

CAPITAL PROGRAMME 2023-2026**Capital expenditure**

In 2023/24, the Council is planning capital expenditure of £42.264 million as summarised below:

Table 1: Estimates of Capital Expenditure in £ thousands

	2021/22 Actual £'000	2022/23 Forecast £'000	2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
Health and Adult Social Care	2,237	2,803	3,282	1,867	-
Children, Young People and Education	1,504	9,335	7,068	263	-
Environment	(4)	1,099	215	100	-
Public Health and Wellbeing	266	-	-	-	1,000
Growth and Development	8,732	11,251	22,417	22,990	37,248
Digital and Customer Services	1,414	932	3,030	282	42
Finance and Governance	2,845	755	831	-	-
Portfolio Spending	16,994	26,175	36,843	25,502	38,290
Corporate ICT	-	28	700	700	-
Vehicles	-	1,553	700	1,000	-
Corporate Property Investment	279	850	1,727	1,700	835
Earmarked Schemes*	279	2,431	3,127	3,400	835
Asset Management	-	-	2,294	1,000	-
Contingent Schemes**	-	-	2,294	1,000	-
Total Capital Expenditure	17,273	28,606	42,264	29,902	39,125

* **Earmarked schemes** – These are programmes that the Council is committed to undertaking. As specific schemes are identified, reports are prepared to obtain appropriate approvals and budgets are allocated to portfolios.

** **Contingent schemes** – These are schemes or programmes the Council may wish to undertake in future years if proposals are affordable. Detailed proposals and business cases will be required.

The programme is predominantly comprised of existing commitments including investment in:

- our local transport plan
- aids and adaptations through provision of disabled facilities grants
- regeneration of the borough, including our scheme at Blakey Moor to enhance the town centre in Blackburn and support the improvement of leisure facilities and a night time economy, Blackburn town centre redevelopment of the former Thwaites site and various schemes across Darwen following the successful bid of £25m of Towns Fund grant
- the Growth Axis Transport Package scheme following the successful LUF bid
- facilitating housing and business growth
- support of continued investment in IT services to underpin our 'digital first' approach to delivering efficiencies and in turn, cash savings
- support of our accommodation review which again will drive efficiencies and savings through rationalisation and a more cost effective use of space.
- schools capital programme existing schemes and creation of additional school places required within the Borough

Allocations are included for:

- potential investment in existing assets

Within the capital programme there is also a Property Investment Fund, which enables the Council to invest in land and property should the opportunity arise.

Before projects are allocated funding however, they are subjected to a rigorous business case approval process and detailed Member reports are produced in line with financial procedures as required.

These schemes will require strong project management and effective monitoring to ensure they are achieved on time and within budget. Failure to deliver against budget on such large schemes could lead to potential overspends which could impact on the overall future capital programme, as additional costs could put pressure on the funding available for delivery of other schemes within the programme. To mitigate this risk, sound systems of internal control are in place with project boards established to provide the necessary governance structure, ensuring appropriate and timely reporting mechanisms.

Further details of individual capital schemes included within the Council's capital programme are included in **Appendix 6A**.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ thousands

	2021/22 Actual £'000	2022/23 Forecast £'000	2023/24 Budget £'000	2024/25 Budget £'000	2026/27 Budget £'000
Government Grants	9,399	18,367	14,768	13,130	26,748
External Contributions	3,440	196	226	-	-
Revenue Contribution	2,020	3,819	6,956	1,880	100
Borrowing	2,414	4,924	19,614	13,892	12,277
Leasing	-	1,300	700	1,000	-
Total Capital Financing	17,273	28,606	42,264	29,902	39,125

Planned asset disposals

The Asset Management Group monitors asset disposals and generation of capital receipts throughout the year. Capital receipts are generated through the sale of land and property no longer used by the Council and / or in order to facilitate commercial or housing development.

The MRP estimates that are included within the Council's 2023/24 Budget and MTFS are based on the following estimates of capital receipts:

	2021/22 Actual £'000	2022/23 Forecast £'000	2023/24 Budget £'000	2024/25 Budget £'000	Future Years Budget £'000
Disposal of Land and Property	5,118	3,990	5,592	2,624	2,972
Sale of Investments	-	-	-	-	-
Total Capital Receipts	5,118	3,990	5,592	2,624	2,972

The Council plans to continue to utilise the majority of any capital receipts generated from the disposal of land and property in support of the Minimum Revenue Provision i.e. to repay debt.

