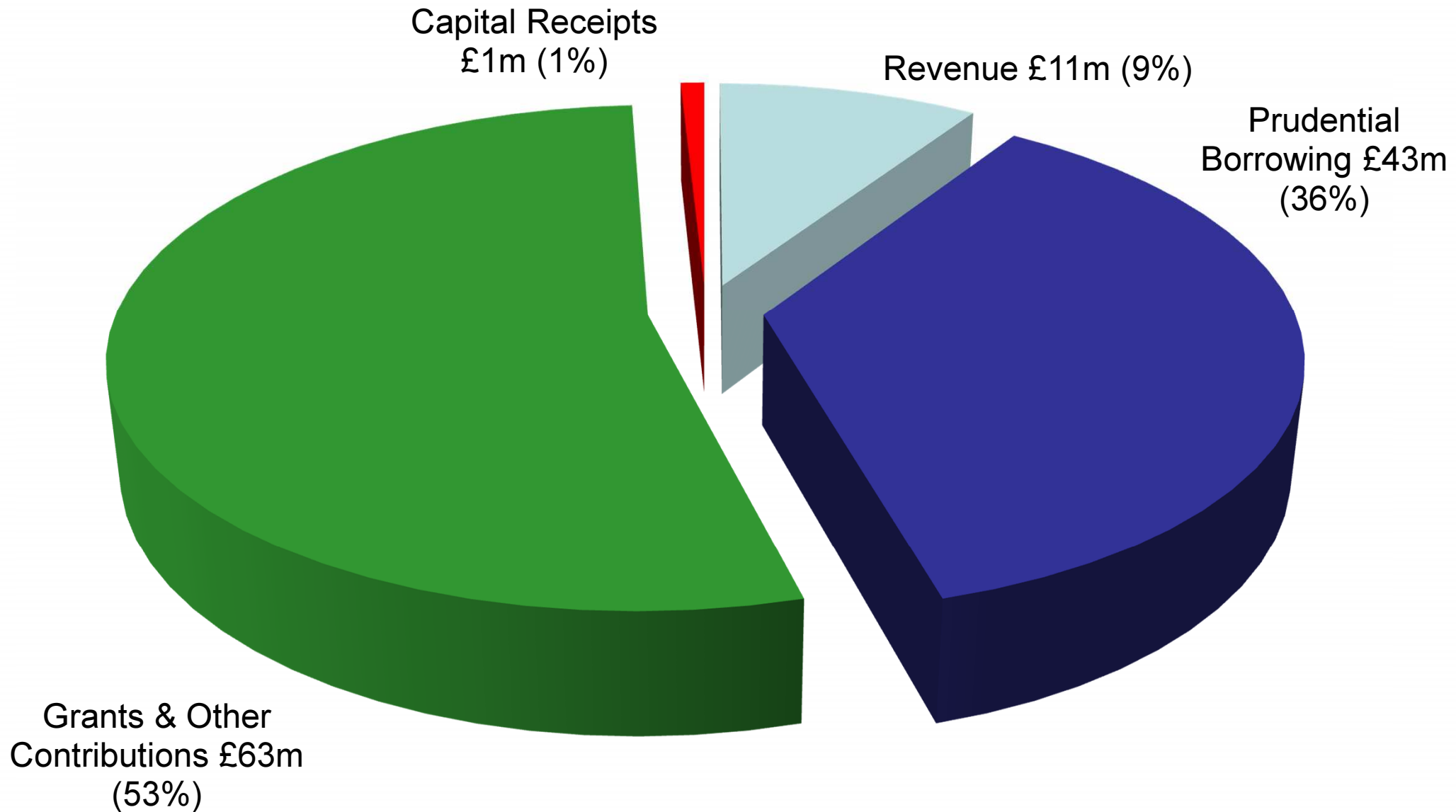


Coventry City Council Capital Programme 2015/16

2015/16 Capital Programme

- Significant investment in capital spend continues for at least next 3 years
- Includes mix of European, Government and Local drivers for this

