund	671	689	703	898	970
Housing Revenue Account	962	976	1,010	1,196	1,309
Total	1,633	1,665	1,713	2,094	2,279

4.12. The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP / loan repayments and capital receipts used to replace debt. The CFR is expected to increase by £25,814k during 2023/24. This increase mainly consists of £10,114k relating to projects undertaken by 3 Rivers Developments Ltd, £4,315k relating to General Fund projects associated with the Cullompton Relief Road and strategic land acquisition and £9,884k relating to other HRA projects. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

Capital Financing Requirement £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
General Fund Services	10,162	9,877	14,223	19,411	18,856
Council Housing (HRA)	39,603	40,580	51,934	64,400	76,626
Loans to Subsidiary Company*	11,363	20,522	30,636	15,622	14,138
Total CFR	61,128	70,979	96,793	99,433	109,620

* Loans to Subsidiary Company investments relate to capital expenditure on housing developments and investment properties.

This table is cumulative including existing and future borrowing. This is reduced as and when repayments are scheduled.

- 4.13. At present, the Council does not charge MRP on its loans to 3 Rivers. This is because it funds assets that are under construction – to which MRP does not apply. Once the assets are complete and MRP would normally become chargeable, they are sold by 3 Rivers and the loan is repaid. However, CIPFA previously consulted on this matter to enforce MRP to be applicable on loans to third parties, despite the regulations around “assets under construction”. As yet, no formal outcome of the consultation had been announced, therefore if formally implemented, it is assumed this will apply from 2024/25 at the earliest.

5. Treasury Management

- 5.1. Treasury Management is concerned with keeping sufficient, but not excessive cash, available to meet the Council's spending needs, while managing the risks involved. To avoid excessive credit balances or overdrafts in the bank current account, surplus cash is invested until required while a shortage of cash will be met by borrowing. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 5.2. Due to decisions taken in the past, at 31 March 2023 the Council is forecast to have £33,310k of borrowing (excluding finance leases) at an average interest rate of 2.91% and £20,000k treasury investments earning interest at an average rate of 3.63%.
- 5.3. **Borrowing strategy:** The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (up to 1 year, mainly through other Local Authorities - currently available at around 4%) and long-term fixed rate loans where the future cost is known but higher (currently around 4.5% from PWLB²).

² As at the time of drafting this report – 26 January 2023

- 5.4. Projected levels of the Council's total outstanding debt (which comprises borrowing and leases) are shown below, compared with the Capital Financing Requirement.

Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement

Gross Debt and The Capital Financing Requirement £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt (including Leases)	37,423	35,625	45,910	50,222	59,656
Capital Financing Requirement (CFR)	61,128	70,979	96,793	99,433	109,620

- 5.5. Statutory guidance is that Debt should remain below the Capital Financing Requirement, except in the short-term. As can be seen from table 5, the Council expects to comply with this in 2023/24 through to 2025/26.
- 5.6. **Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower "Operational Boundary" is also set as a warning level should debt approach the limit. Further details on borrowing are included with the Treasury Management Strategy, which is also included elsewhere on the meeting agenda.

Table 6: Prudential Indicators: Authorised Limit and Operational Boundary for external debt

Authorised Limit and Operational Boundary for External Debt £000	2022/23 Limit	2023/24 Limit	2024/25 Limit	2025/26 Limit
Authorised Limit	81,000	107,000	110,000	119,000
Operational Boundary	72,000	98,000	101,000	110,000

- 5.7. **Investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of Treasury Management.
- 5.8. The Council's policy on treasury investments is to prioritise Security and Liquidity over Yield (SLY Principle), to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the Government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Further details on treasury investments is included within the Treasury Management Strategy, but can be summarised as follows³:

Table 7: Treasury Management investments

Treasury Management Investments £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate
Short-Term Investments	36,832	20,000	10,000
Long-Term Investments	5,000	5,000	5,000
Total	41,832	25,000	15,000

- 5.9. **Governance:** Decisions on Treasury Management investment and borrowing are made daily and are therefore delegated to the S151 (Deputy Chief Executive) and finance staff, who must act in line with the Treasury Management Strategy approved by Full Council annually. Reports on Treasury Management activity are presented to Cabinet three times per year.

6. Investments for Commercial and Economic Development Purposes

- 6.1. The Council makes investments to assist local public services, including making loans to other public sector bodies to promote economic development and provide an income stream. In light of the public service objective, the Council is willing to take more risk than with other treasury investments; however it is still a requirement for such investments to generate a profit after all costs, and after conducting all appropriate due diligence.
- 6.2. For example, during 2021/22, the Council facilitated a loan to fund a GP Surgery/NHS Hub in Crediton. Not only will this provide the Council with a return on its loan, it will also provide an important, modern NHS Hub in Crediton, replacing two existing GP Surgeries and offering further NHS services to the public.
- 6.3. The principal risk exposures include the timing of debt repayments; development market values; development costs and profitability of the subsidiary. These risks are managed by due diligence of business cases. Although there is no cap on the level of lending between the Authority and the subsidiary, advance approval of the level of lending is required from Cabinet before the start of each financial year, with reference to the company's Annual Business Plan.
- 6.4. With Central Government financial support for local public services declining and the tightening of regulations within the Prudential Code that prohibits the Council from investing primarily for financial return, the options for the Council to invest in Commercial and for Economic Development purposes is limited. However, it is able to lend to its subsidiary 3 Rivers Developments Ltd to

³ As at the 31 March of the appropriate year

develop land and commercial income generating projects and charge interest on loans at a commercial rate.

- 6.5. The Council also has commercial activities in retail properties, which expose it to normal commercial risks. The over-arching ethos behind these activities is economic regeneration and retention of premises within the town centre rather than the income stream.
- 6.6. **Governance:** Decisions on commercial investments are made by the S151 (Deputy Chief Executive) in conjunction with the Leadership Team, in line with the criteria and limits approved by Council in the Treasury Management Strategy Statement (TMSS). Property and most other commercial investments are also capital expenditure and asset purchases will therefore also be approved alongside the capital programme.

