

**CABINET**

**2 February 2009**

**Report of: Acting Strategic Director (Resources)**

**Title: Capital Programme 2009/10**

**Ward: Citywide**

**Officer presenting report: Carew Reynell**

**Contact telephone number: 0117 922 4420**

**RECOMMENDATION**

That the Cabinet i) determines its recommendations to Council in respect of the capital programme for 2009/10 and for Prudential Indicator targets and ii) approves Early Works Agreements for BSF wave 4 on the terms set out in the report.

**Report Summary**

The report summarises proposals for the capital programme and for borrowing and lending.

The significant issues in the report are:

- the BSF wave 4 Early Works Agreement (para 5);
- proposals for the use of government allocations and revenue contributions in para 7 and Appendix 1;
- proposals in relation to non-earmarked resources (para. 16/17);
- the proposed Prudential Indicator targets in Appendix 2 (para. 21).

## Policy

1. The capital programme will contribute to the Council's Corporate Plan priorities:

**Our city : ambitious together** – the Museum of Bristol; the Colston Hall foyer complex; the Hengrove park regeneration scheme; housing development in mixed and sustainable communities; further Showcase Bus Routes.

**Our city : making a difference** – the national pathfinder Building Schools for the Future programme; substantial investment in primary schools and children's centres; Residential Futures and very sheltered housing; new flagship customer service point.

**Our city : safer and healthier** – renewal of leisure facilities, including the Hengrove Healthplex; City Docks refurbishment.

**Our city : better neighbourhoods** – investment in parks and green spaces; improvements to libraries; footway, traffic management works and environmental works.

## Background

2. The capital programme is financed from government borrowing allocations, grants, and other resources earmarked for particular spending programmes, and from local discretionary resources (predominantly capital receipts).
3. To facilitate multi-year planning, the government provides three year provisional indicators of the principal allocations.

## Committed programme

4. The proposals for 2009-2012 reflect the latest assessment of spending in 2008/09. Committed projects/programmes are generally being implemented within the resources that have been allocated. Details are available from the Corporate Finance Team.

5. The Cabinet has previously approved an Early Works Agreement to enable work on the BSF Wave 4 Schools to commence in advance of final approval of the Full Business Case by DCSF. Work on the programme has progressed: the Outline Business Case has been approved by DCSF and Treasury, costs have been agreed with the LEP (within the funding allocation), and planning permissions have been granted. The Final Business Case will be submitted by early February. However, final approval is now expected to be later than originally anticipated, and to allow a margin for error in the timing of the approval process, while keeping as close as possible to the construction timetable, it is now proposed to enter into Early Works Agreements that involves a maximum exposure to financial risk of £11.4m should the programme be terminated. This exceeds the limit previously endorsed by Cabinet (November 2008) and would clearly have a very severe impact. However, given the progress that has now been made, officers believe that the risk is very slight and that the Early Works Agreements should proceed.

## **Proposal**

6. The summary capital programme, incorporating commitments brought forward from previous years (reflecting the most recent review of capital spending in 2008/09) and new earmarked allocations (from government and from revenue), is attached as Appendix 1.
7. Government allocations and other earmarked finance for 2009/10 amount to £93m, and it is proposed that, as in previous years, these monies should be used for the services for which they have been allocated.
8. The following paragraphs summarise the principal projects that the programme will deliver.

## **9. Children, Young People and Skills**

- completion of the BSF pathfinder schemes and implementation of the rebuilding/refurbishment of five secondary schools and Florence Brown Special School (BSF Wave 4) and three Academies;
- relocation of Briarwood and New Fosseway Special Schools;
- progress on new/replacement primary school provision at Sefton

- Park, Cabot and St Barnabas;
- modernisation/improvement/expansion of primary school provision at Horfield, Henbury Court, Whitehall, Westbury on Trym, Bankleaze, Bannerman Road, Elmlea, Parson Street and May Park;
- Sea Mills, Highridge/Bishopsworth and Victoria Park amalgamations;
- major improvements to Stoke Lodge and St Bede's playing fields.

