

**REPORT TO: POLICY & RESOURCES COMMITTEE – 10 DECEMBER 2018**  
**REPORT ON: CAPITAL PLAN 2019-2024– GENERAL SERVICES & HOUSING HRA**  
**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**  
**REPORT NO: 331-2018**

**1 PURPOSE OF REPORT**

1.1 To provide elected members with background information and details of the Council's General Services and Housing HRA Capital Plan for the 5 year period 2019-2024. The Capital Plan updates and extends the Capital Plan 2018-2023 – General Services and Housing HRA (as approved at Policy and Resources Committee 30 October 2017 - report 350-2017 Article VII refers).

**2 RECOMMENDATIONS**

2.1 The Policy & Resources Committee is requested to:

- 1 approve the Council's General Services and Housing HRA Capital Plan for 2019-2024 attached.
- 2 note the gross capital expenditure investment of £347m over the next 5 years.
- 3 note the updated position for the 2018-2019 projected capital expenditure programmes, as at 30<sup>th</sup> September 2018.
- 4 approve the Prudential Indicators for the Capital Plan 2019-2024, as shown in Appendix 2 and note that these Indicators demonstrate that the Capital Plan 2019-2024 is affordable, prudent and sustainable.

**3 FINANCIAL IMPLICATIONS**

- 3.1 The total gross capital investment included in the Capital Plan 2019-2024 is £347m.
- 3.2 A significant portion of the Council's capital expenditure in the plan will be financed by borrowing and, as such, will result in Capital Financing Costs being incurred over the estimated useful life of the assets concerned. Appropriate provision will be included in future years Revenue Budgets.
- 3.3 In some instances, the creation of a new capital asset may result in additional running costs (eg staff, non-domestic rates, maintenance etc) although these may be offset by additional income or related savings. Again, appropriate provision will be included in future years Revenue Budgets for the revenue costs of capital projects as they become operational.
- 3.4 The programme of Property Rationalisation within the Capital Plan 2019-2024 will lead to properties being vacated thus generating revenue savings in property costs and the possibility of a capital receipt from the sale of the asset.

**4 BACKGROUND**

4.1 The Capital Plan 2019-2024 updates the previously approved Capital Plan for General Services and Housing HRA, as previously mentioned in para 1.1 above. In developing the five year Capital Plan for 2019-2024 there has again been a focus on a thematic approach which highlights the Council's strategic priorities. The Capital Plan also reports on the basis of gross Capital Expenditure and this will continue throughout the year in the monitoring of the approved Capital Programme.

This will allow a more structured presentation of management information which will aid scrutiny and overall programme management.

To reflect the overall capital investment being made by the Council, the HRA Capital Plan has also been included, on a summary basis.

The Capital Plan incorporates the movements since the Capital Plan 2018-2023 was approved in October 2017, and the inclusion of new projects which reflect new and existing strategic priorities of the Council.

The longer term 5 year time horizon will allow more certainty and opportunity for better resource programming and work scheduling. In addition there will be opportunities for community benefits and job creation. These will be reported in the Annual Procurement update reports.

- 4.2 The Capital Plan has been summarised to into the new strategic themes that reflect the Council's vision and aims, as published in the City Plan for Dundee 2017-2026 (report 314-2017 to Policy & Resources Committee on 25<sup>th</sup> September 2017 refers).
- 4.3 The Scottish and UK Governments have pledged £200m and £150m respectively for the Tay Cities Deal. There will now be collaboration with the public, private, and academic partners across the Tay Cities area on the prioritisation of projects. It is anticipated that the impact on the Council in terms of funding/contributing towards projects will not be known for a few months. This may then require revisiting the Capital Plan with an updated Plan, incorporating the impact of the Tay Cities Programme, on the Council's Capital Plan, going to Committee next year.

## 5 **PRUDENTIAL FRAMEWORK**

### 5.1 Prudential Code Framework

The Prudential Framework has been developed as a professional code of practice to support local authorities in taking decisions on capital investment. Local authorities are required by Regulation to comply with the Prudential Code under Part 7 of the Local Government in Scotland Act 2003. The Capital Plan 2019-2024 has been prepared in compliance with the Prudential Code.

- 5.2 Under the Prudential Code Local Authorities are obliged to introduce a system of option appraisal for capital projects and to develop asset management plans to assist in determining capital expenditure priorities.

### 5.3 Option Appraisal

Option appraisal guidelines have been developed which allow departments to consider systematically whether individual capital projects provide value for money. An option appraisal report should be completed for all projects of £1m or above being considered for inclusion in the Council's Capital Plan. All Option Appraisals should be presented to the Capital Governance Group in the first instance. A separate report is required to present the findings to Committee for projects with a capital value of £1m or more.

## 6 **CAPITAL EXPENDITURE 2019-2024 (GENERAL SERVICES)**

- 6.1 The Capital Plan 2019-2024 updates the previously approved Capital Plan 2018-2023. The Capital Plan incorporates the movements since the Capital Plan 2018-2023 was approved in October 2017, and the inclusion of new projects which reflect new and existing strategic priorities of the Council. For new projects initial target allocations have been included meantime whilst more detailed feasibility studies and estimates are developed.

- 6.2 The Capital Plan includes significant investment. This includes over £20m for the construction of a hotel on Site 6 on the Waterfront. There is also an allowance of £5.4m to allow Leisure & Culture Dundee to further develop its service provision. £6m is provided for a redeveloped depot at Baldovie and £4m has been earmarked for property improvements.