	2023/24	2024/25	2025/26	Future Years
	£'000	£'000	£'000	£'000
1. Estimated Available Resources				
Unsupported Borrowing	19,614	13,892	12,277	6,000
- Department for Education	2,505			
- Department for Transport Grants	22			
- Disabled Facilities Grant	3,762	2,130		
- Towns Fund Grant	5,500	11,000	6,748	
- Levelling Up Fund			20,000	
- Other Specific Grants	2,979			
Government Grants	14,768	13,130	26,748	-
External Contributions	226			
Revenue Contributions	6,956	1,880	100	
Leasing	700	1,000		
TOTAL ESTIMATED AVAILABLE RESOURCES	42,264	29,902	39,125	6,000
2. Approved schemes				
Adults and Prevention Services				
Disabled Facilities Grant	2,899	1,707		
Telecare Project	200	160		
Rough Sleeping Accommodation Programme	183			
	3,282	1,867	-	-
Children, Young People & Education				
Disabled Facilities Grant	663	263		
Accrington Road Nursery Site (two year old capital grant)	49			
St Barnabas & St Pauls	135			
Lammack School Extension	450			
Darwen East School Places increase	3,250			
Longshaw Nursery Relocation	200			
Ashleigh Heating and Ventilation	35			
Audley Infants Replacement of Fascias & Soffits	55			
Audley Inf & Jnr Replace windows & upstands to lean to roof	60			
Avondale Resurface Playground	125			
Brookhouse Primary (Nursery) Replace Roof System	75			
Brookhouse Primary Replace Boilers	40			
Longshaw Juniors Replace Fire Alarm System	40			
Roe Lee Roofing, Upstandings & Windows	180			
Roe Lee Repairs to Service Road, Ext Areas & Auto Gates	85			
Shadsworth Juniors Replacement of Boilers	40			
Stansfeld Centre / St Thomas Centre Refurbishment	470			
Newfield Roof Repairs	220			
Belmont Primary Boiler Replacement	35			
Audley Infant Culvert Works	18			
Audley Infant Dining Room Floor/gas meter/boiler	27			
Audley Junior Ventilation & Heating works	9			
Avondale Rebuild Steps	9			
Belmont Reslate Roof inc Lead work to valleys & bell tower	30			
Brookhouse Upgrade Lighting	34			
Brookhouse Kitchen Upgrade	45			

Appendix 6

	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>Future Years</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Brookhouse Replace Windows & Doors	9			
Daisyfield Replace External Doors	13			
Daisyfield SEND Works DDA Compliance	30			
Feniscowles Juniors Upgrade Windows	27			
Lammack Security Fencing & Electronic Gates	198			
Lammack Resurface Playground	36			
Lower Darwen Send Works DDA Compliance	36			
Lower Darwen Fire Risk Assessment Works	23			
Lower Darwen Perimeter Fencing Repair/Replace	9			
Meadowhead Infant Replace External Rubber Flooring	9			
Meadowhead Junior Replace Floor Covering to Hall	18			
Meadowhead Junior Replace doors & RollerShutters	14			
Meadowhead Junior External Path Works	45			
Meadowhead Junior Fire Risk Assessment Ceiling Works	18			
Roe Lee Park Toilet Works	18			
Shadsworth Juniors Send Works DDA Compliance	51			
St Michael with St John Roofing Works	135			
	7,068	263	-	-
Environment				
Land Remediation Scheme				
Blakewater Car Park	115			
Prayer Shelter at Pleasington Cemetery	100			
Blackburn and Darwen Crematorium Relining		100		2,000
	215	100	-	2,000
Public Health and Wellbeing				
Demolition of Shadsworth Leisure Centre			1,000	
	-	-	1,000	-
Growth and Development				
Bank Top and Griffin	186			
Neighbourhood Intervention	613			
Equity Loans/PALs Griffin	235			
Empty Homes Cluster	360			
Other acquisitions	10			
Development Investment Fund	490	250		
Assistance to Industry	250			
Blakey Moor	1,210			
Bury Fold Brook	14			
Reel Cinema and Jubilee Square	22			
Land Release Fund	934			
Maple Grove Blackburn - (Thwaites SPV)	145			
Greenfields CC and Mill Hill Juniors FC Grants	48			
Darwen Towns Fund	10,250	16,500	9,498	
St John's Church Refurbishment	1,450	1,640	100	
Griffin Lodge/ Coach House	300			
Levelling Up Projects	1,500	2,000	22,000	2,000
Development Acquisition Fund	250	250		
Medi-Park	1,000			
Blackburn Museum & Art Gallery Roof Replacement	400			
Blackburn Town Centre Highways and Public Realm Works	1,750	1,500	5,500	2,000
Imperial Mill - Acquisition, Essential Works & Site Enabling	1,000	850	150	
	22,417	22,990	37,248	4,000

Appendix 6

	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>Future</u> <u>Years</u>
	£'000	£'000	£'000	£'000
Digital and Customer Services				
Corporate ICT - Core Infrastructure Programme	71			
Corporate ICT - Legal Services	28			
Corporate ICT - Town Hall IT Infrastructure Update	143			
Digital Customer Portal	80			
Round Management System	13			
Microsoft Licence Agreement Server and Database				
Replacement HR and Payroll System	273			
Microsoft 365 and Unified Comms	550			
Transition to the Cloud	134	42	42	
Helpdesk for Everything	188			
Digital Customer Portal (Phase 2)	390	240		
Core Network Upgrade	530			
Intranet/iTrent	80			
Digital Flare Replacement	200			
New BwD Security Operation and Recovery Capability	350			
	3,030	282	42	-
Finance and Governance				
Corporate Accommodation Strategy Phase 2	831			
	831	-	-	-
TOTAL Approved Schemes	36,843	25,502	38,290	6,000
3. Earmarked schemes				
Corporate ICT Investment	700	700		
Corporate Property Investment	1,727	1,700	835	
Vehicles Earmarked Scheme	700	1,000		
TOTAL Earmarked capital reserves	3,127	3,400	835	-
4. Contingent schemes				
Asset Management Strategy	2,294	1,000		
TOTAL Contingent capital reserves	2,294	1,000	-	-
TOTAL CAPITAL PROGRAMME	42,264	29,902	39,125	6,000