

The City of Edinburgh Council

10.00am, Thursday 22 February 2018

Capital Investment Programme 2018/19 to 2022/23 - referral from the Finance and Resources Committee

Item number	5.2
Report number	
Wards	All
Council Commitments	

Executive summary

On 8 February 2018 the Finance and Resources Committee considered a report that set out the planned investment for the period 2018/19 to 2022/23. Projects had been realigned, reflecting slippage and acceleration in the current financial year. Spending in the latter years should be viewed as indicative, as details of the likely level of capital grant could only be estimated at this time. The report has been referred to the City of Edinburgh Council for approval as part of the budget-setting process.

Terms of Referral

Capital Investment Programme 2018/19 to 2022/23 - referral from the Finance and Resources Committee

Terms of referral

- 1.1 The Finance Settlement announced on 14 December 2017 provided general capital funding for 2018/19 of £49.405m which was an increase of £4.905m over the level previously assumed and this remained unallocated in the Capital Investment Programme (CIP). The provisional Finance Settlement also announced specific capital grants for Management Developing Funding of £27.950m and Cycling, Walking and Safer Street of £0.691m. These sums would require to be confirmed as part of the approval of the Scottish Budget.
- 1.2 Finance and Resources Committee considered the Capital Investment Framework 2018/19 – 2026/27 which advised that, subject to the achievement of a balanced overall position across 2018/23 revenue budget framework, resources of up to £122m could also be made available to support additional capital investment for Estate Infrastructure, the Local Development Plan and the City Region Deal.
- 1.3 The CIP was based upon the capital plan which would be rolled forward to the period 2021/22 to 2026/27. Since rolling forward the capital plan in February 2017, £7m per annum of funding, available from 2021/22 had remained unallocated.
- 1.4 The Finance and Resources Committee agreed:
 - 1.4.1 To note the report.
 - 1.4.2 To remit the 2018-2023 Capital Investment Programme to the City of Edinburgh Council for approval as part of the budget-setting process.
 - 1.4.3 To note that the announcement of the Finance Settlement made in December 2017 indicated a general capital grant for 2018/19 of £49.405m which exceeded the Council's previous indicative plans by £4.905m and this amount remained unallocated.
 - 1.4.4 To note that the announcement of the Finance Settlement made on 14 December 2017 indicated specific capital grants for Development Management Funding of £27.950m and Cycling, Walking and Safer Streets of £0.691m.

- 1.4.5 To agree that £5m of any available budget that resulted from the underspend against the Water of Leith Phase 2 project be transferred to the North Bridge refurbishment project, subject to approval by full Council.
- 1.4.6 To note that following the proposed update to the capital plan in Appendix 1 of the report, £179.805m remained unallocated. Within this was an amount of £160.9m from additional borrowing repayable from the General Fund revenue budget subject to the achievement of a balanced overall position across the 2018/23 revenue budget framework.
- 1.4.7 To note the up-to-date analysis of unfunded service priorities and pressures set out within the report.
- 1.4.8 To note the recommended use of the additional resources to address some of the Council's capital investment priorities and remit to Council for a decision on 22 February 2018 in the context of infrastructure needs, priorities and existing Council commitments.

For Decision/Action

- 2.1 The City of Edinburgh Council is asked to:
 - 2.1.1 Approve the 2018-2023 Capital Investment Programme.
 - 2.1.2 Approve the transfer of £5m of any available budget that resulted from the underspend against the Water of Leith Phase 2 project to the North Bridge refurbishment project.
 - 2.1.3 Consider the use of additional resources to address some of the Council's capital investment priorities in the context of infrastructure needs, priorities and existing Council commitments.

Background reading / external references

Additional Finance and Resources Committee 8 February 2018.

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Head of Strategy and Insight

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Links

Appendices

Appendix 1 - report by the Executive Director of Resources

Finance and Resources Committee

2.00pm, Thursday 8 February 2018

Capital Investment Programme 2018/19 to 2022/23

Item number

Report number

Executive/routine

Wards

Council Commitments:None

Executive Summary

The roll forward Capital Investment Programme (CIP) sets out planned investment for the period 2018/19 to 2022/23. Projects have been realigned, reflecting slippage and acceleration in the current financial year. Spending in the latter years should be viewed as indicative, as details of the likely level of capital grant can only be estimated at this time.

The Finance Settlement announced on 14 December 2017 provided general capital funding for 2018/19 of £49.405m which is an increase of £4.905m over the level previously assumed and this remains unallocated in the CIP. The provisional Finance Settlement also announced specific capital grants for Management Development Funding of £27.950m and Cycling, Walking and Safer Street of £0.691m. These sums will require to be confirmed as part of the approval of the Scottish Budget.

