



**CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS  
2016/17 – FIRST QUARTER REVIEW**

---

**Jane Robinson, Chief Executive**

**Mike Barker, Strategic Director, Corporate Services and Governance**

---

**EXECUTIVE SUMMARY**

1. The purpose of this report is to inform of the latest position on the 2016/17 capital programme and Prudential Indicators at the end of the first quarter to 30 June 2016. It also assesses the variances from the approved programme and details the proposed financing of the capital programme. The report also considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.
2. The original budget for the capital programme for 2016/17 totalled £71.069m and the projected year end expenditure at the end of the first quarter is now £76.297m. The proposed increase of £5.228m is largely as a result of slippage in the programme from 2015/16.
3. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2016/17 were agreed at Council on 23 February 2016. Borrowing and investment levels have remained within the limits set by Council.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

**RECOMMENDATIONS**

5. It is recommended that Council:
  - i) Approves all variations to the 2016/17 Capital Programme as detailed in Appendix 2 of the attached report as the revised programme
  - ii) Approves the financing of the revised programme
  - iii) Confirms that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2016/17 have been breached