

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	EXECUTIVE COMMITTEE
DATE:	7 NOVEMBER 2016
SUBJECT:	DRAFT CAPITAL BUDGET 2017/18
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES
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LOCAL MEMBERS:	n/a

A - Recommendation/s and reason/s

The Executive is asked to consider the proposed capital programme for 2017/18 and to determine the final proposal to go forward for approval in the new year in respect of the following items:-

- To agree to continue to fund the committed schemes as set out in paragraph 3.2 – Total Cost £8.826m, of which £647k will be from the Council's core funding;
- To agree to fund expenditure on disabled facilities grants, refurbishment of existing buildings, I.T assets and vehicles as set out in paragraph 3.3. – Total Cost £2.301m;
- To approve the funding of the two highest scoring Invest to Save projects as set out in paragraph 3.4 – Total Cost £0.186m;
- To approve the funding of new capital schemes as set out in paragraph 3.6. – Total Cost £11.675m of which £2.531m will be funded from the Council's core funding;
- To approve the funding of £0.76m on Highway Maintenance as per paragraph 3.5.

To consider whether further work is necessary to assess the viability of funding the two schemes detailed in paragraph 3.7 via unsupported borrowing.

To approve the capital programme for 21st Century schools, subject to a further report to the Executive on the funding of the unsupported borrowing element of the programme.

To approve the inclusion of the Housing Revenue Account schemes, as set out in paragraph 5, in the final capital programme – Total cost £9.889m.

The detailed report on the proposed capital programme is attached as Appendix 1 – 6.

B - What other options did you consider and why did you reject them and/or opt for this option?

N/A

C - Why is this a decision for the Executive?

This matter is delegated to the Executive.

CH - Is this decision consistent with policy approved by the full Council?

Yes

D - Is this decision within the budget approved by the Council?

Yes

DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	Comments from the SLT have been incorporated into the report
2	Finance / Section 151 (mandatory)	n/a– this is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	TBC
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<ul style="list-style-type: none"> • Appendix 1 – Report on Proposed Capital Programme 2017/18 • Appendix 2 – Detailed Proposed Capital Programme 2017/18 • Appendix 3 - Invest to Save Projects • Appendix 4 – Scoring of New Capital Schemes • Appendix 5 – Scoring Matrix for New Capital Schemes • Appendix 6 – Summary of Capital Funding for the Proposed Programme 		
FF - Background papers (please contact the author of the Report for any further information):		

DRAFT CAPITAL BUDGET 2017/18

1. INTRODUCTION

1.1 The Executive Committee at its meeting on 17 October 2016, approved the Capital Strategy in respect of the 2017/18 budget. The strategy set out the priorities to be included in the capital programme which included:-

- Maintaining and upgrading of existing Council assets (including I.T. assets, vehicles and existing buildings);
- Providing a sum for disabled facilities grants;
- Committed schemes commenced in 2016/17;
- Schemes which draw down significant grant contributions with minimum match funding required from the Council;
- Smaller Invest to Save projects.

1.2 The Executive Committee also resolved to assess future 21st Century Schools separately from the main capital funding programme.

1.3 Bids were invited from services and assessed against the corporate scoring system to prioritise which bids are recommended for approval.

2. FUNDING AVAILABLE

2.1 The core funding available for the 2017/18 general fund capital budget is shown in Table 1 below:-

Table 1 General Fund Core Capital Funding	
Funding Source	£'m
General Capital Grant (as per the Provisional Settlement)	1.340
Supported Borrowing (as per the Provisional Settlement)	2.203
Capital Receipts	1.522
2016/17 Unused Funding Brought Forward	0.564
Revenue Contribution Unapplied Reserve	0.506
Total General Fund Core Capital Funding	6.135

2.2 In addition to this core capital funding, projects will be partly or fully funded by external grants which is drawn down as the scheme progresses.

2.3 The 21st Century Schools programme receives 50% funding from the Welsh Government in the form of grants and supported borrowing, with the Council funding its 50% through unsupported borrowing. The timing of the funding will be linked to the progress made on the new schools being built.

2.4 The Housing Revenue Account will also have its own capital programme, which is mainly funded from its own resources generated through the letting of properties and from the Major Repairs Allowance received from Welsh Government.

3. GENERAL FUND CAPITAL PROGRAMME 2017/18

3.1 In accordance with the Capital Strategy approved by the Executive Committee on 17 October 2016, funding has been initially allocated to the schemes in the priority set by the strategy. The full details of all the schemes are attached as Appendix 2.

3.2 Committed Schemes

3.2.1 CCIS Implementation

£75k was allocated to this scheme in 2016/17 and the capital programme for 2015/16 identified a commitment for a further £25k in 2017/18. The estimated costs of completing the project have increased to £65k. In addition, the Service has identified revenue costs which cannot be funded through the capital programme to implement the project (£76k in 2017/18 and £50k in 2018/19). No funding currently exists to meet these additional costs.

3.2.2 Compulsory Purchase Order

One property will be shortly sold and this will increase the fund available back to £192k, an additional £8k is allocated to take the fund back to £200k.

3.2.3 Holy Island Visitor Gateway

The Executive has previously resolved to allocate a small capital sum (£40k in 2017/18) to enable around £4m of external funding to be drawn down (see Executive Committee Agenda 18 July 2016 – Item 9).

3.2.4 Lôn Wylfa Newydd

Although the scheme will be carried out by the Council as the Highways Authority, the costs will be fully funded from external sources and no contribution is required from the Council.

