2021/22 Capital Budget Resolution

Recommendations to County Council

1. Financial Direction of Travel

1.1. The value of our assets is £1.2 billion. Each year we need to spend money to ensure these assets are still suitable for use in the provision of services and to invest in new assets to meet our changing needs and requirements, and deliver the Council's vision to make Warwickshire the best it can be, sustainable now and for future generations, and strategic objectives as set out in the Council Plan. This investment forms the basis of our capital programme and maximising value for money for our residents and the taxpayer pound.

1.2. Our Capital Strategy (**Appendix A**) has been developed alongside the Council Plan, Recovery Plan and Medium-Term Financial Strategy. It sets out how we aim to use our capital resources and deliver our priorities by providing:

- The funded plans to deliver the Council's aspirations of our capital investment, defining the outcomes we are seeking to achieve;
- The programmes and projects to be funded to deliver these plans; and
- The way in which we will manage capital spend and the capital programme to deliver these outcomes at the pace expected by our residents

Much of the detail is included in the technical annex to the Capital Strategy (**Appendix B**). It provides the structure of the capital-programme, outlines how we determine the content and finance of our capital programme and provides an overview of how our capital programme is managed to deliver on the Council's outcomes and measure our performance. This meets the requirements of the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities and is aligned to the Treasury Management and Investment Strategies.

1.3. We will create a more strategic and commercial focus to our approach to capital and investment aligned to the medium and longer-term place-shaping of Warwickshire.

1.4. We will continue with our benefit-driven, strategic approach to determining our capital investment priorities, ensuring our scarce resources are used in the most effective way. We continue to expect all proposals to be subject to a robust scrutiny process prior to approval to ensure widespread support for capital investments, a strong business case and the deliverability of the project to ensure benefits for those who live, work and visit Warwickshire.

1.5. We will supplement our externally leveraged capital resource with £35 million a year of borrowing. We will continue to consider invest-to-save and commercial investments in excess of this where the investment will deliver revenue savings or create additional resource for investment. We will continue with the separation of maintenance and investment programmes that has brought benefits by reducing bureaucracy.

1.6. We will use our capital resources to deliver capital schemes that support the vision and objectives set out in the Council Plan. As a priority, over the next 12 months, we expect investment proposals for the following to have been brought forward for decision:

Supporting people	• Investment in new school places, and in particular special educational needs provision within the county, including in the south of the county, similar combined provision to the new school/social care facility in Exhall for special educational needs and children's social care. • Help for residents to lead a healthy lifestyle, including assistive technology to support health, care and well-being and the development of our country parks. • Investment in safer travel to schools.
Shaping places	• Ambitious schemes to shape Warwickshire and individual parts of it, progressing housing and area regeneration schemes, though our Warwickshire Property and Development Company. • Supporting business innovation, investment and inward investment through the development of proposals for a Warwickshire Recovery and Investment Fund as part of our place shaping to help residents prosperity. • Investment which contributes towards building employment skills and skills development for those impacted by the economic consequences of the pandemic. • Investment in 5G/broadband to connect our residents and support businesses across Warwickshire. • Building stronger communities by helping communities to help themselves. • Further developing our network of cycle paths.
Optimising delivery and maximising our resources	• Investment to maximise the effectiveness of our property estate as part of a future plan for the use of our buildings. • Investment in developing the Fire and Rescue Service aspects of our estate.

	• Investment in digital technology to improve the quality and efficiency of accessible services to residents, communities and staff.
Climate Change	• Defending Warwickshire against flooding. • Greening our fleet and electric charging points. • Investment to reduce the Council's carbon footprint. • Support for communities and businesses to reduce their environmental impact, energy usage and emissions.

1.7. Our revenue recommendations maintain our Place Shaping and Capital Feasibility Fund that will support the development of robust proposals that will to enable us to bring forward creative and innovative investments to deliver on the ambitions of our Council Plan and supporting creation of a strong pipeline of future projects.

1.8. We have included a borrowing facility of £120.100 million over the next five years in our capital programme to support the delivery of the Warwickshire Property and Development Company (WPDC) annual business plan. Successful delivery will provide additional residential units and square feet of office, industrial and other commercial space to support the recovery and growth of Warwickshire for the benefit of residents and communities.

1.9. We require £3.000 million of the schools' capital grant to form a contribution towards the cost of maintenance of the school estate, with the balance of the grant to be used to meet the growing demand for school places, alongside contributions from developers.

2. 2021/22 Capital Programme

2.1. Approval is given to a capital programme of £692.906 million. Of this £253.193 million is for 2021/22 and £439.713 million for future years. There is £104.458 million in the Capital Investment Fund that will be allocated to specific schemes, in line with our priorities, as bids are developed and considered over the five years of the 2021-26 Medium Term Financial Strategy.

2.2. Table 1 shows the breakdown of the programme across services, with the full detail of the capital programme attached at **Appendix C**.

Table 1: Capital Programme - Summary by Service						
Service	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**	**2024/25 £m**	**2025/26 £m**	**Total £m**
Education Services	40.743	27.263	11.836	11.803	11.803	103.448
Environment Services	105.493	42.449	17.249	17.249	17.249	199.689
Fire and Rescue Service	4.231	0.120	0.120	0.120	0.120	4.711
Strategy - Communities	58.208	26.001	4.545	1.232	0.480	90.466
Adult Social Care	0.313	-	-	-	-	0.313
Children and Families	0.549	0.125	0.125	0.125	0.125	1.049
Strategy - People	0.313	-	-	-	-	0.313
Business and Customer Services	0.192	0.250	1.199	-	-	1.640
Enabling Services	20.239	14.512	10.776	10.581	10.581	66.688
Governance and Policy	2.606	0.356	0.356	0.356	0.356	4.030
Total Allocations	**232.885**	**111.077**	**46.206**	**41.466**	**40.714**	**472.348**
WPDC	-	13.716	27.216	41.153	38.015	120.100
Capital Investment Fund	20.308	16.030	21.221	17.985	24.914	100.458
Total Programme	**253.193**	**140.823**	**94.643**	**100.604**	**103.643**	**692.906**

Note: Table may not sum due to roundings.

3. Financing the Capital Programme

3.1. The capital programme will be financed by a mixture of capital grants, capital receipts, revenue and self-financed and corporate borrowing. A deduction will be made from services' revenue budgets for self-financed projects funded from borrowing. Table 2 provides a breakdown of the financing of the capital programme between years.

Table 2: Financing the Capital Programme						
Service	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**	**2024/25 £m**	**2025/26 £m**	**Total £m**
Capital grants	72.221	27.613	22.739	22.739	22.739	168.051
Third party contributions	49.690	17.337	0.275	-	-	67.302
Capital receipts	15.292	3.945	25.972	22.966	60.557	128.732
Revenue	1.133	-	-	-	-	1.133
Borrowing	114.857	91.928	45.657	54.899	20.347	327.688
Total Financing	**253.193**	**140.823**	**94.643**	**100.604**	**103.643**	**692.906**

Note: The borrowing figure is greater in 2021/22 as it includes the funding of capital spend financed by borrowing that was originally planned for in earlier years.

3.2. We recognise that the expansion of our investment programme will result in additional borrowing costs and we have made full provision for this within our revenue budget resolution. Our modelling of future debt levels leaves the Council with significant headroom against its Operational Boundary and Affordable Limit, two of the key indicators within the Prudential Framework. Our approach of determining borrowing affordability from the position of ongoing revenue resource availability ensures that we will not commit the Council to future costs it cannot afford.

4. Prudential Guidelines and Limits

4.1. The Affordable Borrowing Limit and other Prudential Indicators consistent with the capital programme for 2021/22 form part of the Treasury Management and Investment Strategies elsewhere on today's agenda.

5. Strategic Director for Resources: Statement

5.1. The following statement from the Strategic Director for Resources is noted:

"As "Chief Finance Officer" the Local Government Act 2003 requires me to report on the robustness of the estimates made for the purposes of the budget calculations. In overall terms I am of the view that this capital programme has been prepared based on realistic assumptions about risk and affordability and that it represents a robust and realistic programme."

6. Delegations

6.1. That the Council confirms the delegated powers to the Leader as follows:

- That the Leader or person(s) or body nominated by her are authorised to:
  - Agree any increases or reductions in capital starts/payments totals as part of the quarterly capital review process;
  - Approve the addition to the capital programme of projects costing less than £2 million, which are fully funded from external grants, developer contributions or from revenue;
  - Approve individual projects of less than £2 million within the allocations made by Council, including schemes that are an allocation from the Capital Investment Fund; and
  - Approve loans to the Warwickshire Property and Development Company, triggered by the approval of a site development plan by Cabinet, where this still enables the delivery of the approved business plan within the provision in the capital programme.

6.2. In addition. the Strategic Director for Resources is authorised to vire capital projects between Services where such virements are as a direct consequence of a restructuring within the County Council.

6.3. The Strategic Director for Resources, in consultation with the Leader, is authorised to reverse allocations made as part of this budget process where the investment does not progress.

7. Budget Management

7.1. The Chief Executive is directly responsible for the implementation of the capital programme.

7.2. The Chief Executive is instructed to remind all Strategic Directors, the Chief Fire Officer and Assistant Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each Service's work to secure value for money.

7.3. The carry forward regime, which reviews whether all uncommitted capital spend at the end of the financial year remains a priority, will continue. Any funding released through this process will be used to enhance the Capital Investment Fund.

7.4. All member bodies, members and officers are instructed to comply with the prescriptive legal duties placed upon the Council. The Chief Executive, Strategic Directors, the Chief Fire Officer and Assistant Directors are instructed to ensure that the implementation of policies complies with legal requirements.

7.5. Authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget, subject to compliance with Contract Standing Orders, Financial Regulations and the key decision regime.

7.6. The Chief Executive, Strategic Directors, the Chief Fire Officer and Assistant Directors, in the following circumstances and with approval from the Strategic Director for Resources, are given authority to let contracts where the tender price would cause the project to exceed its approved budget:

- If the project is and remains fully funded from external sources; and
- If all funding is ring-fenced to that specific project by a third party.

7.7. That, with the exception of the circumstances outlined in 7.6, the Council reconfirms the requirement for Strategic Directors, the Chief Fire Officer and Assistant Directors to seek Member approval to proceed with a project if, at the tender stage or any subsequent decision point, the contract price would cause the project to exceed its approved budget by more than tolerances in Financial Regulations prior to committing the Council to proceed with the project. In any event, any increase in the expected project cost should be reported to Members as soon as possible via the quarterly Financial Monitoring Report.

