

North Somerset Council

Report to the Executive

Date of Meeting: 2 February 2022

Subject of Report: Capital Strategy 2022-2026 and Capital Budget for 2022/23

Town or Parish: All

Officer/Member Presenting: Ashley Cartman, Executive Member for Corporate Services

Key Decision: Yes

Reason: The council will incur expenditure in excess of £500,000 and spending covers more than two wards.

Recommendations

The Executive are asked to: -

1) Recommend to Council for approval the following:

- a) The capital strategy 2022/23 to 2026/27 as outlined in the Executive Summary and per Appendix 1.
 - b) An increase to the capital programme of **£38.722m in 2022/23** for a range of new investments relating to children and young people, delivering better basic services, investing in our communities and tackling the climate emergency as detailed in section 4.3, and Appendix 2, subject to confirmation of grant funding allocations
- 2) Note the revised borrowing impact within the capital programme of **£94.291m** for approved schemes to 2022/23, which could rise to £138m by 2026
 - 3) **Delegation of Approval** for the detailed highways schemes to the Executive Member for Neighbourhoods and Community Services.
 - 4) **Approve** the amendments to the capital budget for 2021/22 as detailed in Appendix 4.

1. Summary of Report

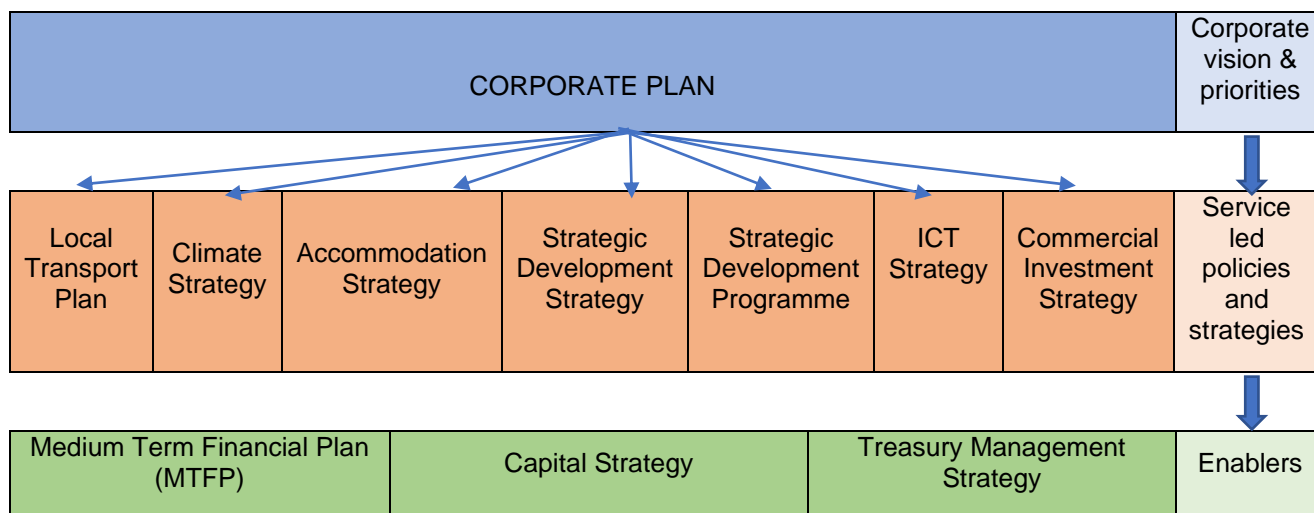
The Capital Strategy outlines the council's approach to capital investment over the short, medium and longer term and gives a high-level overview of how capital expenditure activity contributes to the provision of local public services within the area. We will use these resources to back our Children and young people, tackle the climate emergency and invest

in our communities and infrastructure, whilst aiming to strengthen the delivery of our basic services.

It matches the council’s priorities and planned service requirements with funding projections and asset management considerations. It is very much an overarching strategic plan, and is closely linked to other key plans and strategies, for example:

- The Corporate Plan – which sets the overall vision, aim and objectives for the council
- Strategic Asset Management Plan, including the Office Accommodation Strategy – which sets the context for holding, using and investing in assets
- Place-making & Strategic Development Strategy – which sets the vision for a programme of investment, divestment or disposal for our potential development sites
- The Local Transport Plan – which sets the context of the infrastructure requirements
- Directorate based Service Delivery Plans - which sets the context for Schools, Place Adult Social Care requirements
- Digital and ICT Strategy – which sets the context of the council’s ICT requirements as an enabler to facilitate Directorate Services Plans
- The Capital Programme – details the planned expenditure and resources
- The Medium-Term Financial Plan (MTFP) – integrates associated revenue impacts
- The Treasury Management Strategy – integrates financing and cashflow implications

The Capital Strategy and its relationships with other Plans and Strategies is depicted below.



The council recognises that decisions made this year on capital spend and financed through its associated treasury management activities, will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, as summarised throughout this report.

2. Policy

The Prudential Code for Capital Finance in Local Authorities was developed by CIPFA to support local authorities in taking decisions in capital investments. Key objectives within this Code are to ensure that local authorities capital investment plans are affordable, prudent and sustainable, and that associated treasury management decisions are taken in accordance with good professional practice and that local strategic planning, asset management planning and proper option appraisals are fully supported.

The Code requires Council to approve an annual capital strategy as part of its budget setting process. The purpose being to demonstrate that capital expenditure and investment decisions are in line with service objectives, and that the plans are affordable and sustainable, with the resulting revenue impacts fully integrated within the annual budget setting process. The council must also review and approve a series of prudential indicators which provide an assessment of the spending and financing plans on key metrics.

3. Executive Summary of our Capital Strategy

3.1. Introduction

North Somerset Council has ambitious plans for investment in the region, to deliver sustainable projects with a tangible benefit to our communities. Alongside plans for infrastructure, housing and economic generation we also need to maintain Council schools and assets, to ensure these are fit for the future. Our Capital programme must be affordable over the long term and align with our commitments to be Open, Fair and Green

This document outlines how we will make the best use of our finite resources, how we will prioritise investment needs and opportunities and how we will approach funding these projects to deliver sustainable outcomes. Whilst it describes some of the key projects we will be working on and our action plan, the programme will continue to be developed over time.

3.2. Sustainable budget setting

Capital investment needs to be funded from revenue budgets via feasibility, costs of borrowing and making provision for repayment. We have ambitious plans, but finite resources. Our revenue budgets are increasingly pressurised by reduced funding, increasing demand and costs for delivering essential council services. Each pound that we borrow costs the Council around 6-8% per year to finance and therefore it is vital that we assess these costs in the context of our medium-term financial planning. This has been made more challenging by the recent government announcement of a one-year financial settlement for 2022/23; inhibiting our ability to make longer term plans and introducing the risk that capital schemes agreed now become unaffordable in future years.

Lack of sustainable budget funding and the need to demonstrate value for money mean we may need to make difficult decisions about how we prioritise investment. We need to consider our asset base and how we prioritise projects, which may result in asset divestment and deprioritising projects which cannot demonstrate a long-term sustainable impact. We also know that we have a backlog of maintenance needs. We operate in a different world post-Covid and, in some cases, there is reduced demand for assets (such as office accommodation) which accelerates the case for rationalising our estate.

We also need to ensure that projects which can achieve long term benefits to our communities are considered on merit and for potential return on investment, so distinct funding will be allocated to enhancement via development, strategic investment and match funding plans. The council has a successful track record of securing Government Funding with over £100m secured so far across the 2020-2025 period.

Our target is to be a net-zero Council by 2030, to achieve this we need to ensure that carbon impacts of our investments are made clear and evaluated through options appraisal.

Carbon impact will become a core element of our decision making and funding will be made available to support our climate change objectives.

Capital expenditure needs to align with the aims and priorities of the council and reflect existing policies such as our Active Travel schemes and Health and Wellbeing Strategy. The council has recently introduced a framework to better evaluate the social value of our procurements and these themes, outcomes and measures will be used to support our objectives.

As we increase our levels of investment, we will need robust governance in place to promote clarity and consistency of decision making and demonstrate value. Our prioritisation process and action plan will be progressed during 2022/23 to deliver the strategy.

3.3. We are investing

Our agreed 2020-25 capital programme covers **£306m** of investment to support council plans, underpinned by £74m of council borrowing. The wide-ranging programme encompasses many aspects of council services, from ensuring that we have appropriate ICT in place to keep information safe, to building new schools and major road upgrades.

We have an established asset strategy which describes our ambitions for Place-based investment through the following themes:

- Placemaking – making our towns desirable places to live, work and enjoy through support for digital, cultural and heritage programmes - such as the restoration of Birnbeck Pier – aimed at revitalising our town centres and providing support to businesses
- Development programme - enabling the delivery of high quality and inclusive places with a mix of homes, jobs that support growth in key sectors, open spaces, community infrastructure, digital connectivity, retail, and leisure space that meet need and build cohesive communities
- Critical Projects – delivering £200m of investment in;
 - improved infrastructure and connectivity across the region including major cycling, road and rail networks whilst maintaining existing networks
 - building capacity in our schools through expansion projects and the addition of three new primaries
 - facilities which benefit communities such as flood relief projects, provision of play areas and leisure services

The proposed capital schemes for 2022/23 build on the existing programme with deliverable projects for the first year of investment as we continue to develop clear methodology to prioritise our spending on strategic assets. Our Strategic Asset Management Plan has identified the need for urgent maintenance, compliance and improvements to schools, office buildings, leisure and depot facilities which will be prioritised over the remaining Capital Strategy period.

We will focus the **£39m of additional investment** around supporting Children and young people, delivering better basic services, investing in our communities and tackling the climate emergency alongside our statutory responsibilities such as delivery of housing. Our schemes will maximise grant funding where possible but we still expect to need to borrow a further £20m to fund spending plans.