The Capital Investment Framework 2018/19 – 2026/27 considered by Finance and Resources Committee on 27 October 2017 advised that, subject to the achievement of a balanced overall position across the 2018/23 revenue budget framework, resources of up to £112m could also be made available to support additional capital investment for Estate Infrastructure, the Local Development Plan and the City Region Deal. A further report elsewhere on this agenda advises that a further £48.90m could be made available to support the capital investment requirement identified from the outcome of property condition surveys in the report to the Finance and Resources Committee on 23 January 2018.

The CIP is based upon the capital plan which will be rolled forward to the period 2021/22 to 2026/27. Since rolling forward the capital plan in February 2017, £7m per annum of funding, available from 2021/22 has remained unallocated.

Capital Investment Programme 2018/19 to 2022/23

1. Recommendations

- 1.1 Members of the Finance and Resources Committee are requested to:
- 1.1.1 Note the contents of this report and remit to Council's budget meeting of 22 February 2018 the 2018-2023 Capital Investment Programme;
 - 1.1.2 Note that the announcement of the Finance Settlement made in December 2017 indicated a general capital grant for 2018/19 of £49.405m which exceeds the Council's previous indicative plans by £4.905m and that this amount remains unallocated;
 - 1.1.3 Note that the announcement of the Finance Settlement made on 14 December 2017 indicated specific capital grants for Development Management Funding of £27.950m and Cycling, Walking and Safer Streets of £0.691m
 - 1.1.4 Agree that £5m of any available budget resulting from the underspend against the Water of Leith Phase 2 project be transferred to the North Bridge refurbishment project, subject to approval by full Council.
 - 1.1.5 Note that following the proposed update to the capital plan in Appendix 1, £179.805m remain unallocated. Within this is an amount of £160.9m from additional borrowing repayable from the General Fund revenue budget subject to the achievement of a balanced overall position across the 2018/23 revenue budget framework;
 - 1.1.6 Note the up to date analysis of unfunded service priorities and pressures set out within this report;
 - 1.1.7 Note the recommended use of the additional resources to address some of the Council's capital investment priorities and remit to Council for decision on 22 February 2018 in the context of infrastructure needs, priorities and existing Council commitments.

2. Background

- 2.1 Council approved the five-year capital programme for the period 2017-2022 in February 2017. A revised programme, incorporating both net slippage /

acceleration from 2016/17 and the outcome of the re-phasing exercise, was reported to Finance and Resources Committee in September 2017. The capital programme is based on the ten-year capital plan originally set out in 2009, which has subsequently been rolled forward on an indicative basis to 2027 on broadly similar terms as before.

3. Main report

- 3.1 The table below summarises the capital grant allocation the Council has assumed for 2018/19 from the Scottish Government. This is based on analysis of the Finance Settlement released on 14 December 2017. Details within the Finance Settlement are subject to approval of the Scottish Budget in February 2017.

	2018/19
Edinburgh's Allocation	£m
General Capital Grant	49.405
Specific Capital Grant	28.641
<i>Of which:</i>	
<i>Management Development Funding</i>	27.950
<i>Cycling, Walking and Safer Streets</i>	0.691

- 3.2 The Finance Settlement on 14 December 2017 also confirmed that the deferred allocation of £150m of Scotland-wide resources from 2016/17, of which £10.264m relates to Edinburgh, would be paid to Councils in 2019/20. This is in line with the previous assumptions underpinning the Capital Investment Programme.
- 3.3 As no firm allocations have been advised beyond this, an estimate of each year's General Capital Grant Settlement has been factored in for the period 2019/20 to 2022/23 based on a prudent estimate of the possible Scotland-wide funding.
- 3.4 The programme has also been adjusted for current projected capital receipts forecasts and other known sources of income expected from developers and other third party contributions.
- 3.5 Executive Directors, working in conjunction with the Capital Monitoring team have been asked to re-profile the existing capital programme, including slippage and acceleration identified at period eight, based on cash flow information.
- 3.6 The roll forward capital programme, incorporating the above factors can be seen at Appendix 1.

National Housing Trust (NHT) Update

- 3.7 On 12 February 2015, Council approved on-lending of up to £54.998m for entering into NHT phase 3. The report to Finance and Resources Committee 19 January 2017 advised that three of the four developments would progress at Fruitmarket,

Shrubhill and Western Harbour providing 368 new affordable homes by the end of 2020.