## **10. City Development**

- Greater Bristol Bus Network - implementation of enhanced bus stops and shelters and a start on introducing measures along A4 Bath Road to improve bus reliability and traffic flow;
- Cycle City - construction of northern route from city centre to Bristol Parkway, start on routes to Hartcliffe and Whitchurch and signing of routes together with progressing 20mph limits;
- road safety - programme of Vehicle Activated Signs (VAS) and Watchman together with schemes including the Centre and M32 junction 2;
- structural Highway Maintenance of carriageway and footways;
- completion of phase 1 of Colston Hall, progressing the Museum of Bristol and the Libraries renewal programme, and the disabled access project at City Museum and Art Gallery;
- the Filwood Broadway Corridor part of the Knowle West Regeneration Framework. Acquisition of strategic sites for redevelopment (employment, housing and community infrastructure provision);
- Hengrove Park phase 1, providing a serviced site to facilitate the Healthplex, hospital, Skills Academy and other developments;
- progressing the Kingswear & Torpoint redevelopment project, to provide significant new high-quality housing and associated amenities.

## **11. Health and Adult Social Care**

- refurbishment of Vetchlea and Hollybrook as part of the Residential Futures programme;
- reprovision of Concorde Lodge.

## **12. Neighbourhoods**

- HRA investment of £41.4m to raise homes to the Decent Homes

standard, improve Supported Housing Scheme, provide disabled adaptations, and works to relet properties;

- progressing the prefab and precast concrete homes projects;
- private sector renewal and provision of new affordable homes;
- continuation of structural maintenance programmes for the Council's building stock;
- the Very Sheltered Housing schemes at Queens Road and Monks Park;
- progressing the Parks Pathfinders, Arnos Vale and Hengrove Healthplex projects.

### **13. Transformation**

- progressing the office accommodation project, on an invest to save basis;
- other transformation programmes, subject to the approval of business cases.

#### **'Non- earmarked' spending**

14. The 'non-earmarked' element of the programme is financed almost entirely from capital receipts. £3.045m was included in the 2008/09 capital programme for a variety of projects, and during the year additional allocations were approved for the Museum of Bristol, the City Museum lift and the Colston Hall.
15. However, changes in the property market have resulted in a substantial reduction in the estimated value of receipts. Receipts are also delayed, as residential sites are not being marketed while current depressed market values continue. The value of the disposals programme depends on the extent of the eventual recovery in the property market. The planned spending programme requires receipts of approximately £60m, including 'ringfenced' receipts for projects such as Residential Futures, Building Schools for the Future, primary review, Hengrove Park and Knowle West regeneration. A shortfall of receipts against planned spending of at least £10m is now anticipated, with considerable delays in receipts meaning that in the short-medium term, the shortfall will be substantially greater.
16. In these circumstances, there is no scope to add projects to the capital programme unless they bring additional resources with them.

17. The only exception to this is Phase 2 of works to the City Docks, which has previously been recognised in the capital strategy and is now included in the City Development programme at £5.7m.

## **Borrowing and Lending**

18. Borrowing of £18m supported by government allocations is anticipated for 2009/10, to finance spending in the proposed capital programme.
19. Because of the revenue implications, the capital spending plans do not include any proposals for 'prudential borrowing' (ie borrowing unsupported by government grant) beyond what has already been approved (mostly on an 'invest to save' basis). Subject to satisfactory business cases, it is anticipated that new 'invest to save' proposals in relation to transformation programmes and energy conservation works will come forward during the year.
20. Members will be aware that £8m of the Council's investments are at risk as a result of the Icelandic banking crisis. With the assistance of the Resources Scrutiny Commission, the Council's Treasury Management policies and procedures have been reviewed and will be brought to the Cabinet for approval in March. In the meantime, external borrowing is being deferred, to reduce the Council's exposure as a lender.
21. An important element of the Treasury Management framework is the setting of Prudential Indicator targets by Council. These are intended to set limits on:
- the extent of borrowing;
  - the extent of debt financing costs; and
  - the Council's exposure to risk in relation to changes in interest rates.

