

Capital Investment Programme 2011/12 to 2014/15

City of Edinburgh Council

10 February 2011

Purpose of report

- 1 To advise the City of Edinburgh Council of the decision of the Policy and Strategy Committee in regard to the Capital Investment Programme 2011/12 to 2014/15.

Main Report

- 2 On 18 January 2011, the Policy and Strategy Committee considered the attached report by the Director of Finance providing an update on the roll forward of the Capital Investment Programme to 2014/15.

Decision

- 3 To note the report.
- 4 To remit to the Council on 10 February 2011 for decision.

Recommendation

- 5 That the City of Edinburgh Council considers the report by the Director of Finance when deciding the Capital Investment Programme for 2011-2015.

Alastair Maclean
Head of Legal and Administrative Services

Appendix	Report no PS/87/10-11/F by the Director of Finance
Contact/tel	Louise Williamson, Committee Services Tel: 529 4264 Fax: 529 7607 e-mail: louise.p.williamson@edinburgh.gov.uk
Wards affected	City Wide
Background Papers	None

Capital Investment Programme 2011/12 to 2014/15

Policy and Strategy Committee

18 January 2011

1 Purpose of report

- 1.1 This report provides members with an update on the roll forward of the capital investment programme to 2014/15.

2 Summary

- 2.1 Members considered the ten-year capital programme for the period 2009/10 to 2018/19 at the meeting of the Policy and Strategy Committee on 1 December 2009.
- 2.2 Council approved the 2010/11 to 2013/14 capital investment programme on 11 February 2010. An updated programme, incorporating slippage was presented to the Finance and Resources Committee in August 2010.

3 Main report

- 3.1 The Financial Settlement provides for total capital grant of £78.951m in 2011/12, compared to £93.271m in 2010/11 (including support for borrowing). Within these amounts, ring-fenced grants for 2011/12 total £30.296m. The table below shows a comparison of the capital grant. Members are reminded that the 2010/11 grant had been reduced by £7.422m to compensate for the acceleration into 2008/09 and 2009/10 provided by the Scottish Government.

	2010/11 £000	2011/12 £000	Difference £000	%
General Capital Grant / Supported Borrowing	56,353	48,655	-7,698	-13.67
Ring-Fenced Grants				
- Cycling, Walking and Safer Streets	818	686	-132	-16.14
- Development Funding	36,100	29,610	-6,490	-17.98
Total Support	93,271	78,951	-14,320	-15.35

- 3.2 As can be seen from the above table, grant support for capital expenditure has reduced by 15.35%. However, due to changes in the accounting treatment of supported borrowing within the Scottish Government's Financial Settlement, which provides continued revenue support for borrowing, there is approximately £10m of headroom within the overall funding levels.
- 3.3 Realisation of capital receipts is still very much affected by the current economic climate and it is therefore considered appropriate not to include any additional funding from capital receipts into the roll forward of the capital programme. Furthermore, the latest projections for capital receipts in 2011/12 show that receipts are likely to be £10m lower than previously approved budgets. It is therefore proposed to use the headroom in the Financial Settlement to manage the shortfall against the budgeted level of receipts.
- 3.4 As this is a one-year Financial Settlement and there remains continuing uncertainty over the level of support for capital in future years, Directors have not been asked to provide proposals for any new capital commitments for future years. At this stage, no assumptions have been made on the level of grant income for 2013/14 and 2014/15 and grant funding has not been included in the roll forward programme. This explains the reduction in funding shown in the expenditure summary in Appendix 1. The programme will therefore require further review once the Scottish Government provide details of future levels of funding for capital expenditure, although Members are asked to note, that this is unlikely to be made available until details of next year's Financial Settlement are announced.
- 3.5 A roll forward capital programme has been prepared based on the ten-year capital programme, as reported to the Policy and Strategy Committee in December 2009, taking account of slippage projected in the current financial year.
- 3.6 Members are asked to note that the roll forward capital investment programme does not include expenditure that may arise from the area waste plan, as no formal decision has yet been made on this.
- 3.7 Initial discussions are taking place with the Scottish Government in regards to funding capital works at Boroughmuir as part of the wave three schools programme. Funding options, including a 'non-profit distributing' approach are currently being explored. Members will be advised of the outcome of these discussions in due course.