- 3.8 The Fruitmarket development is now complete and the Shrubhill and Western Harbour projects continue to progress.
- 3.9 The estimated overall requirement for on-lending for the three developments remains unchanged at £50.121m and the current Capital Investment Programme includes provision of £40.968m for the completion of the Shrubhill and Western Harbour developments.

Water of Leith/North Bridge Refurbishment

- 3.10 An underspend of at least £5.0m (£4.5m in 2017/18 and £0.5m in 2018/19) from the Water of Leith Phase 2 project has previously been reported to the Committee. It is proposed that £5m from this underspend is vired to the North Bridge Refurbishment project.

Current Unfunded Priorities and Pressures

- 3.11 Executive Directors have identified unfunded capital expenditure priorities for the period 2018-2022 totalling approximately £450.95m. These priorities are listed in Appendix 2.
- 3.12 Each project bid has been reviewed by the Strategic Asset Management Division and allocated a priority score. The scoring methodology is detailed in Appendix 3.
- 3.13 As noted above, the Finance Settlement announced on 14 December 2017 and provides for an additional £4.905m of general capital grant.
- 3.14 The Capital Investment Framework 2018/19 – 2026/27 considered by Finance and Resources Committee on 27 October 2017 advised that, subject to the achievement of a balanced overall position across the 2018/23 budget framework, of corresponding revenue provision to support the following capital investment:
 - 3.14.1 **Infrastructure** – £56m to address the Council's capital infrastructure requirements,
 - 3.14.2 **Local Development Plan** – £35m to contribute towards the element of LDP related infrastructure not met by developers' contribution and other sources; and
 - 3.14.3 **City Region Deal** – £21m, representing the anticipated Council contribution in respect of the West Edinburgh Transport Appraisal improvements and a new concert venue off St. Andrew Square (IMPACT project) over the period of the framework.
- 3.15 The updated report on the Revenue Budget Framework elsewhere on this agenda includes revenue provision to support a further capital requirement of £48.90m identified from the outcome on property condition surveys in the report to Finance and Resources on 23 January 2018, subject to the achievement of a balanced overall position across the 2018/23 budget framework, of corresponding revenue provision to support the following capital investment:

- 3.16 While there are insufficient resources to meet all priorities, members may wish to consider applying additional resources against the Council's top priorities as determined by the Council Leadership Team which are detailed in Appendix 4 and summarised below

Infrastructure

- Asset Management Works shortfall - £48.9m (as described in paragraph 3.15)
- Communities and Families estate - £43.355m
- Transport infrastructure - £13.05m
- New Care Home - £10m
- Theatre upgrades – £5m
- Communal Bin Upgrade - £2.5m
- Play parks - £1m

Local Development Plan

- Schools - £11.818m
- Transport infrastructure - £6.5m

City Region Deal

- West Edinburgh Transport Appraisal improvements - £16m
- IMPACT project contribution - £5m

- 3.17 The roll forward capital programme is for General Fund projects only. The Housing Revenue Account capital budget can be seen elsewhere on the agenda.

Prudential Indicators

- 3.18 A revised Prudential Code for Capital Finance in Local Authorities was published by CIPFA in December 2017. The new Prudential Code has deleted two Prudential Indicators which were applicable to Scottish local authorities; Incremental impact of Council Tax and the adoption of the Treasury Management Code.
- 3.19 A new local indicator will show the revenue impact of the loans charges which will result from the forecast capital financing requirement.
- 3.20 The revised indicators which will accompany the Budget Motion to the Council meeting on 22 February 2018 will reflect the changes.

4. Measures of success

- 4.1 The City of Edinburgh Council sets a capital budget which adheres to the key objectives of the Prudential Code. These are to ensure, within a clear framework, that the capital plans of the Council are affordable, prudent and sustainable.

5. Financial impact

- 5.1 The revenue funding required to support the borrowing costs associated with the five-year capital programme (2018-2023) is provided for in the long term financial plan.
- 5.2 Council can only commit to further capital expenditure if revenue expenditure plans are affordable and sustainable. Inclusion of any revenue investment within the budget framework is contingent upon the development, and subsequent delivery, or corresponding savings, alongside management of all risks and pressures, particularly those of a demand-led nature.

