

## Projected Capital Investment Programme

<b>Capital Programme</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Strategic Investment Fund	600	600	600
Asset Management Fund	1,000	1,000	1,000
ICT Fund	435	500	500
Corporate items	1,063	2,500	2,050
Children & Young Peoples Trust	54,025	13,156	5,610
Housing, Culture & Enterprise	32,913	34,347	27,751
Environment	13,332	2,998	3,174
Finance & Resources	2,797	2,847	1,000
Strategy & Governance	983	20	-
Adult Social Care & housing	423	140	140
<b>Total</b>	<b>107,571</b>	<b>58,108</b>	<b>41,825</b>

<b>Resources</b>			
Supported Borrowing	7,375	4,478	3,031
Unsupported Borrowing	16,572	17,058	9,132
Government Capital Grants	70,818	23,461	15,883
External Contributions	1,241	249	92
Capital Receipts & Reserves	6,322	8,910	10,600
Direct Revenue Funding	5,243	3,952	3,087
<b>Total</b>	<b>107,571</b>	<b>58,108</b>	<b>41,825</b>

### Capital Receipts

The capital programme in future years relies on certain receipts being generated over the 3 year period. If these do not materialise then the capital expenditure plans will need to be reviewed or alternative sources of funding identified. The capital investment plans for the HRA assume capital receipts generated through the LDV and these have been included within the 3 year projections.

### Capital Grants

As with the revenue grants, capital grants have been announced for 2010/11 as part of the 3 year settlement but there is no certainty over the level of grants from 2011/12 onwards and it is anticipated capital grants will reduce sharply as the government reduces its expenditure in future years. It has been assumed within our projections the reduction will be 50% per annum with education grants reducing by 30% each year. The capital programme has been adjusted to reflect the reductions of in year capital grants announced in particular the transport allocations.

### Borrowing

The MTFs assumes the council will take up the supported borrowing allocations from government although the council receives no resources to

support the financing costs of this borrowing. The projections assume 50% reductions in supported borrowing allocations from 2011/12 with 30% reductions in education supported borrowing allocations. The council will also undertake unsupported borrowing to finance capital expenditure plans. This includes continued annual investment in social services buildings and replacement of vehicles and plant. The programme also includes borrowing £5m over 3 years to support the development of a new Historic Records Centre (The Keep) with East Sussex County Council. The programme also includes £22.5m unsupported borrowing over the three year period to support the HRA capital programme.

***Corporate Investment Funds***

The table above includes the projected resources available to the Strategic Investment, Asset Management and ICT funds.