4 Financial Implications

- 4.1 Loan charges arising from the capital borrowing to support the capital investment programme shown in Appendix 1 can be met from the provision for loan charges in the 2011/12 revenue budget, which can be seen elsewhere on the agenda.

5 Environmental Impact

- 5.1 There are no adverse environmental impacts arising directly from this report.

6 Conclusions

- 6.1 Government support for capital expenditure has reduced by 15.35% from 2010/11 levels. Although there has not been a requirement to delay any existing projects, there has also not been the opportunity to bring forward new projects.
- 6.2 Realisation of capital receipts continues to be affected by the current economic climate and no new funding has been assumed in rolling forward the capital programme.

7 Recommendations

- 7.1 The Policy and Strategy Committee is asked to note the contents of this report and remit to council for decision on 10 February 2011 the 2011 – 2015 Capital Investment Programme

Donald McGougan
Director of Finance
23/12/2010

Appendices	1 Draft Roll Forward Capital Investment Programme 2011 - 2015
Contact/tel/Email	Alison Henry 0131 469 3172 alison.henry@edinburgh.gov.uk
Wards affected	All
Single Outcome Agreement	All
Background Papers	Departmental working papers

**DRAFT GENERAL FUND SERVICES CAPITAL
INVESTMENT
PROGRAMME 2011-2015
(Incorporating slippage from 2010-11)
(excluding tram project)**

Approval to be sought at Budget meeting in February 2011

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>CHILDREN AND FAMILIES</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Primary Schools					
Corstorphine	500	1,015	300	-	1,815
New Waterfront Primary	19	-	-	-	19
Towerbank	1,984	1,601	126	-	3,711
Primary Schools Total	2,503	2,616	426	0	5,545
Community Centres					
Duncan Place	367	-	-	-	367
Royston / Wardieburn	2,304	100	-	-	2,404
Community Centres Total	2,671	100	-	-	2,771
Children's Services					
Accommodation for Young People Upgrading	658	-	-	-	658
Foster Care Adaptations	45	-	-	-	45
Greendykes Young Person Centre	1,000	-	-	-	1,000
Seaview Replacement	150	1,948	300	-	2,398
Children's Services Total	1,853	1,948	300	-	4,101
Wave Three School Projects					
Essential Imp. Works / Other Wave Three Projects	4,253	3,309	1,350	7,000	15,912
James Gillespies	1,401	9,678	8,392	-	19,471
Portobello High School Replacement	7,786	19,095	13,240	-	40,121
Wave Three School Projects Total	13,440	32,082	22,982	7,000	75,504
Prudentially Supported Projects					
Fort PS Nursery Upgrade	7	-	-	-	7
Westburn Community Facility	17	-	-	-	17
Wester Hailes Health Living Centre	1,125	472	18	-	1,615
Prudentially Supported Projects Total	1,149	472	18	0	1,639
PPP2 Projects					
PPP2 Contribution	(1,030)	-	-	-	-1,030
PPP2 Projects Total	(1,030)	-	-	-	(1,030)
Other Projects					
Albion Trust (School Devt Works)	65	-	-	-	65
Clermiston Nursery	17	-	-	-	17
Gracemount Nursery	25	-	-	-	25
Granton - Works SERP	6	-	-	-	6
Kirkliston Developer Project(School Devt Works)	31	-	-	-	31
Leith - Accommodation Works	3	-	-	-	3
Leith Walk - Accommodation Works	2	-	-	-	2
Lorne - Fire Works	2	-	-	-	2
South Morningside - Accommodation Works	2	-	-	-	2
Stanwell Nursery	(30)	-	-	-	-30
Trinity PS - Works SERP	3	-	-	-	3
Other Projects Total	126	-	-	-	126