3.2.5 Llangefni Link Road

The scheme is planned over a 3 year period, with £3.4m of works planned for 2017/18 and a further £2.9m planned in 2018/19. The Council's contribution is 10% of the scheme cost, giving a need to allocate £342k in 2017/18 and a further £290k in 2018/19. The total Council contribution over the 3 years of the scheme will total £905k.

3.3 Maintenance of Existing Assets

3.3.1 Disabled Facility Grants

There is a statutory requirement to provide grants in order to provide disabled facilities in private sector homes, although it is not specified the level of funding which must be allocated. The Housing Service submitted a bid in excess of £800k but, given the other commitments and calls on the funding available a provisional sum of £750k has been allocated.

3.3.2 Improvements to Council Buildings

A provisional sum of £1m has been allocated and this has been allocated by the Property Services team as £300k for disabled access in schools, £500k for general refurbishment of schools and £200k for the refurbishment of non-school buildings.

3.3.3 Investment in I.T.

A sum of £400k has been provisionally allocated to - maintain core infrastructure (£150k), to upgrade PCs and laptops (£100k) and to pay for licensing costs (£101k). These costs will be incurred annually. In addition, a bid of £50k has been included in the provisional capital programme to fund the cost of migrating systems from old servers. A smaller annual sum of £20k will be required in future years to continue this work.

3.3.4 Vehicles

An annual sum of £150k has been allocated to replace vehicles. It should also be noted that further funding for a replacement library vehicle may be requested but this is dependent on the outcome of the review of library services. In addition, the Council's fleet of gritters will need replacing at some point in the future but this is dependent on their use over this winter. The replacement cost of a gritter is approximately £120k.

3.4 Invest to Save Projects

3.4.1 During the summer, services were invited to submit bids for funding from the £1m released from reserves. A number of bids of a capital nature were received which would provide revenue savings in future years. Eight bids fell into this category, although two have now received funding via the Welsh Government's Invest to Save funding. The remaining 6 bids were assessed and scored (see Appendix 3). Given the limitations on funding, £186k has been provisionally allocated to the two highest scoring bids. The remaining bids will be carried forward to 2018/19.

3.5 Highway Maintenance

3.5.1 In previous years, around £2m has been allocated to capital highway maintenance schemes. The funding was initially allocated through the Welsh Government's Local Government Borrowing Initiative which supported local authorities to meet the borrowing costs. This scheme has now ended and, if the Council continues to fund investment in highway maintenance projects, it must either do so via its core capital funding or through unsupported borrowing. The Head of Service has put forward £50k of revenue savings but will require £761k of capital funding to ensure that the minimum contract values are achieved.

3.5.2 The Head of Service has requested £2.2m of capital funding which is in line with previous sums allocated and this level of expenditure will ensure that the standard of the road network is maintained to its current standard. Given the other commitments and requests for capital funding, the initial allocation process shows that to meet this level of funding then £1.730m of unsupported borrowing would be required. Unsupported borrowing results in additional revenue costs for the Council (Minimum Revenue Provision charge and interest costs). If unsupported borrowing of £1.730m was undertaken, the annual MRP charge and interest costs would be in the region of £140k, which is £90k higher than the proposed saving in the revenue maintenance budget.

- 3.5.3** Reducing the highway maintenance revenue budget and increasing capital expenditure to bring the overall expenditure back to at least the minimum contract value is unsustainable if the capital expenditure is financed through unsupported borrowing. The capital financing costs of the unsupported borrowing, even if this only brings the overall expenditure back to the minimum contract value, will exceed the savings in the revenue maintenance budget and the following year the capital financing cost still has to be funded, the cut in the revenue maintenance budget will still have taken place but there will be no additional capital funding to bring the overall expenditure back to the minimum contract value.
- 3.5.4** It is, therefore, proposed that for 2017/18, the capital funding for highway maintenance is set at £761k, of which £470k is funded through supported borrowing and £291k is funded through unsupported borrowing. This will increase the capital financing costs by £22k. In order to fund this additional cost, the revenue highway maintenance budget needs to be reduced by £72k, which will fund the additional capital financing costs and reduce the overall revenue budget by the £50k initially proposed by the Head of Service.
- 3.5.5** Further work will be required before setting the 2018/19 budget to ensure that a sustainable solution is found to this issue, whereby sufficient capital funding is provided from the core capital funding to enable the standard of the highways to be maintained, that the minimum contract value is achieved but that the Council does not incur additional capital financing costs through unsupported borrowing.

3.6 New Capital Schemes

- 3.6.1** Services were invited to submit bids for the funding in order to undertake new capital schemes and these were assessed against the scoring process previously used (see Appendix 4 and 5). The following schemes have been provisionally included in the capital programme for 2017/18:-
- Seiriol Extra Care Home - £1m – although it is noted that if the scheme is undertaken by the Housing Revenue Account, there may not be a need for the General Fund to make a contribution towards the cost of the scheme;
 - Holyhead and Llangefni Strategic Infrastructure – the majority of the funding will be external grant with the Council contributing £70k as match funding;
 - Garreglwyd Home - £250k of investment is required in order to enable the existing residential home to be developed into a specialist dementia care facility;
 - Gypsy and Traveller Sites – Grant funding will be available in respect of the permanent site but the cost of the temporary sites will fall on the Council. Further work is required in respect of ensuring the maximum grant funding and in costing out the final proposals;
 - Flood Alleviation work at Beaumaris and Pentraeth – it is anticipated that Welsh Government funding will be available to meet the majority of the costs but a contribution will be required by the Council.

