



**COUNCIL MEETING
21 FEBRUARY 2019**

CAPITAL PROGRAMME 2019/20 TO 2023/24

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to approve the capital programme for the next five years to provide significant levels of strategic investment to help deliver the Council's Medium Term Financial Strategy (MTFS) in order to maintain financial sustainability and support the Council's strategic approach to Making Gateshead a Place Where Everyone Thrives.
2. The 2019/20 capital programme totals £119m, with £95m relating to the General Fund and £24m investment within the Housing Revenue Account. Over the five years to 2023/24, the level of capital investment is forecasted to be £368m, of which £262m relates to General Fund schemes. Despite the current pressure on resources this represents a significant level of strategic investment in the Council's assets and is affordable within the assumptions included in the current MTFS.
3. The proposed capital programme includes all commitments and schemes identified as high priority. The proposed capital programme is included in Appendix 2 and the provisional capital financing is set out in Appendix 3 of the attached report.
6. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

7. It is recommended that Council:
 - (i) Approves the capital programme for 2019/20, and the provisional programmes for 2020/21 to 2023/24, as set out in Appendix 2, subject to external funding approvals being received.
 - (ii) Notes the provisional capital financing for the programme, as set out in Appendix 3, and delegates authority to the Strategic Director, Corporate Resources to enter into prudential borrowing which is consistent with the requirements of the capital programme and the Council's Treasury Management Strategy.
 - (iii) Notes the position in relation to the additional flexibility regarding the application of capital receipts to fund the revenue costs of transformational projects outlined in Appendix 4 and agree to receive

further updates to confirm specific investment plans as part of the capital programme monitoring reports during the year.