

New Grants (including revenue)
and Capital Investment Programme (CIP) Monitoring 2023/24

Acceptance of new grants, virements and delegations for delivery

1. In accordance with the council's financial regulations the following rules associated with capital virements, and acceptance of grants apply (after advice from the Chief Finance Officer):
 - Acceptance of grants greater than £100,000 and up to £1 million require Cabinet approval.
 - Acceptance of grants and virements over £1 million require prior Council approval.
 - Virements over £500,000 and up to £1 million require prior Cabinet approval.
 - Corporate Directors can approve virements over £100,000 up to £500,000.
 - Service Directors can approve virements up to £100,000.
2. According to the above financial regulations, the following decision for a capital scheme of between £0.1m and £1m is required **by Cabinet:**

Operations – Capability Fund (Tranche 3) Grant - £143,500

The Council has been awarded £143,500 revenue funding by Active Travel England (ATE) under the Capability Fund (Tranche 3) for 2023/24. This is to provide an extension of activities delivered under the Tranche 2 2022/23 funding. The activities delivered using Tranche 2 comprised supporting local schools and school children with active travel and behaviour change initiatives.

Due to the very tight timescales between ATE informing the Council of the award and the grant acceptance deadline the grant was accepted under Urgency Powers by the Chief Executive in consultation with the Portfolio Holder for Climate Response, Environment and Energy.

Recommendation: Cabinet delegates delivery of the Capability Fund (Tranche 3) grant to the Service Director for Infrastructure in consultation with the Portfolio Holder for Climate Response, Environment and Energy.

3. According to the above financial regulations the following decision for a revenue grant in excess of £1 million is required **by Council:**

Operations - Bus Service Improvement Plan Plus (BSIP+) Grant - £1.2m

In September 2023 £1.235m of Bus Service Improvement Plan Plus (BSIP+) grant was awarded to the Council and accepted under urgency powers by the Chief Executive in consultation with the Portfolio Holder for Climate Response, Environment and Energy.

The BSIP+ grant was awarded to the Council to address cost pressures related to bus services. Whilst it cannot be used to replace bus subsidy the Department for Transport (DfT) has approved the use of it to offset the inflationary costs associated with subsidised bus routes to safeguard them. In line with the guidance and engagement with the DfT regarding the award this report recommends that the BSIP+ grant is used to safeguard subsidised bus services into 2026/27 financial year.

Recommendation: Council approves expenditure of the BSIP+ funding to address cost pressures in the Bus Subsidy budget and the programme management of this is delegated to the Service Director for Infrastructure in consultation with the Portfolio Holder for Climate Response, Environment and Energy.

4. According to the above financial regulations the following decisions for capital schemes in excess of £1 million are required **by Council**:

a. Operations - Safer Roads Fund (SRF) – Round 3 Grant £1.9m

As part of a national programme, the Council was indicatively allocated £1.9m of Safer Roads Fund (SRF) grant by the Department for Transport (DfT) for road safety improvements along the A35 between Iford roundabout and St Pauls roundabout in Bournemouth.

Following the preparation of an application to the fund in February 2023 in line with the prescribed DfT process the Chief Executive needed to use his urgency powers in accordance with Part 3 of the Constitution to accept this grant last financial year.

This report seeks appropriate delegation to deliver measures to improve road safety along the A35.

Recommendation: Council to agree to delegate delivery of the Safer Roads Fund programme to the Service Director for Infrastructure in consultation with the Portfolio Holder for Connected Communities. .

b. Operations - Highways maintenance funding - £1.5m

In November 2023, the Department of Transport (DfT) announced an additional 0.6m per annum for local highways maintenance including maintenance to roads, cycleways, and footpaths for 2023/24 and 2023/25.

Furthermore, an additional £0.85m was announced by DfT in December 2023 to BCP Council regarding highways maintenance and pothole repair funding for 2023/24.