£10.8m has been maintained to fund developments to support expansion of early Years & Childcare Provision. Existing work programmes have been extended a further year.

### 6.2.1 Work & Enterprise

The Work and Enterprise objective will be to coordinate Dundee's contribution to the delivery of the Tay Cities Regional Economic Strategy 2017-2037. The ambition for the Tay Cities economic region is to have one of the most productive knowledge-led economies in Europe, ensuring that by becoming smarter, the region also becomes fairer. The Capital Plan will be updated to reflect the Council's contributions, once the Tay Cities Deal has been approved.

Further investment of £20.635m has been included in the Capital Plan 2019/24 in order to progress the Hotel development within Site 6 of the Central Waterfront.

Waterfront Place had originally been programmed to start in 2018/19, however, ongoing design development has resulted in the forecast of expenditure has been revised to take account of the revised programme with a works start on site anticipated later in 2019.

#### 6.2.2 Children & Families

The Scottish Government has made a commitment to increase funding for Early Years and Childcare provision from 600 hours to 1140 hours by 2020. Capital investment by the Council to action this, and £10.71m of funding from the Scottish Government is included within the Capital Plan.

The Capital Investment Strategy in relation to the overall learning estate sets out the medium term ambition to meet secondary school capacity needs across the city. The strategy also sets out that two secondary schools require modernisation in the east of the city. At present the Council are working closely with Perth and Kinross and Angus Councils looking at greater joint working in school estate issues in the east and west of the city. The recent fire at Braeview Academy has increased the need for earlier decisions to be made in relation to the secondary school estate in the east and the Children & Families Service would be looking to bring some proposals forward that set out the issues and options in greater detail to the Children & Families Committee in the near future.

#### 6.2.3 Health, Care & Wellbeing

Craigie House is currently under review by the Dundee Health and Social Care Partnership as their model for service delivery is being revised. As a direct consequence the projected programme has now been re-profiled to allow for a works start date in 2020/21.

Within Parks & Open Space, additional resources have been included to fund infrastructure improvements to enhance existing facilities within Camperdown Park, including car parks and footpaths improvements, restoration of the wall and creation of a green hub. In addition, resources have also been provided to fund the continuation of the spend-to-save environmental improvements programme.

Further funding of £1.5m from the Fuel Cell Hydrogen Joint Undertaking within the European Union is included in the plan. It is anticipated that there will be additional funding secured from Scottish Government and the Private Sector. The Low Carbon Transport Initiative will be used for the provision of 12 hydrogen buses and the associated infrastructure in the city.

#### 6.2.4 Community Safety & Justice

Coastal Protection Works – the Broughty Ferry Flood Protection Scheme had been programmed to start in 2018/19, however, the programme has been reviewed due to ongoing design development through statutory and community consultation and consenting requirements. The phasing of expenditure within the Capital Plan 2019-2024 has been amended to reflect this with a start on site anticipated later in 2019.

The construction of the Salt Barn has been revised to take account of the developing requirements of the Changing for the Future depot rationalisation review. The revised programme allows for a works start date on site in 2019/20.

#### 6.2.5 Service Provision

Further investment has been included on the Upgrade on City Square to allow the transfer of Council staff from other properties, thus enabling these properties to become surplus to requirements. The closure of these properties delivers savings which have been taken account of in the Council's Revenue Budget.

Property and Development & Improvement Programme has additional funding of £1 million per annum added to enable Lifecycle Property Improvements to Council property.

Further investment of £2.75m in 2019/20 has been added for the installation of energy efficiency measures within Council property.

Further expenditure has been included on the installation of low carbon transport hubs in Olympia, Greenmarket and Bell Street multi storey car parks. Each hub will have additional electric vehicle charging points installed. The expenditure of £1.75m will be funded by a combination of Council borrowing, and external funding from Scottish Government and European Union Low Carbon Travel & Transport Challenge Fund.

An investment of £3.5m is included on the purchase of desktop collaboration tools, including e-mail, office, desktop sharing and instant messaging. It is anticipated that this will lead to revenue savings. In addition CITRIX, which provides the corporate desktop for the majority of Council users, requires to be refreshed and provision for this included in the plan.

Within the financial years 2022/23 and beyond, provision has been included to fund the proposed £6m redevelopment of the Baldovie depot and further improvements to Riverside household waste recycling centre totalling £1.4m.

#### 6.2.6 Building Stronger Communities – Non Housing HRA element

Broughty Ferry Library is being funded in the main by external funding bids and donations. The levels of secured funding at this stage have been lower than anticipated. The programme for this project has been assessed and adjusted accordingly and the Council contribution of £646k has slipped into 2019/20 due to this programme amendment.

A full analysis of capital resources for General Services is shown in Appendix 1.

## 7 **CAPITAL EXPENDITURE 2019-2024 (HOUSING HRA)**

### 7.1 Housing HRA Capital Plan 2019-2024 Review

The HRA Capital Plan is focused on delivering the following priorities: maintaining the housing stock at Scottish Housing Quality Standard (SHQS); delivering energy efficiency measures such as External Wall Insulation (EWI) to meet the Energy Efficiency Standard in Social Housing (EESH) and tackling fuel poverty, community care and providing new council housing to meet housing need within Dundee.

The priority areas of expenditure over the period of the plan are: re-roofing £13.542m, installation of new windows £15.281m, external insulation £37.843m, heating replacement £18.329m, disabled adaptations and community care £4.650m and £34.485m for continuing the council new build programme. Construction of the new build housing at Alexander Street is almost complete and construction is underway at Derby Street with completions anticipated late 2019.