7.8. Strategic Directors, the Chief Fire Officer and Assistant Directors, with approval from the Strategic Director for Resources, are given approval to use capital receipts to fund replacement assets:

- Where the receipt is less than £100,000; and
- Where the receipt is generated from the sale of vehicles, plant, equipment or software; and
- Where the replacement asset provides the same service as the item sold; and
- Where the remaining cost of the replacement asset is fully funded from self-financed borrowing, revenue contributions or third-party funding that is ring-fenced to that specific asset by a third party.

7.9. In any event, capital expenditure on the replacement asset should be reported to Cabinet via the quarterly Financial Monitoring Report.

8. Managing the Maintenance Programme

8.1. Each maintenance allocation will be monitored and reported to Members at the level approved in the Medium-Term Financial Strategy (MTFS) and Capital Strategy. Within those allocations, detailed budget management is delegated to the responsible Assistant Director, in line with the agreed criteria and prioritisation approved by Council in the MTFS and Capital Strategy.

8.2. Maintenance allocations may be vired in accordance with the scheme of capital virement to an investment project where that project incorporates elements of work which would otherwise be funded from the maintenance budget. The entire project would be treated as an investment project for approval and reporting purposes.

9. Managing the Investment Programme

9.1. Allocations made to Services under the investment programme are for individual and specific projects. Any funding allocations may not be committed until individual projects are approved by the Leader or person(s) or body nominated by her.

9.2. Virements between projects in the investment programme are expected to be relatively small in number. Services are expected to manage variations in total project costs with the appropriate approval under Financial Regulations.

9.3. Virements can only take place between two existing projects. Any new project will require the Leader or person(s) or body nominated by her approval, irrespective of whether its proposed funding is taken from an existing allocation.

Investing in Warwickshire-

Capital Strategy2021-31

Warwickshire
County Council

Introduction

Cllr Peter Butlin
Deputy Leader and Portfolio Holder for Finance and Property

Rob Powell
Strategic Director for Resources
Warwickshire County Council

Investing in Warwickshire is a fundamental part of our role as a County Council. We want Warwickshire to be the best it can be, sustainable now and for future generations.

As a county, we boast a broad range of strengths that make Warwickshire a great place to be. We benefit from a buoyant economy, significant business and housing growth, considerable community capital, much valued natural environment and town centres that are a vital part of local life. But looking ahead, we also face significant challenges, including the impact of Covid-19, demographic pressures and climate change.

As an organisation, we are equally well placed but face uncertainty over future funding levels and our ability to meet growing demand for the services we provide.

Together, these factors influence our approach to capital investment. To respond effectively, we need to take a strategic and holistic approach to the use of our capital investment fund and assets to deliver our key priorities.

Our refreshed Capital Strategy 2021-31 aims to optimise the way in which we generate, manage and allocate the capital funds at our disposal.

It forms a critical part of our policy and financial planning process. It is an integral part of the Medium Term Financial Strategy to help deliver our Council Plan 2025.

Our new approach aims to maximise the use of capital resources to continue to make Warwickshire an attractive place to live, work, visit and do business, ensuring good stewardship and opportunities for sound investment when they arise.

This capital strategy has been developed to ensure that our long-term approach to investment takes proper account of prudence, value for money, risk, sustainability and affordability. It is supported by a robust delivery and governance framework to guide expenditure and investment decisions; performance will be monitored at overall, programme and project levels to track progress and achievements against priorities.

Together these ensure compliance with the CIPFA Prudential code.

We recognise the lasting impact and legacy of good, evidence-based capital investment and the Capital Strategy 2021-31 sets out our approach to making this happen in and for Warwickshire.

1.

Purpose of our Capital Strategy

What is Capital?

Within local government, capital is funding which is used to purchase or upgrade specific assets such as buildings, machinery, equipment, ICT, vehicles or intangible assets.

Unlike for revenue funding, these are investments that last a number of years and deliver long term benefit to the community, place and council.

Such capital investment is funded by borrowing, grants, capital receipts, developer contributions council contributions etc.

What is a Capital Strategy?

A capital strategy sets out the choices we make in relation to the amount and nature of the capital investment we spend. It is made up of three key elements:

1. **Strategic intent** – Sets out the aspiration and direction for our capital investment, defining the outcomes we are seeking to achieve through investment(Why).
2. **Programme** – Sets out the activity, programmes and projects that are funded by our capital investment (What).
3. **Framework** – Sets out the way we will plan and prioritise investments; manage capital spend and the capital programme in line with best practice and statutory requirements; execute the delivery of projects; manage risks and measure performance (How).

Together these elements set out the ambition for investment, the nature of that investment and the assurance of delivery.

2.

Why do we need a capital strategy?

Our Capital strategy sets out the direction, nature and focus of the capital programme and the framework which we operate to.

As a public body, we have a statutory duty to produce a capital strategy. An effective Capital Strategy helps ensure that the Council's capital and revenue expenditure on the asset portfolio is directed to deliver our key priorities.

The Council Plan 2025 has a clear vision to make **Warwickshire the best it can be, sustainable now and for future generations.**

Our capital investment will be aimed at delivering our Council Plan and its priority outcomes using the draft investment criteria below:

Warwickshire's communities and individuals are supported to be safe, healthy and independent (Supporting people) - invest to:

- **manage long-term demand through innovation**, sustainable service redesign, new technology and digital solutions;
- **strengthen community assets and community resilience** by investing in community capacity, self-help and capability, supporting local actions and priorities like climate change;
- **keep communities, including children, safe** by investing in safety, providing early support, preventing harm and helping to reduce crime;
- **meet future demand** through early intervention and timely provision of capital assets to support vulnerable people to live well (school places, independent living accommodation).

Strengthening our strategic focus

Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure (Shaping places) - invest to:

- make Warwickshire sustainable now and for the future through actions to secure carbon reduction, mitigate against climate change, increasing recycling, reducing waste, using products from sustainable sources and encouraging community actions;
- help economic growth by supporting the recovery from Covid, rebuilding confidence in our towns and visitor economy, reducing unemployment, improving skills, improving education provision, supporting business growth, local industries and attracting investment to Warwickshire;
- enable infrastructure improvement to support economic growth and investment, improve connectivity, enable modal shifts in travel, maintain networks etc;
- support local economic resilience through local area regeneration, sustaining town centres;
- enhance Warwickshire as a place to live and visit improving Warwickshire's attractiveness, public spaces, natural parks, visitor assets and community places.

Matching our programme to our ambition

Making the best use of our resources (Maximising our resources) - invest to:

- **generate income** through investment that generates tax revenue, grow revenue streams or deliver enhanced capital receipts;
- **create social value** through our procurement, commissioning, service delivery and estate management to produce wider social, economic or environmental benefits for our communities and
- **ensure good stewardship of Council assets** through timely maintenance, appropriate use of technology and energy efficiency.

Optimising Delivery

Our enhanced approach is to adopt:

- a portfolio view;
- a holistic and outward looking focus;
- investment to transform services;
- a streamlined approach and
- a medium/long term perspective.

Benefits of an effective capital strategy

- look to the long term future;
- influence the decisions and choices we make;
- create opportunities and influence agendas;
- focus on our place-shaping role and working with partners and
- create consistency and coherence to our investment.

How does this fit with other strategies?

The capital strategy is a key part of our strategic framework and a critical element of our Medium Term Financial Strategy (MTFS), which is in turn aligned to the Council Plan 2025.

Whilst the MTFS covers a rolling 5-year period, the capital strategy reflects the long-term nature and benefit of capital investment and is fixed over a longer timeframe, stretching to 2031, and addresses how we intend to pay for our capital investments and activities.

Our approach to capital investment is informed by our:

- Risk management strategy;
- Reserves strategy; and
- Treasury management strategy.

The outcomes are aligned to the core strategies to influence wider agendas and partnership working such as the Warwickshire Property and Development Company, the Warwickshire Recovery Investment Fund, the Health and Wellbeing Partnership, the West Midlands Combined Authority, the Coventry and Warwickshire Local Enterprise Partnership, the City of Culture, the Commonwealth Games and other local authorities.

3.

Drivers for Capital Investment

Local and national factors that will shape the need for capital investment during the next 10 years include:

- The impact from the Coronavirus pandemic has had significant impact on the UK, its businesses and its communities. The sudden impact of the pandemic caused GDP to drop by over 19% during 2020. Even though the economy has returned to some level of growth, most economic sectors remain below their February 2020 peak.
- The capital strategy can play a key role in supporting the recovery of key sectors such as construction, as well as playing a role working with partners such as the Coventry and Warwickshire Local Enterprise Partnership to invest in projects and infrastructure which will give the local economy the confidence and certainty to invest and grow. It will do this through the prioritised allocation of resources to initiatives which best meet the recovery outcomes.

Supporting People

- Warwickshire continues to be an attractive place to live, work and visit, which will experience significant population and housing growth other the next 20 years. Population growth is forecast to increase by at least 7.2% by 2041 and may well exceed this in view of housing development trends.
- The main growth will be in older age groups: those aged 70 and over are projected to increase by almost 50% by 2041 and those aged 85 plus will more than double.
- A growing ageing population is likely to see increases in those living with disabilities and other long-term health conditions, leading to additional demand pressures on public services including health, social care and fire to protect, prevent and support vulnerable people.

This will require us to work differently; to invest in early interventions, demand management encourage service innovation, reduce costly care packages and enable more self-help and resilience in our communities.

- The number of Children Looked After by the Council is projected to continue to rise, reflecting population increases and national trends.
- Our school age population is projected to increase by 3% by 2025 but this will then slow down by 2041. There is an estimated need for an additional 8,000 school places by 2025.
- The growth in population and households will mean a need for additional infrastructure requirement, particularly transport, waste and school places including special education needs.

Shaping Warwickshire

Climate Change

Optimising delivery and maximising our resources

Shaping Warwickshire as a place to live, work and visit

- The Council has declared a climate change emergency and is developing an action plan in recognition of its role as community leader, service provider and estate manager.
- The number of households is projected to increase by 13% to 271,497 by 204. Each of the 5 District /Borough areas are projecting growth in households of 10,000 or more by 2033.
- Managing and maintaining Warwickshire's transport network poses several challenges including: the need for new infrastructure, improving connectivity, securing a modal shift away from cars, dealing with the impacts of congested town centres and improving road safety.
- Our ambitions for Warwickshire are being driven through our place-based programme which will identify specific opportunities and needs to be addressed.
- Despite Warwickshire's strong economic foundations, the impact of the Covid-19 pandemic presents challenges for our key sectors. The automotive and advance manufacturing sectors face short-term impacts in terms of disruption to work and supply chains, whilst our tourism sector faces significant pressures which could see unemployment rise as government support schemes (such as Furlough) come to an end.
- The capital strategy plays a critical role in recovery by supporting key sectors through specialist land and facilities, enabling the adjustments within sectors to respond to new opportunities such as green technology and transport, and adaptations in working patterns.
- The West Midlands has been selected as the preferred partner for the government's Urban Connected Communities project to develop a large-scale, 5G pilot across the region, with a hub in Coventry. 5G mobile connectivity is expected to revolutionise the digital environment, with benefits to business, public services and society, attracting investment, talent and contributing to innovation.
- Population growth helps increase the Council tax base and positively impacts on our ability to borrow for capital investment.
- Strong partnership efforts and investment will be needed to sustain the role of our town centres inthe face of Covid-19, changing consumer habits and emergingopportunities.