7. Asset Management

- 7.1. In order to ensure the Council is allocating its resources in the most effective way, an Asset Management Plan (AMP) is maintained. It outlines where capital investment can assist the Council achieve its goals or where investment and use of resources plays a contributing role to shared priorities. Therefore the AMP helps set out the Council's approach to the Strategic Management of its land and building assets. It has been developed in consultation with the Senior Officers and Members of the Council who form the Capital Strategy Asset Management Group (CSAG). The AMP seeks to ensure that assets are used in the most effective and efficient way to support the delivery of the Corporate Plan.
- 7.2. The latest version of the AMP was considered and approved by Cabinet on 4 March 2021. It can be found here:
- <https://www.middevon.gov.uk/media/353719/supplement-revised-format-for-asset-management-and-capital-strategy-plan-04032021-v1.pdf>
- 7.3. The AMP enables the Council to consider the best use of its assets by identifying those that require investment in planned maintenance; those that it should consider disposal of, those that could generate additional income from leasing out etc. These considerations will then inform the Capital Programme and funding decisions.
- 7.4. **Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as Capital Receipts, can be spent on new assets or to repay debt. The Council expects to receive £1,324k of Capital Receipts in 2023/24 (net of Government Pooling); these are associated with the sale of Council Houses through the 'Right to Buy' scheme. Capital Receipts are summarised in the table below:

Table 8: Capital Receipts

Capital Receipts £000	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Asset Sales	2,519	1,163	1,324	1,324	1,324

8. Liabilities

- 8.1. In addition to debt of £45,910k in 2023/24 detailed in Table 5 above, the Council is committed to making future payments to cover its pension fund deficit (valued at £69,572k in 2021/22).
- 8.2. **Governance:** The risk of liabilities crystallising and requiring payment is monitored by Finance and Legal. Any new material liabilities would be reported to Full Council for approval/notification as appropriate.

9. Revenue Budget Implications

- 9.1. Although capital expenditure is not charged directly to the Revenue Budget, interest payable on loans and Minimum Revenue Provision (MRP) are charged to revenue, offset by any investment income receivable. The net annual charge is known as Capital Financing Costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, Business Rates and general Government Grants.

Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream

Proportion of Financing Costs to Net Revenue Stream	2021/22	2022/23	2023/24	2024/25	2025/26
%	Actual	Estimate	Estimate	Estimate	Estimate
General Fund	0.95%	-3.55%	-4.89%	-3.14%	-3.45%
Housing Revenue Account	15.06%	12.56%	12.59%	15.63%	17.16%

*Further details on the revenue implications of capital expenditure are found in the Revenue Budget report.

- 9.2. **Sustainability:** Due to the very long-term nature of capital expenditure and financing, the Revenue Budget implications of capital expenditure incurred in the next few years will extend for up to 50 years into the future. The S151 (Deputy Chief Executive) is satisfied that the Council has adequate means of financing and repaying any required borrowing and therefore the proposed Capital Programme is prudent, affordable and sustainable. .

10. Knowledge and Skills

- 10.1. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the S151 (Deputy Chief Executive) is a qualified accountant with 18 years' of experience and the Corporate Manager for Property, Leisure and Climate Change is experienced across the full range of Property responsibilities. In addition, the Council employs ten finance staff who hold one or more of the following qualifications CIPFA, ACA, CIMA, ACCA and AAT.
- 10.2. To support those staff, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Link Group as treasury management advisers and Ichabod Industries as technical advisers on accountancy matters. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

The Capital Programme 2023/24 and Capital Medium Term Financial Plan (CMTFP)

11. The Capital Programme 2023/24

- 11.1. The 2023/24 programme includes significant new investment into Council House building projects and future years indicative programmes include 'spend to save' projects improving the energy efficiency of our property estate that will only be undertaken if the Council is successful in securing sufficient external funding and is accompanied by a robust business case that demonstrates an acceptable payback.
- 11.2. There is also projected slippage detailed on the appendices from 2022/23, relating to the 2022/23 Deliverable Programme currently estimated to be £6,201k that will roll into the 2023/24 Capital Programme. In addition there is £33,231k within the 2022/23 Capital Programme with spend profiled over future years. Both these are detailed in recommendation 2 and are estimates at this stage. The approval of final figures will be sought as part of the Outturn Report to either add to the 2023/24 Capital Programme or relevant year of the CMTFP.
- 11.3. Full project approval is now requested at project inception, for 2023/24 this amounts to £98,375k. This is then profiled by spending managers as their best estimate of when spending will take place to form the Deliverable Budget of £64,826k. This gives a better indication of what is deliverable each year and will better inform our Treasury Management activities.
- 11.4. **Appendix 1** shows the proposed 2023/24 Capital Programme, which totals £98,375k. The Deliverable Budget includes the proportion of expected spend within the 2023/24 Capital Programme and the estimated slippage and profiled

spend of the 2022/23 Capital Budget forecast to be spent in 2023/24. This is the value that will be monitored against in-year.

11.5. **Appendix 2** shows the detailed schemes in the General Fund and the HRA that reflect the spending aspirations summarised in **Appendix 1** and the table below:

Table 10: 2023/24 Capital Programme (based on project inception)

General Fund Projects	Expenditure 2023/24 £000's
Leisure Schemes	622
Leisure - Climate Change/Net Zero	396
Phoenix House	133
Cullompton Relief Road	18,030
Private Sector Housing	525
ICT Projects	460
Other General Fund Development Projects	12,196
General Fund Subtotals	32,362
HRA Projects	Expenditure 2023/24 £000's
Existing Housing Stock	2,990
Housing Schemes (1:4:1 Projects)	5,066
Housing Development Schemes (HE)	42,200
Other HRA Projects	15,757
HRA Subtotals	66,013
Grand Totals	98,375

11.6. **Appendices 1 and 2** also show the updated indicative Capital Programme for the remaining years within this CMTFP, refreshed with up to date information on expenditure and funding. These projections are likely to alter, as we get closer to those years as greater information becomes available. Therefore, only the Capital Programme for 2023/24 is proposed for approval; the indicative future years are only for information and noting.