3.7 Potential Unsupported Borrowing Schemes

3.7.1 3G Football Pitch at Plas Arthur Leisure Centre

The current pitch is 15 years old and nearing the end of its useful life. As time passes, the repair and maintenance costs increase and, due to the surface and drainage problems, sessions have to be cancelled during wet weather or when the conditions are icy. This results in a loss of income for the Centre. A new facility would result in reduced running costs and improve income levels. The proposal would require £150k of capital investment, although some grant funding may be available. Although the scheme did not score highly enough against other bids, it is proposed to undertake further work on this bid to determine whether unsupported borrowing would be financially viable.

3.7.2 Replacement Fitness Equipment for Holyhead Leisure Centre

The bid is to replace ageing fitness equipment at Holyhead Leisure Centre to match the investment that has been made at Plas Arthur and Amlwch Leisure Centres. The investment will help to maintain existing customers and to attract new customers which will increase income levels. Again, this bid did not score as high as the other bids received but, given the potential for increased income, there may be scope to undertake this scheme through unsupported borrowing. It is, therefore, proposed to undertake further work to determine whether this scheme is financially viable.

3.8 Schemes which were not Supported

3.8.1 The following schemes submitted received the lowest scoring and have provisionally not been supported due to lack of funding:-

- Refurbishment work at Plas Mona;
- Refurbishment work at Plas Crigyll;
- Sewerage Treatment works ;
- Sharepoint.

3.8.2 Two bids were submitted for feasibility studies. Feasibility study costs cannot normally be capitalised as no asset is created. If a feasibility study then results in a capital scheme which creates an asset, then it is possible to retrospectively capitalise the costs, if the costs are directly linked to feasibility of the chosen option.

4. 21st CENTURY SCHOOLS

4.1 The provisional capital programme includes projects for the schools in Band A. The cost over the next 4 years for these schemes totals £21.06m of which the Council's contribution would be £10.5m.

4.2 In 2017/18, £6.865m of work is planned of which £1.27m will be funded from Welsh Government grants, £1.27m from supported borrowing and £4.326m from unsupported borrowing.

4.3 As resolved by the Executive at its meeting on 17 October 2016, further work is required to assess the affordability of the programme.

5. HOUSING REVENUE ACCOUNT

- 5.1** The Housing Revenue Account plans to undertake £9.9m of work during 2017/18 mainly to develop 30 additional units and to refurbish existing properties. Funding has also been allocated to complete the refurbishment of Llawr y Dref, to purchase new vehicles and improve fuel efficiency at the HMU depot. A bid was also made for the purchase of tools but the value was below the de-minimus level and will be funded directly from revenue budgets.
- 5.2** Work is ongoing to determine whether it is feasible and financially viable for the extra care facility for the Seiriol area to be undertaken through the Housing Revenue Account. The scheme has not been included in the draft capital programme for 2017/18 but the Council may be in a position to include the scheme in the final capital programme prior to its approval in February 2017.

6. EQUAL PAY COSTS

- 6.1** The Council is also likely to face considerable costs concerning equal pay and will be applying for Capitalisation Direction to fund these costs. The cost of equal pay has not been quantified but is likely to be significant (at least £2.15m) and will be additional to the projects in the Capital Programme 2017/18 in this report if the equal pay back-pay is paid in 2017/18. This may need to be funded from unsupported borrowing if no other capital funding is available.

7. CAPITAL PROGRAMME SUMMARY

- 7.1** The total proposed capital programme for 2017/18 (including 21st Century Schools and Housing Revenue Account) totals £40.865m. £21.258m (52%) will be funded from external funding sources with the remainder funded from the Council's own sources which includes £3.472m of supported borrowing and £4.979m of unsupported borrowing. The remaining £11.156m will be funded from the General Capital Grant, Capital Receipts and the Council's own reserves. A full breakdown is attached as Appendix 6.
- 7.2** Although capital schemes may be identified as being funded from borrowing, in practice the Council uses its own surplus cash balances first to fund the actual capital expenditure (internal borrowing) but this does not mean that the Council will have to borrow to fund this cost at some point in the future. The Capital Finance Requirement (CFR) is the measure of the Council's future borrowing requirement. The latest forecast has assessed the CFR as £131.395m as at 31 March 2017. The current Treasury Management Strategy sets the Council's authorised borrowing limit at £170m. The additional borrowing requirement set out in the draft capital programme will increase the CFR to £135.396m which is still within the authorised borrowing limit of £170m.

8. MATTERS FOR DECISION

- 8.1** The Executive is asked to consider the proposed capital programme for 2017/18 and to determine the final proposal to go forward for approval in the new year in respect of the following items:-

- To agree to continue to fund the committed schemes as set out in paragraph 3.2 – Total Cost £8.826m of which £647k will be from the Council's core funding;
 - To agree to fund expenditure on disabled facilities grants, refurbishment of existing buildings, I.T assets and vehicles as set out in paragraph 3.3 – Total Cost £2.301m;
 - To approve the funding of the two highest scoring Invest to Save projects as set out in paragraph 3.4 – Total Cost £0.186m;
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 - To approve the funding of £0.76m on Highway Maintenance as per paragraph 3.5.
- 8.2** To consider whether further work is necessary to assess the viability of funding the two schemes detailed in paragraph 3.7 via unsupported borrowing.
- 8.3** To approve the capital programme for 21st Century schools, subject to a further report to the Executive on the funding of the unsupported borrowing element of the programme.
- 8.4** To approve the inclusion of the Housing Revenue Account schemes, as set out in paragraph 5, in the final capital programme – Total cost £9.889m.

