

Report to:	Cabinet		
Date of meeting:	03 February 2025		
Report of:	Lee Fallows, Director of Corporate Resources	Report Number:	35449
Reporting Officer:	Graeme Wilson, Borough Treasurer		
Contact Officer:	Lisa Butcher		
Report title:	Corporate Capital and One-off Funding 2025-2028		
<u>CONFIDENTIALITY</u>			
<u>Non- confidential</u>			
This report does not contain information which means it should be considered without the press or members of the public being present.			
Purpose:	To propose a Capital Strategy, Corporate Capital and Revenue Programme, a Minimum Revenue Provision (MRP) Policy and Capital Prudential Indicators for the next three years.		
<u>Recommendations:</u>	Cabinet is recommended to approve: <ul style="list-style-type: none"> • The Capital Strategy for 2025-2028 in Appendix 1 • The Corporate Programme (Capital and Revenue one-off schemes) for 2025-28 in Appendix 2 • The MRP Policy as set out in section 3.4 • The Capital Prudential Indicators as set out in section 3.5 		
<u>Decision:</u>			
<u>Background documents:</u>			
<u>Signed:</u>		Monitoring Officer	
<u>Date:</u>			

<u>Consultation with other officers</u>			
Finance	Yes	07/01/25	Lisa Butcher
Legal	No	Date	Insert name
HR	No	Date	Insert name
Procurement	No	Date	Insert name
Climate Change	No	Date	Insert name
Information Governance	No	Date	Insert name
Equality Impact Assessment	No	Date	Insert name
Post consultation reports Please confirm that the consultation response has been taken into consideration in making the recommendations.			N
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.			<u>1. Start Well</u> <input checked="" type="checkbox"/>
			<u>2. Live Well</u> <input checked="" type="checkbox"/>
			<u>3. Age Well</u> <input checked="" type="checkbox"/>
			<u>4. Prosperous</u> <input checked="" type="checkbox"/>
			<u>5. Clean and Green</u> <input checked="" type="checkbox"/>
			<u>6. Strong and Distinctive</u> <input checked="" type="checkbox"/>

1 INTRODUCTION & BACKGROUND

- 1.1 On 14th February 2024 Council approved the capital programme for financial year 2024/25. The report set out the capital proposals and resources for the year and compared the likely capital resources available. The report detailed the capital programme which met the above requirements and was consistent with the proposed revenue budget. This report provides an update to the 2024/25 capital programme and future programme to 2027/28.
- 1.2 The Capital Strategy is a key document for the Council and forms part of the authority's integrated revenue, capital and balance sheet planning. It provides a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.
- 1.3 The Capital Strategy 2025-2028 can be found at Appendix 1.

2 ISSUES

- 2.1 Since 2019/20 CIPFA's Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and take account of stewardship, value for money, prudence, sustainability and affordability.

3 REPORT DETAILS

3.1 CAPITAL OVERVIEW

- 3.1.1 The significant reductions in the Council's revenue budget have meant that the maximisation of capital funding has become a vital part of ensuring the Council can continue to pursue its key objectives. In recent years, capital monies have been allocated to support the strategic road network across the Borough and to enable developments in the town centre.

- 3.1.2 The table below outlines the current funding position for 2024/25 onwards:

	Current Capital Programme 2024-2028
	£m
Corporate Supported Borrowing	31.4
Corporate Revenue	2.0
Corporate Capital Receipts	13.9
Service Supported Borrowing	0.7
Service Revenue	51.4
Government Grants	30.8
Other Contributions	33.2
Total	163.5

3.2 OBSERVATIONS

- 3.2.1 Additional expenditure may be possible over the year if sponsoring services identify additional sources of finance or obtain grant support.

- 3.2.2 The Capital programme only includes schemes which have started or will start in 2024/25 plus those annual rolling programmes funded from external resources such as schools. The detailed programme in subsequent years will need to be considered as part of the overall budget process for these years.
- 3.2.3 The Council estimates it will have £141m of reserves at the end of 2024/25. Of this total, £44m is held specifically for capital schemes to fund projects such as the Schools Expansion programme.

3.3 VAT

- 3.3.1 As part of the appraisal of the capital programme the proposals have been assessed for their anticipated impact on the Council’s VAT recovery position.
- 3.3.2 Full VAT recovery is only permitted where less than 5% of VAT recovered relates to activities which are exempt from VAT (largely land transactions, paid for Education, Markets and Cremation). Where the 5% limit is exceeded no VAT recovery on VAT Exempt Activity is permitted unless the 7-year average is below 5%.
- 3.3.3 If the proposed programme is approved the exempt input tax proportion is estimated as follows:

Year	%
2024/25	2.12%
2025/26	2.09%
2026/27	2.26%
2027/28	2.33%

- 3.3.4 The detailed calculations are set out in Appendix 3. The exempt input tax proportion is forecast to peak at 2.12% in 2024/25 before reducing and the 7-year average is 3.17%, therefore the Council remains within the HMRC limits.
- 3.3.5 Full VAT recovery is projected in each of the years however there is little margin to accommodate scheme slippage. Due to the reduction in resources generally there is a greater degree of uncertainty about the total value of VAT to be recovered and thus the value of VAT exempt schemes which can be accommodated. It is also possible that VAT regulations will change.
- 3.3.6 In land and property development schemes it is possible to take schemes out of the Exempt VAT calculation by “Opting to tax” i.e. charging VAT voluntarily. This can mean we don’t go above the 5% limit. However, there are instances where options to tax are rendered invalid for example where the future use of the property is for residential or educational purposes. Opting to tax may make sites less attractive to some purchasers.
- 3.3.7 It is important that input tax totals and expenditure projections are closely monitored. Where additional expenditure is identified, it may be necessary to opt to tax on that or another scheme.

3.4 MINIMUM REVENUE PROVISION

- 3.4.1 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 (SI 2003/3146) took effect from 31st March 2008. They require the basis on which the Minimum Revenue Provision (MRP) is calculated for future years to be approved by Council. This is the amount Councils are required to set aside for debt repayment each year.
- 3.4.2 General Fund Borrowing that was previously supported through the RSG system will be provided for in equal annual instalments over a 50-year period commencing 1st April 2015. As at 1st April 2024, the value of this borrowing equaled £123.9m and results in an equal annual minimum revenue provision of £3.022m over the remaining 41 years, the final instalment of which will be provided for by no later than 31 March 2065. For non-Housing schemes financed from unsupported borrowing, from 1st April 2008

MRP will be made for repayment equal to the estimated depreciation charge on those assets calculated on an equal instalment basis, calculated in accordance with normal accounting practice.

3.4.3 In instances where the Council incurs borrowing in order to lend funds to a third party, in accordance with the revised guidelines issued by the Secretary of State, MRP is required to be provided over the useful life of the asset created. In certain instances, and after undertaking comprehensive due diligence, if the Borough Treasurer is satisfied that any agreed repayment date will be met, the guidance will be reviewed and, if appropriate, no MRP will be set-aside. Annually the Council will undertake a financial assessment of the third parties' ability to repay the debt and where any adverse changes are perceived to be occurring then a provision will be created to cover any future potential financial losses.

3.4.4 Work is being undertaken to implement International Financial Reporting Standard (IFRS) 16, which will come into effect from 1 April 2024 and will result in operating leases and similar instruments coming onto the balance sheet. Similar to PFI and finance lease liabilities, the MRP associated with each of these instruments will be charged on an annual basis through the breakdown of the lease charge.

3.5 CAPITAL PRUDENTIAL INDICATORS

3.5.1 Prudential Indicators seek to provide measures of affordability and prudence reflecting Capital Expenditure, Debt and Treasury Management. Debt and Treasury Management indicators are addressed in the Treasury Management and Investment Strategy 2025/26.

3.5.2 Borrowing requirements for capital purposes are shown as a trend; these reflect capital expenditure and financing plans. The financing costs are reflected in the Medium-Term Financial Strategy.

3.5.3 Capital expenditure profiles reflect current business plans. They are the aggregate expenditure figures from all sources of finance (borrowing, grants, capital receipts and revenue). The capital financing requirement demonstrates the impact of borrowing to meet capital expenditure plan net of provisions for debt repayment.

	Revised 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Affordability				
Ratio of financing costs to net revenue stream - General Fund	3.86%	3.53%	3.42%	3.34%
Capital Expenditure and Capital Financing				
General Fund Capital Expenditure per Appendix 2 (£m)	£89.3m	£67.1m	£5.1m	£2m
Capital Financing Requirement (£m)	£279.5m	£280.5m	£281.5m	£282.5m

4 IMPACTS AND IMPLICATIONS

4.1 Financial

4.1.1 See above.

5 EQUALITY IMPACT ASSESSMENT (EIA)

5.1 Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by

the Act.

2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

5.2 It is important to consider how the proposals contained within this report may impact positively or negatively on protected characteristics.

5.3 It has been determined that due to the nature of this report, i.e. compliance with statutory financial requirements, it is not anticipated that the proposals within this report will have a differential impact on any of Bolton's diversity groups, including staff. A full EIA is therefore not required at this stage; however, the EIA Screening Tool has been completed and is included at Appendix 3.

6 CONSULTATION AND ENGAGEMENT

6.1 N/A

7 VISION 2030

7.1 N/A

8 RECOMMENDATIONS

8.1 Cabinet is recommended to approve:

- The Capital Strategy for 2025-2028 in Appendix 1
- The Corporate Programme (Capital and Revenue one-off schemes) for 2025-28 in Appendix 2
- The MRP Policy as set out in section 3.4
- The Capital Prudential Indicators as set out in section 3.5.

CAPITAL STRATEGY 2025-2028

1 Purpose

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and take account of stewardship, value for money, prudence, sustainability and affordability.

- 1.1. The Capital Strategy is a key document for the Council and forms part of the authority's integrated revenue, capital and balance sheet planning. It provides a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.