Proposed targets for 2009/10 are attached as Appendix 2. These reflect the current strategy of not taking additional borrowing, and reducing lending instead.

## **Risk Assessment**

22. The principal risks are:

- overspending on projects or programmes. There are a number of major projects in the programme which depend on local discretionary resources, and prudent cost planning and good project management are required;
- failure to raise the necessary receipts. Progress against the receipts programme is monitored closely. As indicated above, the deterioration in property market conditions has had a substantial impact;
- failing to match resources to priorities. This risk is reduced by the development of Asset Management Plans. It should, however, be noted that the proposals for the use of non-earmarked funds still leave a number of investment needs unfunded.

23. The position in relation to the risk registers of major capital projects is regularly reported to the Cabinet as part of the quarterly capital programme management report. Borrowing and lending activity is reported quarterly to the Executive Member for Transformation and Resources.

## **Legal and Resource Implications**

**Legal:** None sought.

### **Financial:**

**(a) Revenue:** The financing costs arising from planned borrowing are provided for in the draft revenue budget and medium term financial plan. Any additional operating costs will have to be contained within the revenue budget of the relevant department.

**(b) Capital:** As set out in the report.

**Land:** The programme will contribute to the maintenance and improvement of the Council's property assets.

**Personnel:** None arising directly from the report.

**Appendices:** 1. Capital programme.

2. Draft Prudential indicators and lending limits.

## **ACCESS TO INFORMATION**

**Background Papers:** Relevant working papers in the Finance Division.



## SUMMARY CAPITAL PROGRAMME 2009/10 AND LATER YEARS

<b>DEPARTMENT</b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
<b>HEALTH &amp; SOCIAL CARE</b>	7,912	2,506	1,406
<b>BUSINESS TRANSFORMATION</b>	3,925	1,634	1,980
<b>CHILDRENS SERVICES</b>	52,847	48,374	15,925
<b>NEIGHBOURHOODS</b>	60,513	53,629	40,156
<b>CITY DEVELOPMENT</b>	46,932	40,978	15,268
<b>TOTAL PROGRAMME</b>	<b>172,129</b>	<b>147,122</b>	<b>74,735</b>

## **CHILDREN, YOUNG PEOPLE' & SKILLS (CYPS)**

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
	£'000	£'000	£'000	£'000	
<u>EARMARKED</u>					
<b><u>Committed Projects before 31.3.09</u></b>					
Mainstream & One-Off Incl forward funding	37,686 16,620	19,820 16,620	17,099	767	Per 3rd Monitor 200
<b><u>New Projects - 2009/10 Starts</u></b>					
<u>Main Capital programme -</u>					
<b>Primary</b>					
Weston Park/Bluebell Valley amalgamation	1,000	100	900		
Whitehall	2,500	250	2,250		
Sea Mills amalgamation	5,900	590	2,124	3,186	
Highridge & Bishopsworth amalgamation	500	50	450		
Parson Street Primary	2,500	250	1,125	1,125	
Victoria Park amalg.	1,500	150	1,000	350	
St. Barnabas	6,000	300	2,000	3,700	
May Park	2,600	260	2,340		
W-o-T	20		20		
Stoke Lodge playing fields	1,600	160	1,440		

## **CHILDREN, YOUNG PEOPLE' & SKILLS (CYPS)**

<b><u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u></b>	<b><u>PROJECT COST</u></b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>	<b><u>Comments</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>	
<b><u>EARMARKED</u></b>					
<b>Secondary</b>					
Redland Green - temperature control works	500	500			
<b>Special</b>					
Florence Brown - Hostel	1,600	160	1,440		
Florence Brown (BSF Wave 4)	12,500	5,000	7,500		
Kingsweston	250		250		
<b>Other</b>					
BSF sports provision	500	500			
Safeguarding essential works	100	100			
Sefton Youth provision	500	500			
ASD Unit @ Brislington (further allocation)	400	400			
Contingency	1,984	344	1,640		
Risk Management	85	85			
Devolved formula capital grant	6,136	6,136			
School access initiative schemes	572	572			
<b><u>Capital Project Aspirations</u></b>					
<b><u>List of 2010/11 Aspirations</u></b>					
Risk Management	87		87		
Devolved formula capital grant	6,137		6,137		
School access initiative schemes	572		572		