Highways	Llangefni Link Road	The proposal is to construct 2.5km of a new link road to the SE of Llangefni with the scheme split into four separate section.	2015/16	3,414	2,938	0	0	0	3,072	164	0	0	0	0	0	178	0	2,644
		TOTAL COMMITTED SCHEMES		8,826	18,123	10,867	950	200	8,179	461	0	0	0	0	8	178	0	29,806
DFG & EXISTING ASSETS																		
Housing	Disabled Facility Grant	The Disabled Facilities Grant is a mandatory grant of up to £36,000 and the Council receives approximately 180 enquiries per year for various adaptations to the home. Approximately 120 of these enquiries proceed to a Disabled Facilities Grant approval.	Annual	750	750	750	750	750	0	0	0	0	750	0	0	0	0	0
Property	Education Disabled Access	The Equality Act 2010, which replaces the Disabled Discrimination Act, requires the Authority to carry out reasonable adjustments to the Authority's properties, whilst ensuring access and efficient use of Authority resources. This is year 2 of an ongoing project to ensure every disabled child has access to the school of their choice. Year 2 will focus on providing disabled toilet facilities at St Marys School, Holyhead, completion of access works at David Hughes Secondary School and begin works at Holyhead Secondary School.	Annual	300	300	300	300	300	0	0	0	0	300	0	0	0	0	0
Highways	Vehicles	The Council operates a fleet of a variety of vehicles and plant including buses, HGV's, cars and vans. This fund is required to replace those vehicles which have reached the end of their economic life. This fund has not in the past been used to purchase vehicles for services which have ring fenced budgets such as housing and schools. The remaining diesel smaller vans and cars will be replaced by LPG fuelled vehicles which will result in lower running costs and assist pressures on the revenue budgets (saving approximately £1,000/vehicle/annum). Note: There is uncertainty at the time of producing the report relating to the review of library services. One of the library vehicles requires replacement in the very near future, therefore, additional funding may be required.	Annual	150	150	150	150	150	0	0	0	0	150	0	0	0	0	0

ICT	Core Infrastructure	To continue this process and to ensure that we engage with a 4 year replacement programme to avoid expensive catch up through lack of investment a rolling programme of iterative improvement is required. New technologies and demand for greater capacity and storage as well as resilient systems will also drive the need to invest further in our core infrastructure. There has been a need to significantly 'catch up' to date and as we get on top of this we will then need to ensure that we continually have the capacity to meet the needs of the Council as we switch more to Digital services and greater dependence on IT for the delivery of services and being flexible in that approach – for example Smarter Working, Electronic Document Management, AppMon etc.	Annual	150	155	160	165	165	0	0	0	0	48	0	102	0	0	0
ICT	Desktop Refresh	The approval of a capital budget totalling £100,000 per annum would allow for 250 desktop clients to be replaced per year on a targeted, needs prioritised basis and would provide a four year refresh for the entire desktop estate. Four years is accepted in the IT industry as a minimum refresh cycle and this would help the Authority to maximise productivity from the numerous new business systems which have been procured in the past few years as well as future developments such as EDRMS and CRM.	Annual	100	105	110	115	115	0	78	0	0	0	0	22	0	0	0
ICT	Legacy System Migration	As we move forward with developing and implementing new technologies to support the Council's business, it is inevitable that we will also need to deal with the data, which in many cases still has great value in supporting future decision making, but also in terms of our obligation to retain data based on statutory regulation, business practices, audit requirements, and as such, we need to plan for a manageable solution. As an example, but not exclusively, we currently hold legacy, financial data on ageing SUN V440 servers which will be out of support contract in the current Financial Year. We have an obligation to maintain financial records for 7 years as a minimum.	Annual	50	20	20	20	20	0	0	0	0	0	0	50	0	0	0

ICT	MS Licensing	The Council uses Microsoft (MS) operating systems on both Desktops and Servers. All IOACC users are also provided with copies of Microsoft Office for general office work and Exchange as an email system. Each of these elements requires a software license. The current arrangement is for IOACC to take out a subscription agreement with Microsoft to cover these licenses. These agreements are normally taken out on a 3+1+1 year basis. One of the two MS licensing agreements ended in March 2016 however in order to join the two agreements together we asked Microsoft to allow us to do a contract extension in order to put a new overall agreement in place in March 2017. There was also a need to include additional products such as Lync and additional SQL Server and Server operating systems which has increased the cost of the agreement. The ongoing use of these MS products depends on such an agreement being in place.	Annual	101	101	101	101	101	0	0	0	0	0	0	0	101	0	0
Property	Refurbish existing Assets - schools	Refurbish Current Assets such as Education Buildings	Annual	500	500	500	500	500	0	176	0	0	0	0	324	0	0	0
Property	Refurbish existing Assets - non schools	Refurbish current Assets - non schools	Annual	200	200	200	200	200	0	200	0	0	0	0	0	0	0	0
		TOTAL DFG & EXISTING ASSETS		2,301	2,281	2,291	2,301	2,301	0	454	0	1,248	0	498	101	0	0	
INVEST TO SAVE PROJECTS																		
Economic	Improving energy efficiency at Leisure Centres	To install an integrated water and energy intelligent system at 3 Leisure centres, insulation and draught-proofing at Amlwch and Holyhead Leisure Centres and water efficiency measures	2017/18	111	0	0	0	0	0	111	0	0	0	0	0	0	0	0
Waste	Traeth Coch Sewerage Treatment	To install a new sewage treatment works at Traeth Coch which will reduce significantly the revenue costs incurred in emptying the existing septic tank	2017/18	75	0	0	0	0	0	0	0	75	0	0	0	0	0	0
		TOTAL INVEST TO SAVE PROJECTS		186	0	0	0	0	0	111	0	75	0	0	0	0	0	0