6. Risk, policy, compliance and governance impact

- 6.1 Significant budget virements have complied with relevant financial rules and regulations.
- 6.2 Capital monitoring and budget setting processes adopted ensure effective stewardship of resources. The processes applied aim to ensure projects are delivered on time and budget whilst fulfilling the financial criteria of value for money.
- 6.3 Monitoring of major capital projects including risk assessment is carried out by the Council's Strategy and Insight service.
- 6.4 The nature of capital projects means that there is an inherent risk of delays or unforeseen circumstances outwith the control of the Council.
- 6.5 The risk of not adequately investing in infrastructure means that it does not meet Council's and stakeholders needs and does not remain fit for purpose in the future.
- 6.6 Legal and reputational risk from failure in considering and evidencing due regard of the Climate Change (Scotland) Act 2009 Public Bodies Duties and Equality Act 2010 Public Sector Duties in capital projects.

7. Equalities impact

- 7.1 The Council's capital expenditure contributes to the delivery of the public sector equality duty to advance equality of opportunity and foster good relations e.g. enhancement works related to the Disability Discrimination Act, works on Children and Families establishments and capital expenditure on Council housing stock.

8. Sustainability impact

- 8.1 The impacts of the projects set out within the appendices of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties

have been considered, and the outcomes are summarised below. Relevant Council sustainable development policies have been taken into account.

- 8.1 The proposals in this report will help achieve a sustainable Edinburgh because they are ensuring funding for key strategic projects that will enhance facilities and infrastructure in the city. A carbon impact assessment shall be carried out on each new project to achieve the most sustainable outcome for the city in each case.

9. Consultation and engagement

- 9.1 Consultation on the appropriate prioritisation of capital resources was undertaken as part of the budget process.

10. Background reading/external references

[Capital Monitoring 2016-17- Outturn and Receipts](#) Finance and Resources Committee, 5 September 2017

[Capital Investment Framework 2018/19 -2026/27](#) Finance and Resources Committee, 27 October 2017

[Capital Investment Programme Plan 2017/18 to 2025/26](#) Finance and Resources Committee 19 January 2017

[Outcome of Property Condition Surveys](#) – Finance and Resources Committee, 23 January 2018

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11. Appendices

- 1 - Revised Capital Investment Programme 2018-2023 – General Fund
- 2 - Unfunded Capital Priorities and Pressures
- 3 - Strategic Asset Management Capital Priority Weighting Methodology
- 4 - Capital Investment Priorities - Officer Recommendations

**REVISED
CAPITAL INVESTMENT
PROGRAMME 2018-2023**
(Incorporating part-year slippage from 2017/18)

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

FUNDING - GENERAL SERVICES	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
Expenditure	199,909	166,000	185,762	54,066	46,900	652,637
Funding						
Capital receipts						
General asset sales	11,021	6,318	3,000	3,000	3,000	26,339
Less additional receipt income transferred to capital fund	-809	-	-	-	-	-809
Asset sales to reduce corporate loans fund advances	609	-	-	-	-	609
Ring-fenced asset sales	4,895	10,000	-	-	-	14,895
Capital Fund drawdown	15,439	4,561	-	-	-	20,000
Developers and other contributions	40	585	-	-	-	625
Capital Grants Unapplied account	2,504	-	-	-	-	2,504
Total receipts	33,699	21,464	3,000	3,000	3,000	64,163
Capital Grants						
General Capital Grant	49,405	48,264	38,000	38,000	38,000	211,669
Specific Capital Grants	28,641	-	-	-	-	28,641
Total Grants	78,046	48,264	38,000	38,000	38,000	240,310
Loans Fund Advances						
Advances supported through Council Tax	7,000	56,000	84,000	8,000	5,900	160,900
Advances supported from Council revenue budgets	58,848	53,215	65,442	-	-	177,505
Total advances	65,848	109,215	149,442	8,000	5,900	338,405
Over / (under)-programming	22,316	-12,943	-4,680	5,066	-	9,759
Total Funding	199,909	166,000	185,762	54,066	46,900	652,637

Grant funding from 2019/20 onwards is based on prudent estimates.

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

SUMMARY OF EXPENDITURE	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
General Services						
Communities and Families	32,045	17,850	2,485	165	165	52,710
Edinburgh Integration Joint Board	2,069	1,528	-	-	-	3,597
Safer and Stronger Communities	1,125	-	-	-	-	1,125
Place	127,398	76,622	85,277	19,835	19,835	328,967
Resources - Asset Management Works	14,537	14,000	14,000	19,066	14,000	75,603
Resources - Other	10,830	-	-	-	-	10,830
City Deal	-	14,000	7,000	-	-	21,000
Local Development Plan - unallocated	-	14,000	21,000	-	-	35,000
Infrastructure - unallocated	-	14,000	42,000	-	-	56,000
Condition Survey Outcomes - Unallocated	7,000	14,000	14,000	8,000	5,900	48,900
Unallocated	4,905	-	-	7,000	7,000	18,905
Total General Services	199,909	166,000	185,762	54,066	46,900	652,637