## CHILDREN, YOUNG PEOPLE' & SKILLS (CYPS)

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
<u>EARMARKED</u>	£'000	£'000	£'000	£'000	
<b><u>List of 2010/11 Aspirations</u></b>					
Risk Management	88			88	
Devolved formula capital grant	6,137			6,137	
School access initiative schemes	572			572	
<b><u>TOTAL CAPITAL PROGRAMME</u></b>	<b>117,146</b>	<b>52,847</b>	<b>48,374</b>	<b>15,925</b>	
<b><u>FUNDING</u></b>					
<u>Committed projects before 31.3.09</u>					
Capital Fund & expected capital funding streams	36,186	21,959	14,227		Incl's Capital receipts
S106 - Cabot Primary	1,500	1,500			
<u>New Projects - 2009/10</u>					
<u>Borrowing Approvals (DCSF)</u>					
- Basic Need	6,926	6,926			
- School Access Initiative	572	572			
- Modernisation	3,360	3,360			
- Primary Capital Prog	4,898	4,898			
- Devolved Formula - Standards Fund Grant	6,136	6,136			Per DCSF allocation - Incl. Non VA, VA & Academies
Revenue - ex-risk management	85	85			
Capital receipts	5,311	5,311			
TCF	2,100	2,100			

## **CHILDREN, YOUNG PEOPLE' & SKILLS (CYPS)**

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
<u>EARMARKED</u>	£'000	£'000	£'000	£'000	
Prudential Borrowing	1,600		1,600		Florence Brown Hostel
Sports Foundation Grant	600		600		Stoke lodge playing fields - to be applied for
BSF - wave 4	7,589		7,589		Florence Brown Hostel
<b><u>Future Funding Aspirations</u></b>					
<b>2010/11</b>					
Borrowing Approvals (DCSF)					
- Basic Need	6,926		6,926		
- School Access Initiative	572		572		
- Modernisation	3,360		3,360		
- Primary Capital Prog	7,276		7,276		
Risk Management	87		87		
Devolved formula	6,137		6,137		
<b>2011/12</b>					
- Basic Need	4,250			4,250	
- Primary Capital Prog	3,653			3,653	
School access initiative	572			572	
New pupil places	0				
Modernisation	1,225			1,225	
Risk Management	88			88	
Devolved formula	6,137			6,137	
<b><u>TOTAL FUNDING</u></b>	<b>117,146</b>	<b>52,847</b>	<b>48,374</b>	<b>15,925</b>	

## **CHILDREN, YOUNG PEOPLE' & SKILLS (CYPS)**

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
<u>EARMARKED</u>	£'000	£'000	£'000	£'000	

### **OTHER DELL CAPITAL PROJECTS UNDER DEVELOPMENT/DISCUSSION**

BSF wave 4-6

Major investment in 5 secondary schools:

Ashton Park  
St. Bernadettes  
St. Mary Redcliffe  
St. Bedes  
Cotham

Traditional funding (borrowing /grant) thru LEP  
Indicative funding £89m + £9.1m for ICT hardware  
(includes £1.3m stage 0 wave 4 costs + £7.6m  
Florence Brown)

Academy Programme

Colstons Girls school	8,400	2,000	6,400	Delivery managed by BCC, thru LEP, funded by PFS
Cathedral school	11,700	3,000	8,700	Delivery managed by BCC, thru LEP, funded by PFS
Oasis/Hengrove Academy	22,700	11,000	11,700	Delivery managed by BCC, thru LEP, funded by PFS