HIGHWAY MAINTENANCE																			
Highways	Highways Maintenance	The Highways Service has two main term maintenance partnership contracts in place, both of which have guaranteed minimum spend levels. The revenue cuts since 2015/16 meant the Authority would fail to meet these contract minima from revenue funding and would find itself in a breach of contract situation with both contractors. A capital investment would enable the Council to stay within the terms of the contracts and be in a position to re-tender a more attractive contract highway term-maintenance for higher quality contractors at reduced rates in March 2017. Reduced rates have been secured as a result of this funding for the term-pavements contract which would continue to apply in 2017/18.	2017/18	761	0	0	0	0	0	0	0	244	0	291	0	226	0	0	
		TOTAL HIGHWAY MAINTENANCE		761	0	0	0	0	0	0	0	244	0	291	0	226	0	0	
NEW SCHEMES FUNDED FROM CAPITAL FUNDING (excl UNSUPPORTED BORROWING)																			
Adult Services	Seiriol	This application for capital support is made to directly support and enable the corporate priority action on developing an Extra Care Home scheme in the South of the Island to proceed.	2017/18	1,000	7,150	7,150	0	0	0	0	0	1,000	0	0	0	0	0	14,300	
Economic & Regeneration	Holyhead Strategic Infrastructure	The project will include an integrated package of infrastructure investments including: • Provision of circa 10 (ten) modern, high quality business premises at the former Heliport Site in Penrhos, Holyhead; • Professional fees.	2017/18	5,001	1,806	358	0	0	4,966			35						2,129	
Adult Services	Garreglwyd	Garreglwyd Residential Care Home is a 28 bedded residential care home situated in Holyhead, it is proposed that this care home is to be developed to provide specialist dementia care facilities. An annual review has been undertaken to identify any building related issues in respect of the in-house residential care provision. The refurbishment programme for Garreglwyd comprises of: • New kitchen facilities in Seiriol Unit and activities room • Replace existing 7 internal doors to ensure compliance with fire regulations • Replace flooring to 25 bedrooms • Replace flooring in main lounge • Replace flooring in Seiriol Unit • Replace flooring to conservatory • Replace flag stones to internal court yard. • Hot / cold air conditioning system to conservatory • Petition off main area of lounge to improve internal environment • Access to conservatory from main lounge area • Create a user friendly secure outdoor area. • Decorate the establishment • Furniture and fittings	2017/18	250	0	0	0	0	0	0	0	0	250	0	0	0	0	0	0

Highways	Beaumaris Flood Alleviation	Historically, the town of Beaumaris has suffered flooding. Recorded events begin in 1863, with significant events in 1915, 1957, 2004, 2007, 2012 and 2015. Increased storminess and rising tide levels as a result of climate change are increasing the frequency and severity of these events. The project has already gained approval, with design commencing in 2013/14 and is already subject to some WG funding with completion of the Coastal Element in February 2016.	2017/18	800	200	0	0	0	680	0	0	120	0	0	0	0	0	170
Highways	Pentraeth Flood Alleviation	Nant y Felin estate in Pentraeth has been built in a number of phases on a hillside. In periods of heavy rain, the ordinary watercourse running through the estate has been overloaded, which has resulted in internal flooding to a number of properties in the estate. Funding has been grant aided from Welsh Government to allow the production of a Project Appraisal Report into the flooding concerns in Nant y Felin and this work is currently ongoing. This bid is in anticipation of Welsh Government funding for the final stage and is for the match funding required for the design and construction of an alleviation scheme at Nant y Felin.	2017/18	800	200	0	0	0	680	0	0	120	0	0	0	0	0	170
Economic & Regeneration	Llangefni Strategic Infrastructure	The project will include an integrated package of infrastructure investments including: • Provision of 5 (five) modern, high quality business premises at the old Môn Training Site; • Professional fees.	2017/18	2,523	441	0	0	0	2,488	0	0	35	0	0	0	0	0	406
Housing	Gypsy & Traveller	This capital bid is for the cost of acquiring land and developing it for sites for Gypsies and Travellers as identified in the statutory Gypsy and Traveller Accommodation Assessment for Anglesey.	2017/18	1,301	36	0	0	0	330	496	0	324	92	0	0	59	0	0
		TOTAL NEW SCHEMES		11,675	9,833	7,508	0	0	9,144	496	0	1,884	92	0	0	59	0	17,175