11.7. General Fund Investment.

11.7.1. Within the investment in our Leisure Service, there are a number of projects ranging from investment in new equipment to maintain a competitive service offering; together with improvement to disabled toilet facilities that is reliant on external grant. A spend to save project is also included to improve self-service access for the customer and reduce future staffing requirements. There is also a project at Culm Valley Sports Centre that will help the Council deliver its commitment to climate change and reducing carbon emissions. It is anticipated that external funding will assist with the funding of this bid, with a contribution also from MDDC.

- 11.7.2. There is an assumption included in respect of the Cullompton Relief Road. Currently, funding has been secured to cover the initial projected estimated cost of this project. However, costs have dramatically increased since that funding was received. Therefore, the Council submitted a bid to the Levelling Up Fund to cover the forecast difference for the Cullompton project. This bid was rejected on 19/01/23 and currently other forms of funding are actively being sought to enable this project to be delivered.
- 11.7.3. Further investment within our ICT assets is required to enable the Council to update its infrastructure, including upgrading servers and audio-visual equipment within Phoenix House. In addition, the planned refresh of staff laptops and associated devices will continue. This will be completed in a phased roll out to ensure that the cost is spread over a number of years.
- 11.7.4. As in previous years, the Disabled Facilities Grant funding will be used to improve homes across the district that will enable residents with health problems to remain in their homes, therefore avoiding or delaying the need for them to enter the health care system.
- 11.7.5. The Capital Programme for 2023/24 includes further 3 Rivers Projects in line with their draft Business Plan. This is in addition to the slippage to projects approved in prior years. Cabinet will give further consideration to the Business Plan after this report has been published.

11.8. Housing Revenue Account Investment

- 11.8.1. A number of projects to enhance the quality of our existing housing stock (a programme of £2,990k) are undertaken each year through the planned maintenance scheme. In 2023/24, provision has been made to invest in garage refurbishments, replace roofing, windows and doors in properties where required, along with general modernisation works, including updating heating systems.
- 11.8.2. Significant new investment of £47,266k is planned to deliver new housing within the district predominantly through highly efficient (zero carbon) modular buildings. To fund the proposed Housing Development Schemes, a prudent assumption has been included for the utilisation of 1-4-1 receipts or for additional grant funding to be made available from Homes England and One Public Estate Funding; although a substantial element of the cost remains with the Council. In total, £21,624k is assumed to be secured from 1-4-1 receipts or external grant funding, leaving £23,718k to be funded by borrowing and the remaining £1,924k from existing reserves. The investment in Other HRA projects includes the development of Post Hill in Tiverton.
- 11.9. A significant amount of work was undertaken when producing the Council's Capital Medium Term Financial Plan (CMTFP) during the year, which helped to scope the size and funding of the 2023/24 Capital Programme. A number of subsequent meetings were held with Corporate Managers, which focused on the essential projects (in terms of end of life asset replacement or health and safety) and involved reprioritising or rescheduling expenditure to future years

12. Funding the Capital Programme

12.1. The 2023/24 Capital Programme is fully funded by a combination of:

Table 11: 2023/24 Capital Programme Funding (based on project inception)

General Fund Projects - Funding Sources	Funding 2023/24 £000's
Funding from Revenue EMR's	465
Funding from Government Grants	18,973
Usable Capital Receipts	229
Borrowing	12,695
General Fund Subtotals	32,362
HRA Projects - Funding Sources	Funding 2023/24 £000's
S106 (Revenue) Contributions	1,000
MRA Reserve	2,435
Funding from Revenue EMR's	475
Funding from Government Grants	26,005
Usable Capital Receipts	1,004
UCR 1:4:1 Replacement Homes	1,619
Borrowing	33,475
HRA Subtotals	66,013
Grand Totals	98,375

12.2. The projected level of usable capital receipts (this includes unringfenced useable capital receipts and capital receipts ringfenced for 1:4:1 replacement homes) available for 2023/24 is £1,324k. All other previously generated capital receipts have been used to balance the subsequent years of the MTFP. This only enables a small number of Council funded schemes to be incorporated into the Capital Programme. The figures assumed for receipts from the sale of assets have been calculated prudently and therefore if any additional receipts are generated, the Council could reduce the need for external borrowing, or return to some of the projects which could not be funded in the first instance and consider their inclusion. Any decision to increase the Capital Programme (subject to constraints within the financial rules) would require Full Council approval and be linked to the Corporate Plan priorities.

12.3. The Government Pooling arrangements mean a proportion of the Council House sale proceeds are pooled to the Government; a proportion is retained in a ring-fenced reserve for replacement house building (linked to the HRA self-financing arrangements that have been in place since 01/04/12). The balance is retained by the Authority as a useable capital receipt, which can be used to support our Capital Programme.

- 12.4. The programme of £2,990k identified to maintain our existing council house stock will be funded mainly from the Major Repairs Reserve (MMR). The balance of available monies will remain in the MMR in order to deal with future additional spend that has been identified by the stock condition survey.
- 12.5. The Council continues to set aside sinking funds for future asset maintenance, replacement of Leisure plant and equipment and for future replacement of ICT systems and equipment. This ensures the Revenue base budget is more robust. However, given the pressure on its finances, the Council will need to assess whether this remains affordable, or whether alternative options should be explored.