Recommendation: Council to agree that the additional funding provided by DfT for investment is delegated to the Service Director for Infrastructure in consultation with the Portfolio Holder for Climate Response, Environment and Energy.

c. Wellbeing - Local Authority Housing Fund (LAHF) - £4.9m

DLUHC launched the LAHF which is a £500m capital grant fund to support local authorities in England to provide sustainable housing for those unable to secure their own accommodation that meets the eligibility criteria outlined in Section 3.2 of the Prospectus.

This was allocated and paid out to Local Authorities as two rounds. Round 1 covered the from period quarter four 2022/23 and 2023/24 with a target to deliver 25 homes. Round 2 was for the financial year 2023/24 with a target to deliver 10 homes.

Recommendation: Council to accept £4.9m of LAHF grant and delegate delivery to the Service Director for Housing and Communities in consultation with the Portfolio Holder for Health and Wellbeing.

d. Operations – Regeneration Schemes Budget Increases £0.3m

As part of the closure of FuturePlaces Ltd documents were purchased by the council to progress two regeneration schemes in 2023/24 with capital budget requirements in excess of £1m. As a result of the purchase the scheme budgets need to be increased with funding from prudential borrowing.

Recommendation: Council to increase budget allocations in 2023/24 funded by prudential borrowing as follows:

- i. Holes Bay - £0.23m**
- ii. Poole Town North - £0.11m**

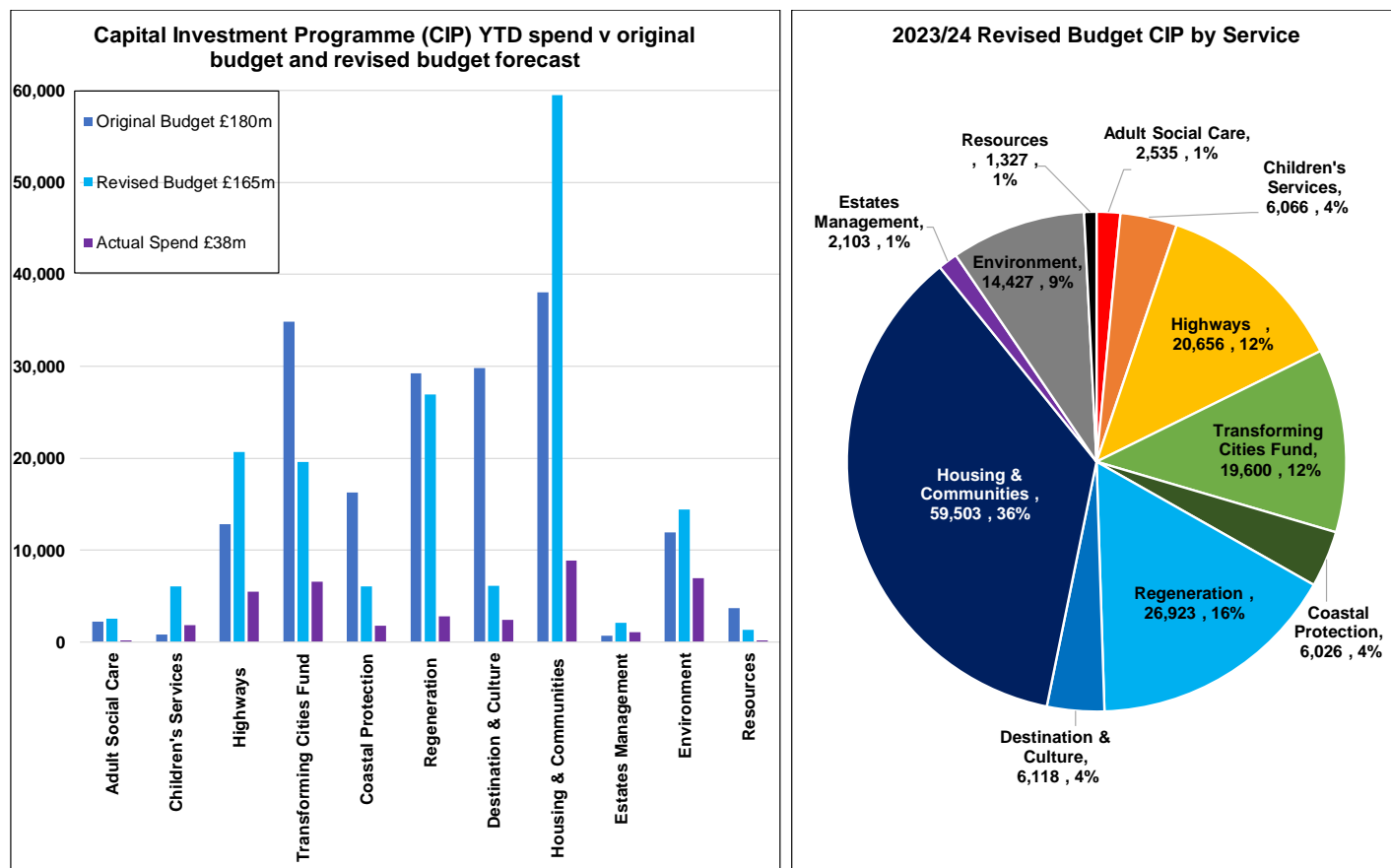
Capital Investment Programme Monitoring at quarter three 2023/24