UNSUPPORTED BORROWING SCHEMES																		
Economic & Regeneration	3G Pitch at Plas Arthur Leisure Centre	This project will entail replacing the old all-weather football pitch currently at Plas Arthur Leisure Centre which has come to the end of its life. This will address current negative perceptions and meet the customer expectations and demands as many clubs have now left the facility to train at Bangor City's new 3G pitch. Investment now will mean that our local clubs can have a facility that meets the standards and will be the first of its kind on the island. Anglesey is one of only a few authorities that don't currently have 3G provision within their authority, the vision by the FAW is that Anglesey needs a 3G pitch to cater for the demand as highlighted in the All Wales Artificial Turf Pitch Vision and Guidance document. This investment is certain to help us reach our target of a 60% reduction in expenditure cost of leisure to the Council.	2017/18	150	0	0	0	0	0	0	0	0	0	150	0	0	0	0
Economic & Regeneration	Holyhead Leisure Centre Fitness Equipment	This project will entail replacing and updating all fitness equipment within the fitness room at Holyhead Leisure Centre to ensure a modern fitness experience can be gained by all customers (Inclusive fitness room). This will address current negative perceptions and meet the customer expectations and demands. Investment at Amlwch and Plas Arthur Leisure Centres has proven positive with increased income and usage figures. Holyhead requires funding now as it has missed out on recent investment in the fitness room over the years and the current fitness room is fast losing its appeal. This investment is certain to help us reach our target of a 60% reduction in expenditure cost of leisure to the council.	2017/18	212	0	0	0	0	0	0	0	0	0	212	0	0	0	0
		TOTAL UNSUPPORTED BORROWING SCHEMES		362	0	0	0	0	0	0	0	0	0	362	0	0	0	0
		TOTAL GENERAL FUND SCHEMES		24,111	30,237	20,666	3,251	2,501	17,323	1,522	0	2,203	1,340	653	506	564	0	46,981
21st CENTURY SCHOOLS																		
Education	21st Century Schools - Ysgol Cybi	New 21st century school in Holyhead	2014/15	502	149	0	0	0	0	0	0	0	0	502	0	0	0	0
Education	21st Century Schools - Ysgol Rhyd Y Llan	New 21st century school in Llanfaethlu	2014/15	1,545	67	0	0	0	0	0	0	0	0	1,545	0	0	0	0
Education	21st Century Schools - Ysgol Brynsiencyn	Refurbishment to school to meet 21st century school standards	2016/17	217	217	10	0	0	54	0	54	0	0	109	0	0	0	114
Education	21st Century Schools - Ysgol Parc Y Bont	Extension of Ysgol Parc Y Bont	2016/17	169	169	8	0	0	42	0	42	0	0	85	0	0	0	88

INVEST TO SAVE PROJECTS

Name of Invest-to-save scheme	Service/Function	Amount needed	Estimated useful Economic Life	Annual saving	Rate (PWLB rates at 20/10/16)	Annual interest	Annual MRP	Annual Savings after interest and MRP	Duration of savings	Total estimated savings (without interest and MRP)	Total estimated savings (after interest and MRP)	Payback period (excludes capital financing)
		£		£	%	£	£	£	£	£	£	No of years
Improving energy efficiency at Leisure Centres - Integrated water system	Regulation and Economic Development	111,000	20	29,000	2.75%	3,053	5,550	20,398	20	580,000	407,950	3.83
Install variable speed drives on ventilation at County Offices	Highways, Waste and Property	10,000	10	5,000	2.14%	214	1,000	3,786	10	50,000	37,860	2.00
Chemical dosing system swimming pool at 3 Leisure Centres	Regulation and Economic Development	60,000	15	12,000	2.56%	1,536	4,000	6,464	15	180,000	96,960	5.00
LED lighting in secondary schools	Highways, Waste and Property	160,000	15	32,000	2.56%	4,096	10,667	17,237	15	480,000	258,560	5.00
Energy cost reduction at Ysgol Uwchradd Bodedern	Highways, Waste and Property	75,000	10	17,000	2.14%	1,605	7,500	7,895	10	170,000	78,950	4.41
New Treatment Plant for Traeth Coch Public Convenience	Highways, Waste and Property	75,000	25	26,000	2.83%	2,123	3,000	20,878	25	650,000	521,938	2.88
		491,000		121,000		12,626	31,717	76,657		2,110,000	1,402,218	

APPENDIX 4

Department	Proposed Scheme	Brief Description	Year project started/ Due to start	2017/18 Year 1 Cost (£'000)	Corporate priority the bid meets	Which part of the priority it meets	Scoring Criteria (points awarded from 0-10)						Total
							Weighting	30	20	15	10	20	
							Projects Contribution to delivering corporate priorities	Level of Corporate risk that the proposal mitigates	Requirement to comply with statutory, health, DDA responsibilities to mitigate challenge	Level of joint/ match funding potentially available	Favourable impact on revenue budget or invest to save potential	Robustness of Project Management	
Adult Services	Seiriol	This application for capital support is made to directly support and enable the corporate priority action on developing an Extra Care Home scheme in the South of the Island to proceed.	2017/18	1,000	A - Transform Adult Social Care	Develop and establish in collaboration with partners two extra care housing schemes in the North and centre of the Island with planning for a further scheme in the South for older people who are unable to stay at home	300	150	150	100	200	50	950
Economic & Regeneration	Holyhead Strategic Infrastructure	The project will include an integrated package of infrastructure investments including: • Provision of circa 10 (ten) modern, high quality business premises at the former Heliport Site in Penrhos, Holyhead; • Professional fees.	2017/18	5,001	B - Regenerating our Communities and Developing the Economy		300	140	0	95	160	50	745
Adult Services	Garreglwyd	Garreglwyd Residential Care Home is a 28 bedded residential care home situated in Holyhead, it is proposed that this care home is to be develop to provide specialist dementia care facilities. An annual review has been undertaken to identify any building related issues in respect of the in-house residential care provision. The refurbishment programme for Garreglwyd comprises of: • New kitchen facilities in Seiriol Unit and activities room • Replace existing 7 internal doors to ensure compliance with fire regulations • Replace flooring to 25 bedrooms • Replace flooring in main lounge • Replace flooring in Seiriol Unit • Replace flooring to conservatory • Replace flag stones to internal court yard. • Hot / cold air conditioning system to conservatory • Petition off main area of lounge to improve internal environment • Access to conservatory from main lounge area • Create a user friendly secure outdoor area. • Decorate the establishment • Furniture and fittings	2017/18	250	A - Transform Adult Social Care	Develop joint service delivery and management in particular in relation to dementia, older people services in general and support for carers in order to better co-ordinate service provision, in partnership with the Health Board,	300	140	150	0	100	50	740

