

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Cabinet
Date:	8 February 2022
Decision Maker	County Council
Date:	17 February 2022
Title:	Capital Programme 2023/24 to 2025/26
Report From:	Director of Corporate Operations

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Purpose of this Report

1. This report collates the service capital programmes prepared by Executive Members and presents for approval the proposed capital programme for the County Council for 2023/24 and the provisional programmes for the subsequent two financial years. It also provides summary financial information on schemes started in previous financial years that remain in progress. Latter sections of the report cover capital financing and revenue implications.

Recommendation(s)

It is recommended that Cabinet:

2. Recommends to County Council that the capital programme for 2023/24 and the provisional programmes for 2024/25 and 2025/26 as set out in Appendix 1 be approved, including the identified carry forward of resources.
3. Recommends to County Council that the revised capital programme cash limits for 2022/23 be approved.
4. Recommends to County Council that the scheme value for the Botley Bypass project within the Universal Services capital programme is increased by £8m

from £23.1m to £31.1m to be funded from a combination of local resources (£5.09m) and the corporate capital inflation risk reserve (£2.91m)

5. Recommends to County Council that the scheme value for the Stubbington Bypass scheme within the Universal Services capital programme is increased by £2.2m from £42.0m to £44.2m to be funded from a combination of LTP grant (£1.23m) and the corporate capital inflation risk reserve (£0.97m).
6. Recommends to County Council that the scheme value for the Uplands Development Infrastructure scheme within the Universal Services Capital programme is increased by £3.837m from £28.489m to £32.326m to be funded from the corporate capital inflation risk reserve
7. Recommends to County Council that the scheme value for the Hiltingbury Junior School SCOLA recladding project is increased by £2.265m from £1.546m to £3.811m to be funded from unallocated SCA grant (£1.765m), Universal Services climate change resources (£0.2m) and Salix grant (£0.3m).
8. Approves an increase in the scheme value for the M27 Junction 9 project within the Universal Services capital programme of £1.325m from £23.1m to £24.425m to be funded from a combination of developer contributions (£0.725m) and the corporate capital inflation risk reserve (up to £0.6m) pending the conclusion of funding discussions with National Highways.
9. Approves an increase of £0.177m in the scheme value of the Woodhouse Lane South scheme within the Universal Services capital programme from £5.7m to £5.877m to be funded from the corporate capital inflation risk reserve.
10. Approves an increase of £0.755m in the scheme value of the Lynchford Road scheme within the Universal Services capital programme from £12m to £12.755m to be funded from the corporate capital inflation risk reserve
11. Approves an increase of £1.165m in the scheme value of the Springwood Junior patent glazing upgrade scheme from £0.62m to £1.785m to be funded from unallocated SCA grant.

RECOMMENDATIONS TO COUNTY COUNCIL

County Council is recommended to approve:

- a) The capital programme for 2023/24 and the provisional programmes for 2024/25 and 2025/26 as set out in Appendix 1, including the identified carry forward of resources
- b) The revised capital programme cash limits for 2022/23.
- c) That the scheme value for the Botley Bypass project within the Universal Services capital programme is increased by £8m from £23.1m to £31.1m to be funded from a combination of local resources (£5.09m) and the corporate capital inflation risk reserve (£2.91m)
- d) That the scheme value for the Stubbington Bypass scheme within the Universal Services capital programme is increased by £2.2m from £42.0m to £44.2m to be funded from a combination of LTP grant (£1.23m) and the corporate capital inflation risk reserve (£0.97m)
- e) That the scheme value for the Uplands Development Infrastructure scheme within the Universal Services Capital programme is increased by £3.837m from £28.489m to £32.326m to be funded from the corporate capital inflation risk reserve
- f) That the scheme value for the Hiltingbury Junior School SCOLA recladding project is increased by £2.265m from £1.546m to £3.811m to be funded from unallocated SCA grant (£1.765m), Universal Services climate change resources (£0.2m) and Salix grant (£0.3m).

Executive Summary

- 12. This report sets out for approval the proposed three year capital programme for 2023/24 to 2025/26, comprising schemes totalling £645.3m. The report also provides details of the revised programme for 2022/23, equating to a further £282.0m. This results in a total programme of £927.3m across four years, expected to be one of the largest in the country. In addition, expenditure of £299.5m relating to schemes started prior to 2022/23 has yet to be incurred for schemes still in progress. Including these schemes shows planned capital expenditure in aggregate of £1.23bn. Further details are provided in Table 1.
- 13. The report collates the service capital programmes prepared by Executive Members based on the cash limit guidelines for the locally resourced programme, together with schemes funded by Government Grants and other external sources.
- 14. The proposals within this report are in line with the Medium Term Financial Strategy (MTFS) which ensures the County Council continues to invest wisely

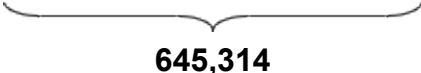
in its existing assets and delivers a programme of new ones in line with overall priorities and need. This is kept under review by the Corporate Management Team and reported through Cabinet for approval by the County Council. The MTFs is closely linked to the 'Serving Hampshire – Strategic Plan 2021 – 2025' and directorate service plans.

15. The capital programmes proposed by Executive Members can be financed within the resources available to the County Council, including the planned use of prudential borrowing. When aggregated with the ongoing impact of prior year programmes, it results in estimated outstanding and planned prudential borrowing of £307m under the framework for prudential borrowing agreed by Cabinet in February 2006. The proposed capital programme takes account of the capital financing position and also the level of external debt and the consequences of the programme for the revenue budget and council tax. Prudential Indicators, included in the County Council's Capital and Investment Strategy (Appendix 7 of the revenue budget report) support the assessment that the programme is prudent, sustainable and affordable.
16. The County Council has continued to maintain its capital programme throughout the period of austerity. Despite the challenging financial environment, actual capital expenditure has averaged around £233m per annum over the past 5 years. Within this, the County Council's revenue funded capital guidelines have remained broadly unchanged for a number of years. The July 2022 report to Cabinet on developing a Medium-Term Financial Strategy recommended increasing the capital guidelines by £6.75m and £6.8m for 2023/24 and 2024/25 respectively to meet health and safety and regulatory compliance and life cycle replacement costs. This increase has been applied and will be funded by prudential borrowing.
17. The report also recommends that £9.249m across a number of schemes is drawn from the capital inflation risk reserve to fund pressures on priority schemes where alternative funding sources have been exhausted and appropriate business cases have been presented to the Director of Corporate Operations.
18. The proposed 3 year programme includes:
 - £175m investment in new and extended school buildings to provide school places for children in Hampshire
 - £142m for structural maintenance and improvement of roads and bridges
 - £103m of Integrated Transport Plan schemes including £58m of schemes mainly concerned with walking and/or cycling improvements
 - £100m to address condition-based enhancements to the schools estate.

19. In addition, there are also other significant schemes that were approved in previous years that will continue to progress in 2023/24 and beyond, these total nearly £300m as shown in Table 1 below.

20. The capital programme is summarised in Table 1, with further detail on individual directorate programmes in Appendix 1. The forecast timing of capital expenditure is then shown in Table 2.

Table 1 – proposed capital programme

Prior years starts*		Revised 2022/23	2023/24	2024/25	2025/26	Total
£'000		£'000	£'000	£'000	£'000	£'000
34,451	Adults' Health & Care	35,176	14,733	14,733	14,733	113,826
16,019	Children's Services	47,339	34,437	100,691	85,954	284,440
249,067	Universal Services	199,437	125,833	138,342	115,858	828,537
299,537	Total	281,952	175,003	253,766	216,545	1,226,803
						

* schemes started in prior years that have not yet completed

Table 2 – forecast timing of capital expenditure for items in Table 1

	2022/23	2023/24	2024/25	2025/26	Future years	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure	226,259	296,655	281,486	229,601	192,802	1,226,803

21. The capital programme is supported by Government grants for schools, highways, transport, and disabled facilities. Information on the assumptions around these grants for the proposed 3 year programme is provided in Table 3. In addition, the County Council has and will continue to bid where appropriate for specific government funding through competitive bidding processes.

Table 3 – Government grants

Directorate programme	Funding	Latest position
Children's Services	DfE – Basic Need	Allocations for 23/24 and 24/25 did not allocate any capital funding for Hampshire with potential for zero or low allocation for 25/26.
Children's Services	DfE – Devolved Formula Capital	Allocations to date only confirmed for 22/23.
Adults' Health and Care	DLUHC – Disabled Facilities Grant	Allocations for 23/24 and beyond not yet announced. For planning purposes assumed 22/23 allocations are maintained.
Universal Services	DfE – School Condition Allocation (SCA)	Details of individual local authority capital allocations not yet announced. The programme assumes the same allocations for 23/24 as received for 22/23.
Universal Services	DfT – Integrated Transport and Structural Maintenance	Three year settlement confirmed in 22/23. Programme assumes continues into 25/26 but this is TBC.

22. The capital programme provides a significant boost to the local economy through jobs and the purchase of construction materials. This is a very significant investment in the infrastructure of Hampshire. Furthermore, the capital programme also presents opportunities for the County Council to contribute towards its climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050.

Contextual information

23. The County Council has continued to maintain its capital programme throughout the period of austerity. Despite the challenging financial environment, actual capital expenditure has averaged around £233m per annum over the last 5 years.

24. A large proportion of the capital programme is funded from external sources, predominantly capital grants and contributions from other bodies, including developers. These sources accounted for about 79% of capital expenditure in 2021/22. This expenditure is supplemented by capital receipts from the sale of assets owned by the County Council (5% of the capital programme funding in 2021/22). The remaining expenditure (16% in 2021/22) is funded from the County Council's reserves and the revenue budget, either through in-year

planned contributions to capital or by future obligations created by the use of prudential borrowing.