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>CHILDREN AND FAMILIES</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Fabric Renewals					
Asset Mangement Contingency 10/11 Emerg Works	10	-	-	-	10
Balerno High School - Entrances / Snow Protection	3	-	-	-	3
Benmore - Health and Safety	10	-	-	-	10
Blackhall - Roofing	5	-	-	-	5
Brunstane - Drainage	5	-	-	-	5
Carrickknowe - Windows	5	-	-	-	5
Cramond - Ventilation Works	64	-	-	-	64
Gylemuir	5	-	-	-	5
Lagganlia - Health and Safety	2	-	-	-	2
Murrayburn - Lintel Renewal	5	-	-	-	5
Oaklands - Heating	10	-	-	-	10
Queensferry Annexe - Windows	80	-	-	-	80
Royal Mile - Drainage	2	-	-	-	2
Sighthill - Roofing	5	-	-	-	5
Fabric Renewals Total	211	-	-	-	211
School Estate Review					
Burdiehouse PS Demolitions	10	-	-	-	10
Drumbrae PS Demolitions	5	-	-	-	5
Essential Improvements Clermiston PS	33	-	-	-	33
Essential Improvements Gilmerton PS	56	-	-	-	56
Essential Improvements Gracemount PS	187	-	-	-	187
Essential Improvements Granton PS	90	-	-	-	90
Essential Improvements Trinity PS	170	-	-	-	170
Lismore Demolition	5	-	-	-	5
Royston PS demolitions	6	-	-	-	6
School Estate Review Total	562	-	-	-	562
Schools Fund	2,662	-	-	-	2,662
Total Children and Families	24,147	37,218	23,726	7,000	92,091

Negative budgets represent projects underwritten by receipts that have yet to be realised

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>CITY DEVELOPMENT</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Projects Controlled by Corporate Property					
New Craigmillar Neighbour Office	7,534	3,000	457	-	10,991
Property Rationalisation	711	-	-	-	711
Public Realm Works	-	700	-	-	700
Projects Controlled by Corporate Property Total	8,245	3,700	457	-	12,402
Transport and Other Infrastructure					
Access to Growth Areas - Roundabout Residual Costs	130	-	-	-	130
Bus Lane Camera Enforcement	100	-	-	-	100
Bustracker RTI Extension and Bus Priority at Signals	260	-	-	-	260
Cross Forth Ferry	30	-	-	-	30
Cycling, Walking and Safer Streets	686	-	-	-	686
Edinburgh Urban Forest	123	-	-	-	123
Flood Prevention	2,190	2,280	-	-	4,470
Flood Prevention - Water of Leith	8,713	21,213	10,658	-	40,584
Link to Royal Infirmary	1,715	-	-	-	1,715
Public Realm - Streetscape St Andrews Square	1,200	-	-	-	1,200
Reservoirs	13	-	-	-	13
Road Safety, Cycling and Public Transport	2,613	1,750	1,750	1,750	7,863
S.E. Edinburgh Bus Improvements	689	-	-	-	689
Transport Asset Management	1,106	1,000	1,000	1,000	4,106
World Heritage Trust	260	220	-	-	480
Transport and Other Infrastructure Total	19,828	26,463	13,408	2,750	62,449
Total City Development	28,073	30,163	13,865	2,750	74,851

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

CITY DEVELOPMENT - ASSET MANAGEMENT WORKS	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Children and Families					
Boilers	1,000	-	-	-	1,000
Early Years Property	-	-	698	-	698
Environmental Improvement / Disability Discrim Act	-	250	500	-	750
Fabric Enhancement	700	3,550	-	-	4,250
Fire Safety	1,450	3,500	500	-	5,450
Gym Hall Floors	300	-	-	-	300
Insulation (roof space, cavity fill)	250	-	-	-	250
Lifts	250	250	-	-	500
Playgrounds / Fencing / Security	350	250	-	-	600
Rewiring	650	-	-	-	650
Roofs and Rainwater Goods	1,000	-	500	-	1,500
Security and Environmental	-	-	300	-	300
Special Education Establishments	-	-	500	-	500
Stoneworks	800	200	-	-	1,000
Sustainability	-	-	500	-	500
Toilet Upgrades	250	-	250	-	500
Upgrade Children and Families Residential Accommodation	-	-	500	-	500
Upgrade High Schools	-	-	400	-	400
Upgrade Mechanical and Electrical Works	-	750	-	-	750
Upgrade Primary Schools	-	-	250	-	250
Water Quality Upgrading Works	-	-	500	-	500
Windows and Doors Programme	500	-	-	-	500
Total for Children and Families	7,500	8,750	5,398	-	21,648
City Development					
Back Window and Environmental Improvement	100	-	-	-	100
Boiler Replacement	750	-	-	-	750
Development and Enhancement	-	-	100	-	100
Disability Discrimination Act Works	-	-	50	-	50
Enhancement of Archive Facility	-	-	100	-	100
External Fabric Enhancement	-	-	285	-	285
Fabric Upgrading and Environmental Improvements	-	100	100	-	200
Fire Upgrades	-	-	100	-	100
Mechanical and Electrical Upgrading Works	-	812	-	-	812
Plan Store	100	-	-	-	100
Roof Works	100	100	100	-	300
Stonework	300	300	-	-	600
Sustainability	-	-	100	-	100
Water Quality Upgrades	-	-	50	-	50
Windows	150	150	100	-	400
Total for City Development	1,500	1,462	1,085	0	4,047