2. Council Objectives

- 2.1. The Council has agreed several corporate aims, priorities and objectives which guide its work. These are set out in the Council's Corporate Plan. Capital investment projects must be in line with these overall objectives as well as individual service aims and objectives. The following processes are designed to ensure this happens.

3. Capital Expenditure

- 3.1. Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset that is needed to provide services. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year, e.g. land, buildings, roads, vehicles. This contrasts with revenue expenditure which is spending on the day to day running costs of services such as employee costs and supplies and services.
- 3.2. The capital programme is the authority's plan of capital works for future years, including details on the funding of the schemes. Included are the projects such as the purchase of land and buildings, the construction of new buildings, design fees and the acquisition of vehicles and major items of equipment. The current detailed capital programme for 2025-2028 is shown in appendix 2.

4. Capital vs. Treasury Management Investments

- 4.1. Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use during business.
- 4.2. For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Policy and the Annual Investment Strategy.
- 4.3. The annual Treasury Management and Investment Strategy is set out in a separate report to Cabinet.

5. Due Diligence

- 5.1. For all capital investments, the appropriate level of due diligence will be undertaken with the extent and depth reflecting the level of additional risk being considered.

5.2. Due diligence process and procedures will include:

- effective scrutiny of proposed investments by the relevant committee.
- identification of the risk to both the capital sums invested and the returns.
- understanding the extent and nature of any external underwriting of those risks.
- the potential impact on the financial sustainability of the Council if those risks come to fruition.
- identification of the assets being held for security against debt and any prior charges on those assets.
- where necessary independent and expert advice will be sought.

5.3. The Borough Treasurer will ensure that members are adequately informed and understand the risk exposures being taken on.

6. Key Capital Considerations

6.1. In recent years resources to fund capital expenditure has been severely restricted. The two major areas of development are the Town Centre Strategy, where the council has borrowed £100m to fund the estimated £1bn masterplan, and the schools building expansion programme (funded by central government grant).

6.2. Other schemes have tended to be funded from either capital receipts generated (where an annual target of £2m is set) or from any surplus monies available from the dividend from the shareholding in Manchester Airport. The restrictions on air travel because of the coronavirus pandemic severely impacted the operations of Manchester Airport and although passenger volumes have now returned to normal levels, no dividend is expected to be paid for at least the next two years.

6.3. Key considerations when determining if a new scheme should be funded include.

- Maintenance of the essential infrastructure of the organisation.
- Essential Health and Safety works.
- Essential rolling programmes.
- Whether wholly financed by external/internal funding.
- Match funded investment for regeneration projects.
- Invest to save schemes.

6.4. The need for a capital scheme may be identified by a Service through one or more of the following processes.

- Annual service plans
- Corporate Asset Management Strategy
- Education and Schools Asset Management Plans
- Reviews and external inspections
- The need to respond to new legislation / initiatives

6.5. Additionally, consideration should be given to:

6.5.1. Prudence:

- Recognition of the ability to prioritise and refocus following transformation work,
- Recognition of the capacity in the organisation to deliver such a programme,
- Recognition of the knowledge and skills available and whether these are commensurate with the appetite for risk,
- Recognition of the future vision of the authority,
- The approach to commercial activities including ensuring effective due diligence, expert advice and scrutiny, defining the risk appetite and considerations of proportionality in respect of overall resources,

- The approach to treasury management and the management of risk as set out in the Treasury Management Strategy.

6.5.2. Affordability:

- Revenue impact of the proposals on the Medium-Term Financial Plan,
- The borrowing position of the Council, projections of external debt and the use of internal borrowing to support capital expenditure,
- The authorised limit and operational boundary for the following year,
- Whether schemes are profiled to the appropriate financial year.

6.5.3. Sustainability:

- A long-term view of capital expenditure plans, where long term is defined by the financing strategy of and risks faced with reference to the life of the project/assets,
- Provision for the repayment of debt over the life of the underlying debt as set out in the Minimum Revenue Provision policy,
- An overview of asset management planning including maintenance requirements and planned disposals.

6.6. Possible sources of funding can then be considered for each of the proposed capital schemes. Each project will be considered in terms of revenue funding to cover the operational running costs of the asset and any borrowing repayment costs, and how the asset will be funded in terms of capital expenditure.

7. VAT Considerations

- 7.1. It is important when appraising any capital scheme that an assessment is made on the anticipated impact on the Council's VAT recovery position.
- 7.2. Full VAT recovery is only permitted where less than 5% of VAT recovered relates to activities which are exempt from VAT (largely land transactions, paid for Education, Markets and Cremation). Where the 5% limit is exceeded no VAT recovery on VAT Exempt Activity is permitted unless a 7-year average can demonstrate the 5% rule has been adhered to.
- 7.3. Due to the reduction in resources generally there is a greater degree of uncertainty about the total value of VAT to be recovered and thus the value of VAT exempt schemes which can be accommodated. It is also possible that VAT regulations will change.
- 7.4. In land and property development schemes it is possible to take schemes out of the Exempt VAT calculation by "Opting to tax" i.e. charging VAT voluntarily. However, there are instances where options to tax are rendered invalid for example where the future use of the property is for residential or educational purposes. Opting to tax may make sites less attractive to some purchasers. There is also an option to tax on Cremation and Market activities. The current Town Centre development further re-enforces the need to always consider VAT implications.
- 7.5. Given the fine margins around VAT partial exemption, it is important that input tax totals and expenditure projections are closely monitored. Where additional expenditure is identified, it may be necessary to opt to tax on that or another scheme.