### 7.2 Scottish Housing Quality Standard

The Council's housing stock met the Scottish Housing Quality Standard at April 2015 subject to abeyances. This is work which could not be completed due to 'social' reasons relating to tenants' or owner occupiers' behaviour. These include where owners do not consent to the installation of a secure entry system or where tenants refuse heating, kitchen and bathroom installations because of not wanting the disruption of improvement work.

The Council must maintain its housing stock at SHQS levels by implementing lifecycle replacement programmes. This is reflected within the capital plan

### 7.3 Energy Efficiency Standard for Social Housing

The Scottish Government has introduced the Energy Efficiency Standard for Social Housing (EESH). EESH sets minimum energy efficiency ratings dependant upon the dwelling type and heating system to be achieved by 2020. The Council will continue to install EWI and energy efficiency measures in its housing stock towards meeting EESH 2 requirements for 2032.

£37.843m has been included in the Capital Plan to provide external wall insulation (EWI) to hard to heat homes. The funding in the capital plan will be supplemented by Home Energy Efficiency Programme for Scotland – Area Based Schemes (HEEPS-ABS) and ECOflex funding (or successor schemes) to ensure that mixed tenure flatted blocks can be thermally insulated.

#### 7.4 Fuel Poverty

Statistics show that the number of households in Dundee City Council affected by fuel poverty has decreased from 42% to 35%. Fuel poverty is defined as where households spend more than 10% of their household income on heating their homes. Fuel poverty is the interaction of fuel prices, household incomes and energy efficiency. The Council will continue to target resources within the capital plan as outlined above to effectively address energy efficiency and to tackle and further reduce fuel poverty in line with the recommendations of the Fairness Commission.

The installation of cladding and district heating in the multi storeys and External Wall Insulation (EWI) to low rise properties has made tenant's homes warmer and reduced household fuel bills. Fuel cost reductions vary according to lifestyles with savings typically 30-40%. Findings from surveys in external wall insulation projects show typical savings in household fuel bills of 20%, with 81% of residents feeling warmer and 73% feeling their home stayed warmer longer.

#### 7.5 Disabled Adaptations and Community Care

The Council along with the Health and Social Care Partnership will maintain people in their own homes where practicably possible by providing adaptations to existing properties. We will continue to invest in the common areas of our sheltered housing complexes to ensure that they are fit for purpose and attractive environments.

#### 7.6 Affordable Housing Supply

The Council is continuing its new build programme. This will assist in delivering the objective of the Fairness Commission to increase the supply and range of affordable housing options in Dundee as well as continuing the regeneration of the City and meeting housing need and demand within the City. Within the new build programme we are prioritising the provision of wheelchair housing and, in partnership with Health and Social Care, meeting the needs for community care.

Construction of the new build housing at Alexander Street is almost complete and construction is underway at Derby Street with completions anticipated late 2019.

The programme will continue to include houses for those who need wheelchair housing as well as addressing the needs of community care groups.

### 8 **PRUDENTIAL INDICATORS**

- 8.1 The Prudential Code requires the Executive Director of Corporate Services to prepare a set of indicators that demonstrate that the Council's Capital Plan 2019-2024 is affordable, prudent and sustainable. The Indicators are detailed in the attached Appendix 2 to this report. The Indicators demonstrate that the Capital Plan 2019-2024 is indeed sustainable, affordable and prudent.

### 9 **RISK ASSESSMENT**

- 9.1 There are a number of risks which may have an impact on the Capital Plan 2019-2024. The main areas of risk are set out below, together with the mechanisms in place to help mitigate these risks.
- 9.2 Currently, building cost inflation levels are volatile, and they can on occasion be relatively high in comparison to general inflation. Therefore delays in scheduling and letting contracts may lead to increases in projected costs. In addition the weaker pound can lead to increased cost of raw materials etc. In such an event, every effort will be made to ensure delays are avoided wherever possible and any increase in costs minimised.
- 9.3 Slippage in the Capital programme leads to the need to reschedule projects in the Capital Plan, therefore creating problems in delivering the programme on time. An allowance for slippage has been included in the Capital Plan to take cognisance of this. In addition the programme is carefully monitored and any potential slippage identified as soon as possible and any corrective action taken wherever possible.

- 9.4 Capital projects can be subject to unforeseen price increases. The nature of building projects is such that additional unexpected costs can occur. Contingencies are built into the budget for each capital project and these will be closely monitored throughout the project.
- 9.5 There is risk associated with projects that are not yet legally committed as the works are not yet tendered for, and there is potential for costs to be greater than the allowance contained within the Capital Plan. The Capital Programmes will be adjusted as necessary to reflect updated cost estimates.
- 9.6 The accurate projection of the value and timing of capital receipts from asset sales is difficult in the current economic climate. There is a risk that the level of capital receipts assumed in the financing of the capital programme will not be achieved. In preparing the capital plan the Council has budgeted for a prudent level of Capital receipts being achieved. Additional borrowing can be used to cover any temporary shortfalls in capital receipts.
- 9.7 The amount and timing of capital receipts can also be difficult to accurately project as sales are often conditional on planning permission and other non-financial factors. This is the case even in times of relative economic stability.
- 9.8 The level of General Capital Grant received from Scottish Government may be impacted by budgetary constraints in future financial settlements. The figures included from 2019-2024 are estimated and subject to change.