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

CITY DEVELOPMENT - ASSET MANAGEMENT WORKS	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Corporate Services					
Boiler Works	150	-	-	-	150
Environmental Improvements	150	-	-	-	150
Essential Fabric Works	120	800	1,400	-	2,320
Maximising Retail Space	200	50	-	-	250
Pavilions Fabric Works	400	400	-	-	800
Property Enhancements	-	-	400	-	400
Roof Programme	400	550	-	-	950
Sustainability	-	-	100	-	100
Total for Corporate Services	1,420	1,800	1,900	0	5,120
Health and Social Care					
Boilers	100	160	200	-	460
External Works	-	-	223	-	223
Fire works as agreed with LBFR	-	-	170	-	170
Improvements in Reconfiguration per Feasibility Work	840	840	-	-	1,680
Improvement Works	-	-	200	-	200
Insulation (Roofspace, Cavity Fill)	100	100	-	-	200
Items Identified in Conditions Surveys	180	200	-	-	380
Lighting	80	110	-	-	190
Roofs and Rainwater Goods	180	180	-	-	360
Water Quality Upgrades	-	-	100	-	100
Windows and Doors	180	130	-	-	310
Total for Health and Social Care	1,660	1,720	893	0	4,273

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

CITY DEVELOPMENT - ASSET MANAGEMENT WORKS	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Services for Communities					
Boiler	15	-	-	-	15
Depots - Essential Fabric Works	-	210	-	-	210
Environmental / Insulation Improvements	750	750	750	-	2,250
Essential Capital Fabric Works	250	250	900	-	1,400
External and Internal Upgrading	-	-	600	-	600
Fire Works	350	350	250	-	950
Grounds and External Works	-	-	100	-	100
Libraries General Fabric	276	250	-	-	526
Library Works	-	268	-	-	268
Public Conveniences Fabric	100	127	-	-	227
Replacement Air Conditioning plant	240	-	-	-	240
Roof and Insulation	254	-	-	-	254
Roof Fabric Works	210	-	-	-	210
Roof, Insulation and Stonework	250	250	-	-	500
Windows/Doors/Roofs	205	445	300	-	950
General Reduction across Programme of Works	(200)	(200)	(200)	-	(600)
Total for Services for Communities	2,700	2,700	2,700	0	8,100
Funding for 2014-15 Not Yet Allocated to Projects	-	-	-	19,000	19,000
Total City Development - Asset Management Works	14,780	16,432	11,976	19,000	62,188

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>CORPORATE SERVICES</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Museums and Arts					
Usher Hall - Phase 2	500	-	-	-	500
Museum and Arts Total	500	-	-	-	500
Edinburgh Leisure					
Edinburgh Leisure	165	165	165	165	660
Edinburgh Leisure Total	165	165	165	165	660
Major Projects					
Assembly Rooms	1,005	-	-	-	1,005
Assembly Rooms - Prudentially Funded	4,000	1,500	-	-	5,500
Kings Theatre	1,468	-	-	-	1,468
Royal Commonwealth Pool	1,960	500	-	-	2,460
Major Projects Total	8,433	2,000	-	-	10,433
Colinton Mains Pavilion	168	-	-	-	168
Pavilions and Pitches Total	168	-	-	-	168
Miscellaneous Capital					
Contingency	9	-	-	-	9
Sale of Leith Waterworld	(4)	-	-	-	(4)
Miscellaneous Capital Total	5	-	-	-	5
Council Solicitor					
Anchor Close Storage	(10)	-	-	-	(10)
Council Solicitor Total	(10)	-	-	-	(10)
Corporate Transport Unit					
Additional Office Facility	18	-	-	-	18
CFMS Workshop-Vehicle Brake Testing Equip	17	-	-	-	17
CTU -South Gyle Lease Costs	21	-	-	-	21
Corporate Transport Unit Total	56	-	-	-	56
Total Corporate Services	9,317	2,165	165	165	11,812