25. The cash limit guidelines for the new capital programme for 2023/24 to 2025/26 were set out in the Budget Setting and Provisional Cash Limits 2022/23 report to Cabinet on 13 December 2022. This report outlined provisional guidelines to allow detailed capital programmes to be prepared.
26. Executive members have now prepared proposals for:
 - A locally resourced capital programme for the three-year period from 2023/24 to 2025/26 within the guidelines set and other resources available to services.
 - A programme of schemes supported by Government capital grants.
27. 'Locally resourced' schemes are those financed from the County Council's own resources. This can include capital receipts, contributions from the revenue budget, prudential borrowing, reserves, and other funds. Schemes supported by capital grant from Government are not included.
28. The County Council underwent an organisational restructure in the latter part of 2022, with new directorates and Executive Member responsibilities coming into effect from January 2023.
29. The new Universal Services directorate brings together the delivery of public-facing services universally available to all, sitting alongside directorates for Adults' Health and Care and Children's Services, as well as internal enabling services. The restructure also saw the creation of the Hampshire 2050 directorate with the intention of providing a clear separation of 'strategic functions' from the more operational service delivery and planning within the public-facing directorates. As a result, the former ETE and CCBS departments have been disbanded and their functions transferred to other directorates.
30. As referenced within the Budget Setting and Provisional Cash Limits report taken to Cabinet on 13 December 2022, whilst the transition into the new corporate structure takes place, the two capital programmes for the former ETE and CCBS departments have been brought together under the new Universal Services directorate. For individual schemes, approval to spend in line with the County Council's financial regulations will be taken through the relevant Executive Member.
31. It should be noted that elements within the proposed capital programme may need to be moved between directorates depending on the finalisation of the organisational restructure, but this will not change the value of the overall programme or individual schemes.

Inflation and resource capacity issues

32. The County Council continues to be affected by inflation and resource capacity issues. The construction industry has continued to face material and labour shortages with cost increases impacting on programmes of work. Instability within the industry on the back of Brexit and the Covid-19 pandemic continues to be evident. The ongoing war in Ukraine is having a significant further impact, creating uncertainty and affecting the availability and cost of critical materials such as steel, iron, timber and bitumen.
33. Headline inflation rates such as CPI and RPI are regularly reported in the media, however BCIS (Building Cost Information Service) construction industry cost data provides a better estimate of the impact of inflation on the goods and services required to deliver the County Council's capital programme. The BCIS are indicating that 2022 saw a 7.6% increase in tender prices from the fourth quarter of 2021, evident in some recent tender returns received by the County Council. BCIS is forecasting a further 5.4% increase in the first quarter of 2023. The maintenance cost indices have shown a slightly higher increase, with the average year on year cost increase during 2022 being between 8-9%.
34. The general position for the UK remains uncertain, with the rising cost of commodities continuing to affect the cost of materials, however material price growth is starting to ease from the high levels of mid-2022. The early engagement with contractors and delivery partners and the continued use of local and regional construction frameworks will help to mitigate the risks of cost uncertainty.
35. To further mitigate risk, Cabinet agreed in December 2022 to the creation of a new capital inflation risk reserve, funded from the previously agreed one-off capital inflation underwrite funding of £15m. Details of schemes requiring corporate support to meet inflationary pressures where all other avenues have been exhausted are provided later in this report.
36. Moreover, it is important that the County Council is fully cognisant of the additional risks when bidding competitively for external funding that is governed by legally binding funding agreements which typically require the County Council both to deliver the agreed scheme in full and to meet any cost overruns incurred. The County Council will also continue to review and reprioritise schemes and work packages to mitigate market capacity issues.

Government supported programme

37. The Government has issued all its support for local authorities' capital expenditure in the form of capital grants

Adult's Health and Care

38. The Secretary of State has not yet announced details of individual local authority capital allocations for 2023/24 or beyond. For planning purposes the continuation of 2022/23 allocations for the **Disabled Facilities Grant** is assumed. The funding is allocated as part of the Better Care Fund (BCF) pooled budget which is overseen by the Hampshire Health and Wellbeing Board. Grant conditions prevent the use of this funding for anything other than awarding grants for changes to a person's home

Children's Services

39. The Secretary of State has previously announced details of individual local authority Basic Need allocations for 2023/24 and 2024/25. Allocations to date for **Devolved Formula Capital** only cover 2022/23.
40. The 2023/24 and 2024/25 **Basic Need** allocations did not allocate any capital funding to Hampshire. Whilst this is disappointing, it was expected. The DfE capital allocations have largely caught up with the requirement and delivery of school places. There is the potential for a zero or low capital allocation in 2025/26 as the DfE assesses the impact of the free school places they directly fund. At this stage, it is considered prudent to assume a zero allocation. An update will be provided as soon as possible following capital announcements in 2023.

Universal Services

41. The **School Condition Allocation** (SCA) grant from Government is included in the Universal Services capital programme (as part of the former **CCBS capital programme**) however priorities are jointly agreed with Children's Services. The Secretary of State has not yet announced details of individual local authority capital allocations for 2023/24, 2024/25 and 2025/26. A continuation of the 2022/23 allocation is assumed in the 2023/24 programme.
42. The **Department for Transport (DfT)** confirmed a three-year settlement for allocations for **Integrated Transport** and **Structural Maintenance** in 2022/23. At the time of writing, the DfT has given no indication of future funding. For planning purposes, the values for 2025/26 included within the Universal Services capital programme (as part of the former **ETE capital programme**) are based on previous allocations, but they are subject to change.
43. Given the modest annual **LTP Integrated Transport Block funding** (£5.338m annually), the programme reflects the need of the County Council

to obtain additional external funding, through competitive bidding processes, to maximise the potential for delivery and address funding gaps.

44. At the time of writing, the County Council is awaiting decision of approximately £40m of transport infrastructure improvements within **Levelling Up Fund** bids across the county. This includes a £17.9m bid covering transport improvements in Havant and Gosport submitted by the County Council and several other bids submitted by Districts which also contained transport elements. Test Valley (Andover Town Centre Masterplan), Basingstoke and Deane (Manydown to Town Centre cycle route) and Havant and Gosport submitted bids which complemented the County Council submission.
45. The County Council also expects to be asked by Active Travel England to bid for **Active Travel Fund Tranche 4** capital funding in early 2023, which is estimated to be in the region of £15m. Furthermore, Active Travel England invited the County Council to submit a feasibility study into Mini-Holland funding for Winchester with potential funding expected to be between £10m and £30m. Although final submission dates have not been confirmed, it is anticipated that this will also be in early 2023.

Guideline cash limits for the remainder of the capital programme

46. The cash limit guidelines for the **locally resourced programme** were set by Cabinet in December 2022 and are shown in Table 4 (the 'original guidelines'). Table 4 also shows the use of reserves proposed by Executive Members and other adjustments to the guidelines, including the planned application of developers' contributions. Table 4 therefore shows all funding except capital grants and contributions from government.

Table 4 – Guideline cash limits for the capital programme*

	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000
<u>Adults' Health and Care</u>				
Original guideline	481	481	481	1,443
Adults' Health and Care Total	481	481	481	1,443
<u>Children's Services</u>				
Original guideline	100	100	100	300
Developers' contributions	9,883	38,900	70,500	119,283
Capital receipts	1,000	1,000	0	2,000
Contribution from reserves	2,750	4,000	1,000	7,750
Children's Services Total	13,733	44,000	71,600	129,333
<u>Universal Services</u>				
Original guideline	23,238	23,288	18,264	64,790
Developers' contributions	10,444	20,788	4,910	36,142
Contributions from revenue/reserves	11,039	0	0	11,039

Carry forward from previous years	336	414	0	750
Universal Services Total	45,057	44,490	23,174	112,721
Overall Total	59,271	88,971	95,255	243,497

* includes all schemes except those funded by government grants

47. The July 2022 report to Cabinet on developing a Medium Term Financial Strategy (MTFS) noted that the approved capital programme only includes the very highest priority schemes funded from local resources in addition to those attracting external funding. Three key actions were proposed by the Corporate Management Team and agreed by Cabinet (and County Council where appropriate). One of these actions was to increase the capital guidelines by £6.75m and £6.8m respectively for 2023/24 and 2024/25 to be funded by prudential borrowing. These increases have been reflected in the cash limit guidelines in this report. The additional money will meet health and safety and regulatory compliance and life cycle replacement costs.

The programmes submitted

48. Based on the capital funding identified in the previous paragraphs, Executive Members have submitted proposed three year capital programmes. The total starts value is £645.3m, as shown in Table 5. It includes £401.8m of schemes supported by Government grants and £243.5m of locally resourced schemes.

Table 5 – starts programme proposed 2022/23 to 2024/25

	Land	Locally resourced	Works etc Supported by Govt allocations	Total	Total
	£'000	£'000	£'000	£'000	£'000
2023/24	646	58,625	115,732	174,357	175,003
2024/25	646	88,325	164,795	253,120	253,766
2025/26	646	94,609	121,290	215,899	216,545
Total	1,938	241,559	401,817	643,376	645,314

49. Key themes for each directorate programme are set out below, with full details in Appendix 1.

Adults' Health and Care

50. The Adult Services capital programme for **locally resourced schemes** is £0.481m per annum of the 3 year programme and reflects the strategic aims of enabling people to live safe, healthy and independent lives, enjoy a rich and diverse environment and be part of a strong and inclusive community. It

includes contributions towards priority works on residential and nursing care premises to meet the needs of residents and service users to satisfy the requirements of regulators including the Care Quality Commission, The Fire Service and the Health and Safety Executive.