1. Overview

The Council's original CIP budget for 2023/24 totalled £180m; in year virements have revised this to £165m. The actual expenditure to date at quarter three is 23% of the revised programme.

A summary of the programme progress to date compared with budget for each service directorate is shown in the graphs below with the details of significant variations in the narrative that follows:

Figure 1 : CIP monitoring at Quarter 3



2. Adults Social Care – £2.5 million

Planned spend in 2023/24 represents £2.3m investment in integrated community care equipment and occupational therapist support costs to further promote and support independent living at home. The annual commitment is funded from government grant.

The remaining £0.25m represents the council's investment in care technology service equipment funded by prudential borrowing.

The Council is progressing 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. There is no reported spend to date.

3. Children's Services £6.1 million

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

Hillbourne School: Planned spend for 2023/24 is £0.467m with the final account expected to be agreed by July 2024. Actual spend to date is only £6k.

Longspee Ensburry Park Academy: Formerly Bournemouth Learning Centre (BLC) - approved planned budget £0.252 million for 2023/24, which has resulted in the Council creating 2 additional classes which were completed and delivered to the Academy as at October 2023.

Poole High School: Planned approved budget £0.76m with actual spend to date of £0.5m for 2023/24. This was for extensive repairs and maintenance works to the school which are currently underway. Delivered to date are two roofs that have been repaired, the boiler and sewage pump which have also been replaced. Discussions are currently underway to plan a phased programme to address high condition works recently identified at the school in the following years.

Autism Unlimited: Planned approved capital budget £0.45m as a matched investment into Autism Unlimited's Sixth Form Expansion Project. Actual spend is £0.45m and project was completed and delivered as of July 2023.

Broadstone First School: Planned spend for 2023/24 is £1.8m and actual spend to date is £0.127m. The scheme is expected to provide 20 Special Education Needs and Disabilities (SEND) Learning Resourced Base places at Broadstone Infants School. The programme will increase local capacity within the Conurbation to provide services for special educational needs.

4. Highways - £20.7 million

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. This year the council has benefited from an additional £1.45m Highways maintenance/Pothole funding.

£0.7m of the LTP / Pothole Grant funding together with £0.9 million borrowing is allocated to Neighbourhood Services operations for highways improvements undertaken 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. Initial costs are being incurred in 2023/24 and construction is planned for 2024/25.

The council 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.

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 programme is underway and will be delivered across 2023/24 and 2024/25.