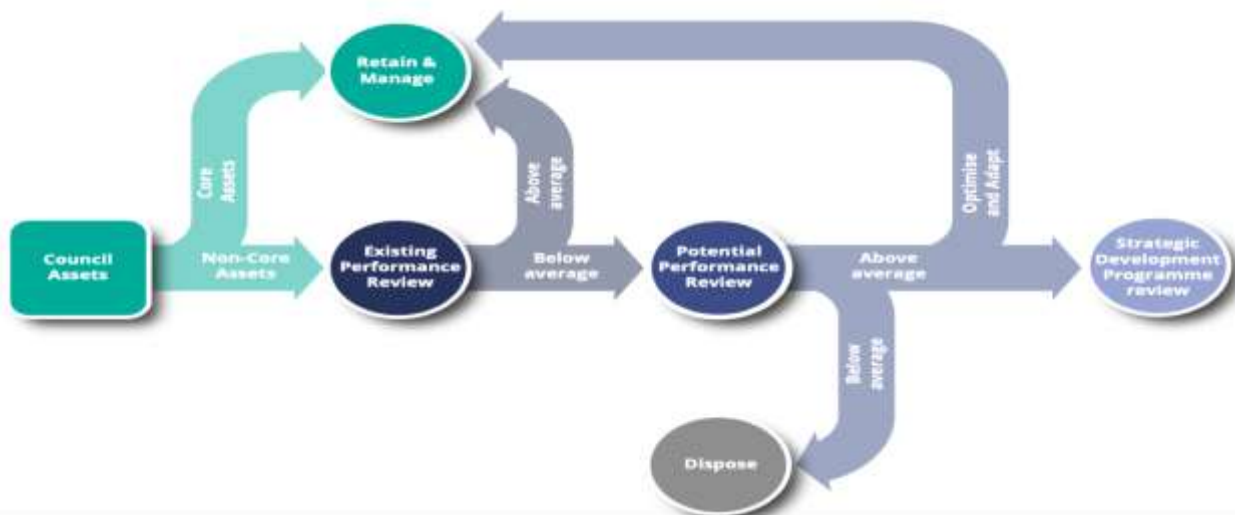
3.4. How we will prioritise the capital programme

Additions to the capital programme for the coming year will need to be prioritised due to restrictions on affordability using the following criteria as an iterative process:



In the future, development and transformation projects will need to demonstrate a positive net present value and benefit/cost ratio to be considered as part of the capital programme.

Council assets will be considered and prioritised ahead of inclusion in the capital programme using the methodology established in the Strategic Asset Management Plan.



4. Further Details

4.1. Capital programme update 2021/22 - £306.581m in total; **£94.625m in 2021/22**

As noted above the council already has ambitious spending plans and this can be seen from the approved capital programme shown in Appendix 3, which covers the period 2021-2025 and currently totals £306.581m, with over £94m of this spending due to be delivered during 2021/22. This programme has been increased significantly over the past 18 months and reflects a wide range of spending on both current and new assets, for example;

- £97m of investment linked to the design and build of Banwell bypass, village and local area road improvements and local utility upgrades, as well as delivery of a new 900-place secondary school, all of which will be funded from Homes England via their Housing Infrastructure Fund (HIF) grant scheme.

- a further £92m of investment to complete the design phases of the Metro West Rail project, up to and including the Development Consent Order phase, as well as approval for delivery and implementation of the scheme.
- projects to support delivery of core educational services linked to the provision of the new Baytree Special School as well as extending existing schools to facilitate the increasing demand for places.
- the ongoing maintenance of existing road networks, as well as the creation and enhancement of major infrastructure such as the Weston Town Centre Enhancement Scheme, completion of the North South Link road, works to replace the bridge along Winterstoke Road and the early stages of improvements to the A38 network.
- schemes designed to create or improve infrastructure, facilities and other assets which benefit communities and neighbourhoods such as delivery of the new health centre at Locking Parklands, flood relief projects, provision of parks and play areas, improvements to leisure related services.
- capital grant allocations to providers and other stakeholders to fund affordable housing schemes across North Somerset or directly influence affordable housing delivery such as at Millcross in Clevedon and Uplands in Nailsea. Grants are also paid to individual residents so that they can make adaptations to their homes enabling them to continue to live independently, and investment in Technology Enabled Care projects, again to support independent living.
- ongoing maintenance, compliance and improvements to schools, office buildings, leisure facilities and ICT systems and infrastructure.

The table below summarises the current capital programme and highlights key areas of interest.

Table 1: Approved Capital Programme – as at 31 December 2021

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	TOTAL £000
Place					
HIF - Banwell Bypass & Infrastructure	11,276	17,140	35,740	0	64,156
MetroWest Rail	9,412	31,373	42,237	8,951	91,972
Winterstoke Road Bridge	3,650	6,658	2,421	0	12,729
Local Transport Plan Projects, incl Pot Holes	10,704	0	0	0	10,704
Locking Parklands Health Centre	4,976	0	0	0	4,976
Weston Town Centre Enhancement	5,102	0	0	0	5,102
Other Place Projects	22,047	705	894	46	23,692
Children's Services					
HIF - Winterstoke Hundred Academy Expansion	6,726	14,092	12,257	0	33,075
Baytree Special School	4,276	9,864	0	0	14,141
Breach Classes	0	1,625	1,625	0	3,250
Other Children's Projects	4,514	1,660	125	100	6,399
Adult Social Care & Housing Services					
Disabled Facilities Grants	2,412	2,081	2,081	2,081	8,656
Affordable Housing Grants	2,487	0	0	0	2,487
Repurchase Leasehold Properties	1,500	1,500	1,500	1,500	6,000
Technology Enabled Care Projects	750	0	0	0	750
Other Adults and Housing Projects	628	300	300	300	1,528
Corporate Services					
Asset Management Plan & Urgent Repairs	1,962	800	0	0	2,762
Accommodation Strategy	0	1,000	0	0	1,000
ICT Programme	909	0	0	0	909
Commercial Investment / Sovereign Centre	0	5,000	0	5,000	10,000
Development Programme	892	0	0	0	892
Other Corporate Projects	400	1,000	0	0	1,400
	94,625	94,798	99,181	17,978	306,581

Table 2: Funding for the approved Capital Programme – as at 31 December 2021

	2021/22	2022/23	2023/24	2024/25	TOTAL
	£000	£000	£000	£000	£000
Grants and Contributions	74,328	61,811	78,505	2,481	217,125
Unsupported Borrowing	14,216	28,908	15,337	15,769	74,230
Capital Receipts - ring-fenced	1,510	1,621	1,500	1,562	6,193
Revenue Contributions and Reserves	1,774	145	0	0	1,919
Other Capital Resources	2,796	2,314	3,839	-1,835	7,114
	94,625	94,798	99,181	17,978	306,581

4.2. Planned spending within the approved capital programme in 2022/23 - £94.798m

Table 3: planned spending in 22/23

	£000
Place	
Shop Front Enhancement	50
Heritage Action Zone improvements	350
Campus Gym	184
Winterstoke Road Bridge	6,658
MetroWest Rail	31,373
HIF - Banwell Bypass & Infrastructure	17,140
Vehicle replacement programme	121
Children's Services	
Additional capacity for breach classes	1,625
Banwell Primary School	1,000
HIF - Winterstoke Hundred Academy Expansion	14,092
Gordano School - Delivery of 2 Year 7 Classes	30
Baytree Special School	9,864
Other, incl provision for SEMH, ASD, Compliance	630
Adult Social Care & Housing Services	
Aids & Adaptations Equipment	300
Disabled Facilities Grants	2,081
Repurchase Leasehold Properties	1,500
Corporate Services	
Corporate Asset Management Plan	800
Accommodation Strategy	1,000
Commercial Investment Fund - Sovereign Centre	5,000
Decarbonisation of heat (replacement boilers)	1,000
	94,798

As can be seen from paragraph 4.1 above, the council has already started to approve further spending plans, for delivery during the 2022/23 financial year, with the value of these investments totalling over £94m.

The majority of this spending is linked to large one-off capital projects, which can often take several years to design and build or alternatively, annual programmes which the council delivers each year, such as purchasing equipment or giving grants to residents so that they can make alterations to their homes and maintain their independence.

4.3. Proposed new investment in 2022/23 - £38.722m

The table below shows the total value of the council's new additional investment proposals, which are to be included within the capital programme for spending to start in 2022/23. The investment plans have been summarised and grouped into the council's investment themes, with a further detailed list of all projects being shown in Appendix 2.

Table 4: Summary of new investment proposals and funding sources for 2022/23

	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Children & young people	7,937	1,175	3,455	3,455	3,450	19,472
Delivering better basic services	16,232	34,605	20,073	8,378	8,498	87,786
Investing in our communities	10,648	19,950	11,925	7,500	1,500	51,523
Tackling the climate emergency	1,440	1,790	1,890	990	1,090	7,200
Other investments, statutory functions	2,465	811	346	246	246	4,114
TOTAL - New investment plans	38,722	58,331	37,689	20,569	14,784	170,095
Grants and contributions	18,661	30,405	26,184	16,302	10,302	101,854
Unsupported Borrowing	20,061	27,926	11,505	4,267	4,482	68,241
TOTAL - New capital funding	38,722	58,331	37,689	20,569	14,784	170,095

4.4. Draft capital programme 2022 to 2026

As noted in para 4.1 above, the council already has an existing ambitious capital programme of £306m, which will increase by a total of £170m should all the planned additions and new investment plans are added into it across the next four years. This would mean that the council's investment plans would reach at least £476m by 2026.

However, given the uncertainties surrounding the council's funding position at the current time, the report recommends that only the new investment proposals relating to the 2022/23 are approved and incorporated into the approved capital programme and that the investment plans for future years be approved when further information is known.