13. Council Borrowing

- 13.1. Prudential borrowing has been estimated for 2023/24 at £46,170k, this will be used to fund General Fund schemes amounting to £12,695k and HRA schemes amounting to £33,475k. All schemes will be subject to a rigorous business case assessment; their cost and timing of spend will determine the amount of actual prudential borrowing required. The use of internal borrowing will be applied wherever possible.
- 13.2. New Borrowing is also envisaged across the remainder of this MTFP i.e. 2024-25 to 2027-28 amounting to £56,217k (excluding those projects being rolled forward from the already approved 2022/23 Capital Programme); of this £47,645k will be used to deliver General Fund projects and £8,572k to deliver HRA projects.
- 13.3. Borrowing will be supported or supplemented with short and medium term Treasury Management decisions based on prevailing and future interest rates and will only be considered in exceptional circumstances. This is in relation to the projects detailed above or for spend to save projects following a robust cost/benefit analysis exercise that would be able to demonstrate both an acceptable 'payback period' and that savings would be generated in excess of the annual revenue cost of servicing the debt.

14. Conclusion

- 14.1. As previously mentioned, the Capital Programme for the next five years is limited due to the scarce availability of funding (with the exception of borrowing). It is, therefore, imperative that capital funds are only spent on those projects that enable the Council to deliver its Corporate Plan objectives, reduce operational cost, or generate a financial return.
- 14.2. The Capital Programme encompasses a broad range of expenditure including operational assets, which will be used for more than one year; assets owned by other bodies, or loans and grants to other bodies enabling them to buy/build assets.

14.3. Funding for this programme includes significant borrowing. The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken, and the type of borrowing should allow the Council transparency and control over its debt.

14.4. The Treasury Management Strategy Statement details the approach that the Council will take in ensuring it has sufficient cash available to meet the Council's spending needs. Reports on Treasury Management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close, will be taken to Full Council via the Cabinet.

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Circulation of the Report Leadership Team, Cabinet

Background Papers: November and January Cabinet and PDG's
(MTFP, Budget Draft and Budget Update reports)
and Capital Bid Submissions

Appendix 1

Capital Expenditure Summary		To be rolled f/wd from 22/23		Total Project Costs for Approval						Grand Total	Spend Profile						
Area	Sub Area	Forecast Slippage from 22/23 to 2023/24 £000's	Forecast Budget from 22/23 to be spent over life of MTFP £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Total £000's		2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Beyond 2028/29 £000's	Total £000's
Leisure	Exe Valley Leisure Centre	-	-	83	250	-	-	-	333	333	83	250	-	-	-	-	333
Leisure	Lords Meadow Leisure Centre	40	80	243	-	-	200	-	443	563	363	-	-	200	-	-	563
Leisure	Culm Valley Sports Centre	-	404	96	360	-	-	-	456	860	96	764	-	-	-	-	860
Leisure	Leisure - Other	-	-	200	-	-	-	-	200	200	200	-	-	-	-	-	200
Leisure	Leisure - Climate Change/Net Zero	-	-	396	-	260	400	-	1,056	1,056	396	-	260	400	-	-	1,056
Other MDDC Buildings	Other - Climate Change/Net Zero	10	1,200	-	815	-	240	-	1,055	2,265	10	2,015	-	240	-	-	2,265
Other MDDC Buildings	Phoenix House	20	30	133	-	150	-	-	283	333	183	-	150	-	-	-	333
Other MDDC Buildings	MDDC Depots	-	1,250	-	3,500	-	-	-	3,500	4,750	1,000	3,750	-	-	-	-	4,750
Other MDDC Buildings	MDDC Shops/Industrial Units	150	537	-	-	-	-	-	-	687	257	430	-	-	-	-	687
Other MDDC Buildings	Public Conveniences	-	-	-	285	-	-	-	285	285	-	100	185	-	-	-	285
HIF	HIF Schemes	3,608	8,008	18,030	-	-	-	-	18,030	29,646	13,105	15,041	1,500	-	-	-	29,646
Private Sector Housing	Private Sector Housing	-	-	525	550	575	600	625	2,875	2,875	525	550	575	600	625	-	2,875
Other	General Car Parks	20	60	-	-	-	-	-	-	80	80	-	-	-	-	-	80
Other	Parks & Play Areas	35	-	-	-	-	-	-	-	35	35	-	-	-	-	-	35
Other	ICT Projects	184	-	460	150	185	160	540	1,495	1,679	644	150	185	160	540	-	1,679
Other	Other Projects	40	179	-	830	-	-	-	830	1,049	107	942	-	-	-	-	1,049
Other GF Development Projects	Other General Fund Development Projects	1,116	12,796	12,196	11,162	14,138	9,304	7,953	54,753	68,665	26,108	11,162	14,138	9,304	7,953	-	68,665
General Fund Subtotals		5,223	24,544	32,362	17,902	15,308	10,904	9,118	85,594	115,361	43,192	35,154	16,993	10,904	9,118	-	115,361
HRA Projects	Existing Housing Stock	175	-	2,990	3,035	2,860	2,885	2,770	14,540	14,715	3,165	3,035	2,860	2,885	2,770	-	14,715
HRA Projects	Housing Schemes (1:4:1 Projects)	35	271	5,066	1,700	2,500	400	-	9,666	9,972	2,429	3,113	1,780	2,290	360	-	9,972
HRA Projects	Housing Development Schemes (HE)	393	4,073	42,200	4,400	10,700	-	-	57,300	61,766	13,226	17,720	13,110	17,710	-	-	61,766
HRA Projects	Other HRA Projects	375	4,343	15,757	-	-	-	-	15,757	20,475	2,814	8,706	8,955	-	-	-	20,475
HRA Subtotals		978	8,687	66,013	9,135	16,060	3,285	2,770	97,263	106,928	21,634	32,574	26,705	22,885	3,130	-	106,928
Grand Totals		6,201	33,231	98,375	27,037	31,368	14,189	11,888	182,857	222,289	64,826	67,728	43,698	33,789	12,248	-	222,289

