

## **Capital Investment Programme (CIP) overview and narrative by directorate**

Please find below a summary of the Capital Programme for the 2024 -2029 period. The figures reflect the latest understanding but will be impacted by any slippage from 2023/24 depending on the progress of schemes as at 31 March 2024.

### **Adults Social Care – £2.2 million 2024/25 (£10.7 million 5-year plan)**

Planned investment represents £2.1m per annum in integrated community care equipment and occupational therapist support costs to further promote and support independent living at home. This annual commitment is funded from assumed allocations of government grant.

The remaining £0.2m investment over the 5-year plan represents the Council's investment in care technology service equipment funded by prudential borrowing.

The Council is progressing its plans to provide extra care housing on the old Adult Education Centre land at Oakdale, and the Service will lead this programme through 2024/25. Planned spend on the project is estimated at £4.4m and is being delivered under the Council New Build Housing & Acquisition Strategy (CNHAS) scheme. The financial implications of this are being brought under separate papers to Cabinet at the appropriate time. The development of extra-care housing in BCP is a necessary measure to deliver on the Council's commitments to both promote greater independence and to reduce the numbers of people entering residential care.

### **Children's Services £0.8 million 2024/25 (£1.6 million 5-year plan)**

Development of the Capital Programme: The Service continues to work in partnership with BCP corporate property and estates teams to embed new systems, processes, and governance arrangements necessary for the robust management of schemes. Following Local Government Review (LGR), the existing arrangements for the delivery of projects has changed and arrangements for managing the school estate are under review.

SEND (Special educational needs and disabilities) Programme of Expansion: The SEND Programme of Expansion forms part of the Council's strategy to address growth and associated financial pressure in the High Needs Block. Schemes continue to be developed and delivered across four Tranches with Tranche 1 schemes implemented in September 2022 in the development stages and Tranche 2 schemes are expected to deliver places during the academic year 2023/24.

The progress of schemes with prior approval in the capital programme are as follows:

Hillbourne School: The school is open and operational. The final account is expected to be agreed by July 2024.

Avonbourne School: In partnership with United Learning Trust, the Council has delivered a project to provide a total of 150 places over three years achieved through extensive remodelling of existing school accommodation. Following a spatial assessment by an external consultant, the scheme will provide sufficient general and specialist teaching spaces and student and staff WCs. Five bulge classes were delivered by February 2023. We have been allocated 3 classes to use to date with the other 2 planned to use in future years.

Longspee Ensbury Park Academy: Formerly Bournemouth Learning Centre (BLC) - approved planned budget £0.252m. Project was to provide a modular classroom building to provide 16 pupil places at Longspee Ensbury Park Campus. 2 additional classes were completed and delivered to the Academy by October 2023.

Poole High School: Planned approved budget £0.755m (actual spend to date £0.503m) for extensive repairs and maintenance works which are currently underway. To date 2 roofs have been repaired and the spaces are being made available for use by the school this week, the boiler and sewage pump have also been replaced as part of the project works. Discussions are currently underway to plan a phased programme to address high condition works recently identified at the school.

Autism Unlimited: Planned approved capital budget £0.450m as a matched investment into Autism Unlimited's Sixth Form Expansion Project to create additional capacity for high needs learners at 1, Airfield Rd, Christchurch. The Council delivered this provision in partnership with Autism Unlimited and was completed as of July 2023.

### **Highways - £17.8 million 2024/25 (£52.9 million 5-year plan)**

This includes routine and structural capital maintenance that is funded predominantly from Department for Transport (DfT) capital grant allocations for Local Transport Plan (LTP) and Pothole Fund. CIP spend is indicative at this stage and is based on historic in-year grant allocations. 2024/25 will benefit from an additional £0.6m Highways maintenance funding already confirmed by the DfT. Final grant allocations are expected to be announced in early 2024. A detailed report on planned utilisation of LTP and pothole grant funding for 2024/25 will be considered separately by Cabinet in March 2024 including allocations to Neighbourhood Services for routine highways maintenance across the conurbation.