Table 5: Draft capital expenditure 2021 to 2026

	2021/22	2022/23	2023/24	2024/25	2025/26	2025/26	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Place	67,167	55,876	81,292	8,997	0	0	213,332
Children's Services	15,516	27,241	14,007	100	0	0	56,864
Adult Social Care & Housing Services	7,778	3,881	3,881	3,881	0	0	19,422
Corporate Services	4,163	7,800	0	5,000	0	0	16,963
Children & young people	0	7,937	1,175	3,455	3,455	3,450	19,472
Delivering better basic services	0	16,232	34,605	20,073	8,378	8,498	87,786
Investing in our communities	0	10,648	19,950	11,925	7,500	1,500	51,523
Tackling the climate emergency	0	1,440	1,790	1,890	990	1,090	7,200
Other investments, statutory functions	0	2,465	811	346	246	246	4,114
	94,625	133,520	157,512	55,667	20,569	14,784	476,676
	2021/22	2022/23	2023/24	2024/25	2025/26	2025/26	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Grants and Contributions	74,328	80,472	108,910	28,665	16,302	10,302	318,979
Unsupported Borrowing	14,216	48,969	43,263	27,274	4,267	4,482	142,471
Capital Receipts - ring-fenced	1,510	1,621	1,500	1,562	0	0	6,193
Revenue Contributions and Reserves	1,774	145	0	0	0	0	1,919
Other Capital Resources	2,796	2,314	3,839	-1,835	0	0	7,114
	94,625	133,520	157,512	55,667	20,569	14,784	476,676

The revenue impacts of the 2022/23 spending plans have been reflected within the medium term financial plan, and are therefore funded (subject to approval of the revenue budget) and they have also within the prudential indicators, which are reflected within the treasury management report.

It should be noted that some of the values presented may be indicative and subject to confirmation by the awarding body, and so the final expenditure budget may be adjusted when final notifications are received to ensure that council spending is aligned to funding resource levels

5. Consultation

The government, through its legislative framework, clearly expects that local authorities will be able to demonstrate that they have in place mechanisms to ensure that 'representatives of local people' are being appropriately informed, consulted or involved in services, policies or decisions that affect or interest them.

There are many aspects of service delivery which impact on our residents, customers and other stakeholders and members of the public, and so we recognise that it is our

responsibility to ensure that any changes we make to them through the budget, need to be considered and consulted upon. Failure to do so adequately could result in aspects of the budget being subject to legal challenge.

The Capital Programme for 2022/23 provides a mechanism to bring together a series of individual investment projects within an overarching programme, although individual projects will still be subject to further governance as they progress through commissioning and procurement stages, which means that local people and key stakeholders will be provided with opportunities to understand more details on these projects before they are fully implemented.

6. Financial Implications

Financial implications are contained throughout the report.

7. Legal Powers and Implications

The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs, although further details and requirements are contained within related legislation.

The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires it to approve a Capital Strategy before the start of each financial year.

Under this guidance, the role of the (Full) Council is to:

- Set the budget and capital programme, including debt and investment interest, and the Minimum Revenue Provision
- Approve the Capital Strategy
- Approve the Treasury Management Strategy (presented elsewhere on this agenda)
- Approve the Prudential Indicators

Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, local authorities must not delegate the approval of an annual strategy to any committee or person.

The role of the Executive is to consider these strategies, and, if appropriate, recommend them for approval by full Council.

8. Climate Change and Environmental Implications

Climate and environmental related implications continue to be at the forefront of the council's thinking when considering the underlying Corporate Plan and service strategies as well as detailed capital investment and options that are described throughout this report.

The council has identified climate as one of its main investment priorities for the year ahead and has developed an initial approach which puts this at the centre of plans by seeking to invest in several new projects which entirely meet the climate vision, aims and objectives as their core theme.

However in addition to this, the council is also progressing the concept of 'additionality' by ensuring that climate related issues are recognised, considered and incorporated in planned investments in other areas of priority spending. The council believes that it is

important to fully consider climate issues within the design and scope of other spending proposals which means that it can begin to embed climate considerations and outcomes through a broader range of capital investments across the council.

Examples of this dual approach are demonstrated below;

- Climate priority - it is the council's intention to deliver improvements in the strategic management of wildlife and biodiversity by purchasing land and creating North Somerset Nature Parks.
- Children and young people priority – it is the council's intention to undertake a series of improvements and extensions to school buildings to accommodate more children and ensure their learning environment meets their needs; the scope of this proposal will be widened to ensure that climate issues are considered before final designs are approved, this could mean that solar panels are added to a roof, energy efficient boilers are purchased, decarbonisation of walls and windows ensuring that they meet higher insulation and energy efficiency standards. It is possible that some of these measures will increase the cost of the planned investment, but they will be built into plans wherever possible.

One of the next steps to consider will be how to record and assess the impact of the council's capital investment plans in respect of carbon outcomes as well as other factors such as health and well-being.

9. Risk Management

In setting the capital budgets, the council must consider the known key financial risks that may affect its plans and these will either be explicitly provided for within the base budget or be offset and held against the unallocated contingency budget or the council's general fund working balance.

The council's Section 151 Officer has led work over recent months to assess and review these items, which are held in the Capital risk register below. Whilst there are several inherent risks within the Capital Strategy, the top 3 risks are:-

- Capital Delivery issues – delivering within approved timescales and within budget, which given the uncertainties arising because of the pandemic and the wider economic position, could be challenging as contractors are required to adhere to national guidelines for social distancing, and inflationary measures are less stable than before. This is becoming particularly apparent in the delivery of some of our major projects such as MetroWest, where forecast costs in future years of the programme have increased significantly because of these factors alongside delays to central government decision making. An initial allocation has been factored into the draft capital programme beyond 2023/24 but will be subject to specific decisions on each scheme.
- Capital Grants and funding streams – there are a number of grant allocations that are still subject to change, some of which relate to central government allocations as they have not yet advised of the 2022/23 allocations for all grants. Other external funding relates to being successful following the submissions of bids. There may be risks associated with any of these grant funding streams, some of which are also time-limited which would mean that delays in spending could put these at risk. All these funding streams will be reviewed and monitored to understand the level of risk that the council may be exposed to.

- Economic Development Funded (EDF) schemes which rely on achieving and sustaining increased business rate income and Revolving Infrastructure Funded (RIF) schemes whose repayments rely on generating significant capital receipts from land sales, which given the impacts of the pandemic on various elements of the business sectors, as well as the wider economic factors currently prevailing, could prove extremely challenging for the council to achieve the pre-pandemic forecast levels. Should these levels not be met then the council would be exposed to the risk of either stop spending on the relevant capital project (if that were even a possibility) or replacing the funding for these capital schemes.

10. Equality Implications

There are many aspects relating to the investment priorities within the council's capital strategy, as well as the delivery of the individual capital projects within the overall programme, which impact on our residents, customers and other stakeholders and members of the public, and so we recognise that it is our responsibility to ensure that any investments we make through the capital budget, may need to be considered and consulted upon. There are no specific equality implications to note at this time although capital projects will be assessed at an individual level through the approvals processes.

11. Corporate Implications

The Corporate Plan and MTFP are vital tools to help align effort across the organisation and ensure that services are all are focused on delivery to agreed community and organisational priorities. With continuing financial pressures and demands for services, it is essential that the councils' limited resources continue to be prioritised and allocated in line with the identified priorities and changes reflected within the budget where required.

12. Options Considered

The Council is required to formally approve a Capital Strategy for 2022/23. This could be undertaken as a multi-year strategy or a stand-alone annual process. Although a one-year approach for new approvals has been adopted due to the one-year funding settlement for local government, planning will continue to focus on a multi-year funding horizon which sets the context within which decisions relating to the setting of annual budgets are taken.

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Appendices:

Appendix 1 Capital Strategy & Asset Requirements

Appendix 2 Developing the Capital Programme 2022/23 to 2025/26

Appendix 3 Monitoring of the 2021/22 Capital Programme

Appendix 4 Changes to the 2021/22 Capital Programme

Background Papers:

Reports presented to the Executive:

Capital Strategy report 2021/22 (Feb 2021),

Budget monitoring reports 2021/22 (July 2021-December 2021)
MTFP and Revenue Budget update (Feb 2022), Treasury Management Strategy (Feb 2022)

CAPITAL STRATEGY & ASSET REQUIREMENTS

1. General principles for capital planning

Definition: capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. This includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

There are some general strategic principles underlying capital planning for all services which are to:

- Integrate capital planning into the council's overall strategic planning, both in general and as part of the Corporate Plan and Budget and the Long-Term Financial Plan
- Maximise external funding and supplement this with the council's own resources where appropriate, especially where external funding supports the council's priorities
- Procure the use of capital assets where this is affordable and delivers best value for money to the council, including a robust process for the appraisal and approval of capital projects and programmes
- Work with partners, including the community, businesses, and other parts of the public and voluntary sector, whilst retaining clear lines of accountability and responsibility.
- Relate capital resources and expenditure planning to asset planning.

