

APPENDIX C Capital investment programme – planned spend 2021/22

1 Adults Social Care £2.0 million - BCP plans to invest £2.0 million this year in integrated community care equipment to further promote independent living at home. This is an annual commitment funded from government grant.

2 Children's Services £11.1 million - Work continues on Hillbourne School with £5.7 million programmed spend this year on new school buildings and immediate external environs, that are expected to be handed over to the school in October 2021. Surplus playing field land no longer required for educational purposes is expected to be transferred to the HRA for housing development by the end of March 2022, with final parcels of land transferred by 31 March 2024. This timing of land transfers to the HRA is important as the £5.7 million spend planned this year relies significantly on the availability of arising funding from the land transfer. The remaining budget is currently assessed as sufficient to complete all works.

Bournemouth Learning Centre £1.1 million residual planned works are progressing at pace, with the Academy responsible for project delivery. A formal funding agreement is in the process of being finalised to support the works and extent of BCP investment.

The council continues to focus on additional capital investment in local SEND school places to mitigate significant revenue pressures in the high needs block. New high needs government grant funding of £2.4 million has been received for this year to help facilitate this. The council will also have access to the £10 million fund set up in February for future SEND investment.

The DfE is also investing directly in school condition works at Oak Academy. BCP is liaising with the DfE on project scope and resulting impact on Pupil Admission Numbers (PAN). BCP will also be required to sign a 'Memorandum of Understanding' – which will restrict potential BCP financial commitment to highways access works that may be required. At this stage, the DfE anticipate nil highways alterations will be required – but BCP will need to test this with highways and planning teams in advance. In addition the Livingstone Academy (Aspirations Academies Trust) will open in Bournemouth town centre in 2021. The school will cater for ages 4 – 18 years.

The Service Unit is developing a Children's Capital Strategy, in consultation with schools, which will be brought forward for Member approval in due course.

3 Highways £17.6 million - This includes £15.9 million routine and structural capital maintenance funded, challenge fund interventions and active travel highway improvements. This spend is funded predominantly from DfT capital grant (Local Transport Plan, Pothole Grant, Challenge Fund and Active Travel Fund). As in prior year, £0.7 million of LTP / Pothole Grant funding is allocated to Neighbourhood Services operations, for highways improvements undertaken across the conurbation. A further £1.7 million spend is planned to complete transportation projects that have benefited from Dorset Local Enterprise Partnership (DLEP) pipeline grant funding. The council has now claimed all DLEP grant funding earmarked the schemes highways and is commencing on the BCP LTP and NPIF funded phase of works for these schemes. Investment this year is focussed primarily on delivery of the Ferndown-Wallisdown-Poole corridor, which is due to complete in 2022/23.

4 Highways TCF £25.0 million 2021/22 programme – The Transforming Cities Fund (TCF) Programme benefits from £79.3 million of DfT TCF grant funding. Of this, £44.8 million has been received, with the final instalment of £34.5 million expected in 2022/23. The council liaises closely with DfT on programme delivery and the profile of planned spend. In

2020/21 £6.4 million of TCF grant was utilised, with a further £24.0 million of TCF grant planned to be spent in 2021/22. A residual £48.9 million TCF remains available through which to deliver the remainder of the Programme in 2022/23 and potentially 2023/24.

To date full business cases have been approved (in line with TCF Programme Board governance framework) for interventions at S5 – 15 Leigh Road, S6 – 3 Whitelegg Way, C2 – 1 Upper Gardens, C1 – 2 King’s Park, S6 – 1 Magna Road and C3 – 1 Rigler Road. A further 13 full business cases are planned to be brought forward for TCF Programme Board approval during the course of this financial year. Costs within full business cases have been impacted by current market conditions – with increases in raw materials prices and a reduction in general availability of materials within the market. This is a key risk within the Programme that is reported to and monitored closely by the Programme Management Board. Mitigation includes procurement strategy and use of options within contracts to control the impact of price increases on overall project spend. Where possible advance ordering of materials including kerbs has been undertaken. The delivery team also remains in close liaison with appointed contractors and procurement to help manage financial risk from current market conditions. Full business cases are also informed by the results of public consultation and engagement, with additional interventions approved as a result.

The overall programme retains a healthy level of risk allowance through which increased costs are expected to be managed. The level of unutilised risk allowance within the programme is closely monitored by the Programme Management Board.

Work is ongoing regarding the timing of local bus operator “complementary investment” (for example investment in bus fleet). Local bus operator investment forms part of the council’s local contribution towards the TCF Programme.

5 Coastal protection £3.0 million – This includes £1.8 million investment for continued work on the Poole Bay beach management programme, delivered in partnership with the Environment Agency.