- We need to work in different and innovative ways to reduce costs and optimise use of our assets to aid our sustainability in the face of growing demand and an uncertain financial climate for local authorities.
- There are opportunities and challenges to leverage external contributions (grants, developer contributions etc.) for our capital programme.
- We need to optimise our commercial approach and activities to generate income and grow the taxbasein ordertodeliverwideroutcomes for Warwickshire.
- Technological advances and changes in the way customers interact with service providers, will lead us to maximise the use of digital and other technologies acrossourservices.
- Our asset management strategies and estate modernisation plans will help sustain our core assets, supportmodernflexiblewaysof working, our climate change commitment and our people strategy.

4.

Guiding principles for our capital investments.

Approach

This capital strategy represents a step chance in our approach to capital investment, and is guided by these three key principles:

1.

Strengthening our strategic focus

and role as a shaper of place for Warwickshire by applying a holistic, forward looking and externally focused approach to our capital investment

2.

Matching our programme to our ambition

Right sizing the capital programme to ensure it reflects the broad range of our ambition and outcomes

3.

Optimising Delivery

Strengthening our performance in relation to capital projects, adopting commercial principles and practices which enhance evidence-based decision making and robust benefit realisation

The key principles of our Capital Strategy are:

Strengthening our strategic focus

Focusing on our core purpose, helping the achievement of the Council's priority outcomes and supporting Warwickshire's

The capital strategy exists to deliver the Council's Corporate Plan priority outcomes, strategic objectives and to help implement our key strategies. It will take a holistic, balanced and joined up view on investment across the full spectrum of Council objectives as outlined in the Council Plan 2025.

Matching the programme content to our ambition

Taking a holistic view and ensuring strategic fit: The capital strategy will drive the right prioritisation of capital investment through an integrated approach across the Council, to drive recovery from Covid, innovation and creative solutions for managing demand, improving productivity and reducing cost. It will support good investments, maximise returns and exploit opportunities. Our capital programme will make the best use of resources and mechanisms to meet current needs, deliver a sustainable future for the next generation and be affordable.

Being risk aware: Our capital programme will be guided by our risk appetite and tolerances. We will be risk aware, ensuring compliance with our statutory duties and providing proportionate and appropriate scrutiny to drive improvement. We will operate within agreed tolerances for risk, reading across the entire capital programme and learning from the delivery of individual projects.

Optimising delivery

Building a commercial and business-like approach to investment: The capital strategy is critical to embedding a more strategic, business-like and risk-aware approach, as encapsulated by our new commercial strategy. It will be informed by a long-term pipeline of investment and external funding opportunities. All capital investments will be supported by a robust business case, setting out the requirement, objectives of the capital expenditure, intended outcomes and benefits, the costs and the risks.

Our Warwickshire Property and Development Company will play a key role in optimising delivery of our investment strategies for our land and property assets in support of the Council Plan.

Assurance: The capital strategy must drive a capital delivery programme which maximises the return (social value and financial benefits) from our capital investment. It will be supported by the right capabilities, plans and delivery management to minimise slippage, accelerate benefits realisation and achieve value for money.

5.

Capital Programme

The Council maintains an approved rolling capital programme, that covers a 5-year period, which is subject to an annual update as part of the budget process and Medium Term Financial Plan. The capital programme incorporates:

- the roll forward of existing approved capital projects;
- an annual ‘rightsizing’ of approved capital budgets to ensure optimal allocation of corporate resources;
- allocations for rolling, annual maintenance programmes; and
- a single investment pot to fund new priorities.

The effect of investment priorities is reflected in both the Medium-Term Financial Strategy and Treasury Management Strategy.

Capital Programme approval process

The capital programme is developed in line with the Medium-Term Financial Strategy and approved as part of the Capital Budget Resolution by Full Council in February each year.

The Corporate Board will review the draft future capital programme, consider its affordability and make recommendations to the Cabinet.

The Cabinet is responsible for considering the capital programme, along with recommendations on how it should be financed as a whole, its affordability and priorities, and will recommend a revenue budget and a capital programme to the Full Council for approval.

Project approval

Capital projects will be brought to Members for approval throughout the year. Capital approval rules allow for this, meaning that the capital programme evolves throughout the year.

Assessment of bids for investment will take place through the established capital governance process.

Once a need for a new asset/project has been identified, it will be developed in line with the Council’s project management framework and standards. This will involve preparing an outline business case to enable an assessment of the desirability and affordability of the project.

If approved, a full business case is developed and submitted for approval through our Gateway Process via a Technical Panel of in-house independent experts from finance, legal, property, project management and independent front line services.

The full business case will include an options appraisal and will ensure that the full implications of every proposal are clearly understood to enable decisions on whether to proceed with the project and to prioritise the application of capital against our investment criteria. It will also ensure that capacity to deliver the project, risks associated with the project, and value for money have all been considered.

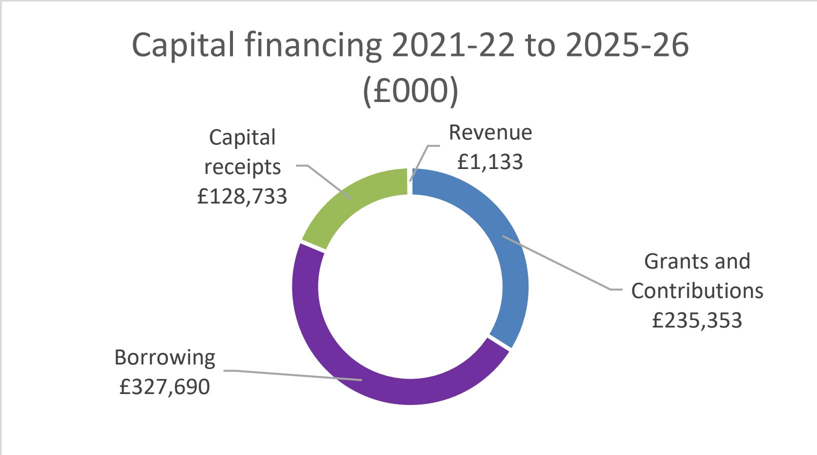
Once approved, these will be added to the Capital Programme.

Financial Monitoring

The technical appendix sets out how the capital programme is monitored to ensure that our capital spending is effectively managed to deliver value for money, together with the capital governance framework.

The funding of capital expenditure and funding principles

Our main capital resources are service specific grants, third- party contributions, capital receipts, contributions from revenue and borrowing. When assessing the level of planned capital investment to undertake, we make a judgement about the level of capital resources that are likely to be available over the period of the programme. We aim to optimise the use of all other available sources before using borrowing to fund our capital programme. The funding of the capital programme is outlined in the chart below:



Based on current estimates, WCC is expecting to spend £692.9m over the next 5 years. A breakdown of the capital programme is attached to the capital budget resolution and analysis of the allocations is included in the technical appendix. Future capital priorities not yet included in the capital programme are included in Annex D to the technical appendix.

The Council's strategy for its borrowing is set out in the Treasury Management Strategy Statement and takes account of factors such as interest rates and the spreading of loan repayment dates to reduce risk. The technical appendix outlines the approach taken to assessing sustainability and affordability of the capital programme and illustrates the effect of borrowing decisions on the revenue budget. Prudential indicators will be approved as part of the capital budget resolution.

The basis for the delivery of the overall capital programme are subject to Member approval:

- £35.600 million new borrowing annually, funded as part of the Revenue Plan proposals for the 2021-26 Medium Term Financial Strategy.
- £10.682 million of maintenance allocations funded from a top slice of this borrowing and are strictly cash limited.
- The balance of the £35.600 million annual borrowing (£24.918 million a year) will be allocated to the Capital Investment Fund where services will be invited to submit business cases to bid for funding throughout the year.
- All capital receipts (excluding those from the disposal of schools) are used to offset the need for additional borrowing. Exceptions to this policy are only considered when as part of an invest-to-save project such that investing the capital receipt will result in larger levels of offsetting additional borrowing or greater revenue savings than would have been achieved by simply offsetting planned debt (or if previously agreed by Members as being earmarked for a particular purpose).
- The disposal profile of capital receipts will be used to inform the MTFS and revenue savings targets by offsetting the revenue cost impact of new borrowing.
- The base level of investment in the school stock is fixed at the level of government capital grant for schools plus receipts generated from the sale of school assets and developer contributions. Circa £3 million of the government grant forms an annual contribution to the cost of school maintenance. The remainder of funding is used to invest in the provision of additional places.
- The base level of investment in the maintenance of Warwickshire’s highways and street lighting and casualty reduction is fixed at the level of government grant for this purpose.
- Contributions from developers are maximised and applied to appropriate schemes ahead of Council resources whenever possible.

CIPFA Prudential Code

The 2017 edition of the CIPFA Prudential Code for Capital Finance in Local Authorities introduced the requirement for authorities to produce a capital strategy. The purpose of the capital strategy is to place decisions about borrowing in the context of the overall longer- term financial position of the authority and to provide improved links between the revenue and capital budgets. The guidance is not prescriptive and allows the capital strategy to be tailored to the individual authority’s circumstances. The Council has adhered to this guidance in this Capital Strategy.

6.

Capital Framework

Our Capital Framework covers:

- how we plan for capital investment, identifying priorities, inter-relationships and a long- term pipeline;
- the selection of projects, sub-programme priorities and the total capital programme;
- governance, including decision-making, risk management, assurance and control;
- the planning and execution of projects (using PMO, Prince2 & RIBA standards); and
- performance measurement using KPIs (financial, technical, economic, environmental & social metrics) to track progress at different stages, delivery, benefits/ achievements, reporting and lessons learnt.

The capital framework includes a methodology to classify the different stages of a project based on recognised industry standards along with other best practice.

We will provide a clear definition about what performance is, and how it will be measured to allow us to assess whether our projects and investments are on track. KPIs and benchmarking will be used to capture our position and how well we are doing.

We will ensure governance through established arrangements that include a Gateway process and Investment Panel where senior officers review project proposals at project inception and at full business case stage. Projects will be scrutinised by appropriate experts and recommendations on whether to approve will be made to Corporate Board, and where appropriate to Cabinet before delivery commences.

We will use our council-wide project system (to record and manage all projects. Project delivery will be through cross-directorate delivery boards, led by strategic directors who will support and challenge progress. These Boards are also responsible for assuring delivery of projects and programs to time, cost, quality, benefits and risk manage.