51. It is recognised that this level of funding enables only the very highest priority works to be carried out at the in-house residential care and nursing homes and over recent years re-allocated funding from the Adults' Health and Care revenue budget has been approved to progress other essential works identified through asset management surveys and building inspections. The condition and suitability of the in-house residential and nursing care provision for older adults is being reviewed further as part of the longer-term strategy for meeting the needs of older adult clients. This strategy will explore options for future capital investment which may help mitigate financial pressure in the revenue budget for Adults' Health and Care.
52. In addition to the schemes within the proposed capital programme, a significant programme of works started in previous years continues:
- **Transformation of Adult Learning Disability Services:** eight schemes have successfully been delivered through new facilities and significant improvements to existing assets. The programme has one further scheme in its programme.
 - **Older Persons Extra-Care Housing:** A number of schemes to deliver the strategy approved in October 2011 to extend the development of Older Persons Extra-Care Housing.
 - **Younger Adults Extra-Care Housing:** A programme to transition service users with a learning and/or physical disability from an existing care home setting to a shared house or individual group of flats
 - **Health and Safety:** A programme of works to mitigate a range of health and safety liabilities and work identified through a series of detailed asset management surveys across the estate.
53. The locally resourced capital programme is supported by Government funding for the **Disabled Facilities Grant (DFG)**, which is capital money available to local authorities to pay for essential housing adaptations to help disabled people stay in their homes. The Secretary of State has not yet announced details of individual local authority capital allocations for 2023/24 or beyond. For planning purposes, the programme assumes £14.252m in line with the prior year allocation.

Table 6 – Adult Services capital programme summary	2023/24	2024/25	2025/26	Totals
	£m	£m	£m	£m
Locally resourced programme	0.481	0.481	0.481	1.443

Disabled Facilities Grant	14.252	14.252	14.252	44.199
Total	14.733	14.733	14.733	45.642

Children's Services

54. The Children's Services capital programme maintains a balanced position between income and expenditure over the proposed three-year programme. Despite the ongoing primary, secondary and SEND pressures, indications are that a balanced position will be maintained over the five-year period beyond the scope of this report. Further work is being undertaken with potential funders, including the Government, Local Planning Authorities, Developers and Local Enterprise Partnerships (LEPs) to maximise contributions from sources other than the County Council. The aim being to keep calls on the County Council's resources to a minimum.
55. The result is a **proposed three year programme of £221.1m, of which £34.4m is to fund schemes starting in 2023/24**. The planned investment programme continues to focus on school places and school condition. The 2024/25 onwards programme is indicative and subject to change.
56. The proposals continue an exciting investment by the County Council for Hampshire children that will not only help raise educational standards, but also create many additional local employment opportunities with its delivery. During the period 2013 to 2022 the County Council will have delivered 14,481 new school places with projects contained within the 2023/24 to 2025/26 programme totalling a further 4,393 places giving a total of 18,874 new school places by September 2025.
57. Hampshire continues to experience a significant pressure for school places across certain areas of the county as high birth years work their way through the school system and new housing (over 45,000 dwellings planned 2021 to 2028) is built across the county. There are also areas where trends suggest that pupil numbers are starting to fall, these will need to be monitored carefully. The new housing has been identified from existing local plan allocations and proposals emerging from District and Borough Council Local Plans currently in consultation.
58. The exciting **investment in new school places for Hampshire children is costed at around £175m** as part of a total investment programme of £221m over the next three years. The programme is then forecast to rise significantly beyond the three-year period of this report.
59. The current presumption (by the DfE) is that every new school will be an academy/free school. This means that once built the County Council hands

over the site and buildings to the Academy on a Full Repairing and Insuring 125-year lease but still retains the freehold of the site. The lead in time to establish a new primary school is around three years and a secondary school around four years, two years in design and statutory consultation and two years to build.

60. 10 schools are on the planning horizon to September 2027, however the timing of new provision to serve new developments will be dependent on the build out of the new housing.
61. There has been a significant increase in numbers of pupils requiring a Special Educational Needs and Disabilities (SEND) specialist school place. The increase in the SEND school population has put a significant pressure on existing special schools and resourced provisions. Increased numbers alongside advances in medical technology are giving rise to some schools having very specific accommodation needs to meet the specialist and often complex requirements of individual pupils. The forward capital programme includes a number of special school projects, with 7 projects totalling over £9m for additional SEND school places in Hampshire in development and to be provided by September 2024.
62. During 2022, the government announced it will build up to 60 new centrally delivered special and Alternative Provision free schools as part of the £2.6bn capital investment in high needs provision across the Spending Review Period, to open from September 2025, creating around 4,500 special school places. As part of Hampshire's SEND Sufficiency Strategy 2023-2027, and to meet the need for children with SEND in Hampshire, the Council has bid to the DfE for two new Special Schools as part of this special programme. The outcome of bids is expected early in 2023.
63. As part of the Early Years Sufficiency Strategy, £3m has been allocated to create new places and improve the condition of existing provision. Part of this funding will support existing operators to operate more efficiently and therefore remain in the market. The funding is for financial year 2023/24. Currently, replacement provision at Little Deer's Day Nursery, Burley and a new provision at Denmead Junior, Waterlooville have been approved from this funding.
64. The focus of capital investment in recent years has been on Basic Need and Capital Maintenance. However, it is recognised that some buildings are now in need of significant suitability investment that is beyond individual school budgets. Resources of £5m (including fees) were allocated over a three-year programme of investment to ensure facilities are fit for purpose and continue to provide good quality learning environments. It is now proposed to continue this important investment programme with an allocation of £2m per annum from 2023/24 onwards. Three key areas of focus for this funding have been identified:

- Improvements to school facilities, such as refurbishment of science laboratories
- Reconfiguration and accessibility work at Special Schools to better meet current curriculum delivery and learning requirements for all pupils
- Environmental improvements to the function of ventilation and acoustics of school facilities.

65. The proposed programme includes other improvement and modernisation projects relating to access to schools, adaptations to properties/equipment for foster carers and disabled children and young people, and schools Devolved Formula Capital.

Table 7 – Children’s Services capital programme summary	2023/24	2024/25	2025/26	Totals
	£m	£m	£m	£m
New schools and extensions	17.223	87.450	70.500	175.173
Early Years/Childcare Sufficiency	3.000	0.000	0.000	3.000
New modular classrooms	2.000	2.000	2.000	6.000
Other special school and SEN improvements	1.000	1.000	1.000	3.000
School Suitability Programme	2.000	2.000	2.000	6.000
Access improvements in schools	0.500	0.500	0.500	1.500
Social Care projects	0.750	0.500	0.500	1.750
Health and Safety	0.400	0.400	0.400	1.200
Schools’ devolved formula capital	3.354	3.354	3.354	10.062
Furniture and equipment and ICT	0.250	0.250	0.250	0.750
Contingency	3.960	3.237	5.450	12.647
Total	34.437	100.691	85.954	221.082

Funded by

Basic Need grant	24.850	49.000	0.000	73.850
Schools' Devolved Capital	3.354	3.354	3.354	10.062
Developers' contributions	9.883	38.900	70.500	119.283
Local resources – capital priorities	2.750	4.000	1.000	7.750
Capital receipts	1.000	0.000	0.000	1.000
Cash limit guidelines	0.100	0.100	0.100	0.300
High Needs Provision Grant carried forward	0.500	30.337	0.000	30.837
Carry forward of resources*	(8.000)	(25.000)	11.000	(22.000)
Total funding	34.437	100.691	85.954	221.082

* includes carry forward beyond the 3 year programme

66. There are a number of schemes and allocations where the Executive Lead Member for Children's Services proposes the carry forward of resources to future years of the capital programme. In many cases this is due to the need to obtain the necessary statutory approvals and sometimes as a result of changes in the scope, brief or programming of projects. It is proposed to carry forward resources of £16.050m from 2022/23 across a number of schemes, the most significant of which being Winton Academy (£5.6m).

Table 8 – Children's Services carry forward requests	Carry forward from 2022/23 £m	Carry forward from 2023/24 £m
Denmead Junior School, Waterlooville	0.700	
Early Years/Childcare Sufficiency	0.600	
Little Deer's Nursery, Burley	0.700	
Liphook Infant & Junior Schools, Liphook	1.300	
Park View Primary School, Basingstoke	0.800	
Sharps Copse Primary School, Havant	1.850	
Winton Academy, Andover	5.600	

Contingency	4.000	
High Needs Grant	0.500	
Subtotal	16.050	
High needs provision grant	15.961	14.376
Total	32.011	14.376

67. Additionally, it is proposed to carry forward the high needs provision grant of £15.961m and £14.376m from 2022/23 and 2023/24 respectively to support named projects in 2024/25.
68. The County Council has established a local and national reputation for the quality of its school buildings. It has continued to deliver cost efficient/better value school projects despite the challenges within the building industry. Delivery has been achieved by forward planning, using existing contractor framework arrangements with common design principles and collaborative, proactive risk management of supply chain pressures. Given the scale of the County Council's Capital Programmes (including Children's Services), early and good design judgements, together with innovation in modern methods of construction and robust cost controls, continue to be imperative.
69. The County Council is continuing to lead the national study to benchmark the cost of schools across the country. This study is endorsed by the DfE and provides invaluable information on the 'true' cost of providing school places. This evidence is being used to benchmark value for money for Hampshire schools and to inform negotiations with Government, local planning authorities and developers to maximise funding for the provision of additional pupil places across Hampshire.

Universal Services

70. The County Council's new directorate structure and Executive Member responsibilities took effect from 1 January 2023. Whilst the transition into the new corporate structure takes place, the capital programmes for the former Economy, Transport and Environment (ETE) and Culture, Communities and Business Services (CCBS) departments have been brought together under the new Universal Services directorate. Key themes from the two programmes are set out below.

Economy, Transport and Environment

71. The Executive Lead Member for Universal Services has proposed a **3 year capital programme totalling £246.2m** relating to schemes put forward by the former ETE department. The proposed programme includes £142.5m of investment in structural maintenance and £103.4m in the integrated

transported programme as well as £0.3m for flood and coastal defence schemes. Government formula settlements (£115.5m) and government competitively bid grants (£54.6m) make up about 70% of the funding. The most significant other funding sources are local resources (£42.8m) and developer contributions (£32.0m).

