

EAST RENFREWSHIRE COUNCIL28 February 2024Report by Head of Accountancy (Chief Financial Officer)GENERAL FUND CAPITAL PLAN 2024/25 TO 2033/34**PURPOSE OF REPORT**

1. The purpose of this report is to present for consideration the General Fund Capital Plan covering the 10 years from 2024/25 to 2033/34. This has been prepared in line with the approach set out in the Capital Investment Strategy report earlier on the agenda.

RECOMMENDATIONS

2. The Council is invited to approve the programme for 2024/25 and authorise officers to progress the projects contained therein.

BACKGROUND

3. Whilst the Council only approves the capital programme for the coming year, the Capital Plan also includes figures for future years so that long term capital investment plans and their associated financial impacts can be recognised. Our rolling Capital Plan aligns with best practice in covering the next 10 years. The Council's Capital Investment Strategy provides an even broader view of the Council's capital ambitions.

RESOURCES

4. Capital resources available to support investment remain constrained for future years. Details of the available resources are provided in Appendix B.

5. Over the next financial year the Council does not currently have any significant confirmed capital receipts from the disposal of assets. This will be kept under review and disposals will only be progressed provided they demonstrate best value.

6. The Council's general capital grant for 2024/25 has been confirmed as £5.098 million. This includes £0.410m for Private Sector Housing Grant, which is accounted for separately from the Council's capital programme.

7. This represents a 10% reduction against the comparable core general capital grant for 2023/24 and it is forecast that grant will remain at or below this level from 2025/26 onwards. This, together with current high construction inflation, ongoing revenue budget pressures, and the expectation that interest rates will not fall back to pre-pandemic levels in the next few years, will constrain the Council's ability to deliver its capital ambitions in future.

8. The Capital Plan assumes total borrowing of £177.3 million, (£45.3 million in 2024/25, £49 million in 2025/26, £30.9 million in 2026/27 and £52.1 million in later years). Any new borrowing will result in increased loan charges which must be funded from revenue budgets, however, as interest rates remain relatively high at present, but are expected to reduce gradually within the next year or so, officers will defer borrowing wherever possible

until rates fall back, so as to minimise impact on the revenue budget. The cost of all elements of the planned borrowing has been factored into the Council's revenue budget plans for 2024/25 and beyond producing significant increases in loan charges over the next five years.

9. The City Deal project is funded by £38m of Government funding, a further £7.8m from Sustrans (£4.9m of this to be confirmed in the coming months), and £6m of Council funding. However the projects will be completed over a 10 year period with grant income over a 20 year period. In the coming years the Council will require to fund further new borrowing of up to £26.1 million until full payment is received reducing the long term impact on the revenue budget.

10. Accountancy staff will continue to smooth repayment profiles between years to minimise any large variations in repayments between years.

11. The Council continues to have active discussions with developers over contributions receivable in relation to housing developments. The timescale and amount of such receipts are often difficult to evaluate fully until each scheme progresses, however estimates of contributions totalling more than £1.5 million have been reflected within the proposed Plan. These will be firmed up as developments progress.

12. In recent years the Council has built up and utilised a significant Capital reserve to assist in supporting major projects. The projected balance on this reserve at 31 March 2024 is £5.502 million. This provides an element of cover should unforeseen costs arise. There are no plans to draw further on this reserve in 2024/25 unless the unconfirmed element of Sustrans funding, highlighted in paragraph 9 above, does not materialise.

EXPENDITURE PLAN

13. The detailed programme for 2024/25 and the outline plan for the subsequent 9 years are set out in Appendix A. These plans are developed to support the delivery of the Council's overall strategy, have been compiled in line with the approach set out in the Council's Capital Investment Strategy (considered earlier on today's agenda) and align with the Asset Management Plans summarised in that document.

14. Significant capital investment of £241.149m is planned for the 10 year period and includes the following (with total project costs quoted below including the current or previous financial years' spend where appropriate to assist in clarifying the total investment on a particular project):

Outcome 1 – Early Years & Vulnerable Young People

- £2.0m, including £0.5m of developers' contributions, is being invested to expand early learning and childcare places at St John's Primary in Barrhead.

