

Appendix E WNC Draft General Fund Capital Programme 2023-27

1. Background

- 1.1 The draft general fund capital programme has been developed to support the realisation of the Council's vision and corporate priorities with an emphasis will be on ensuring a robust mechanism to deliver our priorities within the finances available.
- 1.2 Services submitted their general fund capital requirements for 2023-24 and the medium term through the Star Chamber process.
- 1.3 In contrast to the previous budget setting process, a smaller number of schemes have been submitted. However, some of these are high value, requiring significant financial contribution from WNC and further challenge and prioritisation is required to ensure an outcome that is affordable and sustainable. The quantum of draft budget proposals has been considered by the Capital and Assets Board who recommended that, at this stage of the budget setting process, only schemes which are fully funded are included for consideration as part of the draft budget setting process.
- 1.4 The draft budget therefore takes into account the schemes already approved in year through the Capital and Assets Board (CAB) plus new fully funded schemes only i.e. where there is no financial impact for the authority. A further review will be undertaken of all other proposals to agree prioritisation of schemes before they are submitted for final budget.

2. Overview of Draft Budget Setting Process

- 2.1 Services were asked to consider their capital needs over the medium term and present their requirements to their Star Chambers where they were subject to initial challenge.
- 2.2 Given the current climate, the existing capital programme is experiencing some shortages of materials and suitable contractors. This has resulted in some projects being delayed with works slipping into the next financial year.
- 2.3 Finance have worked with services to determine their needs, priorities and what is achievable for the authority both in terms of staff availability and cost. Basic scheme details were provided and will be worked through in more detail before final budget.
- 2.4 Prioritisation has initially focused on:
 - Fully funded schemes
- 2.5 Following an initial review, it was recognised that there are a number of schemes which are not funded and that these would be considered on an individual basis in terms of prioritisation. These will be:
 - Invest to save
 - Schemes required to meet statutory duties

- Meeting increasing service pressures
- Any other proposals

2.6 All proposals have been collated and categorised as follows:

- Fully funded
- Invest to save
- Part funded schemes – where some element of WNC contribution is required to access grant
- Essential schemes (unfunded)
- Other / desirable schemes (unfunded)

3. Summary of General Fund Capital Proposals – 2023-24 onwards

3.1 30 proposals totalling £154m over the medium term were submitted.

3.2 The Capital and Assets Board recommended that, the draft budget includes only fully funded schemes i.e. where there is no financial impact for the authority, and that a further review will be undertaken of all other proposals to agree prioritisation of schemes before they are submitted for final budget.

Fully funded schemes

3.3 4 fully funded schemes have been submitted totalling £24.4m.

3.4 The funding for these schemes is as follows:

Fully Funded Scheme Summary	2023-24 £k	2024-25 £k	2025-26 £k	2026-27+ £k	Total £k
Capital cost*	12,219	12,219	2,250	2,250	28,938
<i>Funded by:</i>					
Department for Transport Grant	12,219	12,219	0	0	24,438
MHCLG Grant			2,250	2,250	4,500
Total Capital Funding	12,219	12,219	2,250	2,250	28,938

**Please note these are indicative costs from the DfT and MHCLG. The actual grant allocation will be notified to authorities before the start of the financial year.*

- Fully funded schemes are annual grant allocations from central government

Scheme	2023-24 £k	2024-25 £k	2025-26 £k	2026-27 £k	Total £k	Funding Source
Integrated Transport Block	1,550	1,550	0	0	3,100	DfT Grant
Highways Maintenance Block – Needs Element	4,742	4,742	0	0	9,484	DfT Grant

Highways Maintenance Block – Incentive Element	1,185	1,185	0	0	2,370	DfT Grant
Potholes Fund	4,742	4,742	0	0	9,484	DfT Grant
Disabled Facilities Grant (2023-24 to 2024-25 included in current budget)	0	0	2,250	2,250	4,500	MHCLG Grant
Total	12,219	12,219	2,250	2,250	28,938	

3.5 The fully funded proposals have been added to the existing approved capital budget for 2023-24 onwards resulting in a draft general fund capital programme of £154.8m over the four year period 2022-27.

West Northants GF Capital Budget	2023-24	2024-25	2025-26	2026-27 onwards	Total
	£k	£k	£k	£k	£k
Approved Budget 2022-23 as reported Q2	71,350	40,453	14,093	0	125,896
New capital bids (fully funded only)	12,219	12,219	2,250	2,250	28,938
Total	83,569	52,672	16,343	2,250	154,834

WN Revised Capital Financing	2023/24 £k	2024/25 £k	2025/26 £k	2026-27+ £k	Total £k
Capital receipts	85	85	0	0	170
Prudential Borrowing	20,437	15,195	10,118	0	45,750
Internal Borrowing	231	244	0	0	474
S106	6,119	3,750	0	0	9,869
Community Infrastructure Levy (CIL)	14,117	1,000	393	0	15,510
Grant Funding	38,864	22,198	5,832	2,250	69,144
Funded from Reserve	0	0	0	0	0
Revenue Funding	0	0	0	0	0
External Funding	3,716	10,200	0	0	13,916
Total Funding	83,569	52,672	16,343	2,250	154,834

** Some of the s.106 and CIL funding will be received several years after the completion of the project in some cases. Those schemes will be forward funded with Discretionary funding, which will be repaid when the relevant CIL and s.106 are received. The funding table shows the eventual funding source for these, rather than the forward funding.

The two main schemes to which this applies are the Northampton North West Relief Road, and the A45 Daventry Development Link.

3.6 It is recommended that these schemes are approved as part of the draft budget setting process.