## 10 **POLICY IMPLICATIONS**

- 10.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, and Equality Impact Assessment.

There are no major issues.

Each individual project will be screened for each of these elements and they will be reviewed when reported to Committee. This will include preparation of Equality Impact Assessments where appropriate.

## 11 **CONSULTATION**

- 11.1 The Council Management Team have been consulted and are in agreement with the content of this report.

## 12 **BACKGROUND PAPERS**

None

**CAPITAL RESOURCES – GENERAL SERVICES****1 CAPITAL EXPENDITURE FUNDED FROM BORROWING**

- 1.1 The level of borrowing for 2019/2020 to 2023/2024 has been determined based largely on the level of expenditure that can be afforded from the Capital Financing Costs included within the Provisional 2019/2020 Revenue Budget and is shown below:

	<b>Total Borrowing £m</b>	<b>General Services Borrowing £m</b>	<b>Housing HRA Borrowing £m</b>
2019/20	<b>80.669</b>	<b>56.331</b>	<b>24.338</b>
2020/21	<b>38.634</b>	<b>19.658</b>	<b>18.976</b>
2021/22	<b>31.915</b>	<b>15.816</b>	<b>16.099</b>
2022/23	<b>30.818</b>	<b>13.485</b>	<b>17.333</b>
2023/24	<b>22.653</b>	<b>3.550</b>	<b>19.103</b>

- 1.2 The level of borrowing shown above includes some capital projects where a proportion of the borrowing will be funded from efficiency savings and prudential borrowing from new income streams from within Departmental Revenue Budgets and these figures are shown below. The expenditure below relates to the proposed Hotel on Site 6 on Central Waterfront.

	<b>£m</b>
2019/20	<b>19.600</b>
2020/21	<b>2.700</b>
2021/22	-
2022/23	-
2023/24	-

**2 CAPITAL GRANTS AND CONTRIBUTIONS**

- 2.1 The Finance Circular 4-2018 received from the Scottish Government in March 2018 confirmed the level of General Capital Grant for 2018/19. Included within this allowance is the grant for Flood Protection Measures in Dundee and Broughty Ferry - £574,000 and £1.654m respectively.

The General Capital Grant allocations for 2019/2020 to 2023/2024 are estimated figures and will be subject to confirmation at the next Scottish Government Spending Review. The figures shown are net of any transfer for Private Sector Housing Grant.

Within the General Capital Grant the Council has flexibility to allocate the grant to reflect its service priorities and greatest need.

In addition the Council was awarded an additional £9.9m from the Scottish Government for implementing the Early Learning and Childcare – 1140 Hours Expansion, allocated £3.3m in 2018/19, £3.9m in 2019/20 and £2.7m in 2020/21. This is in addition to the £0.8m received in 2017/18.

- 2.2 In addition to the General Capital Grant, the Council receives grants and contributions which are specific to an individual project. These grants and contributions are shown within the detailed pages of the Capital Plan and summarised on the Resources page of the Capital Plan 2019-2024 (page 2).

	<b>Total Grants &amp; Contributions £m</b>	<b>General Capital Grant £m</b>	<b>Project Specific Capital Grants &amp; Contributions £m</b>
2019/20	<b>37.338</b>	<b>24.900</b>	<b>12.438</b>
2020/21	<b>25.448</b>	<b>22.046</b>	<b>3.402</b>
2021/22	<b>18.132</b>	<b>17.000</b>	<b>1.132</b>
2022/23	<b>19.902</b>	<b>17.000</b>	<b>2.902</b>
2023/24	<b>18.132</b>	<b>17.000</b>	<b>1.132</b>

- 2.3 The Council was awarded funding from the Growth Accelerator Model (GAM) from the Scottish Government in 2015/2016. The focus of the award was on the Central Waterfront including funds for the V&A Dundee, Railway Station Concourse, Public Realm, Digital Infrastructure and an Office Development. The grant totals £40.4m (£63.8m including financing costs). The Legal agreement between the Council and the Scottish Government was signed in December 2016. The V&A Dundee and Railway Station Concourse are now complete and operational.

### 3 **CAPITAL RECEIPTS**

These comprise receipts from the sale of land and buildings. Income from the sale of land and buildings has been estimated in consultation with officers from City Development and account has been taken of the current economic climate.

	<b>Total Receipts £m</b>	<b>General Services £m</b>	<b>Housing HRA £m</b>
2019/20	<b>6.399</b>	<b>3.000</b>	<b>3.399</b>
2020/21	<b>5.096</b>	<b>3.000</b>	<b>2.096</b>
2021/22	<b>4.352</b>	<b>3.000</b>	<b>1.352</b>
2022/23	<b>3.850</b>	<b>3.000</b>	<b>0.850</b>
2023/24	<b>3.850</b>	<b>3.000</b>	<b>0.850</b>

It is anticipated that the Waterfront development will generate additional capital receipts or long lease income to support further capital expenditure. No allowance has currently been made for this, although it is expected that this 'city dividend' arising from the transformational investment will be significant and will unlock further funding to enable further reinvestment.

### 4 **SLIPPAGE**

- 4.1 An allowance for slippage has been made in the current years of the Capital Plan 2019-2024 to reflect the movement which occurs on projects due to delays on projects both in the design and procurement stage and during construction. The slippage allowance for 2018/2019 is £10.0m.