2. Strategic capital priorities

The council's vision and priorities continue to shape where capital investment needs to be delivered and these are defined within the Corporate Plan which was updated in February 2020, and is focused around three themes:

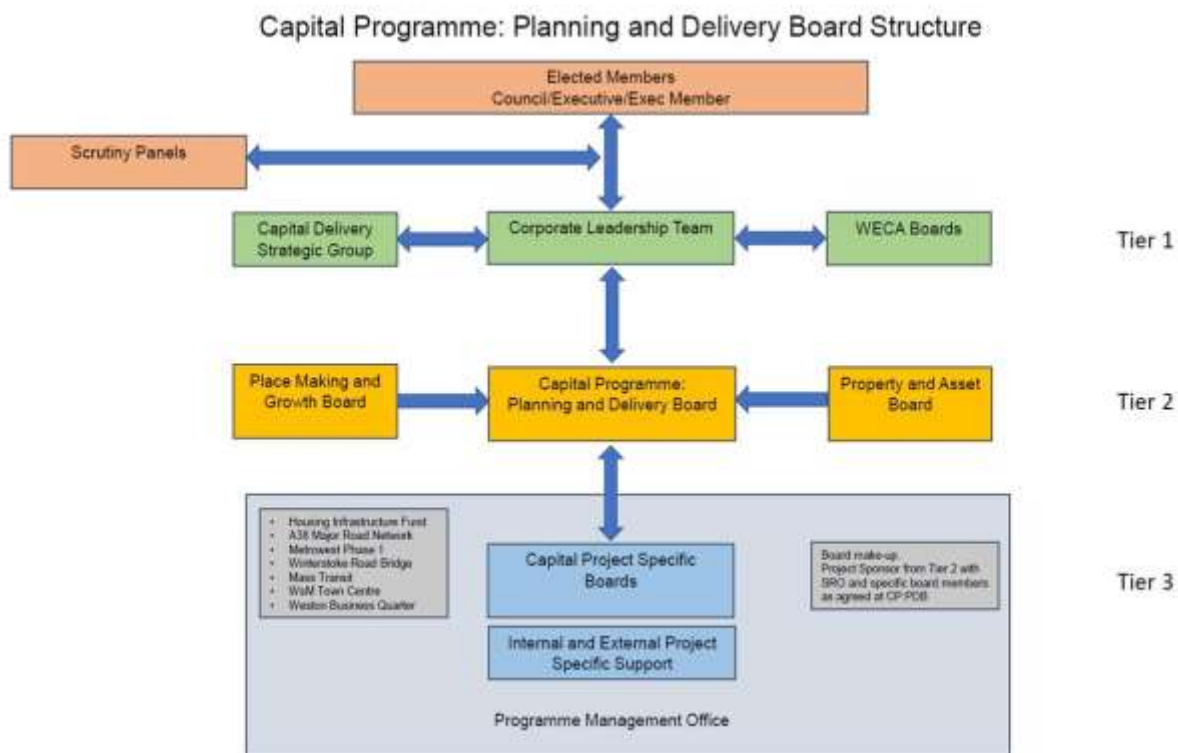
- **Open** – We will provide strong community leadership and work transparently with our residents, businesses, and partners to deliver our ambition for North Somerset.
- **Fair** – We aim to reduce inequalities and promote fairness and opportunity for everyone.
- **Green**- We will lead our communities to protect and enhance our environment, tackle the climate emergency, and drive sustainable development.

3. Governance

Capital investment decisions are made in accordance with the council's financial regulations which are contained within the Constitution. These regulations set out the governance of budget setting, budget monitoring, financial administration, and financial controls, as well as the procedure for approving capital expenditure.

Governance surrounding capital strategy and delivery continues to be developed and refined to ensure that it stays relevant to changes which may occur within the organisation.

The updated governance framework in respect of capital delivery and programme management, the chart below shows the current proposal which aims to strengthen and improve communication and reporting, and thereby reduce risks.



3.1 Capital Programme: Planning and Delivery Board

This officer board will ensure quality, consistency of approach and co-ordination across the Capital Programme as part of the Council’s Capital Strategy. It will oversee the operational, risk and financial performance of capital projects which align to the organisation’s intended outcomes and make recommendations to decision makers. Bringing together programme planning, monitoring and delivery in to one place with a wide range of stakeholders to consider effective investment proposals.

Each directorate has nominated representatives on the board which is currently chaired by the Director of Corporate Services and Section 151 Officer. The board is responsible for making recommendations to decision makers.

3.2 Place-Making & Growth Board (formerly Driving Growth Board)

The main priorities of the driving growth board relate to strategic visioning of the places within North Somerset and putting communities at the centre of planning considerations. This is achieved through revitalising towns to make them more prosperous, facilitating housing developments where required, supporting key infrastructure projects and bringing more growth to the area.

3.3 Capital Programme Approvals

The approval of spend for inclusion within the capital programme is outlined within the councils financial regulations as follows:

- Greater than £5m – Council
- Greater than £1m and less than £5m – The Executive
- Greater than £0.5m and less than £1m – Director, S151 and Executive Member
- Less than £0.5m - Director and S151 approval

All proposals will be considered by the Capital Programme: Planning and Delivery Board prior to any decision.

3.4 Council and the Executive

Council and the Executive are the key democratic decision-making bodies nominated within the Council's constitution. The Council approves the key policy documents and the capital programme as part of the Council's Policy and Budgetary Framework. The Executive recommends priorities, policy direction and the capital programme to the Council for approval. The Executive also approves new inclusions to the capital programme in line with the scheme of delegation and the financial regulations.

4. **Service priorities**

Each service has developed their own strategy in line with the Corporate Plan which sets out service priorities over the next few years and identifies the services resource requirement, shaping the capital resources required in the capital programme to fund new assets and maintain existing ones. The individual capital strategies are therefore shaped by each service and set out in several key strategic documents.

4.1 Existing Assets

The suitability and condition of the council's existing assets to meet service requirements are reviewed through:

- **Strategic asset management plan** – the council has previously commissioned consultants Arcadis to undertake a strategic review of its entire asset base with a view to formulating a direction of travel for the future, determining which of the current assets should be held, maintained or listed as surplus and therefore for potential disposal. The outcomes of this review still need to be considered by the Asset Strategy Board and once complete proposals arising from the SAMP will be considered by council and integrated with the longer-term planning.

This includes portfolio management, estate management, energy efficiency and regeneration strategy

- **Highways asset management plan** – The Highways Asset Management Strategy sets out the process of asset management and the strategy for maintaining the Council's highways infrastructure. The document sets out the principles for investment in the major asset types including carriageways, street lighting and traffic management and highways structures.

For investment in the management of highway assets we take an asset management approach. This balances the need to repair life expired roads/ assets in poor condition with more preventive measures which extend the life of existing assets. We use surveys to provide information on the condition of assets and supplement this with data relating to road safety, traffic volumes, community facilities, customer complaints etc to help determine the final priority of resources. We complete an annual self-assessment for the Department for Transport which checks our approach against 22 criteria. Our most recent assessment showed that we were a level 3 authority for asset management which is the highest level possible.

A new piece of work is currently being prepared by the Head of Service to inform the value of investment which the Council should consider including within its Strategy over the next 5 years, which would enable a steady state of repairs to be maintained. This will be included within future reports presented to the Executive.

4.2 New Assets

- **Strategic Development** – A programme of development delivery continues to be updated by the Head of Development alongside the SAMP work (above), which is supported by Arcadis. This creates an investment programme to stimulate growth and achieve place-making objectives. Priorities will bring forward council owned land for development to accelerate housing growth across the region, including areas such as Weston, Portishead, Nailsea and the surrounding towns across North Somerset, some of will feature within the programme for delivery in 2022/23.
- **Schools programme** – Education Provision in North Somerset ~ A Commissioning Strategy 2021 – 2025 is the latest policy base for local decisions in relation to school place planning and the school's capital programme. The current document provides the strategic overview of how North Somerset Council, acting as the local 'Children's Champion', and working in partnership with others, will secure sufficient suitable education and training to meet the reasonable needs of all children and young people in its area. The council works with its partners (schools, academies, health and care professionals) with the aim of securing sufficient places for children and young people resident in North Somerset.

Capital allocations come to the council from a range of sources including: Basic Need; Targeted Basic Need; s106 contributions/Community Infrastructure Levy (CIL) and Free School Bids. The Department for Education (DfE) may also allocate bespoke funding for priority areas as national priorities dictate. Whilst the Local Authority (LA) receives a Maintenance Allocation to cover urgent health and safety and condition needs of Community and Voluntary Controlled (VC) schools, and Voluntary Aided (VA) schools have been supported by the Locally Coordinated Voluntary Aided Programme (LCVAP), all schools have earmarked Devolved Capital paid to them to meet the improvement needs of their sites. Smaller academies/academy chains can bid for funds from the Academies Condition Improvement Fund whilst larger academy chains qualify for School Condition Allocations.

- **ICT replacement programme** – New software, ICT hardware and network requirements are routinely identified through the ICT replacement programme in collaboration with the council's partnership with Agilisys, although the programme is being refreshed to consider further investment in digital and transformation solutions which may deliver revenue budget savings, as well as any changes which may be required as a response to new ways of working. The council changed the way in

which its staff work in a very short space of time following the announcement of the first national lockdown.

- **Major projects** - Investment in major projects are drawn from the priorities identified in the Corporate Plan and Joint Local Transport Plan. These have been tested at a strategic level against plan objectives and for deliverability and an initial value for money assessment. In many cases, investment in major projects requires external funding bids and so the criteria for these also influences the order in which projects are bought forward. The largest projects, particularly those above £5m are assessed in detail for value for money, following criteria set by Government, and a cost benefit ratio (BCR) is calculated to measure the return on investment (Benefits/ costs). Government determines that a BCR above 2 provides “high” value for money and is typically used as the minimum threshold for which projects will be funded. For large projects costing less than £5m a BCR is also frequently generated but often using a cheaper and more proportionate methodology. All the major project currently being promoted or delivered by the council have a BCR above 2.
- **Better Care Fund** - An annual capital grant is received from Government to resource Disabled Facilities Grants (DFGs) and Social Care capital projects, as part of the Better Care Fund arrangements. DFGs fund adaptations to homes to support disabled people to live independently and their award is mandatory, subject to eligibility criteria being met. The resource requirements for DFGs is therefore demand led. Subject to the demand for DFGs a range of social care capital projects could be supported through the Government grant, including investment in new supported housing, assistive technology and other aids and adaptations. The council’s Housing with Support Strategy and Housing Strategy set out priorities for investing in new supported housing

5. Capital Strategy Action Plan

Our action plan to support development and delivery of an affordable capital programme

5.1 Financial planning and risk management

- Embed the decision-making pathways from the Strategic Asset Management Plan
- Establish £1.5m one-off Capital Strategy and Infrastructure Planning budget, creating headroom for exploratory work including for Strategic Investment Funds
- Review outturn performance against budgets and compare with market information to ensure that our contingencies are robust
- Develop detailed cash flows for projects so that borrowing requirements can be better profiled
- Introduce an optimism bias to mitigate against timing differences and slippage against the programme
- Use data and outputs from the Strategic Asset Management Plan to inform future maintenance requirements
- Use indices to consider delaying projects where market conditions may prevent delivery within budget and timescales

