



COUNCIL MEETING

10 November 2016

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

Mike Barker, Acting Chief Executive

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 September 2016. 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, as agreed by Council on 23 February 2016 totalled £71.069m which was then revised to £76.297m as part of the first quarter review. The second quarter review now projects the year end expenditure to be £73.346m.
3. The proposed slippage in the capital programme is resourced by external funding and prudential borrowing and the Council continues to manage the available resources in a flexible manner to ensure that the use of external resources is maximised where possible.
4. CIPFA's Prudential Code advised the regular monitoring of performance against prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2016/17 were agreed by Council on 23 February 2016 and borrowing and investment levels have remained within these limits.
5. 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

6. It is recommended that Council:
 - i) Approve all variations to the 2016/17 Capital Programme, as detailed in Appendix 2 of the attached report, as the revised programme.
 - ii) Approve the financing of the revised programme.
 - iii) Confirm 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.