2015/16 Capital Funding



Programme Funding

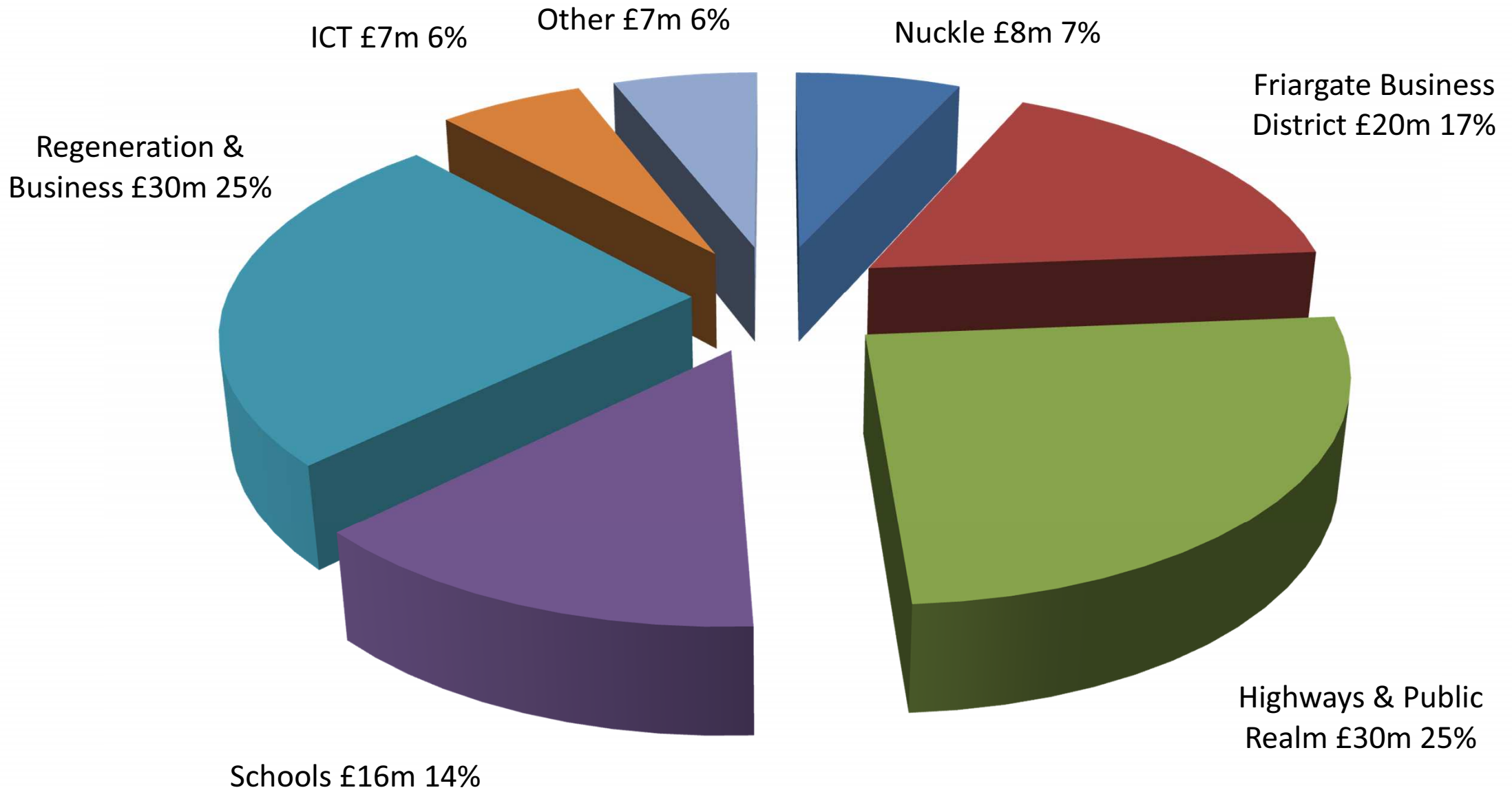
- Programme dominated by grant/borrowing
- Vast majority of grant is ring-fenced (European/Growth)
- Remaining grant is at least specifically targeted (schools, highways)
- Unlikely to be sustainable level over long-term (e.g. schools Basic Need grant nil award)
- First Spending Review of new parliament will be instructive

Prudential Borrowing

- Local authorities can make prudent decisions to borrow
- Decisions should have:
 - Business case (Kickstart Office)
 - Strategic policy importance (CIF)
 - Other rationale (vehicle replacement)
- Borrowing results in revenue costs for the lifetime of the scheme

Capital Programme Spending

– See detailed Programme



5 Year Plans

- Some game changing plans in the overall programme
- Kickstart office (£48m), CIF (£43m), Nuckle & Station Masterplan (£38m), Leisure facility (£37m), Growth Deal (£29m)
- In previous years any one of these would have been a headline grabber
- Worth a mention that CCC is self-funding 3 of these 5 schemes

Little Scope for Flexibility

- Capital receipts provided some limited flexibility previously
- These are now being ring-fenced to corporate schemes (Friargate, Customer Journey, City Centre First)
- Also used to deliver savings targets (through repayment and deferral of borrowing)
- Most of rest of Programme funding is subject to ring-fencing & specific Council decisions
- Highways, ICT Programme and Property are remaining areas where the Council applies flexibility over resources

Future Programme

- Will depend on new parliament spending decisions
- Need to continue to make grant bids
- Will consider self-funding scheme opportunities but relies on acceptable mix of risk and return, and member appetite
- Risk appetite has become higher in recent years
- Weather eye needed on overall borrowing and debt repayment levels
- Likely to limit level of revenue funding available as austerity continues (Highways - £0.5m reduction)

Programme Management

- Need to maintain high standards of programme management to ensure adherence to budget
- All major projects have strong governance regimes
- These include a combination of project teams, projects boards, member representation and/or periodic reporting to member bodies
- Risks remain in estimating and delivering projects – in particular when the programme is so large
- Scrutiny, early identification, mitigation and compensating actions are all part of control mechanisms

Risks

- Multi-faceted schemes involving changes in service delivery
- Major highways & infrastructure works delivered by external contractors – elements of risk sharing
- Massively tight grant regime deadlines
- Grants & loans to businesses – rely on demand as well as supply and schemes of an appropriate type
- Quirky and once in a generation schemes (Nuckle, Friargate)
- Stretches limited capacity of officers (& members)
- Need realistic expectations

Meeting Priorities

supporting business to grow;
creating the infrastructure for the city to grow;
developing the city centre;
raising the profile of Coventry;
Helping local people into jobs;
Reducing the impact of poverty;
Increasing the supply & quality housing.

- **Attractive, cleaner & greener city;**
- Make communities safer;
- **Improve educational outcomes;**
- Improve the health & wellbeing of residents;
- protecting and supporting the most vulnerable people;
- reducing health inequalities.

Approved Programme schemes have a direct correlation to priorities in bold

Strong argument for saying that many of the other priorities will be enhanced as a secondary effect

Any Questions

