

Appendix 5

Summary of Strategic Investment Group Recommendations (Capital Plan 2021/22)

1.1 Report Details

1.1 The available funding for 2021/22 is shown below:

Source	Amount £000
General Capital Grant	3,022
Un-hypothecated Supported Borrowing	3,014
Prudential Borrowing – Highways	1,935
Contribution from capital financing budget	2,033
Unused contingency b/f	500
Total Funds Available 2021/22	10,504

1.2 The Capital Plan spends money on two types of project. Firstly there are one-off projects such as a new school; the second type is a 'block allocation'. These are on-going programmes of work that stretch over several years (and may never be complete) e.g. schools maintenance. Elements of this work may be paid for from repair and maintenance budgets but a significant part is funded through the Capital Plan.

Recommendations of the Strategic Investment Group

1.3 The Strategic Investment Group decided to invite bids in line with previously agreed block allocations for services. The process for 2021-22 was more streamlined than for previous years. Whilst services were asked to provide a business case to support their bids, the requirement for Heads of Service to present bids to the Strategic Investment Group was waived.

1.4 Each bid was submitted with approval of the relevant Head of Service. The proposed allocations are detailed in Appendix 6 and in summary are as follows:

- An allocation of £240k is recommended for Minor Adaptations, Community Equipment and Telecare. This funding is targeted at enabling the elderly and disabled to remain in their own homes.
- It is proposed to allocate £1.2m in support of Private Sector Housing Assistance. The funding will be used in the main on the provision of Disabled Facilities Grants.
- Both the school and non-school capital maintenance bids include provision for essential maintenance such as Asbestos Removal, Fire Risk Assessment Work, Equalities etc. It is recommended that £3.651m be allocated to Schools Capital Maintenance Works. It is also proposed to allocate £1.541m to non-schools capital maintenance work. It is further recommended that the appropriate Heads of Service determine the precise allocations to works required, in order of priority. The full allocations proposed meet the highest priority works identified across the schools and non-schools estate.
- Council on 26 January 2021 approved £100k for Highways as part of the 2021/22 Corporate Plan allocation. This will allow £1.750m of capital expenditure.
- In addition to this, it is proposed to allocate £710k block allocation for structural and other repairs including highway maintenance, street lighting and bridges. Also included within this recommendation is a further £403k for repairs to bridge structures. This is the fifth year of a proposed ten year Highways Structure Backlog Project.
- An allocation of £324k is recommended to carry out road safety improvements.

- The Strategic Investment Group considered a proposal for the continuation of a seven year programme of replacement of all the street lighting lanterns within Denbighshire with new LED lanterns. The programme commenced in 2015/16 and will cost £1.5m in total, providing significant savings on energy costs and on-going maintenance costs. The scheme is funded through the Government Salix funding initiative which provides interest free loans for energy efficient projects and will be repaid using the savings generated. Applications for Salix funding are required on an annual basis, and the strategic Investment Group recommends the submission of an application to take out a Salix loan for year six costs of up to £185k repayable over 6 years.
- The Strategic Investment Group recommends maintaining the allocation set aside for any contingencies at £0.5m, in line with 2020/21.

1.5 Appendix 6 shows the projects listed with the recommended funding source for each highlighted in the appropriate column. For additional clarity, the following points should be noted:

- PB Highways Column - £1.750m. This is supported from the revenue budget as a corporate priority, as approved by Full Council on 26 January 2021. In addition, a proposed £185k application for Salix funding is included.
- Council Funds column – these are funds such as general grants and capital receipts.

1.6 The membership of the Strategic Investment Group is as follows:

- Cabinet Member – Deputy Leader and Lead Member for Finance, Performance and Strategic Assets (Chair)
- Cabinet Member – Leader of the Council and Lead Member for the Economy and Corporate Governance
- Cabinet Member – Lead Member for Developing Community Infrastructure
- Representative from each Scrutiny Committee
- Corporate Director – Economy and Public Realm
- Head of Finance (S.151) and Property