5. Transforming Cities Fund (TCF) - £19.6 million

The South East Dorset (SED) Transforming Cities Fund (TCF) Programme continues to benefit from £79.3m of Department for Transport (DfT) Capital grant funding. Due to delivering this major programme of works during an exceptionally challenging time, the DfT has extended the original TCF programme end date from March 2023. The specific end date is currently being discussed between the DfT and the Council. The SED TCF delivery teams continue to progress well on design and delivery, albeit with the continued challenges around programme duration and cost (notably rising inflation and contractors' management of risk due to unknowns in the market at present around prices). Progress this year has included the completion of Ringwood Road - Longham Minis to Church Road, Wimborne Road in Dorset, and Ringwood Road in Ferndown. Construction is on-going in Wimborne Road, Poole, progressing onto Phase 3. Two new pedestrian and cycle bridges for Glenferness

Avenue were installed during the programmed track possession in September 2023 and are now open for use. The River Stour Crossing design is progressing to enable a planning application to be submitted in the Spring of 24. Detailed design for Castle Lane West and Redhill Roundabout, and Ringwood Road, Poole has also been completed with contract documents issued to contractors for pricing. Two business cases are planned to be brought forward for SED TCF Programme Board approval during the remainder of the financial year.

The outstanding grant balance of £10.8m will be issued, subject to the Council meeting the DfT Stage Gate criteria which includes business case completion and contracts signed off thereafter. The DfT have also indicated that there is likely to be some flexibility available to reprofile into 2025/26 to ensure the delivery of the infrastructure does not have a significant impact on the local road network.

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 contractors pricing continues to be higher than originally estimated. This position is being closely monitored by the Councils 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 costs exceeding the SED TCF grant funding availability. This issue has been raised with the DfT who are in regular contact with BCP led officers on the matter.

6. Flood and Coastal Erosion Risk Management (FCERM) - £6 million

This is delivered in partnership with the Environment Agency and is primarily funded by government grant. It consists predominantly of two main programmes of work together with several smaller projects.

The forecasted expenditure for 2023/24 includes £2.9m investment for continued work on the Poole Bay beach management programme and £2.1m to progress Poole Bridge to Hunger Hill (PB2HH).

7. Regeneration (inc. Investment and Development) - £26.9 million

£15m of planned expenditure relating to the residential and commercial development at Carters Quay has not materialised due to the ongoing situation regarding Inland Homes going into administration. Actual spend during 2023/24 is £0.4m funded by prudential borrowing.

£1.3m has been spent across all Towns Fund schemes supporting a range of initiatives in Boscombe including Events, Transport, improvements to the High Street, and a Skills and Digital hub (£3.2m planned 2023/24). This is wholly funded from Government grants.

£423k has been spent on highways infrastructure works at Wessex Fields (£1m planned in 2023/24).

The development of business cases regarding the former civic offices in Christchurch and Poole cost £170k and £156k respectively, in line with the approved budgets.

Due to the economic climate and a focusing of priorities a number of schemes have been constrained with minimal expenditure.

Planned budgets greater than £0.5m without significant spend in 2023/24 include Chapel Lane (£797k budget; £44k spent), BIC refurbishment (£923k; £96k), Smart places (£2.8m; £40k), Holes Bay (£697k; £1k) and Beach Road (£655k; £72k).

Key risks for all investments continue to be inflation affecting material costs, and the cost of borrowing for those supported by prudential borrowing.

8. Destination & Culture - £6.4 million

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 in March 2022. There are currently 15 projects being delivered under this funding in the programme and progress for some of the projects are detailed below:

Bournemouth Lifeguard Corps: Planned budget to spend in 2023/24 is £0.1m with £1.32m planned spend in 2024/25. Actual spend to date is only £120k. Project is for the rebuild of the Bournemouth Lifeguard Corps training and education centre at Joeseph Steps, creating the provision of new facilities for safety, wellbeing, training, and job creation. Demolition of old building commenced 1 November 2023 and is progressing well.

