

USEABLE CAPITAL RECEIPTS**1 INTRODUCTION**

- 1.1 This report advises Area Committees of the current position in regards capital receipts to allow forward planning on the use and allocation of this funding.

2 RECOMMENDATION

- 2.1 The Area Committee is asked to note the detail of the report and the current position regarding capital receipts, monies spent to date and agreed funding commitments, and to note that when free funds become available they must be used in accordance with the conditions noted below.

3 DETAIL

- 3.1 Members are asked to note the up to date position regarding Useable Capital Receipts in the Mid Argyll, Kintyre and the Islands Area (see table below), which summarises receipts obtained, expenditure and agreed allocations not yet spent.

3.2	Receipts	MAKI
	Fmr Rds Depot, Campbeltown Rd, Tarbert	6,020.00
	Land at Lora View North Connel	400.00
	Land at Peninver Car Park	400.00
	Land at Baliscate Ind Est, Tobermory	6,300.00
	Land at Westlands Rothesay	9,010.00
	Clachan Rds Depot	7,453.20
	Land at Old Luss Rd, Helensburgh	150.00
	Land at Glengorm Rd, Tobermory	75.00
	Former St James Church, Rothesay	5,700.00
	Land at Torridon, Dervaig Rd, Tobermory	860.00
	Land at Marine Parade, Kirn, Dunoon	60.00
	Garage Tighnabruaich	200.00
	Claddach Centre, Shore St, Bowmore	7,090.00
	Land at Strachur, Cairndow	125.00
	Land Adj to 31 Sandhaven Sandbank Dunoon	300.00
	Land SE side of Shore Rd Innellan	150.00
	Land Adj to Tigh An Easan, Nth Connel	350.00
	Former Public Convenience at Corran Halls	4,000.00
	Land adjacent to Ambleside, Tobermory	100.00
	Land at Carrick Castle, Lochgoilhead	15.00

Fmr Store MacBrayne's Lane Lochgilphead	2,500.00
Land at Site 2, Shore Road, Innellan	150.00
Land opposite 125-Shore Road, Innellan	125.00
	<u><u>51,533.20</u></u>

Actual Expenditure	MAKI
Tarbert Scottish Series	7,500.00
Mull of Kintyre Music Festival	9,000.00
Long & Winding Way (Kintyre Way)	10,000.00
Port Mor Centre	6,000.00
Lochgilphead CEC	6,000.00
Tayvallich Walk to School Route	10,000.00
Lochgilphead Dropped Kerbs	6,730.00
Campbeltown Street Signage	5,770.00
Tarbert Scottish Series	7,500.00
Jura Development Trust	5,000.00
	<u><u>73,500.00</u></u>

Current Balance in Capital Fund **(21,966.80)**

Projects Allocated but not yet Spent	
Lochgilphead Front Green	3,220.00
Ardishaig Regeneration Masterplan	48,000.00
Balance if all Allocations are Spent	<u><u>(73,186.80)</u></u>

- 3.3 Members will note that the up to date position shows receipts totalling £51,533.20, expenditure of £73,500.00, and an agreed commitment to spending £51,220 leaving a net **negative** balance of £73,186.80.
- 3.4 It is worth noting that when free capital receipts become available, the conditions that relate to their use for capital and revenue expenditure from the Capital Fund are noted below.
- 3.5 Area Committees must use funds in a way that contributes to the Corporate Plan and Statement of Intent. Funding can be used as a contribution to projects in either the revenue or capital budget.
- 3.6 Where funding is being used for a capital project then the criteria for capital expenditure is as follows:
- The expenditure must result in the creation of an asset owned by the Council.
 - The expenditure must be in respect of an asset already owned by the Council and must significantly:
 - Increase the value of the asset.
 - Extend the useful life of an asset.
 - Enhance the operating capability of the asset.

- 3.7 Where funding is being used for revenue expenditure then the expenditure, in addition to contributing to the Corporate Plan and Statement of Intent, must relate to:
- Repair & maintenance of public sector infrastructure
 - A one off contribution to an external body towards the capital cost of a community asset or a contribution to an event.
 - A one off contribution towards the cost of an event that has a significant impact on the corporate objectives of the Council.

Payments must not be made to support revenue costs and must not create an ongoing commitment on the Council's revenue budget.

4 CONCLUSION

- 4.1 Members should note the up to date position regarding useable Capital receipts in Mid Argyll, Kintyre and the Islands (net **negative** balance of £73,186.80) and should further note that when further free receipts become available they must be spent in accordance with the conditions detailed at paragraphs 3.5 to 3.7.

5 IMPLICATIONS

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| 5.1 | Policy | None |
| 5.2 | Financial | The Area Committee will be able to allocate free funds from Capital Receipts once they become available |
| 5.3 | Legal | None |
| 5.4 | HR | None |
| 5.5 | Equalities | None |
| 5.6 | Risk | None |
| 5.7 | Customer Service | None |

Executive Director of Customer Services

8th November 2012

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