**1. CAPITAL EXPENDITURE INDICATORS****1.1 Level of Capital Expenditure**

This indicator measures affordability and gives a basic control of the Council's capital expenditure. To provide an accurate indicator of capital expenditure all receipts are excluded from the calculation, so figures are based on gross expenditure.

**1.2 Ratio of Financing Costs to Net Revenue Stream**

This also measures affordability. The measure includes both current and future commitments based on the Capital Plan and shows the revenue budget used to fund the capital financing costs associated with the capital expenditure programme.

Variations to the ratio imply that the proportion of loan charges has either increased or decreased in relation to the total funded from Government Grants and local taxpayers.

**1.3 Estimate of Incremental Impact of Capital Investment Decisions on the Council Tax**

This is also a measure of affordability. It shows the relative impact of the capital programme on the Council Tax. The indicator takes into consideration the effects of self-financing capital projects funded from existing Revenue Budgets, the effects of government funded projects and reflects the revenue impact of capital schemes on capital financing costs. The variation in the indicators shows the incremental impact of the capital investment decisions within this 5 Year Plan on the Council Tax, with all other items held constant. In reality the Council will manage its Capital Financing Costs budget in the same way as other revenue budget headings to avoid a detrimental impact on Council Tax.

**2. TREASURY MANAGEMENT INDICATORS**

The Annual Treasury Management Activity for 2017/2018 (including Prudential Indicators covering period 2017/2018 to 2022/2023) was reported to Policy & Resources Committee on 25 June 2018 (Report No 167-2018). These have now been updated to reflect projected expenditure included in the 2019-2024 Capital Plan.

**PRUDENTIAL CODE INDICATORS - TREASURY MANAGEMENT INDICATORS**

Adoption of Revised CIPFA Treasury Management Code of Practice

Yes
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**Upper limit for variable and fixed rate exposure**

	Net principal re variable rate borrowing / investments	Net principal re fixed rate borrowing / investments
2017/18	30%	100%
2018/19	30%	100%
2019/20	30%	100%
2020/21	30%	100%
2021/22	30%	100%
2022/23	30%	100%
2023/24	30%	100%

**Actual External Debt**

	<u>£'000</u>
Actual borrowing as at 31/03/2018	536,587
Actual other long term liabilities as at 31/03/2018	70,113
<b>Actual external debt as at 31/03/2018</b>	<b>606,700</b>

**Maturity structure of fixed rate borrowing 2017/18**

Period	Lower %	Upper %
Under 12 months	0	10
12 months & within 24 months	0	15
24 months & within 5 years	0	25
5 years & within 10 years	0	25
10 years +	50	95
Upper limit for total principal sums invested for over 364 days	n/a	No sums will be invested longer than 364 days

**External debt, excluding investments, with limit for borrowing and other long term liabilities separately identified**

	Authorised Limit			Operational Boundary		
	Borrowing £000	Other £000	Total £000	Borrowing £000	Other £000	Total £000
2017/18	561,587	70,113	631,700	536,587	70,113	606,700
2018/19	621,000	96,000	717,000	591,000	96,000	687,000
2019/20	681,000	93,000	774,000	651,000	93,000	744,000
2020/21	700,000	90,000	790,000	670,000	90,000	760,000
2021/22	710,000	87,000	797,000	680,000	87,000	767,000
2022/23	718,000	84,000	802,000	688,000	84,000	772,000
2023/24	718,000	81,000	799,000	688,000	81,000	769,000