5.2 Governance/ decision making

- Simplification of our governance model at officer level to combine the Capital Projects Programme Board with the Infrastructure and Investment Board into a Capital Programme – Planning and Delivery Board
- Expand the remit of the new board beyond major projects to consider all capital
- Use our Programme Management Office to develop standard templates and reporting frameworks to support clarity and consistency
- Establish clear triggers for escalation of risk; including budget, timescale, deliverability and scope
- Update our reports for councillors to provide enhanced visibility of risks
- Establish a framework to assess the carbon impact of our schemes

DEVELOPING THE FUTURE CAPITAL PROGRAMME

1. Monitoring of the Current Programme 2021/22

The current capital programme 2021/22 is a multi-year programme which covers the period up to 2025/26 and has been built up in several phases following different stages of approval, and comprises of the following;

- the rolling 5-year capital programme approved by the Executive in February 2020,
- new schemes for 2021/22, approved by the Executive in February 2021,
- slippage from the previous year - slippage includes budgets that have remained unspent at year-end due to changes within planned timescales
- changes which have occurred since April 2021 – these have been considered by the Investment and Infrastructure Board, or approved by Directors, Executive Members, or Council

Appendix 3 presents Members with a detailed schedule showing all the schemes within the Council's current capital programme and includes the budget for the current year and the following four financial years. Currently, the Council's overall programme totals £306.581m, of which £94.625m relates to the current financial year.

In addition to the project expenditure costs, the schedule also provides details of how these schemes will be funded and what types of resources will be used. The largest proportions of the programme will be funded by grants and contributions (£217.332m) and long-term borrowing (£74.230m).

The capital summary shows that the council has spent £23.934m in 2021/22, and ordered, approximately £30.504m. The total committed expenditure for 2021/22 therefore equates to 58% of its budget for the year which is slightly behind anticipated levels, and so a review is currently being carried out to understand why this may be the case and to identify projects which may need to be re-profiled. That being said, Members will be aware that the spending profile of large capital projects is different to the profiles within the annual revenue budget, in that a large degree of planning and preparatory work is carried out towards the start, in advance of actual spend being incurred.

Appendix 4 details changes to the approved capital programme reflecting re-phasing of capital works, increased grant funding and other decisions recommended for approval by the Investment & Infrastructure Board or the Section 151 Officer. These changes require formal approval through this report.

2. New Approvals from 2022/23

Sections 3 and 4 of the main body of the report provide an overview of the planned new investments for 2022/23 and this appendix provides further details of the schemes and projects being recommended for inclusion within the draft programme for next year.

The sections below align to the council's key investment themes and detailed projects within each area can either be linked to existing areas of spending, a new one-off project or part of an annual programme of investment.

APPENDIX 2

Values have been included across the period of the Strategy although approval within this report is focused on the 2022/23 financial year as spending in future years will be updated and included within later reports once the scope of works for subsequent years has been agreed and detailed feasibility works undertaken, and in some cases business cases developed.

This is standard practice for the council as whilst a lot of the proposals are new areas of investment, some of these schemes featured in the Capital Strategy report last year as projects which were in early design, feasibility and scoping stages, but have matured and progressed through the council's internal governance processes and are now ready for inclusion at a more formal stage:

2.1. Children and young people

Investment proposals included below show that the council takes planning for the children and young people within our community seriously and has identified their needs as one of our key priorities, both for today and into the future.

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	TOTAL £'000
Children & young people						
Investment to deliver additional school places - various sites and locations	2,141	0	0	0	0	2,141
Provision for Special Educational Mental Health and Special Educational Needs places, through Hubs and Clusters	1,601	800	800	800	800	4,801
Maintenance programme for schools sites	3,445	125	5	5	0	3,580
Investment and improvements for Play Areas owned by North Somerset	300	150	150	150	150	900
Investment for other Areas / Skate Parks - match funding for other local projects	250	0	0	0	0	250
Children & Young People - Carlton Centre	200	100	0	0	0	300
Winscombe Primary Expansion	0	0	2,500	0	0	2,500
Wrington Primary - school replacement	0	0	0	2,500	0	2,500
Sandford Primary Expansion	0	0	0	0	2,500	2,500

The proposals aim to address several issues within the 'school' environment, such as repairs and enhancements to learning facilities, the expansion of sites to accommodate the growing numbers of young people and the creation of local hubs for those who require additional support because of special or mental health needs, all of which will help contribute towards their educational experiences and support better outcomes in the future.

Investment is also planned for children's centres, which are seen as essential services to families within the local community, as they provide a range of advice and support whenever it is needed to improve the outcomes for young people or to help prevent any problems from developing in the future.

Thought has also been given to areas within the community that children and young people regularly use and enjoy, such as parks and play areas, including skate parks. The council has ambitious plan to improve and enhance the current facilities that it owns by establishing a rolling programme of investment covering the next five years. Initial investment of £300k is planned for next year in at least 5 locations covering Nailsea, Clevedon and Weston and it is hoped that additional facilities could be provided with this money, including those that can be used by children with disabilities, who may find the more traditional equipment difficult to use.

In addition to this, the council recognises that it can be challenging for other community groups or parish councils to identify all the funds they need to upgrade play area facilities that they manage and so the council is planning to introduce a scheme to enable it to offer match funding so that more areas can be improved.

Investing to provide better access for children to play and encouraging these outdoor activities also supports the council’s vision within the health and well-being strategy.

2.2. Delivering better basic services

Whilst the council has the responsibility to provide a range of core services to the residents and businesses who live and work within North Somerset, it also wants to ensure that the assets linked to these services are fit for purpose, maintained and aligned to the needs of the community who use them.

Delivering better basic services						
Maintenance programme for highways network	8,672	7,972	7,972	7,972	7,972	40,560
A38 Improvements, including active travel and public transport Investments	2,302	13,138	9,404	0	0	24,844
Continuation of Public Rights of Way programme	0	100	100	100	100	400
Provision of a new Waste Depot	1,705	4,688	2,132	0	0	8,525
Vehicle replacement programme for Waste and Recycling service	3,203	8,707	465	306	426	13,107
Maintenance and improvements to Household Waste Recycling Centres	350	0	0	0	0	350

One of the council’s largest ‘assets’ is its highways and infrastructure network which provides many ways to move around the area and connect to the surrounding regions. Whether residents, businesses or visitors use the highways network in vehicle or on a bicycle, the council recognises that it is essential that these assets are maintained at safe levels and so further investment is planned which will stop deterioration and maintain a steady state.

The A38 is a significant transport route which runs through North Somerset and a joint initiative with Somerset County Council is currently being proposed which will deliver a range of improvements covering at least ten locations between Barrow Tanks and Junction 22 of the M5 motorway at Edithmead, six of which are within North Somerset. The scheme, which will provide improvements to the existing highway, carriage-way widening, and include active travel improvements, contributes towards several of the council’s Corporate Plan priorities and so will benefit many residents and businesses. The values presented within this report are the total projected costs of the scheme and although the council will be expected to provide a local contribution, it is anticipated that approximately 85% of the funding will be provided by the Department for Transport, subject to the submission of business cases and relevant approvals, which makes this an attractive investment for local people.

Significant investment has been included to provide a new waste depot so that the council can manage the household waste and recycling services in a safe and maintained space. Waste services are an essential part of daily life and it is hoped that the new depot will also provide facilities to sort, bail and store recyclable materials and be a storage location for the council’s fleet of waste vehicles.

2.3. Investing in our communities

The council recognises through its place-making strategy that it is important for residents to have access to local amenities, services, networks and facilities to become thriving and successful communities and so has prioritised investment in communities as a key theme within its capital strategy.

Investing in our communities						
Community facilities - repairs to Leisure Centres, Playhouse, Nailsea Library	2,850	500	0	0	0	3,350
Extension of the Strawberry Line to Clevedon	0	0	500	0	0	500
Joint place-making initiatives - Birnbeck Pier and Heritage Action Zone	1,400	3,900	7,500	7,500	1,500	21,800
Strategic place-making projects - Magistrates Courts and Tropicana	2,600	4,800	800	0	0	8,200
Place-making investments around Weston seafront - lighting, shelters, traffic signals	910	0	0	0	0	910
Place-making investments around Clevedon, Nailsea and Portishead	125	250	125	0	0	500
Development programme in key sites across North Somerset - Weston Business Quarter	2,763	10,500	3,000	0	0	16,263

The council already provides a range of 'built' facilities within communities such as schools, childrens centres, leisure centres, libraries, community halls as well as other amenities used by the public such as seafronts, public open spaces, cycle routes and public rights of way, many of which need investment to maintain, enhance or adapt the assets being used. Examples of this are included within the proposed spending plans for next year.

The council also plans to invest significant sums in new projects which build on the place-making ambitions for our communities and spending proposals shown above include examples of investment which are likely to transform areas.

Investment will be shared across the district although major proposals include the joint project to repair Birnbeck Pier and provide a lifeboat station once again, changes to the magistrates court and tropicana in Weston and the delivery of infrastructure within Weston Business Quarter, which is a site next to the Food Works that has been earmarked for business growth.

It is important to note that in addition to delivering real change next year, the council will also be actively planning for the future by investing in business cases to scope and develop future projects, an example of this is the Strawberry Line proposal noted in the table above. It is anticipated that residents and businesses will be able to see the tangible changes that will be delivered as a result of investment proposals, as well as benefiting from increased levels of prosperity arising from new businesses coming to the area.

2.4. Tackling the climate emergency

Since the council has announced a climate it has been developing and progressing an action plan to show the changes that need to be made to achieve the required outcomes. However as noted in Section of the report, other investments are being made which have climate and environmental considerations incorporated into them.