7.

Making it happen

The following are some key actions that will help the delivery of the strategy over the next 12 months.

Focusing on our core purpose and supporting the Council's priority outcomes

Taking a holistic view and ensuring strategic fit

- Refine our strategic planning and pipeline development process and build a longer term pipeline to better inform future investment
- Refine the allocation, assessment and prioritisation processes to better deliver our ambition
- Compare project and sub-programme anticipated benefits for investment prioritisation
- Further progress the alignment between the technical and strategic assessment processes (through Verto)

Being risk aware

- Align the risk profile of the capital programme to the Risk Management Strategy
- Use early warning system to strengthen delivery

Building a commercial and business-like approach to investment

- Assess opportunities and options for investment
- Set clear investment criteria

Ensuring delivery and performance

- Enhance delivery capacity
- Performance and delivery framework
- Use of standardised recording and reporting (through Verto)

OurCapitalstrategywillbereviewedannuallyalongsidetheannualrefreshofthe Capital Programme

Theenhancedassuranceframeworkwillensurethattheprogrammeand frameworkandconstantlyreviewedandrelevant.

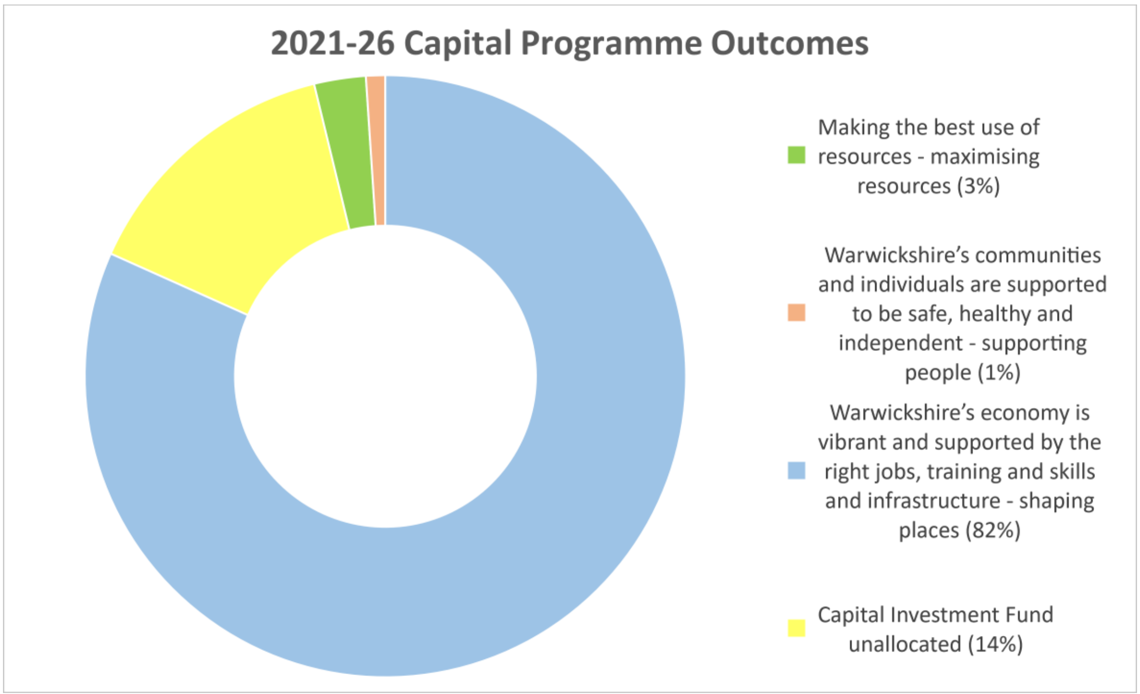
Performance will be reported quarterly to Cabinet. February 2021

Appendix B

Investing in Warwickshire
Capital Strategy 2021-2031 – Technical Appendix

Why do we need a Capital Strategy?

We have over many years invested in assets that have a lasting value, for example land, roads, buildings and large items of equipment and vehicles. Each year we need to spend more money to ensure our assets are still suitable for use in the provision of services and to invest in new assets to meet our changing needs and requirements. Our capital investment is aimed at delivering our priority outcomes for which the current gearing of our capital programme is as follows:



This technical appendix to the Capital Strategy provides the structure of our capital programme, describes how we determine the content of and finance the programme and provides an overview of how our capital programme is managed to deliver our outcomes.

What is Capital?

Spending is included within the capital programme where we expect it to result in future economic (asset value) or service (asset performance or life) benefits. This covers both the purchase of new long-term assets and improvements to existing ones and is consistent with the approach required in the CIPFA Code of Practice in Local Authority Accounting.

Some of our spending allocations are to either purchase or improve an asset belonging to another organisation or individual; in these circumstances, we include the expenditure in the capital programme for budget setting and monitoring processes, but follow the CIPFA Code requirements for accounting treatment to ensure it does not increase the net assets shown on our Balance Sheet.

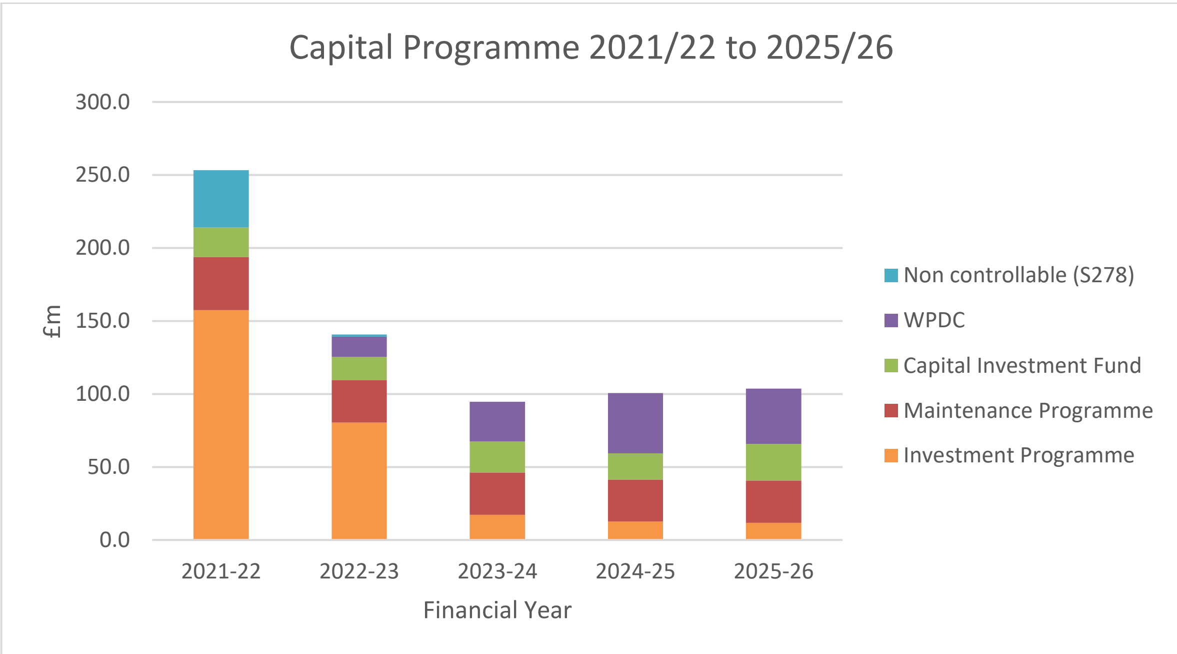
We operate a general de minimis of £6,000 on a project-by-project basis (£3,000 where the spend relates to primary schools or nurseries); expenditure below this level is treated as revenue and not part of the capital programme, unless under exceptional circumstances. Further details of our capitalisation policies can be found in the Accounting Policies section of our Statement of Accounts, published on our website.

Our Capital Programme

There are five broad strands to our capital programme. Each strand has a number of elements that ensure a clear focus on the purpose of capital spending and the prioritisation of proposals. The strands are:

- A recurring maintenance programme that ensures our assets continue to be fit for purpose and able to support the delivery of services;
- Non-controllable projects, generally funded from developer contributions and not wholly within the Council's control;
- An investment programme that creates and develops new assets through individual projects;
- Corporately held investment funds for allocation as business cases are submitted and approved; and
- Investment to increase the value delivered from our land and property assets through the Warwickshire Property and Development Company.

The chart below shows our planned capital programme over the next five years across the five strands of the capital programme. Future non-controllable (developer-led) spend cannot yet be timetabled with accuracy and so has been excluded from future years capital programmes at this time. Overall, we would expect the level of spend on such schemes to be broadly comparable with forecasts for 2021/22.



The reduction in forecast investment capital spending does not represent a planned reduction in activity, it merely represents the capital planning horizon. Actual planned spending for each year ahead is expected to rise to a higher level by the time planning for that year arrives. Also, the high level of investment spend planned for 2021/22 reflects investment schemes approved in, and reprofiled from, earlier years.

Section 25 of the Capital Financing Regulations, which govern the content of our capital programme, requires that expenditure incurred on the acquisition, production or construction of assets by other than the local authority which would be capital expenditure if those assets were acquired, produced or constructed for use by the local authority must be treated as capital expenditure. As a result, any loans we make to Warwickshire Property and Development Company for the development of assets will form part of our capital programme.

Guiding principles for our Capital Maintenance Spending

Each year the capital programme includes a number of schemes that relate to the routine maintenance of our asset infrastructure. It represents the level of spending which we are required to incur over the medium term to keep such assets operational. Each element of the maintenance programme has a fixed annual allocation. This approach allows Services to plan their maintenance programme over the medium term in a structured way that reduces bureaucracy, subject to the agreement of a consistent and transparent methodology for the prioritisation of maintenance spending.

Allocations included in the maintenance programme meet one of the following three criteria:

- Structural maintenance cost of maintaining our assets to ensure services can continue to be delivered;
- Statutory health and safety and other regulatory requirements; or
- Annual cost of equipment and/or vehicle replacement programmes.

Our annual maintenance programme totals £28.911 million of which £10.682 million a year is funded from borrowing plus a £3.000 million allocation from the Government's Schools Condition Grant received for schools and the grant received from Government for highways maintenance of £15.229 million. The split of this annual maintenance allocation between Services, including schools' elements, but not containing £2.000 million delegated to members for their areas, is shown below.