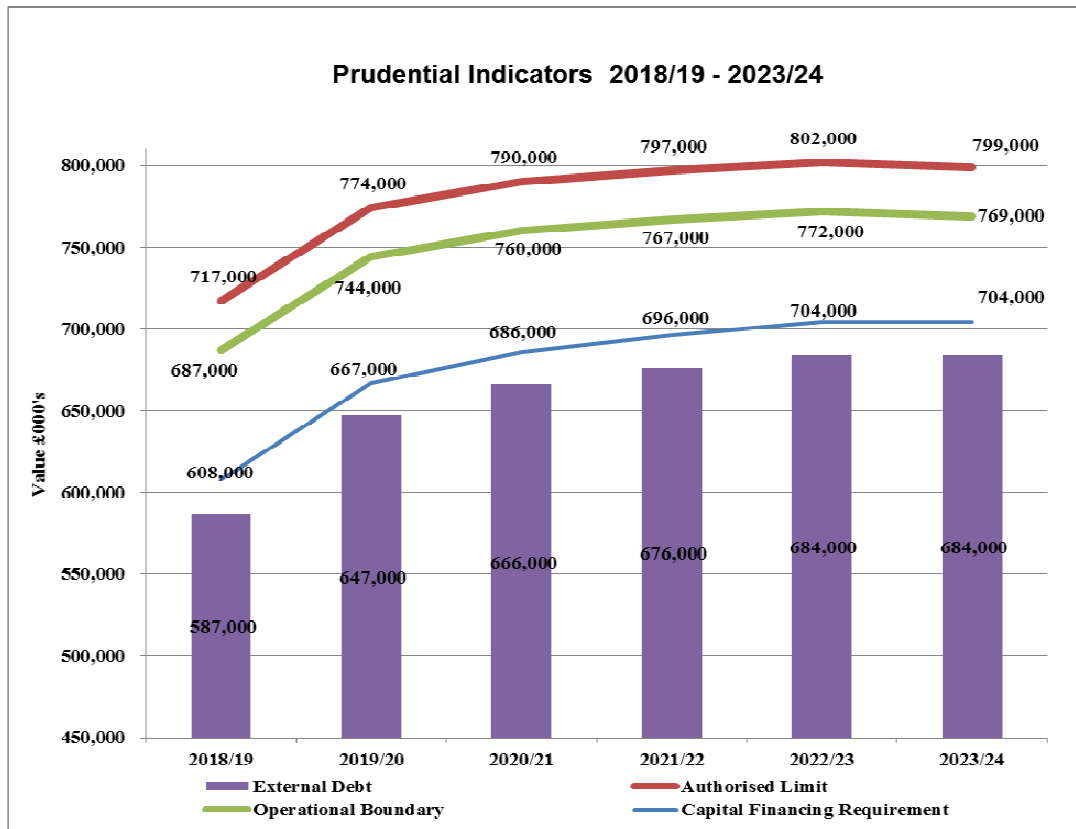
**PRUDENTIAL CODE INDICATORS - PRUDENTIAL INDICATORS**

	Capital Expenditure			Ratio of financing costs to net revenue stream	
	Non-HRA £000	HRA £000	Total £000	Non-HRA %	HRA %
2017/18	105,036	22,387	127,423	8.2	37.9
2018/19	113,583	23,533	137,116	7.7	39.3
2019/20	88,886	35,520	124,406	7.5	39.7
2020/21	45,204	23,974	69,178	8.0	37.8
2021/22	35,816	18,583	54,399	8.0	38.3
2022/23	33,485	21,085	54,570	8.0	39.2
2023/24	23,550	21,085	44,635	8.0	38.7

	Net Borrowing Requirement (NBR)		
	1 April £000	31 March £000	Movement £000
2017/18	495,786	533,169	37,383
2018/19	533,169	587,000	53,831
2019/20	587,000	647,000	60,000
2020/21	647,000	666,000	19,000
2021/22	666,000	676,000	10,000
2022/23	676,000	684,000	8,000
2023/24	684,000	684,000	-

	Capital Financing Requirement (CFR)			
	Non-HRA £000	HRA £000	Total £000	Movement £000
2017/18	376,594	178,098	554,692	48,643
2018/19	428,000	180,000	608,000	53,308
2019/20	475,000	192,000	667,000	59,000
2020/21	487,000	199,000	686,000	19,000
2021/22	494,000	202,000	696,000	10,000
2022/23	498,000	206,000	704,000	8,000
2023/24	493,000	211,000	704,000	-

	NBR v CFR Difference
	Total £000
2017/18	21,523
2018/19	21,000
2019/20	20,000
2020/21	20,000
2021/22	20,000
2022/23	20,000
2023/24	20,000







## **CAPITAL PLAN 2019 - 2024**

**FOR**

**GENERAL SERVICES**

**&**

**HOUSING HRA**

**Dec-18**

**Executive Director of Corporate Services**



**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019 - 2024**

**PROJECTED CAPITAL RESOURCES**

		<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<b>1 Capital expenditure funded from borrowing</b>	<b>General Services</b>	<b>60,492</b>	<b>56,331</b>	<b>19,658</b>	<b>15,816</b>	<b>13,485</b>	<b>3,550</b>
	<b>Housing HRA</b>	<b>12,814</b>	<b>24,338</b>	<b>18,976</b>	<b>16,099</b>	<b>17,333</b>	<b>19,103</b>
<b>2 Capital Element of General Capital Grant less PSHQ</b>		<b>22,424</b>	<b>24,900</b>	<b>22,046</b>	<b>17,000</b>	<b>17,000</b>	<b>17,000</b>
<b>3 Capital grants &amp; Contributions - project specific</b>	<b>General Services</b>	<b>17,431</b>	<b>4,655</b>	<b>500</b>			
	<b>Housing HRA</b>	<b>7,943</b>	<b>7,783</b>	<b>2,902</b>	<b>1,132</b>	<b>2,902</b>	<b>1,132</b>
<b>4 Capital Receipts - Sale of Assets</b>	<b>General Services</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
	<b>Housing HRA</b>	<b>2,776</b>	<b>3,399</b>	<b>2,096</b>	<b>1,352</b>	<b>850</b>	<b>850</b>
<b>6 Contribution from Capital Fund</b>	<b>General Services</b>						
<b>7 Capital Financed from Current Revenue</b>	<b>General Services</b>	<b>236</b>					
<b>8 Over Programming</b>	<b>General Services</b>	<b>10,000</b>					
	<b>Housing HRA</b>						
<b>TOTAL PROJECTED GROSS CAPITAL RESOURCES</b>		<b>137,116</b>	<b>124,406</b>	<b>69,178</b>	<b>54,399</b>	<b>54,570</b>	<b>44,635</b>
<b>TOTAL PLANNED GROSS CAPITAL EXPENDITURE</b>		<b>137,116</b>	<b>124,406</b>	<b>69,178</b>	<b>54,399</b>	<b>54,570</b>	<b>44,635</b>

**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019 - 2024**

**PRICE BASE : OUTTURN PRICES**

**SUMMARY**

**ALL FIGURES £'000**

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Later Years
<b>Work and Enterprise</b>	251,200	193,229	29,907	24,939	2,825	100	100	100	-
<b>Children &amp; Families</b>	231,818	83,540	12,159	6,076	3,549	10,242	12,452	-	103,800
<b>Health, Care &amp; Wellbeing</b>	85,735	12,314	25,028	16,761	12,323	6,020	2,546	4,693	6,050
<b>Community Safety &amp; Justice</b>	137,705	70,519	14,958	19,895	12,910	7,968	6,000	5,275	180
<b>Service Provision</b>	167,880	81,521	22,578	16,561	12,489	10,378	11,479	12,674	200
<b>Building Strong Communities</b>	175,735	12,316	32,486	40,174	25,082	19,691	21,993	21,893	2,100
<b><i>Total Gross Expenditure</i></b>	<b>1,050,073</b>	<b>453,439</b>	<b>137,116</b>	<b>124,406</b>	<b>69,178</b>	<b>54,399</b>	<b>54,570</b>	<b>44,635</b>	<b>112,330</b>