## **NEIGHBOURHOODS (NH)**

<b><u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u></b>	<b><u>PROJECT COST</u></b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>	<b><u>Comments</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>	
<b><u>EARMARKED</u></b>					
<b><u>Committed Projects before 31.3.09</u></b>					
Trf. From DCX	596	596			DDA & CCTV Building practice projects in progress St. Pauls adv. Play, Arnos Vale, Ash. Court, Allot., Healthplex dev., YOP, Parks dev., Bristol South feas.
Trf. From Resources	3,147	3,147			
Trf. From C&L	5,504	4,986	518		
<b><u>New Projects - 2009/10 Starts</u></b>					
HRA programme - HRA					
HRA - Investment in Stock	55,592	13,500	21,404	20,688	
HRA - Investment in blocks	3,315	3,315			
Repairs, relets & repainting	10,915	3,474	7,441		
Heating partnership	13,436	5,571	3,878	3,987	
Sheltered schemes, Estate Management, NI & EIE					
M&E investment - Blocks-laundries, lifts etc	18,447	2,748	9,882	5,817	
Sheltered schemes, Estate Management, NI & EIE	1,740	1,740			
Citywide investment schemes	2,445	2,445			
Disabled adaptation	2,200	2,200			
Stock investment contingency	500	500			
Garage Strategy - demolitions/refurbishment	885	885			
Misc. - staffing allocations	4,000	1,400	1,400	1,200	
HRA - Other - Priority stock (PRC's & Prefabs)	2,600	2,600			
HRA - other - Misc.	1,105	1,105			
Transforming Services	500	500			Provisional allocation - Office improvement & flexible working

## NEIGHBOURHOODS (NH)

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
	£'000	£'000	£'000	£'000	
<u>EARMARKED</u>					
General Fund					
Strategic Housing Services	3,724	1,324	1,200	1,200	
Private Sector Renewal	8,500	3,000	3,000	2,500	
Very sheltered housing	501	277	224		
Provision of Social Housing by RSL's (S106)	2,101	1,101	500	500	
Toilets	49	49			
Cems & crems	32	32			
Childrens Play	176	176			
Path & Fences	50	50			
Capitalised R & M	3,292	3,292			
Asbestos remediation works	500	500			
Capital Project Aspirations					
List of 2010/11 General Fund Aspirations					
Toilets	50		50		
Cems & crems	33		33		
Childrens Play	180		180		
Path & Fences	51		51		
Capitalised R & M	3,358		3,358		
Asbestos remediation works	510		510		
List of 2011/12 General Fund Aspirations					
Toilets	51			51	
Cems & crems	33			33	



## NEIGHBOURHOODS (NH)

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
	£'000	£'000	£'000	£'000	
<u>EARMARKED</u>					
Childrens Play	183			183	
Pathes & Fences	52			52	
Capitalised R & M	3,425			3,425	
Asbestos remediation works	520			520	
<u>TOTAL CAPITAL PROGRAMME</u>	154,298	60,513	53,629	40,156	
<i>FUNDING</i>					
<i>Committed projects before 31.3.09</i>					
Capital Fund -Trf. From DCX	596	596			
Capital Fund - Trf. From Resources	3,147	3,147			
Capital Fund - Trf. From C&L	5,504	4,986	518		
<i>New Projects - 2009/10</i>					
<i>Regional Housing Pot GRANT - (SCE)</i>	4,000	4,000			
<i>Major Repairs Allowance - Grant</i>	19,269	19,269			
<i>Capital Receipts (RTB)</i>	750	750			
<i>Capital Receipts (Other)</i>	2,625	2,625			
<i>Capital Receipts (Garage sites)</i>	1,733	1,733			
<i>Disabled Facilities Grant</i>	948	948			
<i>Regional cap alloc. (formerly Private Sector Renewal Grant)</i>	1,427	1,427			
<i>Enabling Receipts</i>	1,324	1,324			
<i>Revenue</i>	14,231	14,231			
<i>Very Sheltered Housing</i>	277	277			
<i>Section 106</i>	1,101	1,101			
<i>Capitalised Revenue</i>	4,099	4,099			

