

5.5.8 Since specific government funding for the achievement of decency is no longer available the ALMO programmes are increasingly reliant on the major repairs allowance which accounts for 80% of the funding available (£161.6m). Other funding which will be utilised is £16.9m of unsupported borrowing largely to support heatlease, £15.2m of single pot funding, £11m contributions from revenue, £3.5m from right to buy sales and £6.2m of other contributions. It is hoped that these funding streams will maintain decency and deliver the essential priority programmes through to 2013/14.

6.0 Conclusions

6.1 Over the five year period of 2009/10 to 2013/14, the council is seeking to deliver a total of £870.1m general fund capital investment within the city net of the reserved programme. Current expenditure plans exceed the resources available to deliver these plans. Over the 5 year period, overprogramming in the capital programme at £40.2m is higher than at this stage last year and reflects the £15m additional unsupported borrowing being used to fund the programme. This level of overprogramming is considered manageable with careful monitoring and by implementing the control measures referred to in paragraph 5.5.1. However, the council will continue to seek to maximise the external funding sources and to deliver capital receipts to ensure the programme can be delivered.

6.2 The Director of Resources will continue to work with service directors to ensure that capital schemes are properly developed and that a business case process is operated to demonstrate investment is aligned to corporate objectives, meets the needs of the public and will deliver best value.

6.3 In managing the overall funding for the programme particular emphasis is placed on ensuring that contractual commitments are only made when there is reasonable certainty that the appropriate resources are available. The Director of Resources will co-ordinate scheme reviews and the approval of schemes to ensure that they are brought forward in a timely way and are affordable. Update reports on the overall capital programme position will be reported to Executive Board 3 times each year.

7.0 Recommendations

7.1 Executive Board is asked to recommend to the Council:

- a) that the attached capital programme be approved and that the list of schemes shown at Appendix H be reserved until additional resources become available;
- b) that the Executive Board be authorised to approve in year amendments to the capital programme including transfers from and to the reserved programme in accordance with Financial Procedure Rules;

- c) that the proposed MRP policies for 2010/11 as set out in 5.3 and explained in Appendix G be approved;
- d) that the MRP policies for 2009/10 should be amended as set out in 5.3.3

7.2 Executive Board are asked to agree:

- a) that the list of land and property sites shown in Appendix F will be disposed of to generate capital receipts to support this capital programme.
- b) that the Director of Resources will manage, monitor and control scheme progress and commitments to ensure that the programme is affordable;

Appendices:

- A** General Fund programme statement, 2009/10 to 2013/14
- B** Housing Revenue Account programme statement, 2009/10 to 2013/14
- C** Allocations of Government Support 2010/11
- D** General Fund schemes over £100k injected since the February 2009 capital programme
- E** General Fund scheme reductions over £50k since the February 2009 capital programme
- F** List of sites to be disposed of over the programming period
- G** Minimum Revenue Provision Policy
- H** List of reserved schemes

¹ Leeds City Council Constitution – Part 2, Article 4

¹ Leeds City Council Constitution – Part 4, Rules of Procedure

¹ CIPFA – The Prudential Code for Capital Finance in Local Authorities