**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019-2024**

**WORK & ENTERPRISE**

**PRICE BASE: OUTTURN PRICES**

**ALL FIGURES £'000**

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							Later Years
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Central Waterfront (Less External Funding)	112,689 (46,319)	66,908 (45,411)	18,217 (259)	24,839 (649)	2,725				
Dundee Railway Station (Less External Funding)	38,000 (6,008)	32,203 (2,693)	5,797 (3,315)						
City Quay (Less External Funding)	1,988 (1,000)	1,749 (1,000)	239						
Lochee Regeneration	2,008	1,970	38						
Vacant & Derelict Land Fund (Less External Funding)	15,305 (14,914)	14,964 (14,573)	341 (341)						
V&A at Dundee (Less External Funding)	80,110 (57,000)	75,185 (54,002)	4,925 (2,998)						
Dundee Heritage Trust for Discovery Point District Shopping	500 600	<b>250</b>	250 100	100	100	100	100	100	
Net Expenditure	125,959	75,550	22,994	24,290	2,825	100	100	100	
Netted Off Receipts	(125,241)	(117,679)	(6,913)	(649)					
Gross Expenditure	251,200	193,229	29,907	24,939	2,825	100	100	100	

DUNDEE CITY COUNCIL

PRICE BASE: OUTTURN PRICES

CAPITAL PLAN 2019-2024

CHILDREN & FAMILIES

ALL FIGURES £'000

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							Later Years
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Harris Academy Refurbishment (Less External Funding)	32,351 (20,363)	32,240 (20,363)	111						
Coldside - New Primary & Community Facilities	17,070	13,402	3668						
Menziesshill - New Primary & Nursery Facilities (Less External Funding)	13,252 (5)	13,195 (5)	57						
Baldragon Academy Replacement - Secondary Element - Council Contribution (Less External Funding)	1,500 (500)	907 (500)	593						
Sidlaw View Replacement - Primary/Nursery Element	8,419	8,419							
North Eastern School Campus	17,200	12,816	4,384						
Primary School Investment	28,000				200	3,000	11,000		13,800
Secondary School Investment	83,500				500	3,000			80,000
Victorian / Edwardian Schools	15,000	7	193	800	2,000	2,000			10,000
# Fairbairn Street Young Persons House	1,580		330	1,250					
Young Persons Homes Refurbishments	500			500					
ICT School Installations	170	94	76						
Early Learning & Childcare 1140 Expansion	10,818	502	2,247	3,526	849	2,242	1,452		
Net Expenditure	210,950	62,672	12,159	6,076	3,549	10,242	12,452		103,800
Netted Off Receipts	(20,868)	(20,868)							
Gross Expenditure	231,818	83,540	12,159	6,076	3,549	10,242	12,452		103,800

**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019-2024**

**HEALTH, CARE & WELLBEING**

**PRICE BASE: OUTTURN PRICES**

**ALL FIGURES £'000**

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Later Years
Parks & Open Space (Less External Funding)	20,612 (190)	5,554 (190)	2,957	2,413	2,090	2,125	738	2,885	1,850
Sports Facilities (Less External Funding)	7,152 (290)	2,630 (290)	1,504	412	395	395	308	308	1,200
LACD Projects	5,400			1,200	1,200	1,000	1,000	1,000	
Regional Performance Centre for Sport (Less External Funding)	32,125 (8,000)	3,078 (13)	20,051 (5,987)	8986 (2,000)	10				
Social Care	11,446	1,052	416	1,850	6,628	500	500	500	
Sustainable Transport	4,500				500	1,000			3,000
Low Carbon Transport Initiative (Less External Funding)	4,500 (1,500)		100 (100)	1,900 (900)	1,500 (500)	1,000			
Net Expenditure	75,755	11,821	18,941	13,861	11,823	6,020	2,546	4,693	6,050
Netted Off Receipts	(9,980)	(493)	(6,087)	(2,900)	(500)				
Gross Expenditure	85,735	12,314	25,028	16,761	12,323	6,020	2,546	4,693	6,050