** Expenditure budgets relate to the delivery of capital projects and exclude the cost of sale of assets which is netted off the capital receipt

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

COMMUNITIES AND FAMILIES	Revised Budget 2018-19 £000	Indicative Budget 2019-20 £000	Indicative Budget 2020-21 £000	Indicative Budget 2021-22 £000	Indicative Budget 2022-23 £000	Total Budget 2018-2023 £000
Early years						
Corstorphine primary school nursery	45	-	-	-	-	45
Davidson's Mains primary school nursery	53	-	-	-	-	53
Early years contingency	2,669	-	-	-	-	2,669
Ferryhill primary school nursery	50	-	-	-	-	50
Granton early years centre	70	-	-	-	-	70
Longstone primary school nursery	50	-	-	-	-	50
Early years total	2,937	0	0	0	0	2,937
Primary schools						
New South Edinburgh primary school	1,274	8,613	2,320	-	-	12,207
Primary schools total	1,274	8,613	2,320	0	0	12,207
Secondary schools						
Replacement Queensferry high school	4,979	-	-	-	-	4,979
Secondary schools total	4,979	0	0	0	0	4,979
Community centres						
Duncan Place	45	-	-	-	-	45
Community centres total	45	0	0	0	0	45
Children's services						
Oxgangs New young persons centre	200	-	-	-	-	200
Children's services total	200	0	0	0	0	200
Other projects						
Kirkliston primary school - development works	40	-	-	-	-	40
Other projects total	40	0	0	0	0	40
Rising School Rolls						
Rising school rolls general	-	1,206	-	-	-	1,206
Roseburn primary school (part of phase 4)	50	-	-	-	-	50
Rising School Rolls phase 5	6,367	-	-	-	-	6,367
Rising School Rolls Total	6,417	1,206	0	0	0	7,623
Wave three school projects						
Boroughmuir high school replacement	1,400	-	-	-	-	1,400
New park former Portobello high school	1,000	-	-	-	-	1,000
St Crispin's special school replacement	107	5,167	-	-	-	5,274
St John's new wave 3 school	4,327	171	-	-	-	4,498
Wave three inflation contingency	2,913	-	-	-	-	2,913
Wave three school projects total	9,747	5,338	0	0	0	15,085
Libraries						
George IV Bridge Library-enhancement works	365	-	-	-	-	365
Libraries general	340	-	-	-	-	340
Libraries projects total	705	0	0	0	0	705
Sports						
Edinburgh Leisure	165	165	165	165	165	825
Hunter Hall cycle hub and pitch	1,017	-	-	-	-	1,017
New Meadowbank sports centre	4,519	2,528	-	-	-	7,047
Sports projects total	5,701	2,693	165	165	165	8,889
Total Communities and Families	32,045	17,850	2,485	165	165	52,710

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

<u>EDINBURGH INTEGRATION JOINT BOARD</u>	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
Care homes						
New care home	2,069	1,528	-	-	-	3,597
Care homes total	2,069	1,528	-	-	-	3,597
Total Edinburgh Integration Joint Board	2,069	1,528	0	0	0	3,597

<u>SAFER AND STRONGER COMMUNITIES</u>	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
Community Safety						
CCTV Capital	1,125	-	-	-	-	1,125
	1,125	0	0	0	0	1,125
Total Chief Executive	1,125	0	0	0	0	1,125

