



Dorset Waste Partnership Joint Committee

Date of Meeting	7 November 2016
Officers	Treasurer to the Dorset Waste Partnership and Finance and Commercial Manager, Dorset Waste Partnership
Subject of Report	Capital Programme to 2021/22
Executive Summary	<p>This report contains an update on the proposed capital programme for the period of the Medium Term Financial Plan (MTFP) i.e. up to and including 2021/22.</p> <p>Estimates of capital expenditure have been updated based on current knowledge and progress of the capital programme to date.</p> <p>The DWP is unable to incur capital expenditure in its own right, and therefore needs Dorset County Council, as host authority, to reflect the DWP expectations of capital expenditure within its own capital programme. The Joint Committee are therefore asked to instruct the Treasurer to take the capital programme back to the County Council for inclusion in their capital programme.</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>Not applicable.</p> <p>Use of Evidence: This report is based on data from the County Council's financial system together with information from service managers.</p>

Capital Programme to 2021/2022

	<p>Budget:</p> <p>Implications for the budget are contained within the report.</p> <hr/> <p>Risk Assessment:</p> <p>Having considered the risks associated with this information using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: MEDIUM Residual Risk: MEDIUM</p> <hr/> <p>Other Implications:</p> <p>No other implications have been identified.</p>
<p>Recommendations</p>	<p>The DWP Joint Committee is asked to consider the information in this report and:</p> <ul style="list-style-type: none"> i) Comment on the updated capital programme. ii) Instruct the Treasurer to take the latest capital estimates through the County Council's capital programme approval arrangements.
<p>Reason for Recommendations</p>	<p>The Capital Programme does not require the formal approval of partner councils, but they are invited to comment on the programme.</p> <p>The County Council, as host authority, must incur capital expenditure on the Partnership's behalf by including the expenditure in the County Council's capital programme.</p>
<p>Appendices</p>	<p>Appendix 1 – Capital programme 2017/18 to 2021/22</p>
<p>Background Papers</p>	<p>None</p>
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1. Capital Programme

- 1.1 Details of the refreshed capital programme are attached at Appendix 1. The main points are as follows:
- 1.2 **New waste facility at Blandford.** The programme reflects the latest estimate of spend and profiling for the proposed new facilities at Blandford. The Joint Committee will receive further updates on this project in due course.
- 1.3 **Containers.** The capital programme contains an annual sum estimated to be the 'business as usual' capital requirement for bins and boxes i.e. for replacements and for dealing with new service requirements such as new dwellings, estimated at just over £500k per annum. 2016/17 is the first year that has needed a 'business as usual' container replacement budget, being the first full year since completion of the 'recycle for Dorset' rollout. At the time of writing £133k has been spent. It is too early to determine what this might mean for future years container replacement budgets.
- 1.4 **Vehicle replacement programme.** DWP policy for vehicle replacement is based on a seven year asset life. Every year contains a sum for the purchase of new vehicles as deemed necessary. The details are the subject of a separate report.
- 1.5 **Purchase of vehicle maintenance workshop equipment.** The capital programme includes a sum for the assumed purchase of fixed assets in relation to vehicle maintenance workshop equipment.

2. Other potential capital schemes

- 2.1 There are a number of projects currently being progressed that may result in the need for additional capital expenditure that is not currently included in the attached programme (e.g. investment in "in-cab technology"). Planned expenditure will only be included on the programme once the appropriate approval to proceed has been given (usually subject to a successful business case etc.).

3. Capital cost sharing mechanism

- 3.1 The Joint Committee are reminded that the funding mechanism of separate partner contributions for capital have ceased. All capital spend is cost shared as and when it affects the revenue budget (in the form of 'capital charges' (essentially a depreciation charge plus interest paid for borrowing of capital funding)) as per the cost sharing percentages.

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October 2016