6 Regeneration £8.4 million – Includes £3.9 million budget for completion of phases one and two of the Lansdowne Business District public realm programme. This is funded by £2.9 million BCP funding (predominantly unapplied S106 contributions) and £1.0 million Dorset Local Enterprise Partnership (DLEP) grant carried forward under the terms of the DLEP pipeline funding scheme. The council has provided supporting evidence of £1 million DLEP funded spend this year in order to successfully claim all the remaining grant owing from the DLEP. A further £50k LTP funding is allocated for feasibility works for later phases of Lansdowne Business District, as well as further £118k s106 / grant funding for unfunded compensation events that may arise from phases one and two. No further funding has been approved for completion of phases 3 and 4 of the Lansdowne programme.

£1 million capital budget is approved as at 30 June 2021 for the relocation of the Skills & Learning Service from Oakdale to the Dolphin Centre. As a result of market conditions this budget was increased in July 2021 by £0.4 million, the impact of which will be included in July capital investment programme.

£1.8 million remains allocated at this time within the 2020/21 CIP for the BIC Medium Term Refurbishment Plan (funded from prudential borrowing).

7 Major Development £4.4 million – This includes £2.1 million for Wessex Fields land highways access works, which must be completed under the terms of land disposal agreement with the hospital. Other major development projects underway include Heart of Poole, Turlin Moor Housing, Towns Fund Programme, Winter Gardens, Oakdale and Holes

Bay development. There is scope for much of this work to be undertaken by / in partnership with the Urban Regeneration Company (URC).

8 Destination & culture £12.1 million – The CIP includes seafront development programmes that are already approved and underway – significant examples include £3.3 million for Bistro on the Beach redevelopment this year (further £3.5m in 22/23), £1.8 million for Durley Chine Environmental Hub (fully funded through Coastal Communities Fund grant) and £1.2 million to complete Canford Cliffs Pavilion works. A further £1.1 million is invested in Festival Coast Live, electric barbeques and public conveniences refurbishment across the seafront. At time of report writing, the BCP Seafront Development Strategy is out for public consultation. The revised Strategy (post consultation) will be brought forward for Member approval along with list of priority schemes to be progressed along with associated funding requirements. The cultural programme includes £1.5 million allocated to the Discovery project at Upton Country Park (UCP), to provide a new Welcome Centre together with other enhancements to the park. This project benefits from Heritage Fund grant (as do the Highcliffe castle and Poole museum round one schemes). At time of report writing tendered prices for UCP discovery project exceed current approved capital budget allocation (primarily because of prevailing market conditions). Funding and delivery options are being explored.

9 Housing £19.8 million – the council continues to invest in its temporary housing accommodation portfolio with planned spend of £10.8 million. This programme benefits from residual Next Steps Accommodation Programme (NSAP) MHCLG grant funding earmarked to BCP last year. Additionally further RSAP MHCLG funding has been received as part funding towards the acquisition of 40 new homes by October 2022 within the programme. The remainder of the temporary housing accommodation portfolio is funded from prudential borrowing. It is likely that some of the capital budget scheduled this year will be reprofiled into 2022/23 by QTR3. £2.4 million spend is currently approved within the 2021/22 programme for Princess Road private rented sector and hostel within the general fund. This is a scheme that is likely to require capital budget upwards revision in respect to tendered prices received through competitive tendering. Current planned allocation is therefore expected to change by QTR3. The disabled facilities grant programme continues with £3.4 million of government grant profiled for provision of adaptations in private homes. A new BCP policy for Disabled Facilities adaptation works has been approved. The new 46-unit St Stephen's housing development has been completed in partnership with the Bournemouth Development Company (BDC) – with final account to be closed. Under the terms of the BDC contract, there is the potential for BCP to recover some of its capital outlay through final 'profit-share,' subject to final review and approval by the BDC Board.

10 Estates £3.9 million – this represents profiled spend on hard facilities management across the authority and includes investment in the maintenance of BH Live assets funded from council reserves and delivery of Salix grant funded decarbonisation programme across BCP estate. There is a need to consider the full extent of property maintenance needs across the Council – in the context of annual revenue budgets and capital budgets available. A paper on future funding requirements is being prepared for Corporate Property Group review in the first instance.

11 Environment £5.7 million – as of June 2021, approved planned spend for fleet operations includes only £2.1 million of unspent capital budget carried forward from 2020/21. Cabinet approved a longer term £31.1m Sustainable Fleet Management Strategy Replacement Programme in July 2021, which will be formally incorporated within the CIP once Council approves in September 2021. Fleet replacement will be funded from new prudential borrowing, with the exception of £0.4 million Waste Infrastructure Grant funding for electric vehicle infrastructure at Hatchpond. Around £3.6 million is currently profiled to be spent this year on Parks and Open Spaces.

12 Resources £10.2 million – work continues to facilitate the move to the new civic office accommodation in Bournemouth - £5.2 million is scheduled this year to complete these works. As part of the transformation programme £3.6 million is due to be spent this year to maintain and improve agile working arrangements and to continue investment in backup and security, and data management. This is in addition to the £0.8 million planned investment in annual ICT investment plan. BCP also plans to invest £0.6 million in refurbishing its crematoria at Bournemouth and Poole.