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

<u>PLACE</u>	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
Environment						
<u>Waste services</u>						
Zero Waste: Millerhill - Capital contribution	-	28,000	-	-	-	28,000
	0	28,000	0	0	0	28,000
<u>Depot Review</u>						
Bankhead depot	-	10,600	-	-	-	10,600
Russell road depot	-	1,963	-	-	-	1,963
Seafield depot - Phase 2	-	763	-	-	-	763
	0	13,326	0	0	0	13,326
Environment Total	0	41,326	0	0	0	41,326
Housing and Regeneration						
Home owners adaptation grants	1,000	1,000	1,000	1,000	1,000	5,000
National Housing Trust 3	32,208	4,718	4,042	-	-	40,968
Development Funding Grant	27,950	-	-	-	-	27,950
Housing and Regeneration Total	61,158	5,718	5,042	1,000	1,000	73,918
Transport and Planning						
<u>Roads, Structures and Flood Prevention</u>						
Bridge strengthening	882	-	-	-	-	882
Burnshot Bridge	400	-	-	-	-	400
North Bridge Major Refurbishment	7,494	3,572	-	-	-	11,066
Water of Leith - phase 1	319	-	-	-	-	319
Water of Leith - phase 2	7,909	-	-	-	-	7,909
	17,004	3,572	0	0	0	20,576
<u>Roads Asset Management Plan</u>						
Bus Stop Investment	77	-	-	-	-	77
Carriageway and footway works [block]	19,364	13,585	13,585	13,585	13,585	73,704
Right first time carriageway & footway works	497	-	-	-	-	497
	19,938	13,585	13,585	13,585	13,585	74,278
<u>Street Lighting and Traffic Signals</u>						
Traffic signals (renewal)	679	-	-	-	-	679
Street lighting	3,467	1,500	1,500	1,500	1,500	9,467
Street lighting - City wide LED replacement	15,810	7,171	-	-	-	22,981
	19,956	8,671	1,500	1,500	1,500	33,127
<u>Roads and Network</u>						
St Andrew Square public realm	430	-	-	-	-	430
Transport asset management	1,000	1,000	1,000	1,000	1,000	5,000
	1,430	1,000	1,000	1,000	1,000	5,430
<u>Policy and planning</u>						
A71 Dalmahoy Junction Upgrade	291	-	-	-	-	291
Bus priority schemes / bus shelters	474	-	-	-	-	474
Cycle projects [block]	454	-	-	-	-	454
Cycling, Walking and Safer Streets	691	-	-	-	-	691
Road safety	167	-	-	-	-	167
St Andrew Square bus station	201	-	-	-	-	201
Walking projects [block]	649	-	-	-	-	649
Road safety, cycling and public transport	1,750	1,750	1,750	1,750	1,750	8,750
	4,677	1,750	1,750	1,750	1,750	11,677

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

PLACE (Continued)	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
<i>Transport - City Centre</i>						
Rose Street - public realm	490	-	-	-	-	490
Leith Walk Constitution Street	1,443	-	-	-	-	1,443
	<u>1,933</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,933</u>
<i>Localities</i>						
North East Locality	603	-	-	-	-	603
North West Locality	229	-	-	-	-	229
South East Locality	335	-	-	-	-	335
South West Locality	135	-	-	-	-	135
	<u>1,302</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,302</u>
<i>Transport Other</i>						
Tram Lifecycle Replacement	-	1,000	1,000	1,000	1,000	4,000
Transport and other infrastructure total	<u>66,240</u>	<u>29,578</u>	<u>18,835</u>	<u>18,835</u>	<u>18,835</u>	<u>152,323</u>
Strategic support						
St James GAM - Public Realm	-	-	61,400	-	-	61,400
Strategic support total	<u>0</u>	<u>0</u>	<u>61,400</u>	<u>0</u>	<u>0</u>	<u>61,400</u>
Total Place	<u><u>127,398</u></u>	<u><u>76,622</u></u>	<u><u>85,277</u></u>	<u><u>19,835</u></u>	<u><u>19,835</u></u>	<u><u>328,967</u></u>

REVISED CAPITAL INVESTMENT PROGRAMME 2018-2023

RESOURCES - ASSET MANAGEMENT WORKS	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
Communities and Families						
Boilers	856	497	-	-	-	1,353
Doors and Windows	-	824	-	-	-	824
External Fabric	29	-	-	-	-	29
Fabric Enhancement	2,303	500	-	-	-	2,803
Fire Safety	600	600	-	-	-	1,200
Mechanical and Electrical Upgrades	2,708	1,962	-	-	-	4,670
Roof and Rainwater	-	175	-	-	-	175
Stonework	-	181	-	-	-	181
Water Quality	600	400	-	-	-	1,000
Windows and Doors	38	634	-	-	-	672
Unallocated funding	1,040	99	-	-	-	1,139
Total for Communities and Families	8,174	5,872	0	0	0	14,046
Edinburgh Integration Joint Board						
Mechanical and Electrical Upgrades	-	25	-	-	-	25
Total for Edinburgh Integration Joint Board	0	25	0	0	0	25
Place						
Fire Safety	-	165	-	-	-	165
Unallocated funding	189	-	-	-	-	189
Total for Place	189	165	0	0	0	354
Resources - Corporate Property						
Unallocated funding	105	275	200	-	-	580
Total for Resources - Corp. Property	105	275	200	0	0	580
Funding not yet allocated to projects	6,069	7,663	13,800	19,066	14,000	60,598
Total Asset Management Works	14,537	14,000	14,000	19,066	14,000	75,603