8. Management Framework

- 8.1. The officer governance structure of the Council comprises the Departmental and Corporate Leadership teams.

- 8.2. The teams receive reports on proposed capital projects and recommends to the Cabinet proposals for the development of the capital programme.

9. Member Approval Process

- 9.1. Cabinet receive the proposed Capital Programme in February each year which is then subject to scrutiny via the relevant scrutiny committee before being recommended to full Council.
- 9.2. Members approve the overall borrowing levels at the budget meeting in February each year as part of the Treasury Management Report. The taking of loans then becomes an operational decision for the Borough Treasurer who will decide based on the level of reserves and money market position whether borrowing should be met internally from the Capital Reserve/Capital Receipts or whether to enter into external borrowing.
- 9.3. Once the Council has approved the capital programme, then expenditure can be committed against these approved schemes subject to the normal contract procedure rules and the terms and conditions of funding.
- 9.4. Whether capital projects are funded from grant, contributions, capital allocations or borrowing, the revenue costs must be able to be met from existing revenue budgets or identified (and underwritten) savings or income streams.
- 9.5. In-year reports for specific schemes are taken to the appropriate Cabinet Member for consideration and approval. This report will contain details about funding options.

10. Monitoring of the Capital Programme Expenditure

- 10.1. Once detailed capital programmes have been approved by members, the financial spend is monitored monthly by officers with quarterly reports to Members.

11. Funding Strategy and Capital Policies

- 11.1. This section sets out the policies of the Council in relation to funding capital expenditure and investment.

11.2. External Funding

11.2.1. Services must seek to maximise external funding wherever possible to support capital schemes. This can be in the form of grants and contributions from outside bodies including central government. However, services must underwrite any cost overruns on externally funded schemes.

11.2.2. Prior to submitting bids for grant funding, an assessment of the risk of a contract price increase, associated with market conditions or abnormal building plan demands attached to some grants, must be completed to estimate the likelihood of additional funding being needed.

11.2.3. In respect of match funding bids then the relevant service must fully identify the necessary match funding resources from within existing service budgets. If this is not possible then the appropriate service must raise this for consideration with the members of the Corporate Leadership Team and the relevant Portfolio Holder prior to submitting any bid for funding.

11.3. Capital Receipts

11.3.1. A capital receipt is an amount of money exceeding £10,000 which is received from the sale of an asset. They cannot be spent on revenue items.

11.3.2. An annual capital receipts income generation target of £2m is set. The general policy is that any capital receipts are then pooled and used to finance future capital expenditure and investment according to priorities, although they may be used to repay outstanding debt on assets financed from loans, as permitted by the regulations.

11.4. Revenue Funding

11.4.1. Services may use their revenue budgets to fund capital expenditure. This may be via the capital reserve which is an internal fund set up to finance capital expenditure as an alternative to external borrowing.

11.4.2. Service directors and the Borough Treasurer will need to take an overview and decide the most appropriate way of funding their service areas.

11.5. Prudential/Unsupported Borrowing

11.5.1. Local Authorities can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. The borrowing costs are not supported by the government so services need to ensure they can fund the repayment costs. This borrowing may also be referred to as Prudential Borrowing.

11.5.2. Capital projects that cannot be funded from any other source can be funded from Prudential Borrowing. Services must be able to afford the borrowing repayment and interest charges on the loan from existing revenue budgets or the Council must see this as their key priority for the budget process and to be factored into the medium-term financial strategy accordingly.

11.5.3. The Borough Treasurer will assess the overall prudence, affordability and sustainability of the total borrowing requested. The impact of this borrowing will be reported in the Treasury Management Strategy alongside the Prudential Indicators required by CIPFA's Prudential Code for Capital Finance.

11.6. Pump Priming and Invest to Save Schemes

11.6.1. Occasionally projects arise for which services require assistance with meeting the set-up costs of projects which may bring long term service delivery improvements and/or cost savings. The initial set up costs may be of a revenue or capital nature. Assistance for these schemes must be considered on an individual basis by the Corporate Leadership Team and then the Cabinet with consideration to the Council's overall priorities and resources.

11.6.2. For 'invest to save' schemes assistance may be given for initial set up costs, but it is expected that in the longer term these schemes will produce savings and/or additional income that will as a minimum fund any additional operational or borrowing costs. If the additional savings/income does not cover the additional costs incurred, then the service will be required to fund the gap from their existing budgets (i.e. they will underwrite the savings/income).