Capital Funding Summary		To be rolled f/wd from 22/23		Total Funding						Grand Total £000's	Funding Profile						
Funding Type	Funding Description	Forecast Slippage from 22/23 to be C/fwd to 2023/24 £000's	Forecast Budget from 22/23 to be spent over life of MTFP £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Total £000's		2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Beyond 2028/29 £000's	Total £000's
Revenue	RCCO - From Revenue EMR's - Other	-	67	-	-	-	-	-	-	67	67	-	-	-	-	-	67
Revenue	RCCO - From Revenue EMR's - Econ Development	10	60	-	-	-	-	-	-	70	10	60	-	-	-	-	70
Revenue	RCCO - From Revenue EMR's - ICT	110	-	435	-	25	-	30	490	600	545	-	25	-	30	-	600
Revenue	RCCO - From Revenue EMR's - Capital	40	50	30	30	-	-	-	60	150	72	78	-	-	-	-	150
Revenue	RCCO - From Revenue EMR's - Waste	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	Infrastructure EMR	-	250	-	1,000	-	-	-	1,000	1,250	-	1,250	-	-	-	-	1,250
Revenue	New Homes Bonus	211	782	-	-	-	-	-	-	993	338	655	-	-	-	-	993
Capital Grants	Capital Grants Unapplied - DCC	20	-	-	215	-	-	-	215	235	20	215	-	-	-	-	235
Capital Grants	Govt Grant (DCLG passported from DCC)	-	-	525	550	575	600	625	2,875	2,875	525	550	575	600	625	-	2,875
Capital Grants	DCC Funding - HIF Project	-	153	1,347	-	-	-	-	1,347	1,500	153	-	1,347	-	-	-	1,500
Capital Grants	Salix Round 3b Funding	-	-	265	-	-	-	-	265	265	265	-	-	-	-	-	265
Capital Grants	HIF Funding	1,712	-	5,144	-	-	-	-	5,144	6,856	3,201	3,655	-	-	-	-	6,856
Capital Grants	Govt Grants - Levelling - up Funding	1,896	4,540	11,539	-	-	-	-	11,539	17,975	6,436	11,386	153	-	-	-	17,975
Capital Grants	Salix Funding or Equivalent	-	-	-	815	260	640	-	1,715	1,715	-	815	260	640	-	-	1,715
Capital Grants	DLUHC - Changing Places Fund bid	-	-	153	-	-	-	-	153	153	153	-	-	-	-	-	153
Capital Receipts	Usable Capital Receipts	108	83	229	150	-	72	-	451	642	407	163	-	72	-	-	642
Borrowing	Borrowing 3 Yrs	1,116	12,796	12,221	11,462	14,298	9,464	8,463	55,908	69,820	26,133	11,462	14,298	9,464	8,463	-	69,820
Borrowing	Borrowing 5 Yrs	-	-	103	-	150	-	-	253	253	103	-	150	-	-	-	253
Borrowing	Borrowing 10 Yrs	-	3,315	371	895	-	128	-	1,394	4,709	3,686	895	-	128	-	-	4,709
Borrowing	Borrowing 25 Yrs	-	1,448	-	-	-	-	-	-	1,448	78	1,370	-	-	-	-	1,448
Borrowing	Borrowing 50 Yrs	-	1,000	-	2,785	-	-	-	2,785	3,785	1,000	2,600	185	-	-	-	3,785
General Fund Subtotals		5,223	24,544	32,362	17,902	15,308	10,904	9,118	85,594	115,361	43,192	35,154	16,993	10,904	9,118	-	115,361
Revenue	S106 (Revenue) Contributions	-	-	1,000	-	-	-	-	1,000	1,000	200	800	-	-	-	-	1,000
Revenue	MRA Reserve	175	-	2,435	2,475	2,295	2,315	2,195	11,715	11,890	2,610	2,475	2,295	2,315	2,195	-	11,890
Revenue	RCCO - From HRA Revenue EMR's - Other	25	-	-	-	-	-	-	-	25	25	-	-	-	-	-	25
Revenue	RCCO - From HRA Revenue EMR's - Renewable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	Energy	-	-	250	250	250	250	250	1,250	1,250	250	250	250	250	250	-	1,250
Revenue	RCCO - From HRA Revenue EMR's - Afford Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	Surplus	148	-	225	225	225	224	-	899	1,047	373	93	357	24	200	-	1,047
Revenue	RCCO - From HRA Revenue EMR's - HMF	384	60	-	-	-	-	-	-	444	444	-	-	-	-	-	444
Capital Grants	Capital Grants Unapplied - S106 Afford Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Grants	Government Grants - Homes England Funding	52	1,818	22,720	1,080	4,815	-	-	28,615	30,485	4,030	9,986	8,501	7,968	-	-	30,485
Capital Receipts	Usable Capital Receipts	43	-	1,004	1,009	1,015	320	325	3,673	3,716	550	1,024	891	926	325	-	3,716
Capital Receipts	UCR 1:4:1 Replacement Homes	14	156	1,619	680	1,000	160	-	3,459	3,629	618	1,239	696	916	160	-	3,629
Capital Grants	One Public Estate Funding	-	-	3,285	180	1,140	-	-	4,605	4,605	240	3,045	180	1,140	-	-	4,605
Borrowing	Borrowing 25 Yrs	50	-	-	-	-	-	-	-	50	50	-	-	-	-	-	50
Borrowing	Borrowing 50 Yrs	87	6,653	33,475	3,236	5,320	16	-	42,047	48,787	12,244	13,662	13,535	9,346	-	-	48,787
HRA Subtotals		978	8,687	66,013	9,135	16,060	3,285	2,770	97,263	106,928	21,634	32,574	26,705	22,885	3,130	-	106,928
Grand Totals		6,201	33,231	98,375	27,037	31,368	14,189	11,888	182,857	222,289	64,826	67,728	43,698	33,789	12,248	-	222,289