Outcome 2 – Learning, Life and Work

- The Council is participating in the first phase of the Scottish Government's Learning Estate Improvement Programme (LEIP), an initiative to improve the condition of schools by replacing old facilities. Recognising this, the Plan includes projects representing investment of almost £47m for Learning and Leisure in Neilston.
 - The first stage of this project is the provision of a new education campus comprising new build replacements for Neilston Primary, St Thomas' Primary and Madras Family Centre, together with replacement library provision. An estimated allocation of £29m has been earmarked for these elements. The new facilities will be maintained to a high standard and will deliver improvements in

digital learning and energy efficiency as well as providing additional employment opportunities during the construction phase. As a result the Council expects to attract significant new revenue grant funding in future. The new facilities are scheduled to open in March 2024.

- A future stage of the project will address leisure facilities within the village.
- Investment of £3.2 million to further extend Crookfur Primary School in view of increasing demand within the catchment area.
- A further £1.2 million to be invested over the next 10 years to improve learning environments to better meet modern learning styles and curricular experiences across the school estate.
- £1.15m to provide more capacity at St Luke's High School.
- Investment of £2.9m to extend facilities at Maidenhill Primary school to address further new housebuilding in the area.
- Almost £5.4m to repurpose and expand spaces at Mearns Castle High School to address capacity demands and improve the learning environment.
- Investment of up to £55.7m for the provision of top quality new leisure facilities in Eastwood Park.
- £2.5 million investment to improve cultural, leisure and community facilities.
- £4.6 million to be invested over the next 10 years to upgrade the Council's artificial sports pitches.

Outcome 3 – Environment & Economy

- Investment of £43.1 million in City Deal infrastructure projects over the next 10 years, including improved road links between Barrhead and Newton Mearns, a new railway halt for Barrhead south and country park developments. This is part of an overall regional investment of £1.13 billion across the Glasgow City region which will bring a wide range of benefits to residents such as increased access to jobs. In addition to City Deal funding, this project is expected to attract up to £7.8m of grant funding from Sustrans and several other sources.
- Major capital investment in Roads projects which will total more than £50 million over the 10 year period, aimed at achieving a significant improvement in the condition and safety of roads. This is in addition to the investment in roads through City Deal funding.

Outcome 4 – Safer, Supportive Communities

- £0.630 million investment in Overlee House to increase provision for the homeless.
- Almost £0.300m investment in the Council's CCTV response centre and its IT systems.

Outcome 5 – Older People & People with Long Term Conditions

- Investment of £1.15 million to upgrade our telecare systems which allow older and vulnerable people to remain in their own homes.

Corporate

- A provision of over £35 million for further ICT technology projects over the 10 year period to support necessary corporate improvements, enhance technology available in schools and other Council premises and provide a more modern, digital service to residents.
- A provision of £25.5 million over the period of the Plan for improvements necessary to Council property including energy efficiency measures.

CONCLUSIONS

15. Substantial borrowing has been planned over the next three years to support the capital plan and the revenue consequences have been factored into the Council's revenue budget. Planned 2024/25 expenditure is in line with available resources. Future borrowing plans will impact significantly on revenue budgets in the medium term.

16. The expenditure plan for subsequent years will continue to be subject to review in light of progress on capital receipts and the levels of funding provided by the Scottish Government.

RECOMMENDATIONS

17. The Council is invited to approve the programme for 2024/25 and authorise officers to progress the projects contained therein.

Further information is available from:

M McCrossan, Head of Accountancy Tele No. 0141 577 3035

KEY WORDS

General Fund Capital Plan 2024/25 to 2033/34, capital receipts, Capital Reserve.