11.7. Leasing

11.7.1. From April 2024 a new International Financial Reporting Standard (IFRS 16) comes into operation. Under IFRS16 there is no longer any differentiation between finance and operating leases - instead everything is brought onto the balance sheet as a new 'right of use' (ROU) asset type (we can subsequently reclassify these assets to different headings if appropriate).

11.7.2. There are exceptions to this where the underlying asset is a 'low value' asset, or where the lease is a short term (less than 12 months) lease. Low value assets are not defined in the regulations, but there has been consensus between the GM authorities that we will each use our capital de minimis for the cut-off (£10,000 for Bolton).

12. Procurement and Value for Money

- 12.1. Procurement is the purchase of goods and services, with a strategy being developed to assist with the definition of quality standards and securing provision of the best possible services for local people for a given price.
- 12.2. The Council has a Procurement team that ensures they provide value for money and to see where efficiency savings can be achieved. This also covers capital procurement.
- 12.3. It is essential that all procurement activities comply with EU procurement directives and adhere to the relevant requirements stipulated in directives. Guidance on this can be sought from the Procurement team. Procurement must also comply with the Council's policies and regulations such as Contract Procedural Rules and Financial Regulations.
- 12.4. The main aim is to hold 'value for money' as a key goal in all procurement activity to optimise the combination of cost and quality.

13. Performance Management

- 13.1. Clear measurable outcomes should be developed for each capital scheme. After the scheme has been completed, services should check if outcomes have been achieved.
- 13.2. Post scheme evaluation reviews should be completed by Departments for all schemes over £0.5 million and for strategic capital projects.
- 13.3. Reviews should look at the effectiveness of the whole project in terms of service delivery outcomes, design and construction, financing etc. and identify good practice and lessons to be learnt in delivering future projects.

14. Risk Management

- 14.1. Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives and to execute its strategies successfully.
- 14.2. Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of managing them and/or responding to them. It is both a means of minimising the costs and disruption to the organisation caused by undesired events and of ensuring that staff understand and appreciate the element of risk in all their activities.
- 14.3. The aim is to reduce the frequency of adverse risk events occurring (where possible), minimise the severity of their consequences if they do occur, or to consider whether risk can be transferred to other parties.
- 14.4. To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored.
- 14.5. It is important to identify the appetite for risk by each scheme and for the capital programme as a whole, especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle of control of risk and optimising returns consistent with the level of risk applies.
- 14.6. The Borough Treasurer will report explicitly on the affordability and risk associated with the Capital Strategy. Where appropriate she will have access to specialised advice to enable her to reach his conclusions.
- 14.7. An assessment of risk should therefore be built into every capital project and major risks recorded in a Risk Register.

14.8. Further consideration on risk can be found in Treasury Management Practice 1 (TMP1) in the Treasury Management and Annual Investment Strategy report to Members.

15. Other Considerations

15.1. Capital Schemes must comply with legislation, such as the Disability Discrimination Act, VAT and Council policies, Contract Procedure Rules and Financial Regulations. Reference should also be made to other strategies and plans of the Council.

15.2. Important Linking Documents for reference are:

- Corporate Plan
- Individual Service Plans
- Procurement Strategy
- Financial Regulations
- Treasury Management Strategy

DETAILED CORPORATE CAPITAL AND ONE-OFF FUNDING 2025-28

	Current Programme	Current Programme	Current Programme	Current Programme	Current Programme
	24/25	25/26	26/27	27/28	Total
<u>Housing</u>					
Community Recovery Capital Schemes	90,000				90,000
Local Authority Housing Fund	390,270	186,000			576,270
Private landlords/ empty dwellings (REFCUS)		230,000			230,000
Total Housing	480,270	416,000	0	0	896,270
<u>Development & Regeneration</u>					
Town Centre Improvement Fund	34,710	27,588			62,298
Farnworth Loan	1,842,851	48,124			1,890,976
Town Centre Strategy	6,746,822	1,674,375			8,421,197
Towns Fund	7,738,845	1,746,723			9,485,568
Enabling works	83	392,182			392,265
District Centres Fund - Cabinet Feb-19	6,209,067	3,282,412	1,500,000		10,991,480
FHSF Farnworth	1,647,490				1,647,490
Rivington Chase HIF	4,001,438				4,001,438
Swimming Pool Support Fund	126,000				126,000
Horwich Health Hub Car Park	995,101				995,101
UKSPF Communities & Place	1,141,542				1,141,542
Town Centre Strategy (REFCUS)	314,877				314,877
District Centres Fund - Cabinet Feb-19	343,081				343,081
Disabled Facilities Grants (REFCUS)	4,380,121	4,439,581			8,819,702
Private Sector Renewal (REFCUS)	483,400				483,400
Total Development & Regeneration	36,005,428	11,610,985	1,500,000	0	49,116,413
<u>Corporate Property</u>					
Corporate Property Capital Programme	1,583,579	8,684,472	2,000,000	2,000,000	14,268,051
Coroners Court Expansion fit out	102,528				102,528
Farnworth Park supporting walls	300,000	400,000			700,000
Elgin St Allotments sloping land supporting works	300,000	400,000			700,000
One-Stop Shop Feasibility		94,362			94,362
Hall ith Wood Museum	10,000	114,489			124,489
Great Lever Library (UCAN)		908,915			908,915
Bolton Central Library Virtual Tour	5,035				5,035
Library Computer Refresh	94,633				94,633
Rock Hall Revival	466,662	1,553,190	1,553,190		3,573,042
Windows 11 Hardware Refresh	825,000	1,455,000			2,280,000
Data Centre Exit	1,214,000	396,000			1,610,000
Total Corporate Property	4,901,436	14,006,429	3,553,190	2,000,000	24,461,055