72. There are significant financial challenges to the Transport and Environment capital programme as the economy experiences the highest rates of inflation for many years, with construction costs, particularly those influenced by oil prices, seeing some of the steepest rises.
73. Increasingly, the County Council will therefore have to rely on its own resources to bring forward new schemes at a time when its budget is facing depletion by high inflation, and manage this either by rescheduling delivery, pushing back or deferring schemes, and doing less within the budget.
74. This is compounded by emerging evidence that indicates a significant reduction in levels of future Government capital funding from competitive bidding, based on the mixed results of bid submissions in early 2022 to the Active Travel Fund, with bids to the Levelling Up fund and the Bus Service Improvement Plan being unsuccessful. This will cause disruption to the forward capital programme and affect the Integrated Transport sub-programme, in particular.
75. Furthermore, the annual settlements for the Highways Maintenance block funding and the Integrated Transport block were set for three years in 2022/23 with no adjustment to allow for inflationary pressures, which will result in less work being delivered on the ground, as funding will in real terms diminish in value over time. At the time of writing, the Department for Transport (DfT) has made no indication about funding beyond 2024/25 which creates uncertainty for the forward strategic outlook.
76. The **Structural Maintenance** budget is used to extend the life of an existing asset and is made up of two major programmes of work:
 - The Structural Planned Maintenance programme (£41.9m in 2023/24) includes Operation Resilience, local depot sub-programmes, and Intelligent Transport Systems (replacing life expired equipment). Operation Resilience is expected to comprise about 73% of the spend in 2022/23 (£30.5m).
 - The Bridges and Structures programme (£6.5m in 2023/24) consists of works to County Council owned Highway structures, which includes roads, bridges, culverts (1.5m span or more), subways and retaining walls, as well as works on pumps at subways and low spots in the carriageway.

77. Budgets are allocated in line with Hampshire County Council's Asset Management principles and needs based budgeting. Programmes are developed based on various factors, including condition, remaining life and lifecycle planning including whole life costs.
78. The **Integrated Transport Plan (ITP)** programme operates on a 'starts' basis and the proposed total value across 2022/23 to 2024/25 of £103.4m does not therefore include the value of schemes currently in delivery which commenced prior to 2022/23, such as Brighton Hill Roundabout, A326 Fawley Waterside, Lynchford Road and Transforming Cities Funded schemes totalling over £80m. Nor does it include the M27 Junction 10 improvement project of £97.55m as approved by Cabinet on 13 July 2021.
79. The provisional programme for 2024/25 and 2025/26 includes £52m of schemes where funding is not yet secured but where submissions will be made as part of future rounds for Active Travel Funding (£31m), Bus Service Improvement Plan (£11m) and Levelling Up Fund (£10m). The programme also includes a sub-programme of almost £58m relating to schemes mainly concerned with walking and/or cycling improvements, an increase of approximately £8m from 2022/23. This reflects the increased investment in walking and cycling infrastructure and the capital programme's shift in emphasis to sustainable transport measures to contribute to the County Council's de-carbonisation and climate change ambitions.
80. Whilst there remains some uncertainty regarding the details of the secondary legislation covering the implementation of the waste management measures of the Environment Act 2021, it has set a clear direction and in line with that, the County Council has progressed with both the business case and planning permission for a new Materials Recycling Facility (MRF) at Chickenhall Lane in Eastleigh (£30m). These have both been secured successfully and work is now underway on the detailed design and procurement activity with work on site due to commence in early 2024 and the facility being fully operational in 2025/26. Work is also underway as part of the **Waste Programme** on waste transfer stations, the transition to the new system for 13 waste collection authorities and Household Waste Recycling Centre service provision to ensure it provides a fit for purpose and cost effective service for the long term.
81. The County Council's **Flood Risk and Coastal Defence Programme** is an important part of its response to the challenge of climate change. Over the next 3 years, new capital funding from the programme funded by local resources is £0.3m. This does not, however, include the value of schemes currently in design and delivery which started prior to 2023/24 and the estimated value of the total programme is £24.6m. The programme is supported with external funding from the Flood Defence Grant in Aid (FDGiA), Regional Flood and Coastal Committee (RFCC) Local Levy, other local authorities, and developers contributions. Schemes will be identified as areas

at highest risk of flooding become more apparent and will be funded by the unallocated balance of £1.8m.

82. The proposed programme is summarised below with further details in Appendix 1.

Table 9 – Universal Services (ETE) capital programme summary	2023/24	2024/25	2025/26	Totals
	£m	£m	£m	£m
Structural Maintenance	48.416	48.816	45.316	142.548
Integrated Transport	16.614	53.252	33.500	103.366
Flood and Coastal Defence	0.106	0.106	0.106	0.318
Total	65.136	102.174	78.922	246.232

Funded by

Direct revenue contributions (Operation Resilience)	10.000	10.000	10.000	30.000
Prudential Borrowing (Developing an MTFs agreed priorities)	3.100	3.500	0.000	6.600
Capital cash limit guidelines (direct revenue contributions)	1.929	1.929	1.929	5.787
Capital receipts	0.000	0.414	0.000	0.414
Developer contributions	6.821	19.948	4.910	31.679
DfT grants and contributions	42.509	65.543	62.083	170.135
Other external sources	0.777	0.840	0.000	1.617
Total funding	65.136	102.174	78.922	246.232

Culture Communities and Business Services (CCBS)

83. The Executive Lead Member for Universal Services has proposed a **3 year capital programme totalling £132m** relating to schemes put forward by the former CCBS department.

84. The locally resourced programme includes **prudential borrowing** to enable vehicle purchases by Hampshire Transport Management (£3.4m per annum) where costs will be recovered through business unit recharges to users of the vehicles as well as £3.65m and £3.3m in 2023/24 and 2024/25 respectively to fund health and safety and regulatory compliance and life cycle replacement costs, as agreed in the Developing a Medium Term Financial Strategy report to Cabinet and County Council.
85. The programme also includes various schemes to be funded from a combination of the **capital cash limit guidelines** agreed by Cabinet in December 2022 and **contributions from departmental revenue and reserves**.
86. In addition, it is proposed that **£8.575m is carried forward from the 2022/23 locally resourced programme** and added to the 2023/24 programme. This includes a number of schemes, the largest of which relate to planned investments in the corporate estate that were put on hold in 2022/23 to enable time for further development of the corporate office strategy and asset rationalisation programmes (£3.4m), six AHC Health & Safety schemes funded by the Infection Control Fund grant (£1.5m), and funding as part of the energy performance programme which will enable further investment in the County Council's electric vehicle infrastructure.
87. The CCBS programme also includes schemes to be funded from the central government **School Condition Allocation (SCA)** grant funding. Details of individual local authority grant contributions have not yet been announced by the Secretary of State, so a continuation of the 2022/23 allocation of £23.085m per annum is assumed for planning purposes. Within this funding, a project to re-roof Fleet Infant School is above the threshold for named schemes (£0.75m) with other programmes of work being developed to address identified condition priorities across the schools' estate.
88. In line with normal timescales for design, development and procurement, programmes are planned for delivery on site in future years and it is proposed to **carry forward £30.658m of SCA funding** from the 2022/23 programme into future years.
89. The Universal Services (CCBS) proposed 3 year capital programme is summarised in Table 10, with further details in Appendix 1.

Table 10 – Universal Services (CCBS) capital programme summary	2023/24	2024/25	2025/26
	£m	£m	£m
HTM vehicles	3.400	3.400	3.400

Corporate Estate – office accommodation	5.699	1.685	0.185
Corporate Estate – countryside and outdoors	6.781	2.128	0.328
AHC Health & Safety works	1.518		
Energy performance programme	1.450		
Schools Condition Allocation schemes	41.203	28.309	30.601
Advantageous Land	0.646	0.646	0.646
Total CCBS programme	60.697	36.168	35.160

Funded by

Prudential borrowing (HTM vehicles)	3.400	3.400	3.400
Prudential borrowing (Developing an MTFS agreed priorities)	3.650	3.300	
Capital cash limit guidelines (direct revenue contributions)	1.159	1.159	1.159
Other local resources incl carry forwards	11.375		
External contribution	0.110		
SCA capital grant	23.085	23.085	23.085
SCA capital grant carried forward from 2022/23	17.918	5.224	7.516
Total funding of CCBS programme	60.697	36.168	35.160

Capital inflation risk reserve

90. Cabinet and County Council received a report on developing a Medium Term Financial Strategy in July and September 2022 respectively. This report identified the significant inflationary pressure on capital allocations and especially approved projects currently out to tender and in progress. It was agreed that contingency funding of £15m would be made available through a corporate capital inflation underwrite where inflation on individual schemes could not be met from approved budgets. It was subsequently agreed by Cabinet in December 2022 that any unused amount from this £15m would be used to create a new capital inflation risk reserve.

91. Inflationary levels across the construction sector continue to have a significant financial impact on the delivery of the capital programme. Detailed analysis of live projects and industry analysis has been used to review cost estimates. Industry inflation figures (Building Cost Information Services – BCIS) provide a starting point but are considered to be too low based on actual price increases being experienced and have therefore been increased slightly to more realistically reflect inflationary pressures.
92. The County Council continues to engage collaboratively with delivery partners to anticipate and where possible manage price and delivery pressures in the supply chain and to defer schemes where possible to mitigate inflationary pressures. Moreover, further application of s106 funding to relevant schemes has been applied, enabling the release of LTP funding to offset cost pressures on specific appropriate schemes. As a last resort, where there is no alternative funding source to apply and there is no realistic option to halt a scheme in progress, the County Council will consider the use of the corporate capital inflation risk reserve in relation to unavoidable inflationary and other pressures.
93. Table 11 provides a summary of the recommended draws from the capital inflation risk reserve, with supporting commentary included alongside recommendations for other revisions to the 2022/23 capital programme in the paragraphs following the table. One call on this funding was identified in the December 2022 report and £0.95m was allocated to the A326 (South) project, part of the ETE capital programme. It is now recommended that a further £9.249m is drawn from the original £15m and assuming these amounts are agreed there will be £4.801m left within the new capital inflation risk reserve.