Highways	Beaumaris Flood Alleviation	Historically, the town of Beaumaris has suffered flooding. Recorded events begin in 1863, with significant events in 1915, 1957, 2004, 2007, 2012 and 2015. Increased storminess and rising tide levels as a result of climate change are increasing the frequency and severity of these events. The project has already gained approval, with design commencing in 2013/14 and is already subject to some WG funding with completion of the Coastal Element in February 2016.	2017/18	800	B - Regenerating our Communities and Developing the Economy	Work with the Welsh Government and other partners to strengthen the competitiveness of the island's economy and supporting local companies.	200	200	100	85	100	25	710
Highways	Pentraeth Flood Alleviation	Nant y Felin estate in Pentraeth has been built in a number of phases on a hillside. In periods of heavy rain, the ordinary watercourse running through the estate has been overloaded, which has resulted in internal flooding to a number of properties in the estate. Funding has been grant aided from Welsh Government to allow the production of a Project Appraisal Report into the flooding concerns in Nant y Felin and this work is currently ongoing. This bid is in anticipation of Welsh Government funding for the final stage and is for the match funding required for the design and construction of an alleviation scheme at Nant y Felin.	2017/18	800	B - Regenerating our Communities and Developing the Economy	Work with the Welsh Government and other partners to strengthen the competitiveness of the island's economy and supporting local companies.	200	200	100	85	100	25	710
Economic & Regeneration	Llangefni Strategic Infrastructure	The project will include an integrated package of infrastructure investments including: • Provision of 5 (five) modern, high quality business premises at the old Môn Training Site; • Professional fees.	2017/18	2,523	B - Regenerating our Communities and Developing the Economy		300	140	0	95	120	50	705
Economic & Regeneration	3G Pitch at Plas Arthur Leisure Centre	This project will entail replacing the old all-weather football pitch currently at Plas Arthur Leisure Centre which has come to the end of its life. This will address current negative perceptions and meet the customer expectations and demands as many clubs have now left the facility to train at Bangor City's new 3G pitch. Investment now will mean that our local clubs can have a facility that meets the standards and will be the first of its kind on the island. Anglesey is one of only a few authorities that don't currently have 3G provision within their authority, the vision by the FAW is that Anglesey needs a 3G pitch to cater for the demand as highlighted in the All Wales Artificial Turf Pitch Vision and Guidance document. This investment is certain to help us reach our target of a 60% reduction in expenditure cost of leisure to the council.		150	B - Regenerating our Communities and Developing the Economy	Regeneration of vibrant communities	200	150	200		100	50	700
Economic & Regeneration	Holyhead Leisure Centre Fitness Equipment	This project will entail replacing and updating all fitness equipment within the fitness room at Holyhead Leisure Centre to ensure a modern fitness experience can be gained by all customers (Inclusive fitness room). This will address current negative perceptions and meet the customer expectations and demands. Investment at Amlwch and Plas Arthur Leisure Centres has proven positive with increased income and usage figures. Holyhead requires funding now as it has missed out on recent investment in the fitness room over the years and the current fitness room is fast losing its appeal. This investment is certain to help us reach our target of a 60% reduction in expenditure cost of leisure to the council.	2017/18	212	B - Regenerating our Communities and Developing the Economy	Regeneration of vibrant communities	200	150	200	0	100	50	700
Housing	Gypsy & Traveller	This capital bid is for the cost of acquiring land and developing it for sites for Gypsies and Travellers as identified in the statutory Gypsy and Traveller Accommodation Assessment for Anglesey.	2017/18	1,301	D - Increasing our Housing Options and Reducing Poverty		300	200	150	0	0	35	685

Adult Services	Plas Mona	Plas Mona Residential Care Home is a 28 bedded specialist dementia care home situated in the village of Llanfair PG. An annual review has been undertaken to identify any building related issues in respect of the in-house residential care provision. The refurbishment programme for Plas Mona comprises of: <ul style="list-style-type: none"> • New access to outside area from dining room • Create a user friendly secure outdoor area to the rear of the property • Decorate communal areas 	2017/18	50	A - Transform Adult Social Care	Develop joint service delivery and management in particular in relation to dementia, older people services in general and support for carers in order to better co-ordinate service provision, in partnership with the Health Board.	100	150	150	0	100	50	550
Adult Services	Plas Crigyll	Plas Crigyll Residential Care Home is a 25 bedded specialist dementia care home situated in the village of Bryngwran. An annual review has been undertaken to identify any building related issues in respect of the in-house residential care provision. The refurbishment programme for Plas Crigyll comprises of: <ul style="list-style-type: none"> • Double glazing to all existing windows • Replace 25 internal doors • New kitchen facilities to two units • New access to outside area from communal lounge 	2017/18	75	A - Transform Adult Social Care	Develop joint service delivery and management in particular in relation to dementia, older people services in general and support for carers in order to better co-ordinate service provision, in partnership with the Health Board.	100	150	150	0	100	50	550
Waste Management	Essential Sewage Treatment	To install a package sewage treatment plant or purchase land to install a septic tank could be considered. Consultants would need to be employed to carry out a more detailed appraisal which would identify budgetary costs which are anticipated to be in the region of £100k. Thereafter, there would be minimal annual costs for the maintenance of such devices/electric feed etc, however, it is envisaged that these could be transferred to a third party, subject to a new legal agreement between all parties involved.	2017/18	105			0	150	200	0	0	50	400
ICT	Sharepoint EDM	The Council has committed to developing "better, more modern services, increasing efficiency, lower long term costs, improve motivation and extend working flexibility." In meeting this commitment, the Smarter Working Project Board have identified that the implementation of a corporate Electronic Document and Records Management System (EDRMS) would allow staff to access and work collaboratively on documents in a flexible and efficient manner.	2017/18	140	None	This doesn't meet a specific Corporate Priority	0	100	150	0	0	50	300
				12,407									
Housing - HRA	Development of Additional Council Dwellings	The capital funding bid for 2017/18 will be for funding for 20 units, with the slippage money of 10 units this will allow for the development of 30 new units during 2017/18		2,800	D - Increasing our Housing Options and Reducing Poverty	Increase the affordable housing options, island wide and bring empty homes back into use	300	200	150	0	0	50	700