Children's Services					
Building Maintenance Plan	7,238,542	3,657,940			10,896,482
Devolved Formula Capital	946,441	650,000			1,596,441
Primary Expansion Programme	967,374	1,544,419			2,511,793
Special School Expansion Programme	8,036,236	5,060,675			13,096,911
Secondary Expansion Programme	1,265,451	4,223,559			5,489,010
Youth and Play Centres	325,650				325,650
Primary Places	58,526	50,400			108,926
Childcare Expansion	315,715				315,715
Childrens Centres	292,390				292,390
School Schemes	150,955				150,955
Decarbonisation Programme - Schools	68,602				68,602
Music Hub	350,960				350,960
Primary Expansion Programme REFCUS	562,011	2,700,000			3,262,011
Special School Expansion Programme REFCUS	3,646,053	108,800			3,754,853
Secondary Expansion Programme REFCUS	3,302,482	4,419,900			7,722,382
Social Care REFCUS	44,050				44,050
Total Children's Services	27,571,438	22,415,693	0	0	49,987,131
Adult Services					
Total Adult Services	0	0	0	0	0
Environmental Services					
Highways					
Challenge Fund - Highways drainage	40,625	100,000			140,625
Section 31 Grant - KRN Structures	499,892	1,000,000			1,499,892
A666 Challenge Fund St Peters Way Improvement	200,000	181,240			381,240
Safer Roads Fund - A676	100,000	925,000			1,025,000
Safer Roads Fund - A579	100,000	1,325,000			1,425,000
Depot Improvement Plan - Mayor St	30,374				30,374
Road Warning Signals	2,894				2,894
Deansgate Public Realm	50,000	433,916			483,916
Highways investment	99,165				99,165
Highways Maintenance	280,800				280,800
External Highways - GMCA					
GMCA Highways LTP	4,000,000	4,598,972			8,598,972
Pothole Action Fund	480,924				480,924
Bridges & Structures	750,072	595,000			1,345,072
ITB Funding	500,000	583,785			1,083,785
CRSTS - KRN Maintenance	932,005	10,000			942,005
Street Lighting	114,231	450,000			564,231
LGF Crompton Way / Blackburn Road	9,436				9,436
LGF Bus Stop Improvement 2021	34,114				34,114
Bolton Salford Quality Bus Network	1,175,666				1,175,666
LSTF Bolton - Bury cycle route	28,388				28,388
City Cycle Ambition	23,727				23,727
MCF - Doffcocker to TC Bee Route	100,000	1,046,141			1,146,141
MCF - Bolton Town Centre East Phase 1 (T5)	200,000	3,431,702			3,631,702
MCF - Westhoughton (T6)	33,284	200,000			233,284
MCF - Astley Bridge (T6)	30,067	316,000			346,067

Safe Streets Cycling & Walking	43,670				43,670
MCF-Bolton to Farnworth	805,622				805,622
TFGM Development Fund	1,353,937				1,353,937
Capability Funding	120,927				120,927
Electric Charging Vehicle Infrastructure	86,000	2,200,000			2,286,000
Network North Fund	970,000				970,000
Flood & Water Management Act Projects	130,000	102,201			232,201
Horwich Flood Alleviation	20,000	306,357			326,357
Non-Highways					
Equipped Play Area Strategy (S106)	56,535				56,535
Old Station Park	7,997				7,997
Weed Spraying Equipment	49,950				49,950
Horwich District Works	10,000	90,000			100,000
Replacement of Fleet Vehicles	4,211,939				4,211,939
Public Realm (Area Forum)	258,786	212,187			470,973
Cleaner Greener	103,055				103,055
Parking improvements in the Moss Bank Park area	99,766				99,766
LUF - Parks Improvement	41,057				41,057
LUF - Parks Improvement - Tree Uplift	11,238				11,238
Play Areas Improvements	656,850				656,850
Outdoor Gyms	250,000				250,000
Family Walks	53,500				53,500
General Parks and Greenspaces	25,000	168,700			193,700
Total Environmental Services	19,181,491	18,276,201	0	0	37,457,692
Chief Executive's					
Total Chief Executive's	0	0	0	0	0
TOTAL CAPITAL	88,140,063	66,725,307	5,053,190	2,000,000	161,918,560
Revenue Schemes					
Housing					
Anti-Social Behaviour / Home Watch	4,385	51,517			55,902
Crompton Lodge	403,442				403,442
Development & Regeneration					
Town Centre Strategy (Revenue)	655,890				655,890
Strengthening the Office Market in Town Centre		300,000			300,000
Corporate Property					
Coroner Court Revenue	21,636				21,636
Environmental Services					
Cleaner Greener	111,254				111,254
TOTAL REVENUE	1,196,607	351,517	0	0	1,548,125
GRAND TOTAL	89,336,671	67,076,824	5,053,190	2,000,000	163,466,685