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

	£'000											
	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Property - Schools	32,291	8,634	8,911	2,000	1,124	1,100	1,100	900	900	900	900	58,760
Property - Culture & Leisure	4,795	4,406	19,896	20,540	17,671	7,264	955	100	100	154	0	75,881
Property - Other	7,300	14,201	15,107	3,710	1,410	960	960	960	960	960	960	47,488
Open Spaces	5,592	3,533	1,846	520	520	520	520	520	520	520	520	15,131
Roads	22,495	19,992	7,052	5,660	5,660	4,800	1,300	1,300	1,300	1,300	1,300	72,159
Corporate Wide - ICT	8,321	4,498	3,733	2,371	2,347	2,451	2,800	2,182	2,386	2,451	2,800	36,340
Fleet	0	3,009	909	1,445	866	2,366	2,003	909	1,445	866	2,366	16,184
Expenditure Sub-total	80,794	58,273	57,454	36,246	29,598	19,461	9,638	6,871	7,611	7,151	8,846	321,943
Resources		58,165	56,927	35,793	29,120	18,978	9,149	6,376	7,108	6,657	8,336	
Deficit/(Surplus)		108	527	453	478	483	489	495	503	494	510	4,540

446
EAST RENFREWSHIRE COUNCIL

Appendix A

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Property - Schools

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Grouped	Schools Major Maintenance (Annex 1)	1,085	1,200	900	900	900	900	900	900	900	900	900	10,385
800050057	Neilston Learning Campus	26,130	1,305	1,729									29,164
800050064	Crookfur PS Extension	203	2,280	760									3,243
800050058	MCHS Sports Facility	2,120	47										2,167
800050065	Improving Learning	175	0	200	200	200	200	200					1,175
800050067	Isobel Mair External Classrooms	1,157	15										1,172
800000023	Early Learning & Childcare & School Places - St John's PS	1,321	709										2,030
	Secondary School Places - St Lukes Repurposing	0	0	1,129	23								1,152
	Maidenhill Primary School Extension	100	1,008	1,742	50								2,900
	Mearns Castle High School Extension	0	2,070	2,451	827	24							5,372
		32,291	8,634	8,911	2,000	1,124	1,100	1,100	900	900	900	900	58,760

447
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Property - Culture & Leisure

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
800200019	Eastwood Park Leisure - Refurbishment	3,605	3,877	19,796	19,696	8,089	531	106					55,700
800200021	Neilston Leisure	423	0	0	744	9,428	6,633	472					17,700
800200020	ERCLT General Building Improvement Fund	631	200	100	100	100	100	100	100	100	100		1,631
800200015	Equipment - Gym and Theatre	79	277	0	0	0	0	277					633
	Education - Theatre Equipment	57	52	0	0	54	0	0	0	0	54	0	217
		4,795	4,406	19,896	20,540	17,671	7,264	955	100	100	154	0	75,881

448
EAST RENFREWSHIRE COUNCIL

Appendix A

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Property - Other

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
	1. City Deal												
Grouped	Barrhead South Access - Railway Station	2,453	7,740	7,688	450								18,331
804000009	Country Park Visitor Centre & Infrastructure	394	479	1,897	30								2,800
	2. Environment Other Projects												
800420016	Overlee House Extension	92	538										630
	3. Council Wide Property												
Grouped	Retentions - All Services	0	50	50	50	50	50	50	50	50	50	50	500
Grouped	Property Maintenance (Annex 2)	2,711	3,280	2,160	2,160	1,360	910	910	910	910	910	910	17,131
800420013	Eastwood Park Campus Improvements	320	30	172									522
800404017	Office Accommodation	1,215	785	140									2,140
	Thornliebank Depot Electricity Sub Station	0	400	0									400
	Eastwood House New Roof & Preservation Works	115	210	0									325
	Eastwood Refurbishment		500	3,000	1,020								4,520

449
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Property - Other

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
	Response Centre Refurbishment		189										189
		7,300	14,201	15,107	3,710	1,410	960	960	960	960	960	960	47,488