Appendix 2

			To be rolled f/wd from 22/23		Total Project Costs for Approval							Spend Profile						
			Forecast Slippage from 22/23 to be C/fwd to	Forecast Budget from 22/23 to be spent over life of MTFP								Beyond						
Area	Sub Area	Project Title	2023/24 £000's	2023/24 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Total £000's	Grand Total £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
General Fund																		
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	40	80	40	-	-	-	-	40	160	160	-	-	-	-	-	160
Leisure	Culm Valley Sports Centre	CVSC - Remodelling of Ground Floor	-	174	-	-	-	-	-	-	174	-	174	-	-	-	-	174
Leisure	Culm Valley Sports Centre	CVSC - Sports Hall Ceiling asset review	-	230	-	-	-	-	-	-	230	-	230	-	-	-	-	230
Other MDDC Buildings	Other - Climate Change/Net Zero	Hydromills Electricity generation Project - Tiverton Weir	10	1,200	-	-	-	-	-	-	1,210	10	1,200	-	-	-	-	1,210
Other MDDC Buildings	Phoenix House	Etarmis - Security Swipe - (linked to security project)	20	30	30	-	-	-	-	30	80	80	-	-	-	-	-	80
Other MDDC Buildings	MDDC Depots	Land acquisition for operational needs	-	1,000	-	-	-	-	-	-	1,000	1,000	-	-	-	-	-	1,000
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	-	250	-	-	-	-	-	-	250	-	250	-	-	-	-	250
Other MDDC Buildings	MDDC Shops/Industrial Units	Market Walk Unit 17 - remodelling options	60	430	-	-	-	-	-	-	490	60	430	-	-	-	-	490
		36 & 38 Fore Street including Flat above structure & cosmetic works	90	107	-	-	-	-	-	-	197	197	-	-	-	-	-	197
Other MDDC Buildings	MDDC Shops/Industrial Units	CA719 Cullompton Town Centre Relief Road (HIF)	3,608	8,008	18,030	-	-	-	-	18,030	29,646	13,105	15,041	1,500	-	-	-	29,646
HIF	HIF Schemes	West Exe South - Remodelling - additional parking spaces	20	60	-	-	-	-	-	-	80	80	-	-	-	-	-	80
Other	General Car Parks	Open Space Infrastructure (incl Play Areas)	35	-	-	-	-	-	-	-	35	35	-	-	-	-	-	35
Other	Parks & Play Areas	Server farm expansion/upgrades	74	-	-	-	-	-	-	-	74	74	-	-	-	-	-	74
Other	ICT Projects	Secure WIFI Replacement	60	-	-	-	-	-	-	-	60	60	-	-	-	-	-	60
		Network Switch/Firewall Refresh (all sites except P/House)	50	-	-	-	-	-	-	-	50	50	-	-	-	-	-	50
Other	ICT Projects	Fire Dampeners - Corporate sites	20	-	-	-	-	-	-	-	20	20	-	-	-	-	-	20
Other	Other Projects	Land drainage flood defence schemes - St Marys Hemyock	-	50	-	-	-	-	-	-	50	-	50	-	-	-	-	50
		Land drainage flood defence schemes - Ashleigh Park	20	67	-	-	-	-	-	-	87	87	-	-	-	-	-	87
Other	Other Projects	Bampton	-	62	-	-	-	-	-	-	62	-	62	-	-	-	-	62
Other	Other Projects	Cemetery Lodge - Structural solution for damp	1,116	12,796	12,196	11,162	14,138	9,304	7,953	54,753	68,665	26,108	11,162	14,138	9,304	7,953	-	68,665
Other GF Development P	Other General Fund Development Projects	3 Rivers Schemes - Funding envelope	-	-	32	-	-	-	-	32	32	32	-	-	-	-	-	32
Leisure	Exe Valley Leisure Centre	Spin bikes	-	-	51	-	-	-	-	51	51	51	-	-	-	-	-	51
Leisure	Exe Valley Leisure Centre	Leisure - Improved Disabled Toilet facilities	-	-	125	-	-	-	-	125	125	125	-	-	-	-	-	125
Leisure	Lords Meadow Leisure Centre	Fitness Studio renewal of equipment	-	-	32	-	-	-	-	32	32	32	-	-	-	-	-	32
Leisure	Lords Meadow Leisure Centre	Spin bikes including environment improvements	-	-	46	-	-	-	-	46	46	46	-	-	-	-	-	46
Leisure	Lords Meadow Leisure Centre	Leisure - Improved Disabled Toilet facilities	-	-	40	-	-	-	-	40	40	40	-	-	-	-	-	40
Leisure	Culm Valley Sports Centre	Spin Bikes	-	-	56	-	-	-	-	56	56	56	-	-	-	-	-	56