Maintaining assets to ensure continued service delivery

- Household Waste Recycling Centres £80,000
- Highways maintenance and street lighting £ 14,879,000
- Non schools building maintenance £2,122,000
- Country Parks maintenance £200,000
- Gypsy and Traveller Services £20,000
- Rural services £356,000
- Schools building maintenance £6,988,000

Health and safety and other regulatory requirements

- Highways Maintenance - Casualty reduction £350,000
- Adaptations to support child placements £125,000
- Non schools asbestos and safe water £325,000
- Flood Defence £200,000
- Schools asbestos and safe water £746,000

Equipment and vehicle replacement programmes

- Information technology infrastructure £400,000
- Equipment for fire engines £120,000
- Replacement of vehicles £ variable

Annex C summarises the prioritisation methodology that will be used through to 2026 for each of the elements of the rolling maintenance programme.

Guiding principles for our Capital Investments

Capital Investment: Non-Schools

Any capital spending not included in the recurring maintenance programme automatically forms part of our capital investment programme. Investment schemes are, by their nature, not routine and are only considered if they move the Authority towards the delivery of the Council's outcomes and ambitions.

The capital investment programme contributes to the delivery of these outcomes through invest-to-save projects and projects that enhance and grow the assets of the authority, delivering benefits for the people, communities and businesses across Warwickshire.

We operate a clear and transparent approach to the prioritisation of all capital spending.

We use a fast track approach for schemes costing less than £2 million that are wholly funded from external resources provided for a specific purpose and where there is no, or minimal, discretion over how the funding is used e.g. developer and third-party funding. Fast track schemes are required to provide a brief summary of the infrastructure investment required and how it supports the delivery of the core priorities and outcomes before going to the Leader or the Deputy Leader, as Portfolio holder for Finance and Property, for approval. For vehicles, plant and equipment this approval is delegated to the Assistant Director - Finance. Schemes costing above £2 million require the approval of Full Council, regardless of funding source or expenditure type, this includes any schemes that are an allocation from the Capital Investment Fund. Where the approval of a Warwickshire Property and Development Company site development plan by Cabinet triggers a loan from the provision in the capital programme further Full Council approval is only required where the loan would take lending above the provision in the capital programme.

To ensure widespread support for the investment programme all proposals are subject to an officer technical scrutiny process and Gateway Group endorsement prior to being considered by Corporate Board and ultimately by Members, as required under the Council's Financial Regulations. The overarching governance structure is designed to ensure the most effective use of the available resource and organisational capacity required to see capital schemes through to implementation.

The technical scrutiny process and Gateway Group use a structured evaluation process that assesses:

- What we are trying to achieve for Warwickshire residents, businesses and visitors by investing;
- The contribution of the new assets to the delivery of the corporate outcomes;
- The financial costs and benefits over the short, medium and long term; and
- The risks inherent in the delivery of the scheme itself and the expected benefits, with a focus on better up-front planning and timetabling.

The results of this evaluation process are reported to Corporate Board quarterly who consider whether to recommend schemes to Members for approval. If the total cost of a scheme is less than £2 million this approval is by the Leader or Cabinet. Schemes over £2 million require the approval of Full Council. A summary of the evaluation criteria and their relative weighting is attached at **Annex A.** In response to the

Council declaring a climate change emergency, the evaluation criteria specifically require that every new investment scheme explains how it will contribute to addressing climate change.

Annex B lists our capital investment priorities. Business cases will be completed and assessed through the evaluation process outlined above before funding allocations are approved and projects formally added to the Council's capital programme.

The Council does not make investments in the commercial property market purely for the purpose of generating a financial return. The Council owns a small number of assets classified as Investment Properties, but these are primarily assets whose usage has changed over time and that now fall into this category, income from these assets is immaterial.

Warwickshire Property and Development Company

On 7 February 2020 Council approved work to commence on the feasibility of a wholly owned Property and Development Company to increase the value generated through a more effective use of our land and property assets in support of the Council's key objectives and outcomes.

In October 2020, following consideration of the business case, Cabinet approved the creation of the wholly owned company. The set-up of the company and implementation of the first annual business plan, following its approval by Cabinet, is now underway. Proposals to develop the individual sites in the business plan will go through an evaluation and assurance process by the Council, as the shareholder, that will include consideration of the affordability and prioritisation of the investment proposals relative to other elements of the Medium Term Financial Strategy and capital investment priorities. Only once this process takes place and the individual site development plan is approved will any loans to the company that constitute capital expenditure be made from the facility in the capital programme.

Any such approvals will increase the Council's underlying need to borrow. The strategy for borrowing externally in order to finance the company and associated capital expenditure is reflected in the Treasury Management and Investment Strategies.

Warwickshire Recovery and Investment Fund

The concept of the Warwickshire Recovery and Investment Fund (WRIF) is supported by the Council. The business case demonstrating that the WRIF is both affordable and supports the delivery of the Councils outcomes and ambitions and any subsequent delivery plan are still in development. Any aspect of the WRIF which constitutes capital expenditure will be required to be included in an updated capital programme and capital strategy including detail on how this will be funded. It will also be reflected, if needed, in updated Treasury Management and Investment Strategies.

Capital Investment: Schools and Educational Facilities

It is the Council's role to plan, commission and organise education places in a way that promotes improved standards, manages supply and demand and creates a diverse infrastructure. The Council's sufficiency strategy supports the provision of accommodation, whether permanent or temporary, that is high quality, fit for purpose, provides value for money and ensures flexibility to respond to changes in need and curriculum. Whilst the Council is not responsible for Academy schools, our strategy includes them as education providers within the county as it is the Council's statutory duty to ensure the sufficiency of school places.

School-level forecasts of future pupil numbers are produced each year on the receipt of the latest population data from the health authorities and the latest data on parental preferences and housing development numbers. The level of surplus capacity available in Warwickshire schools varies from area to area, with extremely low levels of surplus capacity available in urban areas, particularly across the primary phase of education. In contrast to this, higher levels of surplus capacity are recorded in the county's rural areas. There is a need to maintain a certain amount of capacity within a given area to allow for flexibility to enable in-year movement of pupils, to meet parental preference as much as possible, and allow families moving to an area to be able to secure a place at a local school or for each of their children at the same school. Consideration for the quality of the education provision available in any area is also included when planning for sufficient places.

Capital allocations to meet projected shortfalls in provision are provided by the Education and Skills Funding Agency to all local authorities. However, there is pressure on capital budgets for new school places across the country and it is likely that allocations will continue to be limited for the foreseeable future. It is important, therefore, to consider value for money in the process of commissioning school places. Where new housing development creates a demand for school places in excess of those available, we will work with District and Borough Councils and developers to ensure that the appropriate contributions for the provision of additional school places are given. We will seek the maximum contribution from developers to support the provision of additional places that we believe is proportionate to the impact of the development ensuring all requests for contributions are compliant with the relevant legislation.

Warwickshire is in a period of significant growth, with large scale housing development proposed across the county over the next 10 years and beyond. It is expected this will require additional education provision for Warwickshire children. As development progresses across the county there will be a need for the delivery of new provision during the next 5 years and effective planning for further new provision beyond that period.

Further details on education investment planning can be found in the Education and Learning Sufficiency Strategy – see **Annex D**.

Guiding principles for our Capital Funding

Capital Receipts

Through our approach to asset management planning (see **Annex D**), we undertake continuous monitoring and review of the Council's property portfolio seeking to ensure we make best use of the capital value tied up in those assets. When making decisions on the disposal of assets and hence the generation of capital receipts a number of factors are taken into consideration:

- Whether assets are surplus to requirements in the short, medium and long term;
- Whether assets are achieving their financial or service delivery performance targets;
- The level of any potential financial return;
- Any legal obligations; and
- The impact on Council policies and the promotion of key strategic policies.

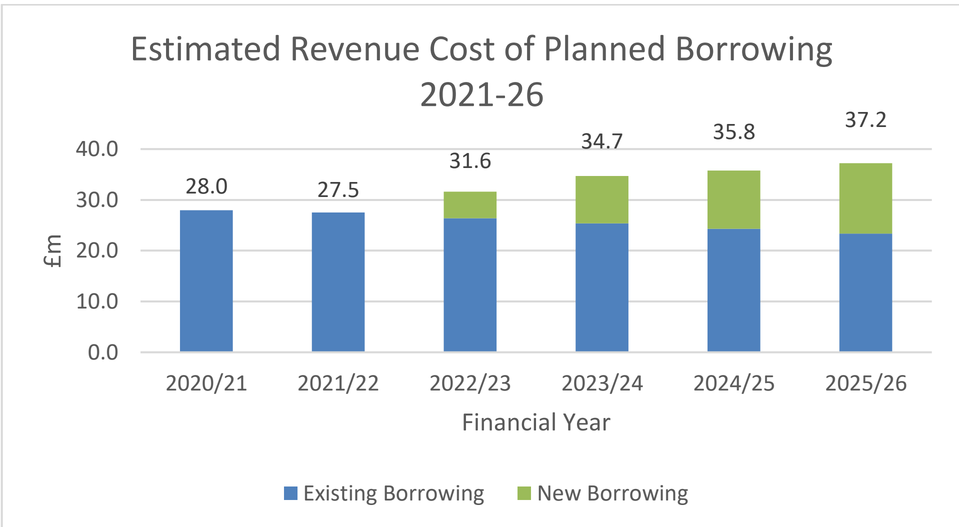
All capital receipts, apart from school receipts which are reinvested, are used to offset the requirement for additional debt, with a consequent reduction in the Council's borrowing costs. Capital receipts are inherently volatile and the timing of when the money is received is uncertain and unrelated to the timing of any need to incur capital spend. Therefore, our approach to the use of capital receipts enables a proportion of our capital spend to be financed before we need to take out additional borrowing. This delays the need to incur additional borrowing and therefore avoids incurring the requisite revenue costs to finance the borrowing.

Borrowing

We are required, by statute, to base our approach to borrowing money for financing the capital programme on a set of guiding principles (the Prudential Framework). The framework includes the principles of affordability, prudent funding, efficiency, forward planning, outcomes, sustainability and investment return.

Incurring an additional £35.600 million borrowing each year is affordable within the 2021-26 Medium Term Financial Strategy and is deemed to be the minimum level of borrowing needed over the medium term to support the delivery of the Council Plan objectives. The impact on the Revenue Plan of borrowing is felt in two ways; firstly in real interest charges incurred on our loans and secondly in the Minimum Revenue Provision, a notional charge to the revenue budget which spreads the cost of acquiring assets across the years in which the benefits of that expenditure are felt, its main financial management purpose is to ensure sufficient funds are set aside to repay the principal amount of borrowing when loans mature.

To forecast future years' revenue costs as a result of borrowing, we must consider both historic levels of expenditure funded from borrowing, the full cost of the existing capital programme funded from borrowing, and any decisions Members make to take out further borrowing in future years. We estimate that the total revenue cost as a result of past and planned new borrowing from these two charges will increase by 33% over the period of the 2021-26 Medium Term Financial Strategy, as follows:



Provision for these estimated costs are included as part of the Medium Term Financial Strategy. The figures include the cost of borrowing to support the activity of the Warwickshire Property and Development Company, which will be funded over the medium/long term through charges to and surpluses generated by the Company.