Table 11 – proposed draws from capital inflation risk reserve	Inflationary pressure £'000
Original capital inflation underwrite	15,000
A326 (South) (approved Dec 22)	(950)
Currently unallocated balance	14,050
Botley Bypass	(2,910)
M27 J9	(600)
Stubbington Bypass	(970)
Woodhouse Lane South	(177)
Lynchford Road	(755)

Uplands Development Infrastructure	(3,837)
Remaining reserve balance	4,801

Revisions to the capital programme 2022/23

94. The sections above detailing the proposed 3 year capital programmes for 2023/2 to 2025/26 include proposals to carry forward amounts from the 2022/23 programme to add to the forward programme.
95. During the current financial year the capital programme has been revised to reflect additional funding sources and revised timetables for some schemes, with reporting and decisions in line with approval thresholds set out within the County Council's Financial Regulations.
96. Executive Members have now proposed further amendments to the 2022/23 capital programme. The revised directorate capital programme cash limits for 2022/23 to be approved by Cabinet and County Council are set out in Table 12. This includes the changes already approved through the relevant routes during the year as well as those set out in individual Executive Member capital programme reports supporting the February 2022 budget setting cycle.

Table 12 – revised 2022/23 capital programme	Original 22/23 capital programme (Feb 22) £'000	Revised 22/23 capital programme £'000
Adults' Health & Care	14,733	35,176
Children's Services	32,530	47,339
Universal Services	169,462	199,281
Total	216,725	281,796

97. Where individual changes to schemes require the approval of Cabinet and/or County Council set out in recent Executive Member capital programme reports are detailed below.

Botley Bypass

98. The Botley Bypass scheme forms part of the **Universal Services** capital programme and involves the construction of a bypass for the village of Botley, comprising a new 1.8km long single carriageway two-way road together with associated widening and improvements to a section of Woodhouse Lane. In addition a new four-arm roundabout will be constructed at the eastern end of the bypass.
99. The scheme is predicted to have a significant increase in cost due to inflationary factors. In addition, there is a need to increase the risk contingency to cover other delivery issues such as very challenging ground conditions, particularly in relation to the construction of the new budget over the river Hamble, and a new risk relating to the reclassification of a large diameter water extraction main as being of strategic importance and therefore requiring additional protections.
100. It is recommended that the scheme value is increased from £23.1m to £31.1m with the additional cost to be funded through a combination of additional local resources (£5.09m funded by developer contributions and unallocated budget for amenity trees) and a draw from the capital inflation risk reserve (£2.91m).

M27 Junction 9

101. This scheme is part of the **Universal Services** programme and is jointly funded by Hampshire County Council and National Highways. It is complimentary to and considered critical to ensuring that the £14m invested by the Solent Local Enterprise Partnership (LEP) to widen Whiteley Way and the £150m invested by Highways England in the M27 Smart Motorway scheme will be a success. The scheme is currently on site with completion scheduled for winter 2022/23. Delays with planned utility diversions and additional works have had an adverse impact on the scheme, extending the construction programme at a time of high inflation, creating a cost pressure of £1.325m. It is recommended that the scheme value is increased to £24.453m funded provisionally in part by the use of the capital risk reserve (up to £0.6m) pending the conclusion of funding discussions with National Highways, with the remainder to be funded from s106 developer contributions (£0.725m), which is considered value for money as the scheme will have strategic impact providing wider benefits to the public.

Stubbington Bypass

102. The scheme is funded by the Department for Transport, Solent LEP and Hampshire County Council and is part of the **Universal Services** programme. The new bypass was opened in summer 2022 however delays to street lighting connections, managing the impact of unchartered services and embankment facing works extended the contract into winter 2022/23.

The effect of a prolonged programme combined with inflationary and commercial pressures has increased project costs by £2.2m. It is recommended that the scheme value is therefore increased to £44.195m to be funded by LTP grant (£1.23m) and the capital risk reserve (£0.97m). The LTP funding has been released from other commitments following a review of the planned programme where it is appropriate to use alternative funding in the form of s106 funding.

Woodhouse Lane South

103. Improvements to Woodhouse Lane South to widen the carriageway, improve highway infrastructure and deliver walking and cycling improvements are integral to Phase 1 of the works and valued at £5.7m. The scheme is currently on site with completion scheduled for April 2023 and has been adversely affected by delays associated with utility diversions, design changes and securing statutory approvals. The changes have extended timescales and, when coupled with inflationary pressures, means the scheme value is expected to increase by £0.177m. It is therefore recommended that the scheme value within the **Universal Services** programme is increased to £5.877m, with the increase to be funded by the capital risk reserve.

Lynchford Road

104. Following public feedback, the Executive Lead Member for Economy, Transport and Environment gave approval for the implementation of the Farnborough Growth Package on 18 November 2021, of which this scheme is one element. The scheme has an original value of £12m and is funded by the Enterprise M3 LEP, Active Travel funding and local resources. It is on site with a construction programme which extends into autumn 2023 and forms part of the **Universal Services** programme. The evolution of the works to add value has had an impact on construction costs, as has cost inflation. Tenders have been received relatively recently for this project and it is recommended that the scheme value is increased by £0.755m to cover the proportion of the tender sum assigned to inflation over the construction period. It is recommended that this is funded from the capital risk reserve.

Uplands Development Infrastructure

105. The Uplands Development Infrastructure (UDI) scheme is a project that has and will provide servicing arrangements (highways and utilities) to support the delivery of Deer Park School and housing on the County Council owned Woodhouse Meadows site at Hedge End. It currently has an approved project budget of £28.489m, which is funded by Infrastructure funding (HIF) from Homes England, developer contributions and future capital receipts.

The scheme is nearing completion with £27.2m spent to date at the time of writing

106. Approval is now sought to add £3.837m to the scheme value to cover inflationary cost pressures (£0.758m) as well as other costs arising from a change in scheme design and a significant extension to the construction programme (£3.079m) to be funded by the capital risk reserve. The result is a revised scheme value of £32.326m within the **Universal Services** capital programme.

Hiltingbury Junior School SCOLA recladding

107. The Executive Member for Commercial Strategy, Human Resources and Performance agreed funding of £1.546m for the recladding of Hiltingbury Junior School on 17 March 2021. This scheme formed part of the 2022/23 capital programme to be funded from SCA grant and forms part of the planned carry forward to 2023/24 set out above.
108. The Buildings, Land and Procurement Panel agreed in April 2022 to proposals to develop a pilot project for the recladding of an existing SCOLA school using low-carbon construction, including the installation of heat-pump heating. Hiltingbury School was selected as an appropriate pilot candidate. The proposed project will give the building its intended new lease of life while meeting the key objectives of the pilot around resilience to environmental impacts of climate change, energy efficiency and low levels of embodied carbon for a project of this type. A bid for Salix grant funding to install a ground source heat-pump has also been submitted, however if unsuccessful the project will continue without this element and the scheme value reduced correspondingly.
109. As such, it is recommended that £2.265m is added to the scheme value giving a new scheme value of £3.811m within the **Universal Services** capital programme. The increase will be funded from unallocated SCA funding (£1.765m), CCBS climate change investment programme (£0.2m) and Salix grant (£0.3m). £0.58m will be removed from the scheme value if the Salix grant bid is unsuccessful and the heat pump element removed.

Springwood Junior patent glazing upgrade scheme

110. The Executive Member for Commercial Strategy, Human Resources and Performance agreed funding of £1.165m for the patent glazing upgrade at Springwood Junior School on 17 March 2021. This scheme formed part of the 2022/23 capital programme to be funded from SCA grant and forms part of the planned carry forward to 2023/24 set out above. It is recommended that £1.165m is added to the scheme value, giving new scheme value of £1.785m within the **Universal Services** capital programme. The increase

will be funded from currently unallocated SCA grant and will allow the project to encompass a broader scope of works by upgrading metal sheets on the same roof, alongside the original work to the patent glazing.

Capital financing

111. There are different ways in which projects in the capital programme can be financed:

- Capital grants from Government
- Contributions from other bodies such as developers, the health service, and other local authorities
- Capital receipts from the sale of land, buildings, and other assets
- Contributions from the revenue budget including those held in the capital reserve and departmental reserves
- Prudential borrowing, which will involve borrowing money from external sources and/or the use of internal cash balances.

112. Where prudential borrowing is used, there will be an impact on the revenue budget. This is explained in more detail in the section of this report on prudential borrowing and revenue implications of the programme.

113. Planned sources of funding have been identified for all items within the proposed and prior year capital programmes. However, as most capital schemes are delivered over more than one year, the actual cash flow of capital income and expenditure each year varies from the programme. The forecast sources of funding to match current forecasts for capital payments are set out in Table 13.

Table 13 – Resources to fund capital expenditure

	2022/23	2023/24	2024/25	2025/26	Future
	£'000	£'000	£'000	£'000	£'000
Prudential borrowing	24,923	41,771	49,330	22,582	32,367
less repayments from capital	(6,950)	(12,881)	(21,686)	(11,225)	(53,738)
Capital grants	123,514	132,232	142,032	115,260	103,419
Contributions from other bodies*	51,620	82,087	69,823	71,922	71,863
Capital receipts	2,848	7,523	19,140	11,662	27,554
Dec 22 cash limit guidelines	3,669	3,669	3,669	3,669	0
Other revenue contributions	4,470	4,378	2,672	564	2,385
Use of the capital reserve	17,414	36,126	16,506	15,167	8,952
Use of revenue reserves	1,077	1,750	0	0	0
Total planned use of resources	222,585	296,655	281,486	229,601	192,802

* including developers

114. Progress will be monitored during the remainder of 2022/23 and throughout 2023/24 and reported to the Leader during the year. Executive Members will also review progress on their capital programmes at regular intervals.