Leisure	Culm Valley Sports Centre	Leisure - Improved Disabled Toilet facilities	-	-	200	-	-	-	-	200	200	200	-	-	-	-	-	200
Leisure	Leisure - Other	system (Hardware Element)	-	-	396	-	-	-	-	396	396	396	-	-	-	-	-	396
Leisure	Leisure - Climate Change/Net Zero	CVSC -Phase 3B Salix funding energy saving	-	-	103	-	-	-	-	103	103	103	-	-	-	-	-	103
Other MDDC Buildings	Phoenix House	Building Mgmt System for Heating Control	-	-	525	550	575	600	625	2,875	2,875	525	550	575	600	625	-	2,875
Private Sector Housing	Private Sector Housing	DFG and other private sector grants	-	-	50	-	-	-	60	110	110	50	-	-	-	60	-	110
Other	ICT Projects	Server hardware/software Citrix Replacement	-	-	120	-	-	-	140	260	260	120	-	-	-	140	-	260
Other	ICT Projects	VM/Storage Area Network	-	-	20	-	25	-	30	75	75	20	-	25	-	30	-	75
Other	ICT Projects	UPS Replacements	-	-	150	150	160	160	170	790	790	150	150	160	160	170	-	790
Other	ICT Projects	Laptop/Desktop Refresh	-	-	120	-	-	-	140	260	260	120	-	-	-	140	-	260
Other	ICT Projects	Audio/Video replacement for Phoenix House	-	-	-	220	-	-	-	220	220	-	220	-	-	-	-	220
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	-	-	-	30	-	-	-	30	30	-	30	-	-	-	-	30
Leisure	Exe Valley Leisure Centre	CHP -Replacement future energy saving project	-	-	-	210	-	-	-	210	210	-	210	-	-	-	-	210
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	-	-	-	150	-	-	-	150	150	-	150	-	-	-	-	150
Leisure	Culm Valley Sports Centre	Fitness Studio renewal of equipment	-	-	-	115	-	-	-	115	115	-	115	-	-	-	-	115
Other MDDC Buildings	Other - Climate Change/Net Zero	All Fleet - Vehicle live monitoring for CO2 emissions	-	-	-	450	-	-	-	450	450	-	450	-	-	-	-	450
Other MDDC Buildings	Other - Climate Change/Net Zero	Phoenix House - Air Source Heat pumps & ducting	-	-	-	170	-	-	-	170	170	-	170	-	-	-	-	170
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP -Solar carport and additional security	-	-	-	80	-	-	-	80	80	-	80	-	-	-	-	80
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP Additional electric car charging points	-	-	-	3,500	-	-	-	3,500	3,500	-	3,500	-	-	-	-	3,500
Other MDDC Buildings	MDDC Depots	Depot Build - Waste & Recycling	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Phoenix Lane Toilets - new construction in fresh position - funding options to be pursued	-	-	-	125	-	-	-	125	125	-	50	75	-	-	-	125
Other MDDC Buildings	Public Conveniences	Westexx Rec Toilets - Replacement	-	-	-	160	-	-	-	160	160	-	50	110	-	-	-	160
Other	Other Projects	Tiverton Market Paving - Permanent Solution	-	-	-	200	-	-	-	200	200	-	200	-	-	-	-	200
Other	Other Projects	Baler	-	-	-	480	-	-	-	480	480	-	480	-	-	-	-	480
Other	Other Projects	PDA's for cabs	-	-	-	150	-	-	-	150	150	-	150	-	-	-	-	150
Leisure	Leisure - Climate Change/Net Zero	EVLC - Building Fabric - Insulation improvements	-	-	-	-	260	-	-	260	260	-	-	260	-	-	-	260
Other MDDC Buildings	Phoenix House	Cooling options Air Handling Unit	-	-	-	-	150	-	-	150	150	-	-	150	-	-	-	150
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	-	-	-	-	-	200	-	200	200	-	-	-	-	200	-	200
Leisure	Leisure - Climate Change/Net Zero	LMLC -Building Fabric -Insulation improvements	-	-	-	-	-	200	-	200	200	-	-	-	-	200	-	200
Leisure	Leisure - Climate Change/Net Zero	CVSC-Building Fabric -Insulation improvements	-	-	-	-	-	200	-	200	200	-	-	-	-	200	-	200
Other MDDC Buildings	Other - Climate Change/Net Zero	MDDC commercial property building fabric improvements	-	-	-	-	-	240	-	240	240	-	-	-	-	240	-	240
General Fund Subtotals			5,223	24,544	32,362	17,902	15,308	10,904	9,118	85,594	115,361	43,192	35,154	16,993	10,904	9,118	-	115,361

