

Council Capital Borrowing

Appendix 3

The table below identifies council borrowing during 2016/17 for capital investment.

Council Borrowing in 2016/17	£ million
Housing Revenue Account - 16/17 new borrowing	12.892
Housing Revenue Account – 15/16 reprofiled schemes	15.943
Replacement programme vehicles & plant	0.613
Brighton i360	3.300
Social Care buildings	0.500
Hove Town Hall commercial offices	1.256
Libraries Extra scheme	0.276
Seafront Investment Programme	0.800
Volks Railway HLF	0.238
Garden Waste Collection Trial	0.038
Total for Capital Programme	35.856

- As part of the HRA business plan borrowing will be used to support the delivery of Decent Homes and funding of £15.943m was reprofiled from 2015/16 for investment in new build, conversions, maintenance, repairs and cladding at various sites. A total sum of £12.892m is also profiled for investment in improving housing quality, sustainability and carbon reduction schemes, tackling inequality, standard works and building new homes. The financing costs have been identified to be met from the HRA capital financing revenue budget.
- The provision of £0.613m is for replacement of vehicles during the year. This includes replacement refuse collection street cleansing vehicles for Cityclean, potential replacement of miscellaneous waste and parks vehicles during the year and parking equipment if this proves to be the most cost-effective method of procurement. These assets may be currently provided through operational leases and paid for through the relevant service revenue budget.
- The Brighton i360 project was reported to Policy & Resources Committee on 6 March 2014 and details the funding arrangements for the scheme which includes up to £36.2m senior loan from the council to be met through borrowing. An estimated £3.3m will be drawn down during 2016/17. The financing costs will be met from income streams generated through the project.
- As a result of condition surveys on Social Care operational buildings an annual programme of planned works has been incorporated into the capital programme to ensure the buildings meet current standards and are fit for purpose.
- Hove Town Hall south site office option was reported to Policy & resources Committee on 11 July 2014. The scheme will cost up to £2.638m over

2015/16 and 2016/17 all to be met through borrowing and the financing costs to be met from commercial and third party rental streams.

- Libraries Extra. The open libraries model enables longer opening hours through self-service unstaffed libraries. This will be rolled out in 16/17 to further community libraries. Ultimately this could enable 7 days a week access to libraries. The financing costs will be met from savings generated from the scheme.
- Seafront Investment Programme was reported to Policy & Resources on 15 October 2015 and agreed a financing package to commence final completion of landscaping works to council owned land on the seafront adjacent to the i360. Up to £1.0m borrowing will be undertaken with £0.800m in 16/17 with the associated financing costs met by the new annual funding streams due to the council as a direct result of the i360.
- Volks Railway HLF £0.238m was agreed at Policy & Resources in October 2014 to support the £1.885m Volks Railway project as match funding for the Heritage Lottery Fund grant that has been awarded. The investment will support improvement of the 3 carriages, the current railway shed and the Aquarium station. Financing costs will be met from increased revenue from ticket sales.
- The Garden Waste Collection Trial is detailed within the TBM month 9 report to this committee as a new capital scheme. The service provides another way for residents to compost their garden waste and ultimately increase overall recycling rates and the investment will be used to purchase vehicles and bins. Borrowing repayments will be met from expected income generated from the scheme.