Negative budgets represent projects underwritten by receipts that have yet to be realised

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>FINANCE</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Core Infrastructure Improvements	126	-	-	-	126
Finance Total	126	-	-	-	126

<u>COUNCIL-WIDE / CORPORATE PROJECTS</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2013-14	Total Budget 2011-2015
	£000	£000	£000	£000	£000
EICC - AFS and Office Building	27,809	29,309	2,501	-	59,619
Council-Wide/Corporate Projects Total	27,809	29,309	2,501	-	59,619

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

HEALTH AND SOCIAL CARE	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Care Homes					
Care Homes	642	2,000	-	-	2,642
New Care Home - Drumrae (Prudentially Supported)	1,607	5,508	113	-	7,228
Care Homes Total	2,249	7,508	113	-	9,870
Other Projects					
Fire Doors	58	-	-	-	58
Firrhill Joint Facility	730	-	-	-	730
Laundry Facilities	98	-	-	-	98
Leamington	156	-	-	-	156
Pefferbank	215	-	-	-	215
Residential Care Standards	107	-	-	-	107
Other Projects Total	1,364	-	-	-	1,364
General Estate-wide Projects					
Wester Hailes Living Centre	1,177	596	20	-	1,793
General Estate-wide Projects Total	1,177	596	20	-	1,793
Upgrade of Operational Assets					
Older People's Day Services	100	-	-	-	100
Upgrade of Operational Assets Total	100	-	-	-	100
Total Health and Social Care	4,890	8,104	133	0	13,127

DRAFT CAPITAL INVESTMENT PROGRAMME 2011-2015 (Incorporating Slippage from 2010/11)

<u>SERVICES FOR COMMUNITIES</u>	Budget 2011-12	Budget 2012-13	Budget 2013-14	Budget 2014-15	Total Budget 2011-2015
	£000	£000	£000	£000	£000
Community Safety					
Mortonhall Crematorium - Mercury Abatement (prudential)	747	-	-	-	747
Visitor Facilities at New Cemetery	235	-	-	-	235
Community Safety Total	982	-	-	-	982
Environment					
<u>Roads</u>					
Carriageway and Footway Works (Block)	16,000	14,500	12,500	13,569	56,569
Street Lighting	1,500	1,500	1,400	1,500	5,900
<u>Parks and Green Spaces</u>					
Parks and Green Spaces	750	500	-	-	1,250
Play Areas in Parks	50	-	-	-	50
Scottish National Heritage Rangers Funding	39	-	-	-	39
<u>Waste Services</u>					
Depot Refurbishment	263	-	-	-	263
Refurbishment of Public Conveniences	414	-	-	-	414
Strategic Waste Fund	960	-	-	-	960
Zero Waste Fund	1,907	-	-	-	1,907
Environment Total	21,883	16,500	13,900	15,069	67,352
Libraries					
Drumbrae Library	3,373	-	-	-	3,373
Drumbrae Library - Extension for Office Accom	1,500	-	-	-	1,500
Morningside Library	836	-	-	-	836
Self Service Terminals	575	-	-	-	575
Libraries Total	6,284	-	-	-	6,284
Housing and Regeneration					
Development Funding	29,610	-	-	-	29,610
Grants to Registered Social Landlords	1,764	-	-	-	1,764
Local Projects / Neighbourhood Regeneration	30	-	-	-	30
Neighbourhood Environmental Partnerships	1,642	-	-	-	1,642
Private Sector Housing Grant	3,835	-	-	-	3,835
Housing and Regeneration Total	36,881	-	-	-	36,881
Total Services for Communities	66,030	16,500	13,900	15,069	111,499