In addition to the above, the Council was allocated £1.89m government grant in 2023/2024 from the Safer Roads Fund. This is being used to reduce the risk and severity of collisions along the A35 between Iford and St Paul's roundabouts in Bournemouth. Public engagement will commence in January 2024 and, following sharing of outcomes and final proposals, construction is planned to commence in September.

The Council has also benefited from a further award of £3.78m grant from the government's Active Travel Fund to invest in the delivery and development of several walking, wheeling, and cycling infrastructure improvements. Delivery is phased across 2023/24 and 2024/25. New funding for schemes identified in Local Cycling and Walking Infrastructure Plans (LCWIPS) will be bid for in the 5<sup>th</sup> round of Active Travel Funding.

The Council successfully secured funding from the DfT to deliver its Bus Service Improvement Plan (Capital element of £6.1m) confirmed in November 2022 and approved by Cabinet and Council. The grant will facilitate improvements to ensure increased reliability of bus services and enhancements to passenger facilities (including new shelters, raised boarding kerbs, Real Time Information displays), and CCTV at Poole Bus station and the busiest bus shelters for added passenger security. The programme is underway and will be delivered across 2023/24 and 2024/25.

The Council received Local Electric Vehicle Infrastructure (LEVI) revenue grant funding in 23/24 and 24/25 to facilitate the roll out of additional Electric Vehicle Charging Points across the conurbation. The Council has been shortlisted as a Tranche 1 LEVI authority which, if the full business case is approved (expecting to hear in January), will provide £1.447m capital grant to help deliver electric vehicle charging points in non-commercially viable locations.

### **Transforming Cities Fund (TCF) - £14.6 million 2024/25 (£25.6 million 5-year plan)**

The South East Dorset (SED) Transforming Cities Fund (TCF) Programme continues to benefit from £79.3m of Department for Transport (DfT) Capital grant funding in addition to BCP Council, Dorset Council and third-party local contributions from local Transport operators and developers. BCP Council (as Accountable Body for the TCF Grant funding) are working closely with the DfT on the commitments, delivery and planned TCF spend profile. Because of the Council's progress to date in delivering this major programme of works during an exceptionally challenging time, the DfT has extended the original TCF programme end date from March 2020. The specific end date is currently being discussed between the DfT and the Council and will likely be extended to 2025/26 due to the remaining construction timeframes.

The DfT has also introduced an independent review process to their national TCF programme. To date this has gone well and to DfT expectation. The SED TCF delivery teams

continue to progress well on design and delivery, albeit with the continued challenges around programme duration and cost (notably changes to standards, rising inflation and contractors' management of risk due to unknowns in the market at present around prices).

The DfT are aware that these remaining schemes of the SED TCF programme need to be contractually committed and are therefore providing assurance to the Council that the remaining TCF grant funding will be available to fund the remaining schemes.

The Council has continued to engage with the local bus operator and link in with the Council's Bus Service Improvement Plan (BSIP.) Discussions took place during early 2023/24 on the committed third party contributions and the outcome of this, particularly with the bus operator has been positive. Bus operator contributions are therefore reflected as £6.6m Third Party Contributions during Q3 and Q4 2023/24 due to enhanced fleet on TCF Corridors.

Communication for the Council's SED TCF programme continues to be successfully managed through multi-channel, proactive and reactive communications activity. Press releases, Blogs, videography, comprehensive scheme comms, stakeholder and residents' communications, a dedicated email address and website all form part of the wider comms support and strategy, which has been commended by the DfT.

Key risks remain within the programme in relation to the continued ongoing impact of current market conditions on the construction programme deliverability and affordability. The cost of construction continues to be unstable. Due to this and the increased complexity of schemes due to the changes to standards, contractors pricing continues to be higher than originally estimated. This position is being closely monitored by the Council's SED TCF Programme Management Board. The Council is also considering what alternative local contributions could also be attributed to the TCF Programme, to mitigate the potential impact of costs exceeding the SED TCF grant funding availability. This issue has been raised with the DfT who are in regular contact with Council senior officers on the matter.

