
MEETING	EXECUTIVE
DATE	12 FEBRUARY 2008
PRESENT	COUNCILLORS STEVE GALLOWAY (CHAIR), ASPDEN, SUE GALLOWAY, JAMIESON-BALL, REID, RUNCIMAN, SUNDERLAND, VASSIE AND WALLER

PART B - MATTERS REFERRED TO COUNCIL

164. Capital Programme Budget 2008/09 - 2010/11

Members considered a report which set out the proposed capital budget for the period 2008/09 to 2010/11, highlighted capital bids from departments that had been through the Capital Resource Allocation Model (CRAM) process, estimated the capital resources position for 2008/09 and provided options to achieve a balanced three-year capital programme. Members were asked to recommend the proposals to Council.

The current capital programme, approved by Council on 21 February 2007, had been prepared as a four year programme in order to align it with the political cycle. It was proposed that the programme now revert to the traditional three year cycle, setting out spending up to 2010/11. Capital receipt projections over the next three years had improved since the budget was set and a small surplus was now expected by March 2011, although unavoidable pressures would reduce the available surplus to £0.3m. If the recommendations in the report were approved, the capital programme for 2008/09 to 2010/11 would be £170m, an increase in investment of £35m on the existing programme. The majority of the increase was in the Children's Services programme, where over £30m additional funding had been secured.

Details of the Council's assets deemed surplus to requirements and earmarked for sale were set out in exempt Annex A to the report. New sales valued at £1.4m had been identified, making £1.7m available for capital investment. A total of 33 CRAM bids had been received, of which 14 were fully funded from external sources, as set out in Annex B. Of the remaining discretionary bids, listed in Annex C, ten were recommended for approval, as detailed in paragraphs 25 to 30 of the report. This would leave £300k of the budget unallocated, which sum it was proposed to use to address the needs of the York High project. In respect of prudential borrowing, it was recommended that £255k be added to the programme to allow the York Museums Trust to complete works at the Hospitium.

Having noted the comments of the Shadow Executive, it was

RECOMMENDED: That Council approve the three-year capital programme proposals as summarised in the report, in particular:

- a) The asset sales shown in exempt Annex A;
- b) The use of £500k of prudential borrowing in 2010/11, as outlined in paragraph 21;
- c) The inclusion in the capital programme of all fully funded schemes as detailed in Annex B and discussed in paragraph 23;
- d) The inclusion in the capital programme of the bids recommended in paragraphs 25, 28 and 30;
- e) The advance of £255k of prudential borrowing to York Museums Trust for the refurbishment of the Hospitium in the Museum Gardens, as outlined in paragraphs 33 to 37;
- f) The additional £300k funding proposed for York High School, as outlined in paragraphs 38 and 39;
- g) The full programme, as summarised in Annex D.

REASON: To set a balanced capital programme, as required by the Local Government Act 2003.

S F Galloway, Chair

[The meeting started at 2.00 pm and finished at 3.00 pm].