Bolton Council

APPENDIX 3

EXEMPT INPUT TAX MONITOR

	2023-24	2023-24	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Exempt Expenditure	Expenditure attracting VAT	Exempt Proportion. %	Exempt Expenditure £000s	Exempt Expenditure £000s	Exempt Expenditure £000s	Exempt Expenditure £000s	Exempt Expenditure £000s	Exempt Expenditure £000s	Exempt Exempt Exp. £000s	Projected Exempt Exp. £000s	Projected Exempt Exp. £000s	Projected Exempt Exp. £000s
Revenue:												
Crematorium	37	100%	749	758	727	841	33	37.41566	39	40	41	42
Greenspace	2,280	3%	165	220	113	197	244	69	71	73	76	78
Leverhulme Sports Centre	63	8%	34	39	18	19	3	5	5	5	5	5
Community Centres	38	100%	73	33	46	27	47	37.9467	39	40	41	43
Jubilee Pool	0	0%	0	0	0	0	0	0	0	0	0	0
Urban Renewal	0	0%	79	0	0	0	0	0	0	0	0	0
Schools	24,902	3%	1,000	743	532	999	1,157	631	650	669	689	710
Libraries	728	11%	160	93	45	55	58	83	86	88	91	94
Museums	713	32%	79	99	45	88	39	231	238	245	253	260
Markets	441	99%	435	532	299	396	392	435	448	461	475	489
Admin Buildings	5,040	0%	187	186	187	172	189	23	23	24	25	26
Land & Property	1,354	99%	787	832	818	850	808	1347	1,387	1,429	1,471	1,516
Castle Hill	1,974	0%	17	17	1	1	0	0	0	0	0	0
Legal Services	1,314	2%	6	8	5	9	40	21	22	22	23	24
Total Revenue	38,883		3,770	3,561	2,838	3,654	3,009	2,919	3,007	3,097	3,190	3,286

APPENDIX 3 (continued)

	2023-24 Expenditure attracting VAT	2023-24 Exempt Proportion. %	2018-19 Exempt Expenditure £000s	2019-20 Exempt Expenditure £000s	2020-21 Exempt Expenditure £000s	2021-22 Exempt Expenditure £000s	2022-23 Exempt Expenditure £000s	2023-24 Exempt Expenditure £000s	2024-25 Exempt Exp. £000s	2025-26 Projected Exempt Exp. £000s	2026-27 Projected Exempt Exp. £000s	2027-28 Projected Exempt Exp. £000s
Exempt Expenditure												
Capital		From rev %										
Markets	-	99%	0	0	0	0	0	0	0	0	0	0
Crematorium	-	100%	119	0	0	0	0	0	0	0	0	0
Horwich Leisure Centre	-	8%	265	0	0	0	0	0	0	0	0	0
Schools	7,482	3%	490	384	120	218	266	189	120	124	127	131
Libraries	42	11%	3	7	6	6	6	5	6	50	52	53
Museums	9	32%	315	7	0	0	0	3	0	0	0	0
Greenspace	341	3%	21	7	8	20	22	10	8	8	8	9
Admin Buildings (incl Asset Rev)	923	0%	79	97	342	79	65	4	12	12	13	13
Coroners Court Expansion	515	100%						515				
Towns Fund -Market	3,250	99%					2,199	3204	206	0	0	0
Towns Fund - WellSpring	6,734	0%					156	0	0	0	0	0
Towns Fund - Library	2,927	11%					90	334	0	0	0	0
Land & Property	22	99%	0	0	0	0	279	22	0	0	0	0
Total Capital			1,292	500	476	323	3,082	4,286	353	194	200	206
Total Exempt Expenditure			5,063	4,062	3,314	3,977	6,092	7,206	3,360	3,291	3,390	3,492
Exempt Input Tax 20%			1,013	812	663	795	1,218	1,441	672	658	678	698
Total Input Tax			23,285	25,760	22,373	26,493	30,009	30,009	31,752	31,527	30,009	30,009
Exempt as Proportion of Total	4.12%	6.01%	4.35%	3.15%	2.96%	3.00%	4.06%	4.80%	2.12%	2.09%	2.26%	2.33%
										7 year average	3.17%	
The above method over-estimates likely exempt input tax to avoid the laborious extraction of data. It is based on current Customs Guidance on the status of activities. Future projections may be distorted by changes in VAT regulations and service delivery methods.												
The seven year average for VAT is currently 3.17%.												