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Open Spaces

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033-34	Total
	1. Regeneration												
802000008	Country Park - Tourism Infrastructure And Economic Activity Projects	119	116										235
802000032	Regeneration Projects - Provisional Sums	130	150	333	100	100	100	100	100	100	100	100	1,413
	2. Environment - Other Projects												
	Town Centre & Neighbourhood Regeneration	221	173	20	20	20	20	20	20	20	20	20	574
802200007	Parks, Cemeteries & Pitch Improvements	1,259	200	200									1,659
802200020	Renewal of Playparks	305	306	509									1,120
802200021	Nature Restoration	93	112										205
802000002	Clarkston Town Centre Action And Traffic Management Improvements	192	25										217
Grouped	Artificial Pitch Replacements	0	1,033	400	400	400	400	400	400	400	400	400	4,633
802200030/31	Place Based Investment Programme	1,440	519	384									2,343
Grouped	Town Centre Regeneration	1,312	22										1,334
802200015	Braidbar Quarries	0	20										20
Grouped	UK Shared Prosperity Fund	521	507										1,028
	Cathcart Cemetery Wall	0	350										350

451
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Open Spaces

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033-34	Total
		5,592	3,533	1,846	520	520	520	520	520	520	520	520	15,131

452
EAST RENFREWSHIRE COUNCIL

Appendix A

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Roads

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
	1. City Deal												
804000001	Levern Valley - Aurs Road Project	6,206	14,481	1,252									21,939
	2. ERC Roads												
803000004	Lighting - Core Cable & Equipment Replacement	0	160	160	160	160	160	160	160	160	160	160	1,600
803000007	Bridges Refurbishment & Pointing Work	0	53	53	53	53	53	53	53	53	53	53	530
803000015	Principal Inspection Group 1-6	0	21	21	21	21	21	21	21	21	21	21	210
803000025	Traffic Calming Studies	0	30	25	25	25	25	25	25	25	25	25	255
803000016	Road Safety Measures/Equipment at Schools	0	20	20	20	20	20	20	20	20	20	20	200
803000018	Safe Routes to School	0	20	20	20	20	20	20	20	20	20	20	200
803000030	A77 Ayr Road Reconstruction	0	250										250
803000089	A736 Main Street Barrhead	0	175										175
	B764 Eaglesham Moor Road	0	200										200
	B771 Paisley Road, Barrhead	0	72										72
	A736 Lochlibo Road, Neilston	0	104										104

453
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Roads

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
	C3 Uplawmoor Road	0	200										200
803000189	Provisional Sums - Roads	0	175	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	9,184
Grouped	Roads Capital Works (Carriageways and Other Infrastructure Assets)	15,429	3,071	3,500	3,500	3,500	3,500						32,500
	Street Lighting Column Replacement & Lumenaries	860	860	860	860	860							4,300
	Traffic Signals - School routes	0	100	140									240
		22,495	19,992	7,052	5,660	5,660	4,800	1,300	1,300	1,300	1,300	1,300	72,159

454
EAST RENFREWSHIRE COUNCIL

Appendix A

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Council Wide - ICT

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2031/32	2033/34	Total
805000002	ICT Infrastructure Projects	0	500	500	500	500	500	500	500	500	500	500	5,000
805000025	IT General Provision	0	1,912	1,712	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	14,352
805000003	Education Network	0	250	250	250	100	100	100	100	100	100	100	1,450
805100002	Electronic Document Records Management (Rest Of Council)	241	0	112									353
805000028	HSCP - Responder Service Modernisation & Safety Net Technology	138	42										180
805000022	The Digital Workplace	364	100										464
805000032	Flexi Time Application Replacement	55	25										80
805000001	Core Corporate Finance, Payroll & HR	3,519	131	100									3,750
800050004	Education - Computer Equipment	0	490	839	221	386	490	839	221	386	490	839	5,201
805000033	Debt Recovery System (5 year replacement programme)	0	0	0	39	0	0	0	0	39	0	0	78
805600001	ERCLT People's Network	0	20	20	20	20	20	20	20	20	20	20	200
805000029	ERCLT Digital Platform	380	30										410
805500004	Social Work Case Management System	75	35										110
805300003	Education CCTV	100	326	200									626