Bournemouth Pier: Planned budget to spend in 2023/24 is £28k, with £9.6m planned spend in 2024/25. Actual spend to date is only £16k. The project is designed to secure key heritage asset and retain coastal jobs. Structural engineering repairs to both timber and concrete sections of Bournemouth Pier head / neck to ensure future sustainability of the structure. Currently the scope and schedule of works is being drawn up for consultation on the most cost-effective renovation options.

East Cliff Lift: Planned budget to spend in 2023/24 is £0.120m, with £4.3m planned spend in 2024/25. Actual spend to date is only £68k. Project to regenerate derelict cliff lift brownfield site with job creation and new facilities. Survey and analysis, followed by cliff geological stabilisation works and removal of abandoned infrastructure and top and bottom of site. Structural condition assessment work has now been commissioned and numerous geological and habitat surveys being carried out on site.

Seafront Beach Huts (Repairs & Upgrades): Planned budget to spend in 2023/24 is £10k, with £1.47m planned spend in 2024/25. There is no current reported spend. Project is designed to repair and rejuvenate dated beach huts in order to improve public realm, security, and visitor attraction. This will include the removal of untenable beach hut locations where there is greater demand for new commercial opportunities, such as the proposed 'East Beach Village' concept, subject to the Seafront Strategy review in early 2024.

Culture and Arts 2023/24 programme sees further progress towards scheme delivery within the Poole Museum Estate. This includes £0.8 million investment in the Poole Museum "Our Museum" project for which the council was awarded £2.24m grant from the National Lottery Heritage Fund. Main construction on this will commence next year. It also includes a further £0.5m planned spend at Scaplen's Court (benefiting from Historic England grant) with further spend in 2024/25.

Other planned spend within Culture & Arts includes restoration of the historic conservatory at the Russell Cotes Museum and completion of the Upton Country Park Discovery project now expected to end in May/June 2024. There has been an unforeseen delay in awarding a contract for the construction of the volunteer Facility. Both projects benefit from external grant funding.

The recreational programme includes £1.2m to complete the provision of the 3G artificial pitch at Rossmore Leisure Centre.

9. Housing - £59.9 million

General Fund CNHAS schemes are still ongoing which covers Residential Property & Acquisitions (RSAP), Private Rented Sector (PRS), Care Experience Young People (CEYP) and temporary accommodation. Planned spend across these schemes in 2023/24 was £17.6m. Actuals spend to date £0.521m.

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. Planned spend budget under the scheme in 2023/24 is £4.2m. Actual spend to date is £2.3m 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. Planned spend budget under the scheme in 2023/24 is £4.4m. Actual spend to date is £1.86m of the capital funding received from DLUHC with 21 properties having been secured to date.

The council continues to invest in its ongoing Disabled Facilities Grant (DFG) programme. Forecasted spend for this year is £3.7m funded by government grant allocation.

10. Estates - £2.1million

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. Other projects include Fisherman's Walk Lift (£0.256m) and 2Riversmeet Energy Efficiency works (£0.479m) forecast to conclude this year.

11. Environment - £14.6 million

Planned spend this year includes £10.1m on the Council's Fleet Replacement Strategy, approved by Council in September 2021. This programme is fully funded by prudential borrowing.

Investment in the council's waste bin replacement strategy is represented by an annual £0.41m funded by borrowing.

The council continues to deliver a programme of enhancements and improvements to its parks and open spaces including play areas. The most significant of these includes planned spend of £0.9m to complete Throop Nature Park. Minor costs are to be incurred on the Sluice Channel Infrastructure project this year with construction planned for 2024/25.

12. Resources - £1.3 million

This includes £0.64m spend on the ICT replacement programme to ensure Business as usual service delivery across the council, sitting outside of the council's technological transformation plan.

It also includes a further £0.3m to complete parts of the council's Accommodation Strategy (BCP Civic equipment fixtures and fittings and ICT investment). Other parts of the Accommodation Strategy namely Extension Zero and Kinson Hub, the remodelling of BCP Civic space – West Wing, and the reprovisioning of the Coroners Service have been reprofiled to 2024/25.