## NEIGHBOURHOODS (NH)

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	
<u>EARMARKED</u>					
<i>Future Funding Aspirations</i>					
2010/11					
Borrowing Approvals	4,000		4,000		
Major Repairs Allowance - Grant	20,471		20,471		
Capital Receipts	5,400		5,400		
Disabled Facilities Grant	900		900		
Private Sector Renewal Grant	2,100		2,100		
Enabling Receipts	1,424		1,424		
S106 Receipts	500		500		
Revenue	14,134		14,134		
Capitalised Revenue	4,181		4,181		
2011/12					
Borrowing Approvals					
Major Repairs Allowance - Grant	20,937			20,937	
Capital Receipts	4,000			4,000	
Disabled Facilities Grant	900			900	
Private Sector Renewal Grant	1,600			1,600	
Enabling Receipts	1,200			1,200	
S106 Receipts	500			500	
Revenue	6,755			6,755	
Capitalised Revenue	4,265			4,265	
TOTAL FUNDING	154,298	60,513	53,628	40,157	

## **CITY DEVELOPMENT (CD)**

<b><u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u></b>	<b><u>PROJECT COST</u></b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>	<b><u>Comments</u></b>
<b><u>EARMARKED</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b><u>Committed Projects before 31.3.09</u></b>					
Mainstream & One-Off	40,345	23,458	16,537	350	Per 3rd Monitor 200 Incl. Hengrove Park Phase 1, GBBN, City Cycle Project, Trenchard St. MSCP refurb.
Trf. From DCX	852	332	520		Westmoreland Hse + Kingswear/Torpoint flats + Filwood Broadway
Trf. From C&L	22,816	11,651	10,365	800	Cols. Hall, MOB, CMAG lift, City Docks inf., Old Vic grant
<b><u>New Projects - 2009/10 Starts</u></b>					
<b><u>Main Capital programme -</u></b>	<b>14,173</b>		<b>6,912</b>	<b>7,261</b>	
<b>Project Development</b>					
Major scheme development	1,000	1,000			
<b>Bristol Showcase Projects</b>					
Continuation of projects	2,050	2,050			
<b>Public Transport Infrastructure</b>					
Portway Park & Ride (including Portway Bus Lane	350	350			
South West Traveline	42	42			
Taxis access enhancements and ferry infrastructure	10	10			
Rail enhancements	100	100			
Community Transport - support to operators	100	100			
Water Transport	5	5			

## **CITY DEVELOPMENT (CD)**

<b><u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u></b>	<b><u>PROJECT COST</u></b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>	<b><u>Comments</u></b>
<b><u>EARMARKED</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Safety Engineering</b> Casualty reduction - local safety schemes Road Safety Partnership initiatives Danger reduction - traffic engineering Safer Routes to School (including 20 mph zones) Narrow estate roads	600 153 150 150 47	600 153 150 150 47			
<b>Urban Traffic Management &amp; Control (UTMC)</b> UTMC upgrade	1,000	1,000			
<b>Smarter Travel Choices</b> Cycling schemes Pedestrian schemes Public rights of way improvements an ROW Improvement Plan Healthy Children's Initiative Air quality management and travel awareness Travel Plans RoWIP	310 110 55 150 350 70 55	310 110 55 150 350 70 55			
<b>Maintenance - includes:</b> Structures & bridges Highway drainage/sewerage Footway & carriageway resurfacing/maintenance	11,228	3,669	3,742	3,817	