Prudential borrowing

115. Prudential borrowing is one of the ways in which the County Council may fund its capital programme. The use of prudential borrowing is carefully managed in line with the requirements of the Prudential Code for Capital Finance in Local Authorities and in accordance with the County Council's Capital and Investment Strategy (appendix 7 of the revenue budget report on this agenda).
116. Prudential borrowing may be in the form of borrowing from external sources to fund capital schemes. Alternatively, as part of its Treasury Management Strategy, the County Council may instead decide to use internal borrowing. This refers to the use of internal cash balances to finance capital expenditure in place of borrowing money from external sources. Both approaches to funding schemes are referred to as prudential borrowing.
117. Funding schemes through prudential borrowing increases the County Council's Capital Financing Requirement (CFR) and results in ongoing charges to the revenue budget in future years through the Minimum Revenue Provision (MRP). In addition, where external debt is taken on, the County Council will incur interest charges.
118. Table 14 provides details of outstanding and planned prudential borrowing advances under the framework for prudential borrowing agreed by Cabinet in February 2006. For further details, see the Capital and Investment Strategy (Appendix 7 to the revenue budget report)

Table 14 – Summary of outstanding and planned prudential borrowing advances

	£'000
CFR for prudential borrowing at 31/3/22	175,202
Forecast additional prudential borrowing 202/23 to 2025/26	131,656
Outstanding and planned prudential borrowing	<u>306,858</u>
 <u>To be financed by:</u>	
Minimum Revenue Provision charges to the revenue budget	235,314

Capital receipts, developer contributions and other one-off contributions 71,544

119. MRP charges to the revenue budget will be incurred over time in accordance with the County Council's MRP Statement within its Capital and Investment Strategy.

Capital reserve

120. The capital reserve shown in Table 15 holds approved local resources until they are required to fund capital payments as schemes progress. The County Council's approach is to apply grants and other contributions before using its own resources. Table 15 shows the planned draws identified as the use of the capital reserve in Table 13 plus other planned movements in this reserve.

Table 15 – Capital reserve

	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
Opening balance	167,414	113,096	81,433	72,112
Application to schemes	(17,414)	(36,126)	(16,506)	(15,167)
Application of capital receipts	(2,838)	(5,457)	(2,815)	(1,862)
Other draws	(58,504)	0	0	0
Additions	25,111	10,000	10,000	10,000
Closing balance	113,769	82,186	72,865	65,836

Revenue implications

121. The revenue implications of the new programme are shown in Table 16.

Table 16 – Revenue effects

	Running costs	Capital charges	Total
	£'000	£'000	£'000
2023/24 starts	232	5,525	5,757
2024/25 starts	746	6,452	7,198
2025/26 starts	470	5,297	5,767
Total	1,448	17,273	18,721

122. The capital charges represent depreciation over the estimated life of the asset for most schemes and provide an accounting estimate for the cost of

using assets to deliver services. These capital charges will however be reversed out of service budgets to the capital adjustment account (CAA) prior to the calculation of the budget requirement. The CAA is an unusable reserve and statutory requirements mean that depreciation charges cannot be included when calculating council tax.

123. The budget requirement will, however, be increased by the capital financing costs associated with financing the programme through prudential borrowing, predominantly equal to the Minimum Revenue Provision plus any interest payments on external debt (defined in aggregate as financing costs). The estimated financing cost as a proportion of the net revenue stream is a key indicator of the affordability of the County Council's capital programme and is one of the Prudential Indicators detailed within the Capital and Investment Strategy. The net annual increase in MRP as a result of the proposed three-year programme is approximately £6m by 2025/26, of which about £2m relates to HTM vehicles purchases where costs will be recovered through business unit charging. MRP costs are taken into account in the MTFS.

Consultation and Equalities

124. Consultation on the budget is undertaken every two years when the County Council considers savings to help balance the budget. All savings proposals put forward by the County Council have an Equality Impact Assessment published as part of the formal decision making papers and for some proposals stage 2 consultations are undertaken before a final decision is made by the relevant Executive Member.
125. Equalities impact assessments will be considered when individual project appraisals are developed for the schemes included in the approved capital programme.

Climate Change Impact Assessment

126. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does
127. This report collates the overall capital programme for approval. All relevant developments within the capital programme are subject to individual assessments and climate change impacts will therefore be assessed through project appraisals as part of the approval to spend process for

individual programmes and projects. Where appropriate, capital schemes are planned with adaptation to climate change in mind, such as the inclusion of passive cooling, solar shading, sustainable urban drainage and rainwater harvesting systems in building projects. This will take account of technical feasibility and what is deliverable within budget constraints.

Conclusions

128. Executive Members have proposed capital programmes for the next three years in line with the Corporate Strategy and County Council priorities. The locally resourced guidelines set by Cabinet in December 2022 have been supplemented with contributions from reserves and developers. They have also been adjusted by transfers between programme years. In addition, the programme includes projects funded by Government grants. In total, this gives a programme for the next three years of £645.3m

129. Regular monitoring will take place during the year on the implementation of the programme, including the progress of major projects, the level of capital expenditure and resources in 2023/24, and the progress on obtaining the capital receipts necessary to finance the capital programme.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Financial update and budget setting and provisional cash limits for 2023/24 (Cabinet)	13 December 2022
Children's Services Capital Programme 2023/24 to 2025/26 (Executive Lead Member for Children's Services)	12 January 2023
Adults' Health and Care Capital Programme for 2023/24 to 2025/26 (Executive Member for Adult Services and Public Health)	24 January 2023
Universal Services Capital Programme 2023/24 to 2025/26 (Executive Lead Member for Universal Services)	23 January 2023
Economy, Transport and Environment Capital Programme Quarter 3 2022/2023 (Executive Lead Member for Universal Services)	23 January 2023
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Equality objectives are not considered to be adversely impacted by the proposals in this report but the County Council's budget and the services that it provides are delivered in a way that ensures that any impact on equalities issues are fully taken into account. Equalities impact assessments will be considered when individual project appraisals are developed for the schemes included in the approved capital programme.

Adult Services

Ref	Project	Construct ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
2023/24 Schemes							
Schemes Supported from Local Resources							
1	Maintaining Operational Buildings including Residential and Nursing Care	284	47	150	481	-	22
Schemes supported by the Government							
2	Disabled Facilities Grant	-	-	14,252	14,252	-	-
Total Programme		284	47	14,402	14,733	-	22

Capital Programme - 2023/24

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	1
N/A	1	12	Grant paid to District Councils to fund adaptions to people's homes	2
<p>• Projects to be partly funded from external contributions.</p>				

Adult Services

Capital Programme - 2024/25

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		£'000	£'000		
2024/25 Schemes												
Schemes Supported from Local Resources												
3	Maintaining Operational Buildings including Residential and Nursing Care	284	47	150	481	-	22	N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	3
Schemes supported by the Government												
4	Disabled Facilities Grant	-	-	14,252	14,252	-	-	N/A	1	12	Grant paid to District Councils to fund adaptations to people's homes	4
Total Programme		284	47	14,402	14,733	-	22					
											+ Projects to be partly funded from external contributions.	

Adult Services

Capital Programme - 2025/26

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		£'000	£'000		
2025/26 Schemes												
Schemes Supported from Local Resources												
5	Maintaining Operational Buildings including Residential and Nursing Care	284	47	150	481	-	22	N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	5
Schemes supported by the Government												
6	Disabled Facilities Grant	-	-	14,252	14,252	-	-	N/A	1	12	Grant paid to District Councils to fund adaptations to people's homes	6
Total Programme		284	47	14,402	14,733	-	22					
											+ Projects to be partly funded from external contributions.	

Children's Services

Capital Programme - 2023/24

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		£'000	£'000		
2023/24 Schemes												
Children's Social Care												
25	Foster Carers	429	71	-	500	-	-	N/A	Various	Various	Improvements to foster carers' homes where necessary.	25
26	Adaptation Equipment	-	-	250	250	-	25	N/A	Various	Various	Access improvement equipment for homes.	26
27	Early Years/Childcare sufficiency	1,373	227	-	1,600	-	32	N/A	Various	Various	Improvements to Early Years facilities	27
28	Denmead Junior, Waterlooville	648	52	-	700	-	23	Owned	2	3	New nursery provision	28
29	Little Deer's Day Nursery, Burley	648	52	-	700	-	23	Owned	2	3	Improvements to Early Years facilities	29
Primary School Improvements												
30	Bordon Infant & Junior, Bordon	3,691	609	-	4,300	-	86	Owned	2	9	11e Expansion	30
31	Liphook Infant & Junior, Liphook	1,116	184	-	1,300	-	26	Owned	2	6	School improvements	31
32	Oakley Infant & Junior, Basingstoke	258	42	-	300	-	6	Owned	2	3	School improvements	32
33	Park View Primary, Basingstoke	687	113	-	800	-	16	Owned	2	6	School improvements	33
34	Sharps Copse Primary, Havant	1,588	262	-	1,850	-	37	Owned	2	6	School improvements	34
35	Vigo Primary/Norman Gate School, Andover	258	42	-	300	-	6	Owned	2	3	School improvements	35
Secondary School Improvements												
36	The Romsey School, Romsey	583	-	-	583	-	12	Owned	2	3	School improvements	36
37	Winton Academy, Andover	4,807	793	-	5,600	-	112	Owned	2	12	11e Expansion	37
38	Special School Improvements	858	142	-	1,000	-	20	Owned	Various	Various	Rebuild and refurbishment of special schools.	38
39	Guillemont Junior, Farnborough	807	133	-	940	-	19	Owned	2	6	New ASC resourced provision	39
40	Lakeside School, Chandlers Ford	694	56	-	750	-	25	Owned	2	3	Additional 6 place provision	40