Further details of anticipated borrowing levels, forecast repayment schedules, our detailed approach to the Minimum Revenue Provision and the framework within which we make decisions about debt and investments can be found within our Treasury Management Strategy (**see Annex D**). Our modelling of future debt levels, detailed within the Treasury Management Strategy, can be compared to our Operational Boundary and Affordable Limit, two of the key indicators within the Prudential Framework. This shows that our approach of determining borrowing affordability from the position of ongoing revenue resource availability ensures we will remain financially sustainable and that we will not commit the Council to future costs it cannot afford by committing to sensible, prudent levels of borrowing.

We recognise that significant drivers of additional capital spend exist both in terms of providing additional school places, growing our business rates and council tax taxbases and providing the additional infrastructure needed as a result of housing growth. Where affordable, we will use the additional revenue resources from growth in the taxbase above the level assumed in the 2021-26 Medium Term Financial Strategy to expand our Capital Investment Fund. Through this approach we are able to support an expanded capital programme and drive economic growth and activity across the county.

Capital Financing Requirement

Where capital expenditure is to be financed from borrowing, the expenditure results in an increase in the Capital Financing Requirement, a measure of the capital expenditure incurred historically but yet to be financed, similar to a house mortgage.

At 31 March 2020 our Capital Financing Requirement was £289.8 million. The Council sets aside annual amounts from its revenue budget called Minimum Revenue Provision of circa £12.0 million to reduce this balance. This means it will take an estimated 25 years to clear the current balance. This figure is reviewed periodically to ensure it is aligned to the average useful life of our assets. The Council's current strategy to reduce this balance is to continue to set aside the annual charge whilst utilising available capital receipts to offset any further need to borrow as a result of increasing capital programme activity.

The planned annual increase in borrowing of £35 million plus the WPDC loan facility means that capital receipts alone will not be able to finance the increased capital programme in the medium term, therefore, provision has been made in the Medium Term Financial Strategy to increase the annual revenue charge to pay down the forecast increase in the Capital Financing Requirement.

Capital Investment Fund

Our flexible approach to utilising the Capital Investment Fund requires revenue funding to be set aside to meet the cost of borrowing prior to knowing how the capital resources generated will be used. This approach has the benefit of retaining the ability to bring projects forward for inclusion in the capital programme as opportunities arise, not just once a year through the budget setting process, through the agreed capital framework. It also provides confidence that developing positive and innovative schemes to support the delivery of the Council's core outcomes are affordable. We are committed to reviewing the level of the Capital Investment Fund on an annual basis to ensure it remains affordable, a further year's allocation of £24.9 million is included as part of the MTFS for 2025/26.

Accounting for Leases

On 1 April 2022 we will adopt a new accounting standard for leases (IFRS16). This means that for all leases where we are the lessee, our right-to-use the asset will be recognised and we will account for the leased asset on our Balance Sheet as though we had purchased the asset. There are two exceptions to this where the value of the asset leased is below our £6,000 de minimis or the remaining term of the lease is less than a year.

Existing leases will be brought onto the balance sheet. The introduction of increased numbers of leases onto the balance sheet will increase the level of capital spend to be financed i.e. the Capital Financing Requirement. Without any other change this would increase the amount we are required to set aside in the revenue budget to repay debt. However, we are already making lease rental payments from revenue budgets for these assets and therefore, to avoid paying for the leased assets twice, a technical adjustment will be made to ensure a “net nil” effect on the revenue budget.

For assets under contracts entered into from 2022/23 onwards, the annual MRP charge will match the element of the rent/charge that goes to write down the balance sheet liability, to reflect accounting changes under IFRS16.

Making It Happen

Management of the Capital Programme

The key risks to the delivery of our capital programme are overspending against the approved budget for a scheme, project/programme reprofiling where the project is not delivered in accordance within the planned timescales thereby delaying achievement of the expected benefits, and delays in or non-receipt of external contributions towards the cost of a scheme.

In order to ensure our staff are equipped with the right training and knowledge to deliver the capital programme, a suite of e-learning materials and guidance notes are made available to all project managers and finance staff explaining the rules and principles underpinning capital expenditure and financing. Guidance on monitoring and approval processes is made available to all staff on our intranet.

The implementation of our capital framework includes a methodology to classify and define stages/ phases of delivery for our capital investments and build understanding of the quality of capital programme delivery. It will continue to use the following mechanisms to ensure our capital spending and the delivery of our capital strategy is effectively managed:

- Officers monitor physical progress regularly, usually monthly, and there is a system of exception reporting to senior managers where problems emerge;
- Financial progress is reported quarterly to Corporate Board and Cabinet, highlighting any key issues that need more detailed consideration or investigation, including seeking Cabinet approval to any variations to schemes both in terms of the total cost and the phasing of spend across years and the consequent impact on the overall financing of the programme;
- Projects part or wholly funded by external contributions are separately monitored to ensure compliance with any funding conditions applicable; and
- Post-contract appraisal is carried out to provide feedback on the success, or otherwise, of the design solution, procurement process and customer satisfaction levels.

Annex A

Summary of Capital Investment Fund Scheme Evaluation Criteria

Warwickshire's communities and individuals are supported to be safe, healthy & independent	Warwickshire's economy is vibrant and supported by the right jobs, training and skills and infrastructure	Making the best use of available resources: delivery of savings/generation of income
10% - delivery of the strategic objective	10% - delivery of the strategic objective	10% - alignment with the organisation's other strategic objectives
40% - Alignment with the investment criteria of the capital strategy (Supporting People)	40% - Alignment with the investment criteria of the capital strategy (Shaping Places)	40% - Alignment with the investment criteria of the capital strategy (Optimising Delivery and Maximising Resources)
40% - achievability, quality of evidence base, rational evaluation and challenge of options, financial viability and risk	40% - achievability, quality of evidence base, rational evaluation and challenge of options, financial viability and risk	40% - achievability, quality of evidence base, duration of required investment, rational evaluation and challenge of options, financial viability and risk
10% - Sustainability, climate change and environmental impact	10% - Sustainability, climate change and environmental impact	10% - Sustainability, climate change and environmental impact

These high-level criteria are supplemented by more detailed evaluation criteria designed for each strand of the investment programme to ensure a consistent and transparent approach. Once the strategy has been approved these more detailed evaluation criteria will be approved by Gateway Group which will ensure that the bidding/evaluation process considers:

- Whether the preferred option/approach is the best one for environmental sustainability, even where environmental sustainability is not a big issue, and comment and filter schemes accordingly;
- The clarity over the measurable benefits to be delivered and how these will be assessed both during construction and when the asset is operational;
- The alignment/incorporation of any financial benefits into the Medium Term Financial Strategy; and
- The deliverability of the scheme within the proposed timeframe both in terms of the scheme itself and the overall capacity to deliver the capital programme.

Capital Investment Priority Outcomes

The table below shows the Council's capital investment priorities. Business cases are still to be completed that demonstrate the contribution of the new assets to the delivery of the corporate outcomes and the Recovery Plan, the financial costs and benefits over the short, medium and long term funding allocations are approved and projects formally added to the Council's capital programme.

Pillars	Capital Investment Priorities
Supporting People	✓ Quality and accessible education spaces for all school children in Warwickshire ✓ Special Educational Needs and Disabilities and Inclusion transformation programme ✓ Demand management in social care services, including supported accommodation and accommodation with support ✓ Management of the market for social care, including the rising cost of placements ✓ Help for residents to lead a healthy lifestyle
Shaping Warwickshire	✓ Improvements the Fire and Rescue Service aspects of our estate ✓ Ambitious schemes to shape Warwickshire and individual parts of it, progressing housing and area regeneration schemes targeting Rugby, Nuneaton and North Warwickshire ✓ The future role and sustainability of town centres ✓ Business innovation and investment to drive economic growth ✓ New employment space for the growing gaming and digital creative sector in Leamington ✓ Initiatives which contribute towards employment skills and skills development ✓ Building stronger communities by helping communities to help themselves
Optimising Delivery and Maximising our resources	✓ Better ways of delivering services, such as libraries and heritage/culture ✓ Effective and accessible services to residents, communities and staff through investment in digital, ICT services and capacity ✓ Investment to maximise the effectiveness of our property estate as part of a future plan for the use of our buildings ✓ Maximising our commercial approach to generate income and grow the tax base to support benefits for Warwickshire. ✓ Making best use of our assets for service delivery, data and information strategy
Climate Change	✓ A transport network that supports a low carbon future and rural connectivity to places of work, reducing congestion and enabling growth in housing ✓ Support for businesses to reduce their environmental impact, energy usage and emissions

Pillars	Capital Investment Priorities
	✓ Increase the amount of renewable energy generation in the county as well as decrease emissions of carbon dioxide ✓ Increase biodiversity and ecology through green corridors, environment banks and tree planting ✓ A safer schools programme that encourages sustainable and healthy travel to school for pupils across Warwickshire ✓ Investment to support active travel and the positive benefits of outdoor activity

Annex C

Prioritisation of the Annual Maintenance Programme

Given the announcement of a climate change emergency, all annual maintenance programmes are expected to consider how the programme of works can contribute towards addressing climate change.

Flood Defence

Prioritisation Methodology

Capital spend on Flood Risk Management in Warwickshire is primarily through the delivery of Flood Alleviation Schemes.

These schemes are funded through Flood Defence Grant in Aid (FDGiA), and Local Levy as part of the Environment Agency (EA) led six-year national programme. This funding is based on the number of properties better protected from flood risk, and other assets such as highway and private land do not attract such funding.

The locations for capital schemes are prioritised using the outputs from the Warwickshire Local Flood Risk Management Strategy (LFRMS) and Surface Water Management Plan (SWMP). These documents assessed the flood risk across the County using both historical reports and predicted risk to produce a ranking score of risk for every square kilometre of the county. Areas at the highest flood risk have been prioritised for feasibility assessments for potential schemes. These schemes are then submitted to the EA to secure an indicative allocation within the six-year programme. To unlock this allocated funding, WCC must produce a business case for approval that shows the scheme is viable and meets the funding rules. Due to the dispersed nature of the villages at risk in Warwickshire, the schemes are smaller in nature and a contribution from WCC is usually required to secure the funding. A bid is made into the Capital Investment Fund for this contribution when required.

Household Waste Recycling Centres (HWRC) and Transfer Stations

Prioritisation Methodology

Maintenance will be prioritised as follows:

a) Health and Safety – for the staff employed to run the site, members of the public using the site and the District and Borough Councils who use the Transfer stations to facilitate their kerbside collections. Other statutory requirements would also fall under this umbrella;
b) Efficiency, cost effectiveness, increasing the service offer to the public (new recycling streams etc.)