APPENDIX 4

Equality Impact Assessment

Initial Screening for relevance: Details of Impact (Part 1)

Directorate:	Corporate		
Section:	Corporate Accounting & Strategy		
Person completing this form:	Lisa Butcher	Date:	07-01-2025

Title of report or proposal:		Report No	
Corporate Capital and One-off funding 2025-2028		35449	
Brief details of proposal, including the aims, objectives and purpose (all strategies, policies, reviews, projects, existing proposals, etc will be referred to as 'proposal'):			
To propose a Capital Strategy, Corporate Capital and Revenue Programme, a Minimum Revenue Provision (MRP) Policy and Capital Prudential Indicators for the next three years.			
'Proposal' status (please tick)	Proposed / New	<input type="checkbox"/>	Existing (i.e.: routine recommission) (If an EIA has previously been completed, please include the date) Click or tap to enter a date.
Bolton Council Led	<input checked="" type="checkbox"/>	Partner Led (Please attach partner EIA, and complete section 3 - EIA sign off sheet, as screening not needed)	Click or tap here to enter text.

Public sector bodies need to be able to evidence that they have given due regard to the impact and potential impact on all people with 'protected characteristics' in shaping policy, in delivering services, and in relation to their workforce.

Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination, harassment**, victimisation and any other conduct prohibited by the Act.
2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

By completing the following questions, the three parts of the equality duty will be consciously considered as part of the decision-making process.

Details of the outcome of the Equality Impact Assessment must also be included in the main body of the report.

Initial Screening for relevance: Details of Impact (Part 1)

Which stakeholder groups will potentially be impacted?									
Residents	<input type="checkbox"/>	Partners	<input type="checkbox"/>	Workforce	<input type="checkbox"/>	Service users	<input type="checkbox"/>	Businesses	<input type="checkbox"/>
CVS Sector	<input type="checkbox"/>	Members	<input type="checkbox"/>	Other (please state)		None			

Anticipated Negative Impacts														
Protected Characteristics / Groups	N/A	Age	Armed Forces	Care Leavers	Caring Status	Disability	Gender Reassignment	Marriage / Civil Partnership	Pregnancy & maternity	Race	Religion / Belief	Sex	Sexual Orientation	Socio-economic
1) Will the 'proposal' potentially present any challenges / barriers to any protected groups?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2) Will any group be potentially excluded as a result of implementing your 'proposal'?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3) Does the 'proposal' have the potential to worsen existing discrimination or inequality?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) Will the 'proposal' have a potential negative impact on community / partnership relations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Anticipated Positive Impacts

Protected Characteristics / Groups	N/A	Age	Armed Forces	Care Leavers	Caring Status	Disability	Gender Reassignment	Marriage / Civil Partnership	Pregnancy & maternity	Race	Religion / Belief	Sex	Sexual Orientation	Socio-economic
5) The 'proposal' could potentially reduce known inequalities , promoting equality of outcome or opportunity.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6) The 'proposal' has the potential to support inclusion and engagement from protected groups.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7) The 'proposal' has the potential to foster good relations between people.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8) The proposal could reduce the potential for harassment or discrimination .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consultation / engagement / research findings	N/A													

Brief bullet point summary of positive / negative impacts:	
None	
Details of any cumulative impact	None

Decision:

* All reports to the Executive Member which propose a new policy / procedure or are a savings review should continue to undertake a full EIA (part 2).

No major adverse impact identified; therefore, a full EIA is not required (complete sign off sheet in section 3 and send to your Departmental Equalities Lead)	<input checked="" type="checkbox"/>
Impacts identified in screening process, therefore a full EIA is required.	<input type="checkbox"/>
This is a new policy, business improvement review or savings review, therefore a full EIA is required.	<input type="checkbox"/>

Equality Impact Assessment

EIA Sign Off

This EIA form and report has been checked and countersigned by the Directorate Equalities Officer before proceeding to Executive Cabinet Member(s)

Screening tool completed (please tick)	<input type="checkbox"/>	Full EIA completed (please tick)	Yes	N/A
			<input type="checkbox"/>	<input type="checkbox"/>
EIA review date (if applicable).		Click or tap to enter a date.		

Please confirm the outcome of this EIA:

Click or tap here to enter text.

Positive impact for one or more groups justified on the grounds of promoting equality - proceed	<input type="checkbox"/>
No major impact identified, therefore no major changes required – proceed	<input type="checkbox"/>
Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed	<input type="checkbox"/>
Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification	<input type="checkbox"/>
The EIA identifies actual or potential discrimination - stop and rethink	<input type="checkbox"/>

Report Officer	
Name:	Lisa Butcher
Date:	07/01/25
Directorate Equalities Lead Officer	
Name:	Click or tap here to enter text.
Date:	Click or tap to enter a date.