Children's Services

Capital Programme - 2023/24

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		£'000	£'000		
2023/24 Schemes												
High Needs Provision Grant												
41	Morelands Primary, Havant	197	33	-	230	-	8	Owned	2	3	New 8 place ASC resourced provision	41
42	St Jude's RC Primary, Fareham	232	38	-	270	-	5	Owned	2	3	New 6 place ASC resourced provision	42
43	School Suitability Programme	1,245	205	-	1,450	-	29	Owned	Various	Various	Various projects to meet identified needs.	43
44	Forest Park School, Totton	472	78	-	550	-	11	Owned	2	6	School improvements	44
45	Purchase of modular classrooms	1,852	148	-	2,000	-	67	Owned	Various	Various	Various projects to be identified.	45
46	Health and Safety	343	57	-	400	-	8	Owned	Various	Various	Improvements to address health and safety issues.	46
47	Schools Devolved Capital	3,354	-	-	3,354	-	67	N/A	Various	Various	Allocations to schools through devolved formula capital.	47
48	Access Improvements in Schools #	429	71	-	500	-	10	N/A	Various	Various	Improvements to school's buildings to improve accessibility.	48
49	Furniture and Equipment #	-	-	250	250	-	25	N/A	Various	Various	Provision of furniture and equipment for capital schemes.	49
50	Contingency	3,399	561	-	3,960	-	79	N/A	Various	Various		50
Total Programme Supported by the Government and other bodies		11,523	1,191	250	12,964	-	309					
Total Programme					12,964	-	309					
# Projects controlled on an accrued expenditure basis + Projects partly funded from external contributions * Projects externally funded												

Appendix 1

Children's Services

Capital Programme - 2024/25

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		£'000	£'000		
	2024/25 Schemes											
	Children's Social Care											
51	Foster Carers	215	35	-	250	-	-	N/A	Various	Various	Improvements to foster carers' homes where necessary.	51
52	Adaptation Equipment	-	-	250	250	-	25	N/A	Various	Various	Access improvement equipment for homes.	52
	New Primary School Provision											
53	AUE 2nd School, Aldershot	9,013	1,487	-	10,500	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	53
54	Berewood Primary, Havant	8,670	1,430	-	10,100	-	-	Owned	2	12	New 1.5fe primary school to meet housing demand.	54
55	Hounsme Fields, Basingstoke	11,416	1,884	-	13,300	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	55
	Secondary School Improvements											
56	Alderwood School, Aldershot	7,983	1,317	-	9,300	-	-	Owned	2	12	Expansion to 8fe	56
57	Oakmoor Academy, Bordon	7,940	1,310	-	9,250	-	-	Owned	2	12	Expansion to 8fe	57
58	Special School Improvements	858	142	-	1,000	-	20	Owned	Various	Various	Rebuild and refurbishment of special schools.	58
	New Special School Provision											
59	Boorley Gardens, Eastleigh	12,876	2,124	-	15,000	-	-	Owned	2	15	New 90-125 place SEM/IASD school.	59
60	Lady Betty's Drive, Whiteley	17,734	2,266	-	20,000	-	-	Owned	2	15	New 90-125 place complex needs school.	60
61	School Suitability Programme	1,245	205	-	1,450	-	29	Owned	Various	Various	Various improvements to meet identified needs.	61
62	Baycroft School, Fareham	472	78	-	550	-	11	Owned	2	6	School Improvements	62
63	Purchase of modular classrooms	1,852	148	-	2,000	-	67	Owned	Various	Various	Various projects to be identified.	63
64	Health and Safety	343	57	-	400	-	8	Owned	Various	Various	Improvements to address health and safety issues.	64
65	Schools Devolved Capital	3,354	-	-	3,354	-	67	N/A	Various	Various	Allocations to schools through devolved formula capital.	65
66	Access Improvements in Schools #	429	71	-	500	-	10	N/A	Various	Various	Improvements to school's buildings to improve accessibility.	66
67	Furniture and Equipment #	-	-	250	250	-	25	N/A	Various	Various	Provision of furniture and equipment for capital schemes.	67
68	Contingency	2,779	458	-	3,237	-	65	N/A	Various	Various		68
	Total Programme Supported by the Government and other bodies	87,179	13,012	500	100,691	-	327					
	Total Programme				100,691	-	327					
											# Projects controlled on an accrued expenditure basis * Projects partly funded from external contributions * Projects externally funded	

Children's Services

Capital Programme - 2025/26

Ref	Project	Construction Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks	Ref
						Running Costs	Capital Charges		Date	Duration		
						£'000	£'000		Qtr	Months		
2025/26 Schemes												
Children's Social Care												
69	Foster Carers	215	35	-	250	-	-	N/A	Various	Various	Improvements to foster carers' homes where necessary.	69
70	Adaptation Equipment	-	-	250	250	-	25	N/A	Various	Various	Access improvement equipment for homes.	70
New Primary School Provision												
71	Hartland Village, Fleet	8,069	1,331	-	9,400	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	71
72	Manydown Primary, Basingstoke	8,069	1,331	-	9,400	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	72
73	One Horton Heath, Fair Oak	8,069	1,331	-	9,400	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	73
	Welborne Primary, Fareham	8,069	1,331	-	9,400	-	-	Owned	2	12	New 2fe primary school to meet housing demand.	
New Secondary School Provision												
74	Whiteley Academy, Whiteley	28,240	4,660	-	32,900	-	-	Owned	2	24	New 6fe secondary school to meet housing demand	74
Special School Improvements												
75	Whiteley Academy, Whiteley	858	142	-	1,000	-	20	Owned	Various	Various	Rebuild and refurbishment of special schools.	75
School Suitability Programme												
76	Purchase of modular classrooms	1,717	283	-	2,000	-	40	Owned	Various	Various	Various projects to meet identified needs.	76
77	Health and Safety	1,852	148	-	2,000	-	67	N/A	Various	Various	Various projects to be identified.	77
78	Schools Devolved Capital	343	57	-	400	-	8	Owned	Various	Various	Improvements to address health and safety issues.	78
79	Access Improvements in Schools #	3,354	-	-	3,354	-	67	N/A	Various	Various	Allocations to schools through devolved formula capital.	79
80	Furniture and Equipment #	429	71	-	500	-	10	N/A	Various	Various	Improvements to school buildings to improve accessibility	80
81	Continuency	-	-	250	250	-	25	N/A	Various	Various	Provision of furniture and equipment for capital schemes.	81
82		4,678	772	-	5,450	-	109	N/A	Various	Various		82
Total Programme Supported by the Government and other bodies		73,962	11,492	500	85,954	-	371					
Total Programme					85,954	-	371					
											# Projects controlled on an accrued expenditure basis + Projects partly funded from external contributions * Projects externally funded	

Universal Services (ETE)

Capital Programme - 2023/24

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
						£'000	£'000		£'000	£'000	
2023/24 Schemes											
Schemes Supported from Local Resources											
1	Structural Maintenance of Non Principal Roads #	13,431	1,492	-	14,923	-	746	N/A	1	12	Structural maintenance to improve road conditions.
2	Flood and Coastal Defence Management	88	18	-	106	-	2	N/A	-	-	Provision for works and strategies for coastal sites and flood defence including match funding for joint funded schemes with external bodies
Total Programme Supported by Local Resources		13,519	1,510	-	15,029	-	748				
Schemes Supported by the Government and Other External Bodies											
3	Fair Oak Village Placemaking*	1,492	498	-	1,990	-	100	N/A	4	9	Pedestrian and cycle improvements
4	Redbridge Causeway Package 4: Ped/Cycle improvements *	1,279	427	-	1,706	-	85	N/A	4	8	Pedestrian and cycle improvements
5	Whitehill & Bordon GGL – Hogmoor Road Traffic Measures*	750	250	-	1,000	-	50	N/A	4	12	Traffic and Cycle Improvements
6	SCR - Bishopstoke Road, Eastleigh+	3,975	1,325	-	5,300	-	265	N/A	2	7	Bus priority measures
7	Chapel Hill, Basingstoke Active Travel*	262	88	-	350	-	18	N/A	4	9	Pedestrian and cycle improvements
8	North Baddesley: Firgrove Rd to Castle Lane Cycle Track+	387	130	-	517	-	26	N/A	4	5	Provision of missing cycle link
9	Totton Station Access for All *	225	75	-	300	-	15	N/A	4	6	Accessibility improvement to station
10	Manydown to Basingstoke TC Cycle route (initial works)*	352	118	-	470	-	24	N/A	4	3	Cycle Improvements
11	Four Marks Five Lane junction drainage enhancements*	187	63	-	250	-	13	N/A	4	4	Drainage Improvements
12	Romsey Road, Clifton Terrace Winchester Phase 2*	285	95	-	380	-	19	N/A	4	6	Junction improvements
13	Worthy Road Corridor active travel improvements, Winchester*	375	125	-	500	-	25	N/A	4	12	Active travel improvements
14	Schemes Costing Less than £250,000+	1,538	513	-	2,051	-	103	N/A	1	12	Local Improvements sub-programme
15	Safety Schemes and Traffic Management #	1,125	375	-	1,500	-	75	N/A	1	12	Casualty Reduction Programme & Traffic Management
16	Minor Improvements+	225	75	-	300	-	15	N/A	1	12	Improvement schemes costing less than £100,000 each.
17	Structural Maintenance of Roads and Bridges #	30,144	3,349	-	33,493	-	1,675	N/A	1	12	Structural maintenance to improve road conditions and structural maintenance and strengthening of bridges.
Total Programme Supported by the Government and other bodies		42,601	7,506	-	50,107	232	2,508				
Total Programme					65,136	232	3,256				# Projects controlled on an accrued expenditure basis + Projects partly funded from external contributions * Projects externally funded

Universal Services (ETE)