Balance of Planned Maintenance and Emergency Work

The annual plan includes a contingency for emergencies. Regular meetings are held to monitor the plan against actual activity and any move from the plan would be based on the prioritisation criteria above.

Highways Maintenance and Street Lighting

Prioritisation Methodology

An asset management approach is used to manage the highway network in order to ensure that the best possible use can be made of the available resources. Central to this is the collection and use of robust network condition data year-on-year, which allows us to model its deteriorating or improving condition. The results allow us to target suitable treatments at the most appropriate locations, maintaining and, where possible, improving the whole network condition. Capital allocations for street lighting are used for the replacement of columns that fail structural testing, installations that need replacing due to untraced third party damage and improvements that fall outside the scope of specific capital allocations made in recent years for a Central Management System and the introduction of LED technology. The allocations for bridge maintenance are used to undertake the minor capital works that are deemed essential. This approach should ensure our bridge stock remains in a safe condition.

External validation of our approach to managing the highway assets is now possible through Department of Transport's 'Incentive Fund' programme, established to promote efficient and effective maintenance practices nationally. Warwickshire is currently assessed as 'Level 3' and, therefore, achieving the highest incentive funding.

Planned Versus Emergency Maintenance

All routine, reactive and emergency works required to the highway network are revenue funded, allowing capital to be used for planned programmes of work designed to maintain and improve the asset condition. Bridge maintenance emergency works are funded from capital and tend to be in the form of vehicular damage, flash flooding or vandalism. At the start of the year a contingency sum from the capital allocation will be reserved to cover emergencies based on experience in previous years. This will be released for planned maintenance at the end of the year if a proportion is unused.

Schools and Non-Schools Building Maintenance

Prioritisation Methodology

Condition survey work is carried out across the property stock and classifies building and engineering maintenance items into 4 categories: D (Bad), C (Poor), B (Satisfactory) and A (Good). The categories are then given priorities highlighting recommended timescales for the work to take place: 1 – Urgent Work, 2 – Work required within 2 years, 3 - Work required within 3 to 5 years, 4 – Work outside the 5-year planning period. The priority listing is then further interrogated and validated by using a surveyor intervention check and a property future review with the Strategic Asset Management team. The budget available is then allocated to the priority list and this determines that approximate number of projects that can be carried out.

Balance of Planned Maintenance and Emergency Work

Emergency work that arises means the planned maintenance programme developed from the above methodology is revised in some areas throughout the year. Projects are reprioritised and planned maintenance programmes managed to the bottom-line budget.

Country Parks Maintenance

Prioritisation Methodology

Maintenance will be prioritised as follows:

a) Health and Safety – in particular the duty of care under Occupiers' Liability. This also reduces claims against the Council;
b) Maintaining the visitor welcome, and parking infrastructure (to maintain income) and replacement play equipment, fishery development, and visitor enhancements (to increase income); and
c) Schemes that lever out match funding.

The winter works programme is developed in early autumn for delivery November - Easter. Resourcing is a blend of Country Park staff, volunteers, partners and contractors in order to maximise what is achieved within the allocation. Certain works are completed outside of that period due to ground conditions, weather etc.

Balance of Planned Maintenance and Emergency Work

Emergency work that arises is funded from revenue where there is capacity to deliver this. However, if the cost cannot be accommodated the planned maintenance programme developed from the above methodology is revised.

Common emergency works include repairs to paths, roads, furniture and play areas affected by flooding and severe weather events. Timely repair is undertaken by Ranger teams with occasional use of external contractors.

Estate management includes surfaced paths, play areas, bridges, fencing, board walks, bird hides, fishing pegs, shelters, revetments, barriers and payment machines, signage, vehicles, plant and equipment, sculptures and art installations, habitat creation and restoration, and a host of other built and green infrastructure within the parks.

Gypsy and Traveller Sites Maintenance

Prioritisation Methodology

Maintenance will be prioritised to meet health and safety requirements, in particular, the duty of care under Occupiers' Liability. This also reduces claims against the Council.

Rural Services

Prioritisation Methodology

All properties are on a rolling five-year rotation for condition surveys, asbestos inspections are carried out every 2 years and water hygiene inspections every four years and all properties have Energy Performance Certificate ratings. Work will be prioritised by identifying high category items from the latest surveys/inspections. The level of risk / consequences to the tenant's business (and hence the Council's rental income) is also taken into account as part of the prioritisation process.

- Priority items, identified from condition surveys as D1s (urgent), will be dealt with immediately. Prioritisation is then given to D2s (bad - items identified as needing to be addressed within 2 years) followed by C2s (poor - to be addressed within 2 years) and C3s (poor - to be addressed within 3-5 years);
- Items that have been recommended to be removed due to potential health risks on asbestos reports are programmed as the service becomes aware of them to reduce the Council's liability; and
- Properties that do not meet Minimum Energy Efficiency Standards are prioritised based on when they are due to be re-let where they do not score the minimum rating of 'E'. All properties are required to meet minimum standards by 1 April 2023.

Balance of Planned Maintenance and Emergency Work

The first call for emergency maintenance is a revenue maintenance budget of £145,000. Having a capital maintenance budget to address planned maintenance has resulted in not having to put planned maintenance on hold when emergencies arise that cannot be accommodated within the revenue budget.

Assistance towards suitable placements for Children Looked After and those who leave care through adoption and special guardianship

Prioritisation Methodology

Applications are invited from foster carers, prospective adopters, special guardians who are approved or judged to be able to provide the necessary care to the child. Social Workers of children can also apply on behalf of the birth parent following agreement from their manager. The social worker needs to be satisfied and be able to demonstrate that a real need for financial support exists and will either result in long term opportunities for additional placements or is required to ensure stability and permanence of a current placement for a child looked after. In the case of parents, it must be shown that capital investment to property for example will support a child to remain at home. There is an application process, endorsed by the relevant operations manager, which is considered by a panel which is chaired by a Service Manager and include a finance representative. The decision to award the grant is made at Service Manager level within the Business Unit, with reference to and oversight from the Head of Service.

Balance of Planned Maintenance and Emergency Work

All planned Grants will be approved though the panel as described above who meet on a quarterly basis. In emergencies, the panel can convene to assess individual cases, to meet the timescales required.

Schools and Non-schools asbestos and safe water

Prioritisation Methodology

Asbestos

The prioritisation of asbestos remedial work is set out in the HSE Guidance 'The Surveyors Guide – HSG 264'. This document provides a prioritised scoring matrix for each occurrence of asbestos and allocates a condition rating of D (Bad), C (Poor), B (Satisfactory) or A (Good). Each property is resurveyed a minimum of once every 2 years. The asbestos is scored based on the type, condition and quantity; this is called the Material Assessment. The Material Assessment is then further weighted by applying a score to elements such as location, type of location and potential number of people exposed; this is called the Prioritisation Assessment. Following completion of both assessments, a score is allocated to each occurrence of asbestos – the higher the score, the higher the risk and therefore the higher the prioritisation.

Water Hygiene

All properties are surveyed every two or four years, dependant on property risk type. The Water Hygiene risk assessments are reported with all remedial works banded into categories indicating, High, Medium or Low risk. This data is then input into a weighting system which allocates a weighting per item, along with a weighting for type of property, occupation density etc. The result of the methodology ranks the properties into order of the highest risk difference score that could be obtained by carrying out the remedial works and all works are carried out in this priority order.

However, emergency work can arise; resulting in a situation where the plan identified in the Asbestos Prioritised Remedial Work Plan and the Water Hygiene Risk Register developed from the above methodologies is revised in some areas throughout the year.

Balance of Planned Maintenance and Emergency Work

Emergencies throughout the year will be dealt with in two ways;

- The budget allocation for works is reduced at year start to leave a small central contingency fund in the budget. This is reallocated at an appropriate time during the year; and
- The projects carried out are staggered throughout the year. If an emergency arises, the necessary funds are diverted from a planned scheme and allocated to the emergency. This will result in a planned project potentially being eliminated from the list in year.

ICT Network Infrastructure

Prioritisation Methodology

Investment is prioritised based on the need for additional facilities/capacity and the life expectancy of equipment, in terms of how long it can be used for until an unacceptable failure rate is likely to occur. The level of failure rate accepted will depend on factors such as criticality of the service and resilience and support arrangements in place.

Balance of Planned Maintenance and Emergency Work

The rolling programme of investing in the maintenance of the IT infrastructure will significantly reduce the need for emergency purchases due to the regular monitoring of the equipment. However, if an emergency procurement needs to be made, we would adjust the planned programme, looking to extend the life of less critical equipment.

Equipment for Fire Engines

Prioritisation Methodology

Spending is prioritised through an approved fleet replacement programme produced by consultation with manufacturer's recommendations and the Council's fleet management team.

Balance of Planned Maintenance and Emergency Work

The Fire and Rescue Service has stores which hold at least enough equipment to immediately restock a spare fire engine if a front-line vehicle should be lost along with its entire inventory. This is our emergency reserve which is maintained as part of the rolling capital replacement programme.

Related Documents

Asset Management Strategies

- The Asset Management Framework and Property Strategy
- The Highways Asset Management Strategy and the Highways Asset Management Policy
- The ICT Devices Strategy
- The Education and Learning Sufficiency Strategy
- County Fleet Replacement Strategy
- Fire Service Integrated Risk Management Plan
- Digital & Technology Strategy
- WCC Waste Core Strategy
- Local Flood Risk Management Strategy
- Customer Experience Strategy
- WCC Economic Strategy & CWLEP Strategic Economic Plan

Treasury Management and Investment Strategies

- The Treasury Management Strategy
- Investment Strategy
- Minimum Revenue Provision Policy

Other relevant strategies, plans and documents

- The Council Plan
- Commercial Strategy
- Risk Management Strategy
- Reserves Strategy
- WPDC Business Plan
- Local Transport Plan
- Children's Services Business Plan

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Investment Programme							
Warwickshire’s communities and individuals are supported to be safe, healthy and independent - supporting people							
Environment Services	Redevelop and upgrade three WCC owned Gypsy and Traveller sites at Griff Hollows, Pathlow and Alvecote	508	152	0	0	0	660
Fire and Rescue Services	Fire & Rescue HQ Leamington Spa	2,187	0	0	0	0	2,187
	Fire & Rescue training programme	1,453	0	0	0	0	1,453
	Emergency services network preparedness	388	0	0	0	0	388
Adult Social Care	Extra care housing and accommodation with care	313	0	0	0	0	313
Children & Families	Accommodation for children in care and care leavers	240	0		0	0	240
Strategy & Commissioning - People	Adult social care modernisation and capacity building	63	0	0	0	0	63
	Improving mental health	250	0	0	0	0	250
	Total for supporting people	**5,402**	**152**	**0**	**0**	**0**	**5,554**