Tackling the climate emergency						
Purchase of land to support strategic management of wildlife and deliver biodiversity net gain - Local Plan	300	0	0	0	0	300
Further works to the Superpond in Weston-Super-Mare	150	0	0	0	0	150
Active Travel Investment Programme	45	245	295	345	395	1,325
Investment to support Low Emission Vehicle Provision across North Somerset	45	145	195	245	295	925
Annual programme to rebuild and enhance sea defences in Clevedon and Weston	400	400	400	400	400	2,000
Initiatives to improve energy efficiency and generation of NSC assets	500	1,000	1,000	0	0	2,500

2.5. Other investments, including statutory responsibilities

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	TOTAL £'000
Other investments, statutory functions						
Investment in ICT - technology upgrades to systems and networks	1,465	811	346	246	246	3,114
Accommodation at the Town Hall - to include urgent maintenance and ICT	1,000	0	0	0	0	1,000

Whilst planned investments in these areas may not have a direct and tangible impact on communities it is anticipated that residents will feel and understand the benefits that they will bring, for example, by investing in technology means that services can become more efficient and deliver outcomes more effectively and sometimes at less cost than before, which means that savings can potentially be realised and seen within the annual revenue budget.

3. **Potential Future Approvals**

The council's capital planning activities remain ongoing and it is anticipated that several other capital schemes will continue to be progressed over the coming months although they have been excluded from the capital strategy framework at this time. It may be that if other funding sources are identified and confirmed and detailed business cases developed, then they may go on to be reported separately at the appropriate time for consideration be either the Executive or Council.

However in addition to those specific schemes, the council continues to plan more broadly for investment in other areas will need to be considered as part of the overall strategic planning assumptions to ensure that they meet the required aims and objectives, are robustly costed, financed and deemed affordable and sustainable, and can be delivered within the required timescales.

4. **Prudential Indicators**

4.1 Introduction and context

The Prudential Code was updated in 2017 following consultation with local authorities to improve the transparency of investment decisions. Changes to the Code include the requirement to produce a Capital Strategy which contains a reference to a series of **prudential indicators** which enable the reader to understand overall financial impact of capital investment decisions, with a focus on debt levels and how these will be repaid.

It should be noted that the Treasury Management Code of Practice also provides for the same reporting requirements meaning that there is an overlap in terms of the preparation and reporting of such prudential indicators.

To avoid confusion, and to ensure that all Treasury and Capital indicators use the same base data, we have reflected all the indicators within one of the core strategy reports, they are all contained within the Treasury Management Strategy report, considered elsewhere on the agenda for this same meeting. This is because the treasury report also requires local authorities to consider the impacts of capital planning on its treasury management strategy, as well as both borrowing and investment decisions.

Attention should therefore be drawn to the Prudential Indicators for capital expenditure, the capital financing requirement, revenue budget impacts of borrowing, as well as borrowing and investments thresholds and forecasts as shown in Appendix 2 of the Treasury Management report.

4.2 Knowledge and Skills

The council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

Where council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The council currently employs Arlingclose Limited as treasury management advisers and Montagu Evans as property consultants. This approach is more cost effective than employing such staff directly and ensures that the council has access to knowledge and skills commensurate with its risk appetite.

Monitoring of the Capital Programme in 2021/22

MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3								
	APPROVED BUDGET					MONITORING TO 31 DECEMBER 2021			Approved Funding					
	2021/22 Estimated Spend	2022/23 Estimated Spend	2023/24 Estimated Spend	2024/25 Estimated Spend	TOTAL APPROVED BUDGET	Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding	
	£	£	£	£	£	£	£	£	£	£	£	£	£	
APPROVED GENERAL FUND CAPITAL SCHEMES														
Childrens Services	15,516,321	27,240,992	14,007,174	100,000	56,864,487	4,223,918	13,723,763	17,947,681	2,760,000	54,076,785	0	27,703	56,864,488	
Adult Social Services	510,001	300,000	300,000	300,000	1,410,001	189,390	0	189,390	0	1,410,001	0	0	1,410,001	
Housing	7,268,016	3,581,237	3,581,237	3,581,237	18,011,727	2,492,240	307,160	2,799,400	421,498	11,517,004	0	6,073,225	18,011,727	
Corporate Services	4,163,418	7,800,000	0	5,000,000	16,963,418	473,991	558,922	1,032,913	13,800,000	1,322,493	195,764	1,645,162	16,963,419	
Place	67,166,840	55,875,736	81,292,098	8,996,902	213,331,576	16,554,113	15,914,288	32,468,401	57,248,618	149,005,298	1,723,469	5,354,192	213,331,576	
AUTHORITY TOTAL	94,624,595	94,797,965	99,180,509	17,978,139	306,581,208	23,933,652	30,504,133	54,437,785	74,230,116	217,331,581	1,919,233	13,100,282	306,581,211	
								58%						

MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3							
	APPROVED BUDGET					MONITORING TO 31 DECEMBER 2021			Approved Funding				
	2021/22 Estimated Spend	2022/23 Estimated Spend	2023/24 Estimated Spend	2024/25 Estimated Spend	TOTAL APPROVED BUDGET	Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding
	£	£	£	£	£	£	£	£	£	£	£	£	£
CHILDRENS SERVICES													
Primary Schools													
Breach Classes	0	1,625,000	1,625,000	0	3,250,000	0	0	0	0	3,250,000	0	0	3,250,000
Parklands Temporary School a	11,976	0	0	0	11,976	0	0	0	0	11,976	0	0	11,976
Parklands Primary School	120,607	0	0	0	120,607	34,396	0	34,396	0	120,607	0	0	120,607
New Yatton Primary School - Chestnut Park	210,729	0	0	0	210,729	45,442	0	45,442	0	210,729	0	0	210,729
St Josephs demountable	13,852	0	0	0	13,852	792	0	792	0	13,852	0	0	13,852
Banwell Primary School	100,000	1,000,000	0	0	1,100,000	2,818	837	3,655	738,591	361,409	0	0	1,100,000
Secondary Schools													
Central Secondary	557,927	0	0	0	557,927	0	0	0	0	557,927	0	0	557,927
HIF School Design and Planning	1,852,665	0	0	0	1,852,665	2,645,143	515,999	3,161,141	0	1,852,665	0	0	1,852,665
HIF School Build	4,873,063	14,091,833	8,434,191	0	27,399,087	18,505	0	18,505	0	27,399,088	0	0	27,399,088
HiF School Fit Out	0	0	1,080,000	0	1,080,000	0	0	0	0	1,080,000	0	0	1,080,000
HiF Contingency	0	0	2,742,983	0	2,742,983	0	0	0	0	2,742,983	0	0	2,742,983
HIF - WHAE School	6,725,728	14,091,833	12,257,174	0	33,074,735	2,663,648	515,999	3,179,647	0	33,074,736	0	0	33,074,736
Gordano School - 2 * Yr7 Classes	120,000	30,000	0	0	150,000	0	0	0	0	150,000	0	0	150,000
Special Schools													
Resource Base - (Nailsea Autism Hub)	144	0	0	0	144	144	0	144	0	144	0	0	144
Mendip Green - Upgrade demountable to Hub	174,201	0	0	0	174,201	111,119	0	111,119	0	174,201	0	0	174,201
SEMh - Churchill	100,000	0	0	0	100,000	0	0	0	0	100,000	0	0	100,000
Baytree Special School - Brookfield Walk Cleve	4,276,500	9,864,159	0	0	14,140,659	259,405	12,802,969	13,062,375	0	14,140,659	0	0	14,140,659
Westhaven Special School	360	0	0	0	360	360	0	360	0	360	0	0	360
Westhaven Special School - Infant Phase Unit	1,914	0	0	0	1,914	1,289	0	1,289	0	1,914	0	0	1,914
SEND	100,000	0	0	0	100,000	0	0	0	100,000	0	0	0	100,000
SEMh Nailsea	100,000	100,000	0	0	200,000	0	0	0	200,000	0	0	0	200,000
ASD Hubs School Clusters	150,000	150,000	0	0	300,000	0	0	0	300,000	0	0	0	300,000
SEMh School Clusters	180,000	180,000	0	0	360,000	0	0	0	360,000	0	0	0	360,000
Ravenswood Expansion - internal remodelling	125,000	0	0	0	125,000	109,064	0	109,064	0	125,000	0	0	125,000
VLC - Ashcroft House	344,568	0	0	0	344,568	274,449	31,643	306,092	344,568	0	0	0	344,568
Ravenswood Roof	716,841	0	0	0	716,841	377,416	327,801	705,217	716,841	0	0	0	716,841
VLC Milton project	150,832	0	0	0	150,832	133,439	15,794	149,233	0	150,832	0	0	150,832
Programmes													
Devolved Formula Capital	490,183	0	0	0	490,183	43,659	0	43,659	0	490,183	0	0	490,183
Statutory Compliance	701,159	200,000	125,000	100,000	1,126,159	166,479	28,720	195,199	0	1,126,159	0	0	1,126,159
Contingency Fund	43,799	0	0	0	43,799	0	0	0	0	16,097	0	27,703	43,800
	15,516,321	27,240,992	14,007,174	100,000	56,864,487	4,223,918	13,723,763	17,947,682	2,760,000	54,076,785	0	27,703	56,864,488