Capital Programme - 2024/25

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
						£'000	£'000		Qtr	Months	
	2024/25 Scheme										
	Schemes Supported from Local Resources										
18	Structural Maintenance of Non Principal Roads #	13,791	1,532	-	15,323	-	766	N/A	1	12	Structural maintenance to improve road conditions.
19	Flood and Coastal Defence Management	88	18	-	106	-	2	N/A	-	-	Provision for works and strategies for coastal sites and flood defence including match funding for joint funded schemes with external bodies
	Total Programme Supported by Local Resources	13,879	1,550	-	15,429	-	768				
	Schemes Supported by the Government and Other External Bodies										
20	Andover Railway Station Placemaking*	750	250	-	1,000	-	50	N/A	4	7	Pedestrian & cycle improvements, public realm enhancements
21	Manydown to Basingstoke TC Cycle Route*	7,845	2,615	-	10,460	-	523	N/A	4	18	Cycling improvements
22	Petersfield Rd/Park Rd Nth, Havant Active Travel*	2,475	825	-	3,300	-	165	N/A	4	12	Pedestrian and cycle improvements
23	NCN22 Petersfield Rd Havant, Active Travel Phase 2*	2,250	750	-	3,000	-	150	N/A	4	12	Pedestrian and cycle improvements
24	A30 SW Corridor Basingstoke Cycle Route & Bus Priority*	6,150	2,050	-	8,200	-	410	N/A	4	18	Cycling and bus improvements
25	Stockbridge Road Corridor, Winchester: Active Travel *	1,875	625	-	2,500	-	125	N/A	4	12	Active travel improvements
26	Worthy Road Corridor, Winchester Active Travel *	1,500	500	-	2,000	-	100	N/A	4	12	Active travel improvements
27	Twyford Road, Eastleigh Active Travel+	3,825	1,275	-	5,100	-	255	N/A	4	12	Accessibility Improvements
28	Andover Town Centre Placemaking*	1,911	637	-	2,548	-	126	N/A	4	16	Multimodal placemaking improvements
29	Hamble Lane Multimodal+	3,750	1,250	-	5,000	-	250	N/A	4	12	Multimodal improvements
30	Fleet Town Access Plan (priority scheme)+	2,850	950	-	3,800	-	190	N/A	4	12	Active travel improvements
31	West End High Street Placemaking*	187	63	-	250	-	13	N/A	4	6	Placemaking and active travel improvements
32	Basing View to Basingstoke Placemaking*	337	113	-	450	-	23	N/A	4	6	Pedestrian improvements
33	Minley Road Multimodal*	397	133	-	530	-	27	N/A	4	6	Pedestrian and cycle improvements
34	Warsash to A27 Bridge Road Congestion Reduction*	600	200	-	800	-	40	N/A	4	12	Junction improvements
35	Improved Access to Swanwick Station*	450	150	-	600	-	30	N/A	4	12	Pedestrian and cycle improvements
36	Botley Village Placemaking	310	104	-	414	-	21	N/A	4	12	Footway widening, crossing and cycle improvements

Universal Services (ETE)

Capital Programme - 2024/25

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
						£'000	£'000		£'000	£'000	
2024/25 Schemes (continued)											
37	Schemes Costing Less than £250,000+	1,125	375	-	1,500	-	75	N/A	1	12	Local Improvements sub-programme
38	Safety Schemes and Traffic Management #	1,125	375	-	1,500	-	75	N/A	1	12	Casualty Reduction Programme & Traffic Management
39	Minor Improvements +	225	75	-	300	-	15	N/A	1	12	Improvement schemes costing less than £100,000 each.
40	Structural Maintenance of Roads and Bridges #	30,144	3,349	-	33,493	-	1,675	N/A	1	12	Structural maintenance to improve road conditions and structural maintenance and strengthening of bridges.
Total Programme Supported by the Government and other bodies		70,081	16,664	-	86,745	746	4,338				
Total Programme					102,174	746	5,106				
# Projects controlled on an accrued expenditure basis + Projects partly funded from external contributions * Projects externally funded											

Universal Services (ETE)

Capital Programme - 2025/26

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
						£'000	£'000		£'000	£'000	
2025/26 Schemes											
Schemes Supported from Local Resources											
41	Structural Maintenance of Non Principal Roads #	10,641	1,182	-	11,823	-	590	N/A	1	12	Structural maintenance to improve road conditions.
42	Flood and Coastal Defence Management	88	18	-	106	-	2	N/A	-	-	Provision for works and strategies for coastal sites and flood defence including match funding for joint funded schemes with external bodies
Total Programme Supported by Local Resources		10,729	1,200	-	11,929	-	592				
Schemes Supported by the Government and Other External Bodies											
43	Basingstoke Bus Priority Measures*	5,850	1,950	-	7,800	-	390	N/A	4	18	Bus priority measures
44	Farnborough Gold 1 corridor Bus Priority Measures *	1,500	500	-	2,000	-	100	N/A	3	18	Bus priority on approaches to Gold 1 corridor
45	Tap-on Tap-off card readers on bus (countywide)*	900	300	-	1,200	-	60	N/A	3	6	Bus service improvements
46	Upgrade and further roll out of Real Time Information screens at bus stops (countywide)*	900	300	-	1,200	-	60	N/A	4	6	Bus stop improvements
47	Whitehill Bordon - Sleaford Lights Junction - A325/B3004*	750	250	-	1,000	-	50	N/A	4	12	Junction improvements
48	A27 Fareham to Portchester Active Travel *	7,500	2,500	-	10,000	-	500	N/A	4	24	Pedestrian and cycle improvements
49	Gosport Town Centre to Ferry Cycle Route*	5,250	1,750	-	7,000	-	350	N/A	4	12	Cycle improvements
50	Schemes Costing Less than £250,000+	1,125	375	-	1,500	-	75	N/A	1	12	Local Improvements sub-programme
51	Safety Schemes and Traffic Management #	1,125	375	-	1,500	-	75	N/A	1	12	Casualty Reduction Programme & Traffic Management
52	Minor Improvements +	225	75	-	300	-	15	N/A	1	12	Improvement schemes costing less than £100,000 each.
53	Structural Maintenance of Roads and Bridges #	30,144	3,349	-	33,493	-	1,675	N/A	1	12	Structural maintenance to improve road conditions and structural maintenance and strengthening of bridges.
Total Programme Supported by the Government and other bodies		55,269	11,724	-	66,993	470	3,350				
Total Programme					78,922	470	3,942				
# Projects controlled on an accrued expenditure basis + Projects partly funded from external contributions * Projects externally funded											

Universal Services (CCBS)

Capital Programme - 2023/24

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
		£'000	£'000	£'000	£'000	£'000	£'000		Qtr	Months	
2023/24 Schemes (continued)											
Schemes Supported by the Government											
Schools Condition Allocation (SCA)											
18	Fleet Infant School, Fleet	644	106	-	750	-	15	Owned	2	9	Roof upgrade
19	Hart Plain Junior School, Waterlooville	1,350	223	-	1,573	-	31	Owned	2	9	SCOLA recladding
20	Hiltingbury Junior School, Eastleigh *	3,271	540	-	3,811	-	76	Owned	2	12	SCOLA recladding
21	Red Barn Primary, Fareham	601	99	-	700	-	14	Owned	2	9	Roof upgrade
22	Springwood Junior School, Waterlooville	1,532	253	-	1,785	-	36	Owned	2	9	Patent glazing upgrade
23	Schools Condition Allocation (schemes costing less than £500,000)	27,969	4,615	-	32,584	-	652	Owned	-	-	Major improvements to school buildings
Total Schemes Supported by the Government		35,367	5,836	-	41,203	-	824				
Total Excluding Land					60,051		1,471				
Advance and Advantageous Land Purchases					646						
Total Programme					60,697		1,471				
											<i>* Includes £200k CCBS Climate Change funding (to be carried forward from 2023/23)</i>

Universal Services (CCBS)

Capital Programme - 2024/25

Ref	Project	Construction Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year		Site Position	Contract Start		Remarks
						Running Costs	Capital Charges		Date	Duration	
						£'000	£'000		Qtr	Months	
2024/25 Schemes											
Schemes Supported from Local Resources											
24	Vehicles for Hampshire Transport Management #	-	-	3,400	3,400	-	340	N/A	-	-	Continuing programme of replacing vehicles
25	County Farms Building Improvements	429	71	-	500	-	10	Owned	1	12	Planned improvements to residential and farm buildings across the County Farms estate to ensure compliance with tenancy and agricultural regulations including energy efficiency measures
26	Corporate Estate Schemes	1,288	212	-	1,500	-	30	Owned	1	12	Planned improvements across the Corporate Estate to address backlog of condition based maintenance and ensure safety, compliance and business continuity for essential buildings
27	CCBS Capital	328	-	-	328	-	7	Owned	1	12	Provision of minor works across the department including Library and Countryside services
28	Countryside Bridges & Rights of Way	687	113	-	800	-	40	N/A	1	12	Planned works to address backlog of essential work to the condition of countryside bridges and rights of way
29	Basingstoke Canal	429	71	-	500	-	-	N/A	1	12	Continued management of canal assets including bank stabilisation, weirs and sluices and towpath
30	Programme Contingency	185	-	-	185	-	3	N/A	-	-	
Total Programme Supported by Local Resources		3,346	467	3,400	7,213	-	430				
Schemes Supported by the Government											
Schools Condition Allocation (SCA)											
31	Crookhorn College, Waterlooville	1,740	287	-	2,027	-	41	Owned	-	-	SCOLA recladding
32	Henry Beaufort, Winchester	1,800	297	-	2,097	-	42	Owned	-	-	SCOLA recladding
33	Marchwood Infant School, Southampton	944	156	-	1,100	-	22	Owned	-	-	Recladding and building upgrade
34	Schools Condition Allocation (schemes costing less than £500,000)	19,815	3,270	-	23,085	-	462	Owned	-	-	Major improvements to school buildings
Total Schemes Supported by the Government		24,300	4,009	-	28,309	-	567				
Total Excluding Land					35,522		997				
Advance and Advantageous Land Purchases					646						
Total Programme					36,168		997				