**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019-2024**

**COMMUNITY SAFETY & JUSTICE**

**PRICE BASE: OUTTURN PRICES**

**ALL FIGURES £'000**

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Later Years
CCTV Project (Less External Funding)	1,423 (423)	226 (41)	1,197 (382)						
Coastal Protection Works (Less External Funding)	31,738 (242)	9,658 (242)	3,107	11,145	6,260	1,568			
Flood Risk Management	1,287	177	180	150	150	150	150	150	180
Smart Waste (Less External Funding)	250 (100)	50 (8)	200 (92)						
Street Lighting Renewal	17,588	10,638	1,150	1,200	1,200	1,200	1,200	1,000	
LED Street Lighting Installations	4,800	396	1,804	2,600					
Road Reconstructions/Recycling (Less External Funding)	38,402 (82)	23,465 (62)	2,437 (20)	2,500	2,500	2,500	2,500	2,500	
Bridge Assessment Work Programme	4,295	1,993	252	50	550	550	500	400	
Regional Transport Partnership	4,889	4,144	445	100	100	100			
Council Roads and Footpaths - Other	7,001	3,461	640	650	650	650	550	400	
Smart Cities - Mobility Innovation Living Laboratory (Less External Funding)	1,428 (723)	150 (54)	1278 (669)						
Road Schemes/Minor Schemes (Less External Funding)	24,604 (3,967)	16,161 (3,352)	2,268 (615)	1,500	1,500	1,250	1,100	825	
Net Expenditure	132,168	66,760	13,180	19,895	12,910	7,968	6,000	5,275	180
Netted Off Receipts	(5,537)	(3,759)	(1,778)	0	0	0	0	0	0
Gross Expenditure	137,705	70,519	14,958	19,895	12,910	7,968	6,000	5,275	180

DUNDEE CITY COUNCIL

PRICE BASE: OUTTURN PRICES

CAPITAL PLAN 2019-2024

SERVICE PROVISION

ALL FIGURES £'000

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							Later Years
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Demolition of Properties & Remediation Works (Less External Funding)	13,197 (68)	8,283 (68)	2,084	780	550	550	550	400	
Cemeteries	1,870	1,133	207	110	110	110	100	100	
Contaminated Land	1,090	620	120	70	70	70	70	70	
# Recycling & Waste Management	5,880	4,759	225	276	170	150	150	150	
Recycling Initiatives (Less External Funding)	2,012 (516)	1,694 (516)	318						
Riverside Recycling Site	1,885		190	295			600	600	200
Baldovie	6,540		540				2,000	4,000	
Recycling Centres	653	568	85						
Construction of Salt Barn	400			400					
Purchase Computer Equipment	21,455	13,704	1,501	1,078	1,678	1,078	1,058	1,358	
Replacement of Major Departmental Systems	645	533	112						
Purchase of Computer Software (CITRIX)	1,858	864			994				
Purchase Desktop Collaboration Platform	3,500			700	700	700	700	700	
IT Infrastructure & Software Requirement	512	287	225						
Centralised Computer Mainframe and Storage	779		779						
Smart Cities Digital/ICT Investment	4,412	108	1,304	1,000	1,000	1,000			
Data Centre	500			500					
Smart Cities Open Data Platform (Less External Funding)	166 (106)	41 (17)	85 (57)	40 (32)					
Property Development & Improvement Programme (Less External Funding)	59,061 (344)	30,629 (151)	5,278 (193)	4,518	5,119	5,120	4,651	3,746	
Property Rationalisation	6,928	782	4,278	1,370	498				
Energy (Less External Funding)	5,259 (189)	770	1,289 (189)	2,850	100	100	100	50	
Vehicle Fleet & Infrastructure (Less External Funding)	29,278 (5,639)	16,746 (2,351)	3,958 (2,214)	2,574 (1,074)	1,500	1,500	1,500	1,500	
Net Expenditure	162,170	78,418	19,925	15,455	12,489	10,378	11,479	12,674	200
Netted Off Receipts	(6,862)	(3,103)	(2,653)	(1,106)					
Gross Expenditure	167,880	81,521	22,578	16,561	12,489	10,378	11,479	12,674	200

**DUNDEE CITY COUNCIL**

**CAPITAL PLAN 2019-2024**

**BUILDING STRONG COMMUNITIES**

**PRICE BASE: OUTTURN PRICES**

**ALL FIGURES £'000**

Project/Nature of Expenditure	Total Cost of Project	Actual prior to 31-Mar-18							
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Later Years
<b>NON HOUSING HRA ELEMENT</b>									
Community Regeneration Fund	2,592	144	408	408	408	408	408	408	
Menzieshill - Community Provision (Less External Funding)	13,350 (1,320)	2,696 (1,320)	7654	3,000					
Community Infrastructure Fund	691		691						
Community Centres	1,883	437	200	1,246					
# Passenger Bus Shelters	4,400				700	700	500	400	2,100
<b>HOUSING HRA ELEMENT</b>									
Free from Serious Disrepair	30,223	500	5,585	5,608	4,591	4,645	4,647	4,647	
Energy Efficient	62,127	2,848	8,024	10,647	10,152	10,152	10,152	10,152	
Modern Facilities and Services	50		0	10	10	10	10	10	
Healthy, Safe and Secure	19,528	10	580	6,370	5,500	2,356	2,356	2,356	
Miscellaneous	5,095		1,245	810	760	760	760	760	
Increased Supply of Council Housing (Less External Funding)	34,485 (19,555)	5,650 (2,553)	7,819 (6,811)	11,715 (6,651)	2,801 (1,770)	500	3,000 (1,770)	3,000	
Demolitions	280		30	210	10	10	10	10	
Owners Receipts	(4,092)		(682)	(682)	(682)	(682)	(682)	(682)	
Second Home Income	(2,700)		(450)	(450)	(450)	(450)	(450)	(450)	
Sheltered Lounge Upgrades	1,031	31	250	150	150	150	150	150	
Net Expenditure	148,068	8,443	24,543	32,391	22,180	18,559	19,091	20,761	2,100
Netted Off Receipts	(27,667)	(3,873)	(7,943)	(7,783)	(2,902)	(1,132)	(2,902)	(1,132)	
Gross Expenditure	175,735	12,316	32,486	40,174	25,082	19,691	21,993	21,893	2,100