RESOURCES - OTHER	Revised Budget 2018-19	Indicative Budget 2019-20	Indicative Budget 2020-21	Indicative Budget 2021-22	Indicative Budget 2022-23	Total Budget 2018-2023
	£000	£000	£000	£000	£000	£000
ICT function						
ICT transformational change investment	10,830	-	-	-	-	10,830
ICT function total	10,830	-	-	-	-	10,830
Total Resources - Other	10,830	0	0	0	0	10,830

APPENDIX 2

Unfunded Capital Priorities

Priority	Project	18/19	19/20	20/21	21/22	22/23	Total	Advanced Stage*	% LDP attributable
		£000s	£000s	£000s	£000s	£000s	£000s		
1	North Bridge Upgrade shortfall	0	0	5,300	0	0	5,300	Y	0
2	St Crispins replacement (Wave 3)	0	5,850	0	0	0	5,850	Y	0
3	Queensferry HS - potential funding gap	0	3,000	0	0	0	3,000	Y	23%
4	Oxgangs YPC replacement	459	0	0	0	0	459	Y	0
5	Backlog Maintenance funding gap	4,000	16,000	16,000	6,450	6,450	48,900	N	0
6	Roads budget increased to £100m over term	10,011	7,229	7,229	6,415	7,229	38,113	N	0
7	LDP roads obligations (excluding WETA)	3,190	10,275	13,343	18,314	7,682	52,804	N	100%
8	West Edinburgh Transport Appraisal (WETA)	0	0	4,000	5,000	7,000	16,000	N	0%
9	Central Edinburgh Transformation (public realm)	600	1,900	1,000	3,000	3,500	10,000	N	0
10	Integrated Care Facility - additional capacity	0	400	9,600	9,600	400	20,000	N	0
11	Wave 4 Schools Programme **	0	2,981	19,958	114,180	39,092	176,211	N	16%
12	Play park replacement equipment	200	200	200	200	200	1,000	N	0
13	Burnshot Bridge replacement	1,000	2,500	0	0	0	3,500	N	0%
14	Communal bin upgrade	750	750	1,000	0	0	2,500	N	0
15	Castlebrae High School - replacement	0	374	9,706	5,004	0	15,084	N	37%
16	Kings Theatre refurbishment contribution	1,000	1,000	1,000	1,000	1,000	5,000	N	0
17	Broomhills Primary School - LDP new	0	4,416	1,848	0	0	6,264	N	100%
18	Victoria Primary School - replacement and LDP	649	5,775	2,382	0	0	8,806	N	29%
19	South Edinburgh Primary School - new	0	0	90	1,542	0	1,632	N	0
20	Boroughmuir High School - additional places	100	2,200	1,862	0	0	4,162	N	1%
21	Ross Theatre/Princes St Gardens Upgrade	5,000	15,000	0	0	0	20,000	N	0
22	Impact	500	2,500	2,000	0	0	5,000	N	0%
23	Saughton Park - Micro Hydro Scheme	362	0	0	0	0	362	N	0%
24	Leith Theatre refurbishment	500	500				1,000	N	0%
	TOTAL	28,321	82,850	96,518	170,705	72,553	450,947		

*Project underway and at an advanced stage/contract about to be let

**Wave 4 Schools includes Balerno, Currie, Liberton High Schools, Trinity Academy, WHEC and the new West Edinburgh High School

CAPITAL INVESTMENT PROGRAMME BIDS PRIORTISATION CRITERIA

All bids for the 2018 capital budget setting process have been assessed against a series of criteria to determine their priority for funding, as described below.

Stage 1

A number of bids relate to projects already in flight, at an advanced stage but with a funding gap still remaining or newly emerging as a result of more detailed feasibility revealing higher costs, further intelligence on developer contributions, or, in some cases, lower value capital receipts than anticipated. These projects have been rated highest priority, having been assessed with a simple, Yes criterion.

Stage 2

All bids have been assessed on a scale of 0-5 points against the following criteria to determine their relative merits. The first three criteria are considered to be particularly important, and have accordingly been given a weighting of three to reflect their importance, allowing a maximum score of 15 per criterion. The remaining criteria are of lesser importance and a maximum score of 5 per criterion is possible.