			To be rolled f/wd from 22/23		Total Project Costs for Approval							Spend Profile						
Area	Sub Area	Project Title	Forecast Slippage from 22/23 to be C/fwd to 2023/24	Forecast Budget from 22/23 to be spent over life of MTFP	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Total £000's	Grand Total £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	Beyond	Total £000's
			£000's	£000's													2028/29 £000's	
HRA			-	-														
HRA Projects	Existing Housing Stock	Decent Homes	175	-	860	905	730	755	780	4,030	4,205	1,035	905	730	755	780	-	4,205
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	-	16	189	-	-	-	-	189	205	205	-	-	-	-	-	205
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	35	-	10	-	-	-	-	10	45	45	-	-	-	-	-	45
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 3	-	105	1,387	-	-	-	-	1,387	1,492	1,492	-	-	-	-	-	1,492
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 29	-	150	950	-	-	-	-	950	1,100	1,100	110	990	-	-	-	1,100
HRA Projects	Housing Development Schemes (HE)	Project 15	16	515	4,210	-	-	-	-	4,210	4,741	4,741	-	-	-	-	-	4,741
HRA Projects	Housing Development Schemes (HE)	Project 18	4	851	200	-	-	-	-	200	1,055	1,055	-	-	-	-	-	1,055
HRA Projects	Housing Development Schemes (HE)	Project 10	10	118	1,505	-	-	-	-	1,505	1,633	1,633	-	-	-	-	-	1,633
HRA Projects	Housing Development Schemes (HE)	Project 14	9	751	200	-	-	-	-	200	960	960	-	-	-	-	-	960
HRA Projects	Housing Development Schemes (HE)	Project 9	6	122	1,105	-	-	-	-	1,105	1,233	1,233	-	-	-	-	-	1,233
HRA Projects	Housing Development Schemes (HE)	Project 11	10	1,416	400	-	-	-	-	400	1,826	1,826	-	-	-	-	-	1,826
HRA Projects	Housing Development Schemes (HE)	Project 8	60	300	2,240	-	-	-	-	2,240	2,600	2,600	60	2,540	-	-	-	2,600
HRA Projects	Housing Development Schemes (HE)	Modular Housing - Shapland Place, Tiverton	278	-	-	-	-	-	-	-	278	278	-	-	-	-	-	278
HRA Projects	Other HRA Projects	Post Hill, Tiverton	-	4,243	15,757	-	-	-	-	15,757	20,000	2,339	8,706	8,955	-	-	-	20,000
HRA Projects	Other HRA Projects	Garages Block - Redevelopment	300	-	-	-	-	-	-	-	300	300	-	-	-	-	-	300
		Old Road Depot remodelling options - forecast	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HRA Projects	Other HRA Projects	expenditure to maintain operations	50	-	-	-	-	-	-	-	50	50	-	-	-	-	-	50
HRA Projects	Other HRA Projects	Queensway (Beech Road) Tiverton (3 units)	-	100	-	-	-	-	-	-	100	100	-	-	-	-	-	100
HRA Projects	Other HRA Projects	Sewerage Treatment Works - Washfield	25	-	-	-	-	-	-	-	25	25	-	-	-	-	-	25
HRA Projects	Existing Housing Stock	Garage Mods	-	-	150	150	150	150	-	600	600	150	150	150	150	-	-	600
HRA Projects	Existing Housing Stock	Roofing	-	-	600	600	600	600	600	3,000	3,000	600	600	600	600	600	-	3,000
HRA Projects	Existing Housing Stock	Fire Safety	-	-	50	40	30	20	20	160	160	50	40	30	20	20	-	160
HRA Projects	Existing Housing Stock	Window/Doors	-	-	400	400	400	400	400	2,000	2,000	400	400	400	400	400	-	2,000
HRA Projects	Existing Housing Stock	Heating	-	-	375	380	385	390	395	1,925	1,925	375	380	385	390	395	-	1,925
HRA Projects	Existing Housing Stock	Renewables	-	-	250	250	250	250	250	1,250	1,250	250	250	250	250	250	-	1,250
HRA Projects	Existing Housing Stock	Adaptations	-	-	305	310	315	320	325	1,575	1,575	305	310	315	320	325	-	1,575
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 7	-	-	220	-	-	-	-	220	220	220	-	-	-	-	-	220
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	-	-	140	-	-	-	-	140	140	140	-	-	-	-	-	140
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 28	-	-	1,100	-	-	-	-	1,100	1,100	110	990	-	-	-	-	1,100
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	-	-	400	-	-	-	-	400	400	40	360	-	-	-	-	400
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	-	-	220	-	-	-	-	220	220	22	198	-	-	-	-	220
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	-	-	230	-	-	-	-	230	230	23	207	-	-	-	-	230
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	-	-	220	-	-	-	-	220	220	22	198	-	-	-	-	220
HRA Projects	Housing Development Schemes (HE)	Project 25	-	-	2,600	-	-	-	-	2,600	2,600	260	2,340	-	-	-	-	2,600
HRA Projects	Housing Development Schemes (HE)	Project 37	-	-	1,800	-	-	-	-	1,800	1,800	180	1,620	-	-	-	-	1,800
HRA Projects	Housing Development Schemes (HE)	Project 33	-	-	1,300	-	-	-	-	1,300	1,300	130	1,170	-	-	-	-	1,300
HRA Projects	Housing Development Schemes (HE)	Project 36	-	-	1,700	-	-	-	-	1,700	1,700	170	1,530	-	-	-	-	1,700
HRA Projects	Housing Development Schemes (HE)	Project 20	-	-	24,940	-	-	-	-	24,940	24,940	700	8,080	8,080	8,080	-	-	24,940
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 27	-	-	-	1,700	-	-	-	1,700	1,700	-	170	1,530	-	-	-	1,700
HRA Projects	Housing Development Schemes (HE)	Project 26	-	-	-	1,200	-	-	-	1,200	1,200	-	120	1,080	-	-	-	1,200
HRA Projects	Housing Development Schemes (HE)	Project 22	-	-	-	2,800	-	-	-	2,800	2,800	-	280	2,520	-	-	-	2,800
HRA Projects	Housing Development Schemes (HE)	Project 54	-	-	-	200	-	-	-	200	200	-	20	180	-	-	-	200
HRA Projects	Housing Development Schemes (HE)	Project 55	-	-	-	200	-	-	-	200	200	-	20	180	-	-	-	200
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 16	-	-	-	-	1,000	-	-	1,000	1,000	-	-	100	900	-	-	1,000
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	-	-	-	-	200	-	-	200	200	-	-	20	180	-	-	200
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	-	-	-	-	200	-	-	200	200	-	-	20	180	-	-	200
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 30	-	-	-	-	1,100	-	-	1,100	1,100	-	-	110	990	-	-	1,100
HRA Projects	Housing Development Schemes (HE)	Project 23	-	-	-	-	4,100	-	-	4,100	4,100	-	-	410	3,690	-	-	4,100
HRA Projects	Housing Development Schemes (HE)	Project 24	-	-	-	-	1,100	-	-	1,100	1,100	-	-	110	990	-	-	1,100
HRA Projects	Housing Development Schemes (HE)	Project 12	-	-	-	-	1,600	-	-	1,600	1,600	-	-	160	1,440	-	-	1,600
HRA Projects	Housing Development Schemes (HE)	Project 35	-	-	-	-	1,700	-	-	1,700	1,700	-	-	170	1,530	-	-	1,700
HRA Projects	Housing Development Schemes (HE)	Project 31	-	-	-	-	1,100	-	-	1,100	1,100	-	-	110	990	-	-	1,100
HRA Projects	Housing Development Schemes (HE)	Project 13	-	-	-	-	1,100	-	-	1,100	1,100	-	-	110	990	-	-	1,100
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	-	-	-	-	-	200	-	200	200	-	-	-	20	180	-	200
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	-	-	-	-	-	200	-	200	200	-	-	-	20	180	-	200
HRA Subtotals			978	8,687	66,013	9,135	16,060	3,285	2,770	97,263	106,928	21,634	32,574	26,705	22,885	3,130	-	106,928
Grand Totals			6,201	33,231	98,375	27,037	31,368	14,189	11,888	182,857	222,289	64,826	67,728	43,698	33,789	12,248	-	222,289