## **CITY DEVELOPMENT (CD)**

<b><u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u></b>	<b><u>PROJECT COST</u></b>	<b><u>2009/10</u></b>	<b><u>2010/11</u></b>	<b><u>2011/12</u></b>	<b><u>Comments</u></b>
<b><u>EARMARKED</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Other</b>					
City Docks Infrastructure - Phase II	5,700	570	2,500	2,630	TBA
Controlled parking Zones	0				TBA
Residents Parking Zones	0				
Conservation	250	82	83	85	
EIP	786	257	262	267	
Engineering Design	171	56	57	58	
Safety Partnership	0				TBA
<b><u>TOTAL CAPITAL PROGRAMME</u></b>	<b>103,178</b>	<b>46,932</b>	<b>40,978</b>	<b>15,268</b>	
<b><u>FUNDING</u></b>					
<b><u>Committed projects before 31.3.09</u></b>					
<i>Capital Fund &amp; expected capital funding streams</i>	40,345	23,458	16,537	350	
Capital Fund - Trf. From DCX	852	332	520		
Capital Fund - Trf. From C&L	22,816	11,651	10,365	800	
<b><u>New Projects - 2009/10</u></b>					
<i>Borrowing Approvals (LTP) - Non ringfenced SCE®</i>	3,223	3,223			
<i>Grant</i>	5,849	5,849			
<i>Capitalised Revenue</i>	1,566	1,566			
<i>Capital receipts</i>	4,700		2,070	2,630	
<i>Grant - Environment agency</i>	1,000	570	430		
<i>Specific Bid - Integrated Transport</i>	283	283			
<i>Safety partnership grant</i>	0				TBA

## CITY DEVELOPMENT (CD)

<u>THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS</u>	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
<u>EARMARKED</u>	£'000	£'000	£'000	£'000	
<b><u>Future Funding Aspirations</u></b>					
<b>2010/11</b>					
<i>Borrowing Approvals (LTP) - Non ringfenced SCE®</i>	3,513		3,513		
<i>+ SCP grant</i>	5,946		5,946		
<i>Capitalised Revenue</i>	1,597		1,597		
<b>2011/12</b>					
<i>Borrowing Approvals (LTP) - Non ringfenced SCE®</i>	3,794			3,794	
<i>+ SCP grant</i>	6,065			6,065	
<i>Capitalised Revenue</i>	1,629			1,629	
<b><u>TOTAL FUNDING</u></b>	103,178	46,932	40,978	15,268	

**BUSINESS TRANSFORMATION (BT)**

THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS	<u>PROJECT COST</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Comments</u>
<u>EARMARKED</u>	£'000	£'000	£'000	£'000	
<b><u>Committed Projects before 31.3.09</u></b>					
Trf. from Neighbourhods -					
Customer Excellence	1,829	1600	229		
Customer Service Points	1,300	720	580		
Trf. From Resources	4,410	1,605	825	1,980	Accomm review
<b><u>TOTAL CAPITAL PROGRAMME</u></b>	<b>7,539</b>	<b>3,925</b>	<b>1,634</b>	<b>1,980</b>	
<b><u>FUNDING</u></b>					
<b><u>Committed projects before 31.3.09</u></b>					
Capital Fund & expected capital funding streams	6,239	3,205	1,054	1,980	
Prudential Borrowing	1,300	720	580		
<b><u>TOTAL FUNDING</u></b>	<b>7,539</b>	<b>3,925</b>	<b>1,634</b>	<b>1,980</b>	

## HEALTH & SOCIAL CARE (HSC)

THREE YEAR CAPITAL PROGRAMME - 2009/10 ONWARDS	PROJECT COST	2009/10	2010/11	2011/12	Comments
EARMARKED	£'000	£'000	£'000	£'000	
<b>Committed Projects before 31.3.09</b>					
Mainstream & One-Off	10,607	7,507	2,100	1,000	Per 3rd Monitor 2008/09 Includes Residential futures £9.8m
<b>New Projects - 2009/10 Starts</b>					
<u>Main Capital programme -</u>					
Minor Works	54	54			
H & S projects	35	35			
Disability access	20	20			
Care Home Standards	100	100			
Mental Health investment	181	181			
	15	15			
<b>Capital Project Aspirations</b>					
<u>List of 2010/11 Aspirations</u>	406		406		To be allocated
<u>List of 2011/12 Aspirations</u>	406			406	To be allocated
<b>TOTAL CAPITAL PROGRAMME</b>	11,824	7,912	2,506	1,406	
<b>FUNDING</b>					
<u>Committed projects before 31.3.09</u>					
Capital Fund & expected capital funding streams	10,607	7,507	2,100	1,000	
<u>New Projects - 2009/10</u>					
Capital Grant - Personal Social Services	224	224			
Capital Grant - Mental Health	181	181			
<b>Future Funding Aspirations</b>					
<b>2010/11</b>					
Capital Grant - Personal Social Services	224		224		
Capital Grant - Mental Health	182		182		
<b>2011/12</b>					
Capital Grant - Personal Social Services	224			224	
Capital Grant - Mental Health	182			182	
<b>TOTAL FUNDING</b>	11,824	7,912	2,506	1,406	