### **Flood and Coastal Erosion Risk Management (FCERM) - £15.2 million 2024/25 (£29.6 million 5-year plan)**

This programme is delivered in partnership with the Environment Agency and is primarily funded by government grant. The programme from 2024/25 onwards consists of two main schemes.

Poole Bay Beach Management Plan - an ongoing scheme designed to provide long term coastal erosion protection to thousands of properties and infrastructure via cyclical beach replenishment and ongoing groyne renewal works. 2024/25 will see a significant milestone delivered through the capital replacement of the Hengistbury Head Long Groyne. This scheme currently assumes a BCP local contribution in the final years of the programme, funded from prudential borrowing which has been factored into the Council's Medium Term Financial Plan (MTFP).

Poole Bridge to Hunger Hill scheme (PB2HH) approved in 2020/21 is a flood defence scheme which will provide long term tidal flood risk management for parts of Poole town and the Twin Sails regeneration area. The scheme is due to begin construction in 2025.

## **Regeneration (inc. Investment and Development) £19.9 million 2024/25 (£55.9 million 5-year plan)**

This includes the Towns Fund investment in Boscombe supporting a range of initiatives including Events, Transport, improvements to the High Street, and a Skills and Digital hub (2024-2027 £16.0m). This is wholly funded from Government grants.

Additionally, the commitment to investing in the Carter's Quay residential and commercial development in Poole remains, based on the remaining contractual budget (2024-2027 £30.2m). This is fully funded by prudential borrowing. The scheme is currently paused as the Council manages the impact of the Inland Homes Partnership Ltd going into administration.

£2.6m, funded from prudential borrowing, relates to a joint project between Network Rail, South Western Railway and BCP Council to improve Pokesdown Train Station.

Further projects funded by prudential borrowing between 2024 and 2027 include the Smart Places Gigabit Fibre Scheme (£2.8m), refurbishment of the Bournemouth International Centre (BIC) (£0.7m) and Wessex Fields highways infrastructure works (£3.0m).

Capital reserves are available to fund the Poole Town North scheme (£0.6m).

## **Destination & culture - £35.5 million 2024/25 (£35.5 million 5-year plan)**

Southbourne redevelopment (previously known as Bistro on the Beach): The forecast Final Cost Plan (October 2022) for Southbourne seafront redevelopment was £10.8m which is £4.0m higher than original budget £6.8m (June 2020). Project is currently on hold and under management decision as to the best way forward.

Canford Cliffs: Project comprises conversion of cliff stability work, utility infrastructure upgrades, conversion of Canford Pavilion into café, community shelter for sea swim and water sport changing and construction of additional beach huts over two levels across 11 existing beach hut blocks. Project is currently on hold.

The Council was successful in securing grant funding to the government's Levelling Up Fund for £19.99m for investment in a seafront transformation programme that will revitalise the Bournemouth, Christchurch, and Poole conurbation. There are currently 16 projects being delivered under this funding in the programme to include the Bournemouth Lifeguard Corps new building for £1.4m, Bournemouth Pier structural engineering and leisure works for £9.6m, East Cliff Lift stabilisation works, and leisure offers for £4.4m and the repairs and upgrades to the Seafront Beach Huts for £1.5m.

Culture and Arts includes investment in the Poole Museum "Our Museum" project for which the Council was awarded £2.24m grant from the National Lottery Heritage Fund. This ambitious project is transforming and updating Poole Museum including the conservation and restoration of the Wool Hall, development of three new galleries to showcase maritime and ceramics collections, new visitor facilities and improved access. Also, within the Museum Estate is a further £0.623m planned spend at Scaplen's Court. This project benefits from Historic England Grant and will bring significantly improved facilities and increased revenue generation. The Poole Museum Temporary Exhibition Gallery has an approved capital investment of £0.5m in 2024/25 funded by borrowing.

The recreational programme includes £0.5m spend to facilitate in-house management and capital investment for three of the Council's leisure centres (Dolphin, Rossmore, and Ashdown).