1. Health and Safety – poor condition buildings or equipment score highly as they pose a risk to health and safety (max points 3x5 = 15);
2. Statutory Requirement – where the Council is obliged to make provision under statute – for example having sufficient school places (max points 3x5 = 15);
3. Risk of operational failure – where an existing asset is at risk of failing, requiring the closure of the asset and stopping the delivery of the service (max points 3x5 = 15);
4. High reputational risk – where national media coverage is a risk, this scores 5; local news coverage scores 3 (max points =5);
5. Fulfils Council commitment – contributes to delivering one the of the 52 Council commitments from the Business Plan (max points =5);
6. Significant income implication – projects may generate higher income (eg increased footfall in commercial venues), or may expose the Council to increased revenue costs if the project is not delivered – in either case they would score highly on this criterion (max points =5);
7. Sustainability benefits – may deliver benefits such as increased recycling, improved public transport use or building fabric upgrade, all scoring high points. New buildings which increase the Council's estate size and carbon footprint score 0. Buildings which replace existing buildings score some points for allowing a more sustainable design to be achieved (max points =5).

A total score of 65 is achievable.

The initial scores were undertaken by each service department, however these were moderated by Strategic Asset Management to ensure consistency across the application of the scoring

methodology. It is recognised that the standardised scoring methodology can only provide an initial starting point and further information on the particular circumstances of a project may increase its priority.

CAPITAL INVESTMENT PRIORITIES - OFFICER RECOMMENDATIONS

Unallocated Funding

		18/19	19/20	20/21	21/22	22/23	Total
		£000s	£000s	£000s	£000s	£000s	£000s
	Capital Plan	0	0	0	7,000	7,000	14,000
	2018/19 Financial Settlement	4,905	0	0	0	0	4,905
	Budget Framework - Infrastructure	7,000	14,000	14,000	8,000	5,900	48,900
	Budget Framework - New Infrastructure	0	14,000	42,000	0	0	56,000
	Budget Framework - City Deal	0	14,000	7,000	0	0	21,000
	Budget Framework - LDP	0	14,000	21,000	0	0	35,000
	Total	11,905	56,000	84,000	15,000	12,900	179,805

Recommended Investment

	Project	18/19	19/20	20/21	21/22	22/23	Total
		£000s	£000s	£000s	£000s	£000s	£000s
	Infrastructure						
	North Bridge Upgrade shortfall	0	0	5,300	0	0	5,300
	St Crispins replacement shortfall (Wave 3)	0	5,850	0	0	0	5,850
	Oxgangs YPC replacement shortfall	459	0	0	0	0	459
	Asset Management Works shortfall	4,000	16,000	16,000	6,450	6,450	48,900
	Roads, Pavements and Public Realm	1,500	1,500	1,500	1,500	1,750	7,750
	Play Park Replacement Equipment	200	200	200	200	200	1,000
	Communal Bin Upgrade	750	750	1,000	0	0	2,500
	Victoria Primary School	461	4,100	1,691			6,252
	South Edinburgh Primary School shortfall			90	1,542		1,632
	Boroughmuir High School - additional places	100	2,200	1,862	0		4,162
	Theatres Refurbishment	1,000	1,000	1,000	1,000	1,000	5,000
	Unallocated Match Funding for Replacement High School (Wave 4)			12,500	12,500		25,000
	New Care Home			5,000	5,000		10,000
		8,470	31,600	46,143	28,192	9,400	123,805
	LDP						
	Queensferry HS		3,000				3,000
	Victoria Primary (LDP Share)	188	1,675	691	0	0	2,554
	Broomhills Primary School		4,416	1,848			6,264
	LDP roads obligations (excluding WETA)	500	1,000	1,000	2,000	2,000	6,500
	LDP education and transport projects (unallocated)		16,682				16,682
		688	26,773	3,539	2,000	2,000	35,000
	City Deal						
	IMPACT	500	2,500	2,000			5,000
	West Edinburgh Transport Appraisal (WETA)			4,000	5,000	7,000	16,000
		500	2,500	6,000	5,000	7,000	21,000
	Under / (Over) programming	2,247	-4,873	28,318	-20,192	-5,500	0
	Total Investment	11,905	56,000	84,000	15,000	12,900	179,805
		9,658	60,873	55,682	35,192	18,400	179,805

Notes

- 1 These officer recommendations assume that additional monies are being allocated from the revenue framework to address backlog maintenance
- 2 It is recommended that a significant level of funding remains unallocated. This will enable the Council to match fund Scottish Government funding for new secondary schools, should it be announced, and to revisit other priorities during the 2018/19 budget process.
- 3 It is assumed that additional capital receipts arising from the winding up of the EDI group will be made available for investment in Craigmillar.