SCORING MATRIX**Projects Contribution to delivering corporate priorities (Weighting 30%)**

- 300 points is awarded if the scheme fully meets one or more of the bullet points within the corporate plan.
- A score of between 1 and 299 is awarded if part of the bullet points within the corporate plan is met, with the score reflecting the severity of the impact. If a scheme meets most of the corporate priority, it should score over 200 points, but if the scheme only meets a fraction of the corporate priority, it should score less than 100. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't meet any of the bullet points within the corporate plan.

Level of Corporate Risk that the proposal mitigates (Weighting 20%)

- 200 points is awarded if the scheme fully mitigates a corporate risk.
- A score of between 1 and 199 is awarded if the scheme partly mitigates a corporate risk. The score will reflect the severity of the mitigation. If a scheme mitigates a lot of the corporate risk, it should score over 120 points, but if the scheme only mitigates a small amount of corporate risk, it should score less than 50. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't mitigate any of the corporate risk.

Requirement to comply with statutory, health, DDA responsibilities to mitigate challenge (Weighting 15%)

- 150 points is awarded if the scheme is fully required to comply with either statutory, health, or DDA responsibilities.
- A score of between 1 and 149 is awarded if the scheme partly complies with either statutory, health, or DDA responsibilities. The score will reflect the severity of the compliance. If a scheme complies a lot with either the statutory, health, or DDA responsibilities, it should score over 100 points, but if the scheme only complies slightly with either statutory, health, or DDA responsibilities it should score less than 30. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't comply with either statutory, health, or DDA responsibilities.

Level of joint / match funding potentially available (Weighting 10%)

- If the scheme is 100% grant funded, the scheme will score 100 points. If the scheme is 50% grant funded, the scheme will score 50 points. If the scheme will receive no grant funding, it will score 0 points.

Favourable impact on revenue budget or invest to save potential (Weighting 20%)

- 200 points is awarded if the scheme has a major impact on revenue budget or invest to save potential.
- A score of between 1 and 199 is awarded if the scheme has some favourable impact on revenue budget or invests to save potential, with the scoring dependent on how much impact there is on the revenue budget. A high favourable impact should score over 120, with a low impact expected to score less than 50 points.
- A score of 0 is awarded if there is no favourable impact on revenue budget or invest to save potential.

Robustness of Project Management (Weighting 5%)

- A fully robust project management will score 50 points.
- A score of between 1 and 49 will be scored dependent on how robust the project management is, with the scoring based on the scorer's discretion.
- A score of 0 is awarded if the project management is not robust at all.

SUMMARY OF CAPITAL FUNDING ALLOCATED

Source of Funding	Committed Schemes £'000	Existing Assets £'000	Invest to Save Projects £'000	Highway Maintenance £'000	New Schemes £'000	Unsupported Borrowing Schemes £'000	Total General Capital Fund £'000	21st Century Schools £'000	Housing Revenue Account £'000	Total Capital Programme 2017/18 £'000
General Capital Grant	-	1,248	-	-	92	-	1,340	-	-	1,340
General Supported Borrowing	-	-	75	244	1,884	-	2,203	-	-	2,203
Capital Receipts	461	454	111	-	496	-	1,522	-	-	1,522
Underspend from 2016/17 B/F	178	101	-	226	59	-	564	-	-	564
Revenue Contribution Unapplied Reserve	8	498	-	-	-	-	506	-	-	506
External Grants	8,179	-	-	-	9,144	-	17,323	-	-	17,323
Unsupported Borrowing	-	-	-	291	-	362	653	-	-	653
TOTAL GENERAL FUND CORE CAPITAL FUNDING	8,826	2,301	186	761	11,675	362	24,111	-	-	24,111
21st Century Schools Grant Funding	-	-	-	-	-	-	-	1,270	-	1,270
21st Century Schools Supported Borrowing	-	-	-	-	-	-	-	1,269	-	1,269
21st Century Schools Unsupported Borrowing	-	-	-	-	-	-	-	4,326	-	4,326
TOTAL 21st CENTURY SCHOOLS	-	-	-	-	-	-	-	6,865	-	6,865
Housing Revenue Account Contribution	-	-	-	-	-	-	-	-	7,224	7,224
Housing Revenue Account Grants	-	-	-	-	-	-	-	-	2,665	2,665
TOTAL HOUSING REVENUE ACCOUNT	-	-	-	-	-	-	-	-	9,889	9,889
TOTAL FUNDING	8,826	2,301	186	761	11,675	362	24,111	6,865	9,889	40,865