APPENDIX 3

MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3							
	APPROVED BUDGET					MONITORING TO 31 DECEMBER 2021			Approved Funding				
	2021/22 Estimated Spend	2022/23 Estimated Spend	2023/24 Estimated Spend	2024/25 Estimated Spend	TOTAL APPROVED BUDGET	Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding
	£	£	£	£	£	£	£	£	£	£	£	£	£
ADULT SOCIAL SERVICES													
Adult social care accommodation shift	204,188	0	0	0	204,188	17,164	0	17,164	0	204,188	0	0	204,188
Other													
Aids & Adaptations Equipment	300,000	300,000	300,000	300,000	1,200,000	172,226	0	172,226	0	1,200,000	0	0	1,200,000
Housing & Technology Fund	5,813	0	0	0	5,813	0	0	0	0	5,813	0	0	5,813
	510,001	300,000	300,000	300,000	1,410,001	189,390	0	189,390	0	1,410,001	0	0	1,410,001
HOUSING													
Private Sector Renewal													
Disabled Facilities Grants	2,412,293	2,081,237	2,081,237	2,081,237	8,656,004	1,122,676	158,782	1,281,457	0	8,656,004	0	0	8,656,004
Other Private Sector Renewal	38,225	0	0	0	38,225	98,164	148,379	246,543	0	0	0	38,225	38,225
Social Housing Grants (LASHG)	693,498	0	0	0	693,498	0	0	0	421,498	272,000	0	0	693,498
Grant funding of affordable housing	1,794,000	0	0	0	1,794,000	0	0	0	0	1,794,000	0	0	1,794,000
Other													
Repurchase Leasehold Properties	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000	1,226,400	0	1,226,400	0	0	0	6,000,000	6,000,000
First Time Buyer Loan Scheme	35,000	0	0	0	35,000	0	0	0	0	0	0	35,000	35,000
Clarence Park Lodge	45,000	0	0	0	45,000	45,000	0	45,000	0	45,000	0	0	45,000
Technology Enabled Care	750,000	0	0	0	750,000	0	0	0	0	750,000	0	0	750,000
	7,268,016	3,581,237	3,581,237	3,581,237	18,011,727	2,492,240	307,160	2,799,400	421,498	11,517,004	0	6,073,225	18,011,727
CORPORATE SERVICES													
ICT Projects													
ICT Replacement Programme	909,408	0	0	0	909,408	106,051	67,472	173,523	0	0	129,000	780,408	909,408
Asset Management Plan													
Corporate Asset Management Plan	533,241	800,000	0	0	1,333,241	5,670	1,936	7,607	350,000	59,329	59,158	864,754	1,333,241
Leisure Asset Management Plan	1,415,606	0	0	0	1,415,606	381,094	486,328	867,422	1,158,000	250,000	7,606	0	1,415,606
Town Hall - Police EO	13,164	0	0	0	13,164	964	0	964	0	13,164	0	0	13,164
Accommodation Strategy	0	1,000,000	0	0	1,000,000	0	0	0	1,000,000	0	0	0	1,000,000
Development Strategy	892,000	0	0	0	892,000	0	0	0	892,000	0	0	0	892,000
Other													
Commercial Investment Fund - Sovereign Cent	0	5,000,000	0	5,000,000	10,000,000	0	0	0	10,000,000	0	0	0	10,000,000
CCTV Upgrade	0	0	0	0	0	-19,851	3,186	-16,666	0	0	0	0	0
Decarbonisation of heat (boilers)	0	1,000,000	0	0	1,000,000	0	0	0	0	1,000,000	0	0	1,000,000
Energy efficiency buildings	300,000	0	0	0	300,000	63	0	63	300,000	0	0	0	300,000
Rooftop solar pilot	100,000	0	0	0	100,000	0	0	0	100,000	0	0	0	100,000
Awaiting Full Approval	4,163,418	7,800,000	0	5,000,000	16,963,418	473,991	558,922	1,032,913	13,800,000	1,322,493	195,764	1,645,162	16,963,419

APPENDIX 3

MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3							
	APPROVED BUDGET					MONITORING TO 31 DECEMBER 2021			Approved Funding				
	2021/22	2022/23	2023/24	2024/25	TOTAL	Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding
	Estimated Spend	Estimated Spend	Estimated Spend	Estimated Spend	APPROVED BUDGET								
PLACE	£	£	£	£	£	£	£	£	£	£	£	£	£
Community													
RFID In Libraries	20,584	0	0	0	20,584	1,551	0	1,551	0	2,160	0	18,424	20,584
Banksy Pinwheel	30,881	0	0	0	30,881	0	0	0	0	30,881	0	0	30,881
Shop Front Enhancement	236,041	50,000	0	0	286,041	62,025	0	62,025	0	286,041	0	0	286,041
Heritage Action Zone	500,500	350,000	30,500	0	881,000	0	0	0	0	881,000	0	0	881,000
Campus Gym	0	184,143	0	0	184,143	0	0	0	0	184,143	0	0	184,143
Integrated Transport Schemes													
Public Transport Schemes	253,610	0	0	0	253,610	40,672	95,795	136,467	0	253,610	0	0	253,610
Congestion Management	0	0	0	0	0	1,096	0	1,096	0	0	0	0	0
Walking	127,629	0	0	0	127,629	29,610	36,986	66,596	0	127,629	0	0	127,629
Cycling Programme	54,969	0	0	0	54,969	2,443	990	3,433	0	54,969	0	0	54,969
Safety & Travel Plans	386,136	0	0	0	386,136	67,544	49,584	117,129	0	386,136	0	0	386,136
Other Schemes	120,035	0	0	0	120,035	97,250	8,955	106,205	0	120,035	0	0	120,035
Programme Management	5,375	0	0	0	5,375	639	0	639	0	5,375	0	0	5,375
Cross Cutting	369,600	0	0	0	369,600	22,382	0	22,382	0	369,600	0	0	369,600
Parking	20,000	0	0	0	20,000	0	0	0	0	20,000	0	0	20,000
COVID Grant - Walking & Cycling (EATF)	1,093,404	0	0	0	1,093,404	160,325	112,316	272,640	16,299	1,077,105	0	0	1,093,404
Pot Hole and Challenge Fund	232,485	0	0	0	232,485	0	0	0	0	232,485	0	0	232,485
City Deal - Transport	1,690,000	0	0	0	1,690,000	0	0	0	0	1,690,000	0	0	1,690,000
Maintenance Schemes													
Principal Roads	1,129,467	0	0	0	1,129,467	384,753	689,744	1,074,497	220,173	909,294	0	0	1,129,467
Non Principal Roads	1,354,504	0	0	0	1,354,504	668,172	700,156	1,368,328	322,373	1,032,131	0	0	1,354,504
Bridges & Structures	1,861,731	0	0	0	1,861,731	243,490	81,418	324,908	678,260	1,183,471	0	0	1,861,731
Street Lighting	250,000	0	0	0	250,000	31,407	0	31,407	250,000	0	0	0	250,000
Traffic Signals	85,080	0	0	0	85,080	2,680	65,969	68,649	81,712	3,368	0	0	85,080
Footways	303,118	0	0	0	303,118	11,399	153,820	165,219	46,238	256,880	0	0	303,118
Asset Officer	55,000	0	0	0	55,000	19,827	0	19,827	55,000	0	0	0	55,000
Drainage Schemes within LTP	1,083,726	0	0	0	1,083,726	106,937	165,907	272,845	52,292	1,031,434	0	0	1,083,726
Fencing	52,876	0	0	0	52,876	7,256	17,938	25,194	52,876	0	0	0	52,876
Road Restraint Programme	175,000	0	0	0	175,000	112,286	0	112,286	100,000	75,000	0	0	175,000
Other Highways & Street Lighting													
NSC Capital Unclassified Roads	1,193,596	0	0	0	1,193,596	933,439	373,309	1,306,749	111,996	1,081,600	0	0	1,193,596
Safe Routes to Schools	181,419	0	0	0	181,419	0	0	0	0	0	0	181,419	181,419
Wrington Flood Relief Scheme	81,618	0	0	0	81,618	127	0	127	0	76,998	4,620	0	81,618
A370 Yanley Viaduct	24,665	0	0	0	24,665	-28,728	0	-28,728	0	24,665	0	0	24,665
Summer Lane Flood Relief Scheme	413,273	0	0	0	413,273	85,853	0	85,853	0	322,426	8,770	82,078	413,273
Street Lighting Lamp Column Replacement	1,279,002	0	0	0	1,279,002	915,788	735	916,523	1,279,002	0	0	0	1,279,002
Winterstoke Rd Bridge	3,650,333	6,658,000	2,421,000	0	12,729,333	675,847	-3,493	672,354	0	12,729,333	0	0	12,729,333
A371 Safer Roads	900,310	0	0	0	900,310	35,692	858,217	893,909	0	900,310	0	0	900,310
VMS Units and Barriers	88,300	0	0	0	88,300	86,600	0	86,600	0	0	88,300	0	88,300
Clevedon Sea Front Illuminations	60,000	0	0	0	60,000	414	0	414	0	0	60,000	0	60,000

MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3								
	APPROVED BUDGET					MONITORING TO 31 DECEMBER 2021			Approved Funding					
	2021/22	2022/23	2023/24	2024/25	TOTAL	Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding	
	Estimated Spend	Estimated Spend	Estimated Spend	Estimated Spend	APPROVED BUDGET									£
£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Transport														
South Bristol Link	1,041,261	0	0	0	1,041,261	115,263	-6,834	108,429	0	705,704	335,557	0	1,041,261	
Metro West subtotal	9,411,793	31,372,655	42,236,811	8,951,124	91,972,383	3,051,478	1,711,060	4,762,538	49,531,000	37,783,513	288,879	4,368,990	91,972,382	
North South Link	1,560,143	0	0	0	1,560,143	834,806	60,416	895,223	0	1,560,143	0	0	1,560,143	
Land at Parklands Village	974,275	0	0	0	974,275	79,696	0	79,696	0	974,275	0	0	974,275	
Utilities at Parklands Village	742,936	0	0	0	742,936	72,764	0	72,764	0	742,936	0	0	742,936	
Office for Low Emission Vehicles (OLEV)	570,938	0	0	0	570,938	142,005	54,790	196,795	0	570,938	0	0	570,938	
HIF	11,276,374	17,140,029	35,739,883	0	64,156,286	2,264,470	1,540,329	3,804,799	0	64,156,286	0	0	64,156,286	
LGF4 (Old LSTF) 2018/19 - sustainable transport	175,060	0	0	0	175,060	17,844	15,092	32,937	84,994	90,066	0	0	175,060	
Weston to Clevedon Cycleway (Tutshill Sluice)	2,826,396	0	0	0	2,826,396	521,979	1,731,807	2,253,786	125,479	2,700,917	0	0	2,826,396	
Metrobus Contingency/ AVTM	300,000	0	0	0	300,000	376	0	376	0	0	300,000	0	300,000	
J19 Wyndham Way	39,402	0	0	0	39,402	71,445	24,321	95,766	39,402	0	0	0	39,402	
Weston Transport Enhancement Scheme	5,102,181	0	0	0	5,102,181	2,611,538	1,775,547	4,387,085	716,000	3,866,181	0	520,000	5,102,181	
Real Time Information	5,220	0	0	0	5,220	0	0	0	0	5,220	0	0	5,220	
J21 Northbound Slip	527,394	0	0	0	527,394	0	0	0	450,000	77,394	0	0	527,394	
Major Road Network (A38)	188,249	0	0	0	188,249	285,885	101,089	386,974	0	188,249	0	0	188,249	
Cycle hub	65,320	0	0	0	65,320	0	0	0	0	0	65,320	0	65,320	
Festival Way / B3128 Crossing (Ashton Court c)	59,530	0	0	0	59,530	47,648	0	47,648	0	59,530	0	0	59,530	
Avonmouth Bridge Wayfinding	120,000	0	0	0	120,000	12,154	0	12,154	0	120,000	0	0	120,000	
Open Spaces														
Beach Recycling Weston Bay	3,050	0	0	0	3,050	0	0	0	0	0	3,050	0	3,050	
Ashcombe Tennis Court	3,538	0	0	0	3,538	6,702	0	6,702	0	3,538	0	0	3,538	
England Coast Path	438,000	0	0	0	438,000	197,441	10,091	207,531	0	438,000	0	0	438,000	
Parks & Street Scene - vehicles & equipment	691,566	0	818,126	0	1,509,692	521,025	166,585	687,610	1,445,450	45,742	18,500	0	1,509,692	
Weston Marine Lake - Dredging	300,000	0	0	0	300,000	36,365	70,645	107,010	300,000	0	0	0	300,000	
Portishead Lakegrounds	250,000	0	0	0	250,000	0	0	0	250,000	0	0	0	250,000	
Clevedon Marine Lake	150,000	0	0	0	150,000	0	0	0	150,000	0	0	0	150,000	
Clapton Lane Pitches	120,000	0	0	0	120,000	107,546	-105,896	1,650	0	120,000	0	0	120,000	
Boardwalk Portishead	24,088	0	0	0	24,088	10,000	13,588	23,588	0	24,088	0	0	24,088	
Parking														
Parking Schemes	35,716	0	0	0	35,716	0	0	0	35,716	0	0	0	35,716	
Leigh Woods Parking	162,771	0	0	0	162,771	72,962	79,825	152,787	140,172	0	22,600	0	162,772	
Parking Review	757,869	0	0	0	757,869	0	0	0	685,000	72,869	0	0	757,869	
Vehicles														
Purchase of Vehicles - Place	69,210	120,909	45,778	45,778	281,675	0	0	0	29,184	0	69,210	183,281	281,675	
Other														
Waste - Garden Waste Bins	358,663	0	0	0	358,663	15,000	0	15,000	0	0	358,663	0	358,663	

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MONITORING OF 2021/22 CAPITAL PROGRAMME						APPENDIX 3							
	APPROVED BUDGET				TOTAL APPROVED BUDGET	MONITORING TO 31 DECEMBER 2021			Approved Funding				
	2021/22 Estimated Spend	2022/23 Estimated Spend	2023/24 Estimated Spend	2024/25 Estimated Spend		Actual Spend	Commitments	2021/22 Total Cost	Borrowing	Grants & Contributions	Reserves & Revenue	Capital Receipts	Total Approved Funding
	£	£	£	£		£	£	£	£	£	£	£	£
Strategic/Regeneration Projects													
Town Square	17,517	0	0	0	17,517	17,982	123	18,105	0	17,517	0	0	17,517
Creative Hub	32,131	0	0	0	32,131	0	0	0	0	32,131	0	0	32,131
The Foodworks SW	555,273	0	0	0	555,273	56,926	13,398	70,324	0	555,273	0	0	555,273
Locking Parklands Health Centre	4,975,690	0	0	0	4,975,690	560,798	3,580,589	4,141,387	0	4,975,690	0	0	4,975,690
CDS - Connecting Devon & Somerset	200,000	0	0	0	200,000	0	0	0	0	100,000	100,000	0	200,000
Weston General Stores	1,765,000	0	0	0	1,765,000	229,166	1,669,377	1,898,543	0	1,765,000	0	0	1,765,000
Land Release Fund - Churchill Avenue, Cleved	350,000	0	0	0	350,000	0	0	0	0	350,000	0	0	350,000
Land Release Fund - Uplands, Nailsea	481,020	0	0	0	481,020	0	0	0	0	481,020	0	0	481,020
Brownfield Release Sites - Walliscote Place	1,075,000	0	0	0	1,075,000	0	0	0	0	1,075,000	0	0	1,075,000
Completed Schemes													
Strawberry Line	0	0	0	0	0	8,968	0	8,968	0	0	0	0	0
	67,166,840	55,875,736	81,292,098	8,996,902	213,331,576	16,554,113	15,914,288	32,468,401	57,248,618	149,005,298	1,723,469	5,354,192	213,331,576

Changes to the Capital Programme in 2021/22

ANALYSIS OF CHANGES TO THE 2021/22 CAPITAL PROGRAMME	2021/22	2022/23	2023/24	2024/25	Total
	Capital Programme Budget £000	Capital Programme Budget £000	Capital Programme Budget £000	Capital Programme Budget £000	Capital Programme Budget £000
ORIGINAL APPROVED CAPITAL EXPENDITURE BUDGETS (as per P9)	50,131	34,036	53,460	29,027	166,654
Adj P10 - P12	4,148	337	869	0	5,355
Planned Additions to the capital Programme - Exec 11th Feb 2021	19,085	38,042	44,658	8,951	110,736
New Investments to the capital Programme - Exec 11th Feb 2021	8,810	0	0	0	8,810
Slippage of approved budgets from 2020/21	24,505	0	0	0	24,505
TOTAL ORIGINAL CAPITAL BUDGETS	106,679	72,416	98,987	37,978	316,060
AMENDMENTS TO THE PROGRAMME IN 2021/22					
Months 1-3					
Addition - DP090 Public Enquiry Equipment - KF1115	29	0	0	0	29
Addition - SBL - KDT107	322	0	0	0	322
Addition - CY31 Ravenswood - KCE262	125	0	0	0	125
Addition - AVTM - KDT141	300	0	0	0	300
Addition - CSD022 - Footpath Yatton Co-op to School - KDH109	109	0	0	0	109
Addition - CSD032 - ICT Capital Programme - KF1115	100	0	0	0	100
Addition - CS12 Mendip Green Autistic Spectrum Disorder (ASD) Resource Base	50	0	0	0	50
Addition - MetroWest Rail	329	0	0	0	329
Saving - Project spend financed prior year on KFA101 not KFA108	(100)	0	0	0	(100)
Saving - Grant Funding of Affordable Housing - KAH203	(816)	0	0	0	(816)
Saving - Nailsea Autism hub - KCE258	(1)	0	0	0	(1)
Saving - SEMH Mendip - KCE261	(107)	0	0	0	(107)
Saving - remove commercial investment from the programme - until decisions made	0	0	0	(20,000)	(20,000)
Rephase - Vehicles - KDS303	100	(100)	0	0	0
Rephase - Breach Classes	(3,250)	1,625	1,625	0	0
Rephase - Gordano - KCS216	(30)	30	0	0	0
Rephase - SEMH Nailsea -	(100)	100	0	0	0
Rephase - ASD Hubs School Clusters	(150)	150	0	0	0
Rephase - SMH School Clusters	(180)	180	0	0	0
Rephase - Commercial Investment - Sovereign Centre	(3,000)	3,000	0	0	0
Rephase - MetroWest Rail	(1,465)	1,465	0	0	0
Addition - CSD141 Clarence Park	20	0	0	0	20
Addition - DP135 Kubota	17	0	0	0	17
Addition - DP137 Gym Equipment	48	0	0	0	48
Rephase - Baytree School	(8,387)	8,387	0	0	0
Addition - DP202 Boardwalk Portishead	24	0	0	0	24
Addition - DP225 Avonmouth Bridge Wayfinding Project	120	0	0	0	120
Addition - DP240 Clevedon Sea Front Illuminations	60	0	0	0	60
Addition - Affordable Housing - Exec Report 08/09/2021	1,794	0	0	0	1,794
Addition - DP391VMS Barriers	88	0	0	0	88
Addition - WHAE	2,100	0	0	0	2,100
Addition - Weston Town Centre Enhancement Scheme	520	0	0	0	520
Rephase - Campus Gym	(184)	184	0	0	0
Saving - KDS411-Waste Vehicles,Equipment & Plant - Scheme Complete	(141)	0	0	0	(141)
Addition - DP185 Wintersoke Road Bridge	1,804	0	0	0	1,804
Rephase - Banwell Bypass	1,411	0	(1,411)	0	0
Rephase - CAMP	(800)	800	0	0	0
Rephase - WHAE	(1,561)	1,561	0	0	0
Rephase - Decarbonisation of Heat Boilers	(1,000)	1,000	0	0	0
Rephase - Commercial Investment - Sovereign Centre	(2,000)	2,000	0	0	0
Rephase Parks and Streetscene P&M	21	0	(21)	0	0
Rephase Banwell Primary School	(1,000)	1,000	0	0	0
REVISED 2021/22 CAPITAL PROGRAMME	94,625	94,798	99,181	17,978	306,581