### **Housing - £31.2 million 2024/25 (£58.3 million 5-year plan)**

General Fund CNHAS schemes are still ongoing which covers the Rough Sleeping Accommodation Programme (RSAP), Private Rented Sector (PRS), Care Experience Young People (CEYP) and temporary accommodation with a plan to spend £22.8m in 2024/25 and £1.5m in 2025/26.

A number of projects within the CNHAS scheme have been abandoned with the likes of Alma Road (planned spend was £3.8m) with the development having been put on hold, and Roeshot Hill (planned spend was £6.1m) with the Council looking to sell the land.

The Council was successful in securing £6.2m of the Single Homelessness Assistance Programme (SHAP) 2023- 2028 Programme as a capital grant to facilitate the provision of dwellings to individuals within the target group; and £3.7m as a revenue grant to reimburse revenue costs of providing support services to the target group. Current spend to date is £2.3m of the capital funding received from Department for Levelling Up, Housing and Communities (DLUHC) with 19 properties having been secured to date.

Following the launch of the Local Authority Housing Fund (LAHF) grant funding by DLUHC on 14 December 2022, the Council secured £4.9m (from round 1 and 2) and agreed to provide 35 homes and this was designed to reduce pressures on the existing housing and homelessness systems and those waiting for social housing.

Current spend to date is £1.86m of the capital funding received from DLUHC with 21 properties having been secured to date. Indicative government grant allocations of around £3.5m per annum have been assumed within the CIP for the Disabled Facilities Grant (DFG) programme of capital works.

From this the sum of £2.1m per annum is allocated to Adult Social Care for integrated community care equipment and occupational therapist support costs to further promote and support independent living at home.

This leaves £1.4m per annum within Housing to support the provision of DFGs to the community.

### **Estates - £0.5million 2024/25 (£2.6 million 5-year plan)**

This represents profiled spend on hard facilities management across the authority and includes ongoing £0.5m annual investment in the maintenance of BH Live assets funded from revenue contributions to capital.

### **Environment - £8.1 million 2024/25 (£9.7 million 5-year plan)**

Planned spend for 2024/25 is £6.5m on the Council's Fleet Replacement Strategy, approved by Council in September 2021. This programme is fully funded by prudential borrowing. The pandemic caused replacement plan for a short while having to find alternative sources of procurement such as securing quality used, demo or cancelled orders from other companies. To align the inflationary increase in procurement costs with the replacement strategy a new updated vehicle replacement list was put forward that brought the level of borrowing back in line to meet known requirements. The Service will need to deliver a plan that looks at new borrowing for vehicles that will need replacing in coming years not covered by the existing list, this is on the service unit's priority work list.

Investment in the Council's waste bin replacement strategy is represented by £0.41m per annum across the Council's MTFP funded by borrowing.

The Council continues to deliver a programme of enhancements and improvements to its parks and open spaces including play areas. 2024/25 includes £1.2m to deliver Sluice

Channel Infrastructure Improvements (Poole Park to Poole harbour). This Community Infrastructure Levy (CIL) funded project will see a rebuild of the sluice channel and the provision of new gates on the Poole Park side.

**Resources - £2.5 million 2024/25 (£2.5 million 5-year plan)**

£1.8m investment is planned to complete the Council's Accommodation Strategy.

This includes the following: Extension Zero and Kinson Hub, the remodelling of BCP Civic space – West Wing, and the reprovisioning of the Coroners Service. It is expected that the Coroners Service reprovision will be the subject of an additional report in 2024/25.

£0.682m has been identified as the 2024/25 new investment requirement for the 'Business as usual' ICT replacement programme, proposed as funded by additional prudential borrowing. It represents capital investment required to maintain, improve, or replace existing ICT infrastructure to ensure Business as usual service delivery across the Council. It relates to short or medium-term requirements on existing ICT components and sits outside of the capital investment approved as part of the Council's technological transformation plan. A detailed breakdown can be found at Appendix 7b.