## APPENDIX 2

	<b>Prudential Indicators</b>	<b>2008/09 Council Approved</b>	<b>2008/09 Estimated Outturn</b>	<b>2009/10 Estimate</b>	<b>2001011 Estimate</b>	<b>2011/2012 Estimate</b>
1.	<b>Planned capital expenditure (£m)</b>					
1.1	• general fund	£121.2m	£104.2m	£205.1m	£124.6m	£43.0m
1.2	• HRA	£39.1m	£42.0m	£42.0m	£44.0m	£31.7m
2.	<b>Capital financing requirement (£m) (taking account of new capital expenditure and the repayment of debt)</b>					
2.1	• general fund	£276.9m	£269.9m	£272.3m	£274.7m	£275.4m
2.2	• HRA	<u>£186.9m</u>	<u>£190.8m</u>	<u>£194.8m</u>	<u>£198.8m</u>	<u>£202.8m</u>
	<i>Note that the general fund figure includes ex-Avon debt managed on behalf of other authorities (£66.0m as at 31/3/08), which may no longer be managed by BCC in the future.</i>	£463.8m	£460.7m	£467.1m	£473.5m	£478.2m
2.3	<b>Confirmation that total borrowing net of investments, does not exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for the current year and next two financial years.</b>	Confirmed	Confirmed	Confirmed	Confirmed	Confirmed
3.	<b>Authorised limit for external debt (£m) (the maximum that the authority will borrow)</b>					
3.1	• borrowing	£476.9m	£435.6m	£441.8m	£448.0m	£452.7m
4.	<b>Operational boundary for external debt (£m) (the anticipated level of borrowing)</b>					
4.1	• borrowing	£433.5m	£369.3m	£358.6m	£349.7m	£344.5m
5.	<b>Financing costs as a percentage of net revenue stream (%)</b>					
5.1	• general fund	2.59%	0.93%	2.17%	2.35%	2.56%
5.2	• HRA	10.73%	10.28%	9.68%	8.73%	8.35%
6.	<b>Affordability of 'unsupported' borrowing (£)</b>					
6.1	• Impact on the council tax	£13.41	£8.54	£13.24	£13.11	£13.04
6.1	• Impact on HRA rent	Nil	Nil	Nil	Nil	Nil
7.	<b>Exposure to changes in interest rates (%)</b>					
7.1	• Upper limit on (net) variable rate debt	30%	30%	30%	30%	30%
7.2	• Lower limit on (net) variable rate debt	0%	0%	0%	0%	0%
7.3	• Upper limit on (net) fixed rate debt	100%	100%	100%	100%	100%
7.4		70%	70%	70%	70%	70%

## APPENDIX 2

	• Lower limit on (net) fixed rate debt					
8.	<b>Maturity structure of borrowing (% Range)</b>					
8.1	• Less than 12 months	0-20%	0-20%	0-20%	0-20%	0-20%
8.2	• 1-2 years	0-20%	0-20%	0-20%	0-20%	0-20%
8.3	• 2-5 years	0-40%	0-40%	0-40%	0-40%	0-40%
8.4	• 5-10 years	0-40%	0-40%	0-40%	0-40%	0-40%
8.5	• over 10 years (Note – limit increased to 85% during 2007/08)	25-85%	25-85%	25-85%	25-85%	25-85%
9.	<b>Maximum principal sums invested &gt; 364 days</b>	£30.0m	£30.0m	£30.0m	£30.0m	£30.0m
10.	<b>The Local Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Services</b>	YES	YES	YES	YES	YES