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Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Warwickshire's economy is vibrant and supported by the right jobs, training and skills and infrastructure - shaping places							
Education Services	Welcombe Hills	442	0	0	0	0	442
	Long Lawford - permanent expansion	394	0	0	0	0	394
	The Ferncumbe Primary - temporary classroom	20	0	0	0	0	20
	Kineton High - refurbishment phase 1	112	0	0	0	0	112
	High Meadow Infant	33	0	0	0	0	33
	Early years capital fund / Dunchurch Infants	10	0	0	0	0	10
	The Gateway, Rugby - new school	2,760	2,365	0	0	0	5,125
	Planning and development costs	33	33	33	0	0	99
	Long Lawford - studio hall	602	0	0	0	0	602
	Kingsway Primary - relocation of nursery and children's centre	3,119	2,046	0	0	0	5,165
	Ridgeway School - reconfiguration of classrooms	0	0	0	0	0	0
	Round Oak School - Reconfiguration of classrooms	212	0	0	0	0	212
	South Leamington - new school planning application	150	0	0	0	0	150
	Campion School - expansion	5,785	2,852	0	0	0	8,637
	Stratford upon Avon School - dining facilities	1,179	0	0	0	0	1,179
	Whitnash Primary - expansion of 2 additional classrooms	940	0	0	0	0	940
	Henley In Arden - resourced provision	573	0	0	0	0	573
	Early years - Wincks	0	0	0	0	0	0
	Burton Green CofE Academy	290	0	0	0	0	290
	Stratford Upon Avon School - expansion	5,786	5,787	0	0	0	11,573
	Etone College - expansion	2,376	2,377	0	0	0	4,753
	Bridgetown Primary - SEN provision	38	0	0	0	0	38
	Coughton CofE Primary School - bulge class	85	0	0	0	0	85
	Lighthorne Heath Primary School - relocation design	146	0	0	0	0	146
	Warwickshire Academy - expansion of SEN provision	3,855	0	0	0	0	3,855
	Schools Access	400	400	400	400	400	2,000
	Basic need unallocated funding	11,403	11,403	11,403	11,403	11,403	57,015
Environment Services	M40 Junction 12	45	192	0	0	0	237
	Rugby Gyratory - improvement scheme	25	0	0	0	0	25
	A444 Coton Arches, Nuneaton	10	114	0	0	0	124
	A46 Stanks Island, Warwick	400	0	0	0	0	400

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Environment Services (continued)	A444 Corridor Improvements - phase 2	4,046	20	0	0	0	4,066
	A3400 Birmingham Road, Stratford - corridor improvements	6,115	0	0	0	0	6,115
	A46 Stoneleigh - junction Improvement	18,020	4,286	0	0	0	22,306
	Lawford Road /Addison Road - casualty reduction	1,536	0	0	0	0	1,536
	A47 Hinckley Road - corridor scheme	1,758	1,215	0	0	0	2,973
	Flood alleviation - Welford on Avon	105	0	0	0	0	105
	Replacement bollards in Stratford, Nuneaton and Bedworth	370	0	0	0	0	370
	Historic bridge maintenance programme	3,420	2,230	0	0	0	5,650
	Rugby, Hunters Lane - through route New Tech Drive to Newbold Rd	129	180	0	0	0	309
	A444 - variable message signs (Prologis)	82	0	0	0	0	82
	Bridleways improvements Brownsover Rugby	6	0	0	0	0	6
	Rights-of-way scheme, Long Shoot Nuneaton	6	0	0	0	0	6
	A46 / A4071 Avon Mill Roundabout, Rugby - improvement scheme	679	140	0	0	0	819
	A452 Myton Road and Shire Park roundabouts	3,654	0	0	0	0	3,654
	A452 Europa Way - south of Olympus Avenue to Heathcote Lane roundabout	0	7,426	0	0	0	7,426
	A452 M40 spur west of Banbury Road	0	7,583	0	0	0	7,583
	Replacement of 15 bus fleet vehicles (home to school transport)	885	0	0	0	0	885
	MOVA operation - traffic junction at Tesco's	130	0	0	0	0	130
	A452 Europa Way Warwick - traffic signals	522	0	0	0	0	522
	A452 Europa Way / Olympus Avenue - traffic signals	884	0	0	0	0	884
	Flood alleviation - Pailton, Fenny Compton, Galley Common, Bermuda, Brailes	1,036	0	0	0	0	1,036
	C9878 A452 Europa Way dualling, The Asps	100	0	0	0	0	100
Strategy & Commissioning - Communities	Nuneaton town centre - Queens Road West improvements	62	0	0	0	0	62
	Kenilworth Station	789	0	0	0		789
	Bermuda Connectivity project	4,349	0	1,000	700	0	6,049
	Leamington Station infrastructure improvement	910	35	0	0	0	945
	A446 Stonebridge Junction, Coleshill	1,858	0	0	0	0	1,858
	Access to finance, duplex fund and small business grants	1,713	289	328	0	0	2,330
	Nuneaton to Coventry cycle route	954	0	0	0	0	954
	Hinckley to Nuneaton cycle route	392	0	0	0	0	392
	Library and Business Centre, Nuneaton	1,002	18,024	297	0	0	19,323
	A452 Kenilworth to Leamington cycle route	2,900	1,727	0	0	0	4,627
	A429 Coventry Road, Warwick	3,173	794	0	0	0	3,967

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Strategy & Commissioning - Communities (continued)	Warwick Town Centre	1,800	1,800	793	0	0	4,393
	A426 Gateway Rugby to Rugby Town Centre cycle scheme	64	0	0	0	0	64
	Weddington Road, Nuneaton - toucan crossing	51	0	0	0	0	51
	Bus shelters on Narrow Hall Meadow, Chase Meadow	20	0	0	0	0	20
	Southbound bus stop on A426 Leicester Rd, Rugby	65	0	0	0	0	65
	Barford Junction - safety and capacity improvement works	169	0	0	0	0	169
	Transforming Nuneaton - highways	21,704	0	0	0		21,704
	Waste containers for Household Waste Recycling Centres	138	0	0	0		138
	Office space at Holly Walk, Leamington	953	0	0	0		953
	Emscote Road - corridor improvements scheme	6,492	2,519	725	25		9,761
	Upgrade existing shared pedestrian/cycle path, Bermuda	20	0	0	0		20
	Land at Crick Road, Rugby	1,315	0	0	0		1,315
	Temple Hill / Lutterworth Road, Wolvey - casualty reduction	1,560	0	0	0		1,560
	Average speed cameras	1,741	0	0	0		1,741
	A439 Southern - casualty reduction	470	0	0	0		470
	Green Man, Coleshill - signalised junction	495	0	0	0		495
	Campden Road, Shipston on Stour	36	0	0	0		36
	School Safety Zones	37	0	0	0	0	37
	Home to school routes	435	0	0	0	0	435
	Evidence-led decision making in tackling climate change	585	0	0	0		585
	All electric bus initiative	84	333	922	27	0	1,366
	Contribution to HS2 bridge	409	0	0	0	0	409
Enabling Services	Development of Rural Broadband	7,643	3,752	0	0	0	11,395
Governance & Policy	Maintaining the Smallholdings land bank	761	0	0	0	0	761
	Total for shaping places	**149,855**	**79,922**	**15,901**	**12,555**	**11,803**	**270,036**

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Making the best use of resources - maximising our resources							
Business & Customer Services	Improving the customer experience / one-front-door improvements	192	250	1,199	0	0	1,641
Enabling Services	Renewable energy/reducing energy - various properties	995	0	0	0	0	995
Governance & Policy	Strategic site planning applications	1,344	0	0	0	0	1,344
	Total for maximising our resources	**2,531**	**250**	**1,199**	**0**	**0**	**3,980**
Corporate	Warwickshire Property and Development Company	0	13,716	27,216	41,153	38,015	120,100
Corporate	Capital Investment Fund - unallocated	20,308	16,030	21,221	17,985	24,914	100,458
	Total for Capital Investment Fund	**20,308**	**29,746**	**48,437**	**59,138**	**62,929**	**220,558**
	TOTAL INVESTMENT PROGRAMME	**178,096**	**110,070**	**65,537**	**71,693**	**74,732**	**500,128**

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Maintenance Programme							
Warwickshire's communities and individuals are supported to be safe, healthy and independent - supporting people							
Children & Families	Adaptations to support child placements	309	125	125	125	125	809
Fire and Rescue Services	Equipment for fire engines	202	120	120	120	120	682
Environment Services	Gypsy and Traveller site maintenance	50	20	20	20	20	130
	Total for - supporting people	**561**	**265**	**265**	**265**	**265**	**1,621**
Warwickshire's economy is vibrant and supported by the right jobs, training and skills and infrastructure - shaping places							
Strategic Commissioning for Communities	Household Waste Recycling Centre maintenance	80	80	80	80	80	400
	Countryside Rural Services capital maintenance	285	200	200	200	200	1,085
	Flood defence	200	200	200	200	200	1,000
	Highways maintenance - casualty reduction	1,246	350	350	350	350	2,646
Enabling Services	Schools asbestos and safe water remedials	1,020	746	746	746	746	4,004
	Schools planned building, mechanical and electrical backlog	6,988	6,988	6,988	6,988	6,988	34,940
Environment Services	Highways maintenance and street lighting	15,380	14,879	14,879	14,879	14,879	74,896
	Members delegated budgets for minor highways schemes	6,088	2,000	2,000	2,000	2,000	14,088
Governance and Policy	Rural services capital maintenance	501	356	356	356	356	1,925
	Total for - shaping places	**31,788**	**25,799**	**25,799**	**25,799**	**25,799**	**134,984**
Making the best use of resources - maximising our resources							
Enabling Services	Non-schools - planned building, mechanical and electrical backlog	2,122	2,122	2,122	2,122	2,122	10,610
	Non-schools asbestos and safe water remedials	822	325	325	325	325	2,122
	Information technology infrastructure	650	580	595	400	400	2,625
	Total for - maximising our resources	**3,594**	**3,027**	**3,042**	**2,847**	**2,847**	**15,357**
	TOTAL MAINTENANCE PROGRAMME	**35,943**	**29,091**	**29,106**	**28,911**	**28,911**	**151,962**

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2021-26 Capital Programme

Service	Scheme Title	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Developer Funded Programme							
Warwickshire's economy is vibrant and supported by the right jobs, training and skills and infrastructure							
Environment Services	Developer Funded Schemes (S278)	39,154	1,662	0	0	0	40,816
	TOTAL DEVELOPER FUNDED PROGRAMME	**39,154**	**1,662**	**0**	**0**	**0**	**40,816**
	TOTAL CAPITAL PROGRAMME	**253,193**	**140,823**	**94,643**	**100,604**	**103,643**	**692,906**