455
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Council Wide - ICT

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2031/32	2033/34	Total
805000027	Telecare Service and Peripherals	1,031	119										1,150
805000034	Full Fibre Digital Transformation	2,418	282										2,700
	Response Centre CCTV	0	96										96
	The Way We Work Monitors/Conference Screens	0	140										140
		8,321	4,498	3,733	2,371	2,347	2,451	2,800	2,182	2,386	2,451	2,800	36,340

456
EAST RENFREWSHIRE COUNCIL

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Fleet

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
806000004	HSCP - Vehicles	0	401					501					902
806000001	Education - Vehicles	0	395				293	102				293	1,083
806000002	Environment - Vehicles	0	2,213	909	1,445	866	1,968	1,400	909	1,445	866	1,968	13,989
806000005	Environment - GPRS System	0					105					105	210
		0	3,009	909	1,445	866	2,366	2,003	909	1,445	866	2,366	16,184

457
EAST RENFREWSHIRE COUNCIL

Appendix A

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Annex 1 - Schools Major Maintenance Analysis

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Grouped	Window Renewal	280											280
Grouped	Roof Improvements	550	300										850
	Provisional Sums	255	900	900	900	900	900	900	900	900	900	900	9,255
		1,085	1,200	900	900	900	900	900	900	900	900	900	10,385

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN

2024/2025 - 2033/2034

Annex 2 - Property Maintenance Analysis

		£'000											
COST CODE	PROJECT NAME	Spent Prior to 31.03.24 (Estimated)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2031/32	2032/33	Total
800404009	Fire Risk Assessment Adaptations	0	150	150	150	150	150	150	150	150	150	150	1,500
800404012	Structural Surveys & Improvements	0	40	40	40	40	40	40	40	40	40	40	400
800600001	CEEF/Salix Energy Efficiency	0	75	75	75	75	75	75	75	75	75	75	750
800404005-6	Boiler & Roof Replacement	0	450	450	450	450							1,800
800420017	Ventilation Wks (incl.CO2 monitors)	2,711	1,120										3,831
800420018	Provisional Sum	0	645	645	645	645	645	645	645	645	645	645	6,450
	Additional Heating and Roofing Works	0	800	800	800	0	0	0	0	0	0	0	2,400
		2,711	3,280	2,160	2,160	1,360	910	910	910	910	910	910	17,131

EAST RENFREWSHIRE COUNCIL

APPENDIX B

GENERAL FUND CAPITAL PROGRAMME

10 YEAR PLAN2024/2025 - 2033/2034

Resources

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000	TOTAL £'000
GRANTS											
GENERAL CAPITAL GRANT - MAIN	4,688	4,688	4,688	4,688	4,688	4,688	4,688	4,688	4,688	4,688	46,880
GENERAL CAPITAL GRANT - RENEWAL OF PLAYPARKS	306	509									815
GAELIC MEDIUM PS	16										16
CITY DEAL	1,000	2,000									3,000
SALIX/CENTRAL ENERGY EFFICIENCY FUND	75	75	75	75	75	75	75	75	75	75	750
PLACE BASED INVESTMENT PROGRAMME	519	384									903
SHARED PROSPERITY FUND	507										507
SUSTRANS - LEVERN VALLEY ACCESSIBILITY/AURS ROAD	4,869										4,869
TOTAL GRANTS	11,980	7,656	4,763	4,763	4,763	4,763	4,763	4,763	4,763	4,763	57,740
DEVELOPERS CONTRIBUTIONS	856	290	100	100	100	110					1,556
CAPITAL RECEIPTS	0	0	0	0	0	0	0	0	0	0	0
BORROWING - ASSETS	3,828	1,748	1,705	1,306	2,856	3,119	1,130	1,870	1,410	3,205	22,177
BORROWING - CITY DEAL	16,886	8,685	480								26,051
BORROWING - GENERAL	24,615	38,548	28,745	22,951	11,259	1,157	483	475	484	368	129,085
	58,165	56,927	35,793	29,120	18,978	9,149	6,376	7,108	6,657	8,336	236,609

BLANK PAGE