

Annex 2

1.0 Capital Programme

Margate Intervention and Ramsgate Empty Homes

- 1.1 Changes to the Margate Intervention cluster bid delivery are required as the current status of the economic climate has created challenges leading to the need to revisit some of the business plan objectives. This has required the re-allocation of some of the cluster bid funding to aid delivery during the remainder of this financial year. It is therefore intended to allocate £78,750 of this funding to Kent County Council as a contribution to the 3 new units they will be delivering as part of the programme and to make available £1m as a contribution to a loan scheme for property owners within the area to encourage them to make capital improvements to their properties within the General Fund capital programme (this will be the subject of a detailed report to Cabinet in January). The remaining cluster bid funding of £1.7m will be used to support the Council's own delivery model for the scheme in the HRA.
- 1.2 The HRA will need to contribute a further £1m towards the Ramsgate empty property model due to the capital investment requirements of some of the long term empty properties purchased. Those properties purchased will result in larger units than initially assumed within key areas of Ramsgate prime for regeneration. It is anticipated that this level of extra funding for the Ramsgate Intervention area can be contained within the initial sums set aside as revenue contributions in total across the two intervention projects so there should be no impact on reserves.
- 1.3 As part of the Margate Intervention programme the authority has recently purchased the Riverdale Hotel in Sweyn Road and 19 Athelstan Road. Acquisitions for the Ramsgate Empty Property programme are continuing and are on target for the March 2015

HRA Capital Programme

- 1.4 East Kent Housing have reviewed the remaining 2012/13 budgets within the HRA Capital Programme that have carried forward into 2013/14 and have offered up savings of £323k. A virement of £40k is requested against unexpected structural repairs at Lancaster Close. A detailed breakdown of the programme is given in Annex 4. The kitchen and bathroom programme is being re-tendered and it is hoped that the programme can re-commence at the latter part of the year, however it is likely that £1.020m of the programme will slip into 2014/15.

General Fund Capital Programme

- 1.5 On 11th July Council approved the utilisation of £500k of New Homes Bonus funding towards the Local Authority Mortgage Scheme. Unfortunately Lloyds Bank have advised that the scheme has been put on hold and is not able to progress at the moment. The budget of £500k has therefore been removed from the programme.
- 1.6 The Margate Coast Protection scheme is largely completed; however there are some on-going works and £101.9k of grant funding has been added to match the final expected expenditure.
- 1.7 The North Thanet Coast Line Sea Wall Construction scheme has not been selected for funding by the Environment Agency this financial year, so this has been moved

back to 2014/15.

- 1.8 The £100k budget for the Port of Ramsgate Terminal Tractor has been transferred to 2014/15, following the cessation of ferry operations at the port. £110k of the 2013/14 budget for the Margate Cemetery Extension has been slipped to 2014/15 due to project timeline changes as has the remaining £20k against the allotment programme.
- 1.9 Works to the Cremator project have now been completed under budget by £20k and the saving has been taken within the capital programme. The solar panel project at the crematorium has also completed under budget and is below the de-minimus threshold for capital spend of £10k. The works will therefore be moved to revenue with the associated reserve contribution. A detailed breakdown of the full General Fund capital programme can be found in Annex 3.

East Kent Services Capital Programme

- 1.10 East Kent Services have notified the Council that they will be replacing the 3 Councils' Customer Relationship Management Systems with 1 online forms package that will make considerable savings in software maintenance. As Thanet District Council is the host authority the acquisition will be made through this council's Capital programme and it is therefore requested to include a capital budget of £60k to be funded from the East Kent Services Reserve. They have also identified that the remaining budget on the Electronic Information Storage project of £15k and the remaining budget of £10k on the Email Archive Hardware and Software project are now surplus and can be taken as savings against the capital programme. These savings will be re-invested into the Payroll system as detailed in paragraph 1.11 below.
- 1.11 East Kent Services have notified Kent County Council that they are reviewing solutions for payroll and an HR information system beyond October 2014 and have a requirement for a simpler, more agile and flexible solution than is currently provided. The favoured consideration is to bring this function in house and secure a new system which can be implemented and maintained internally.