



CAPITAL STRATEGY 2023/24



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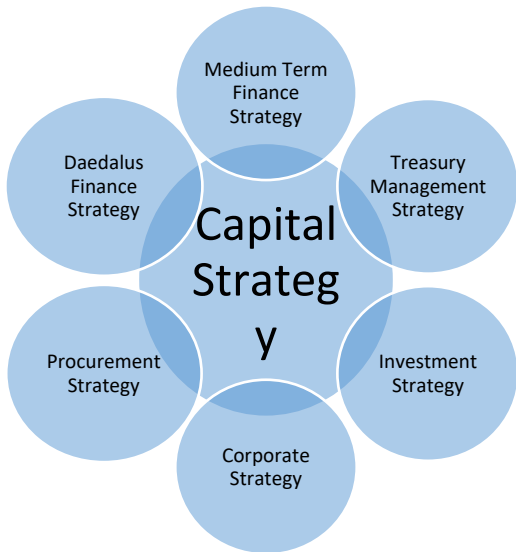
INTRODUCTION

WHAT IS THE CAPITAL STRATEGY?

- 1. The Capital Strategy has been developed to meet the requirements of the CIPFA Prudential Code.
- 2. It gives a high-level overview of how **capital expenditure, capital financing, asset management and treasury management** activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 3. Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future.
- 4. The Capital Strategy covers:

Capital Expenditure	<ul style="list-style-type: none">• Estimates of Capital Expenditure• Major Capital Schemes• Prioritisation
Capital Financing	<ul style="list-style-type: none">• External Sources• Own Resources• Debt and MRP
Asset Management	<ul style="list-style-type: none">• Asset Management• Asset Disposals
Treasury Management	<ul style="list-style-type: none">• Borrowing Strategy• Investment Strategy• Commercial Activities

- 5. The capital strategy complements other Council strategies, including those in the diagram below:



PRUDENTIAL INDICATORS

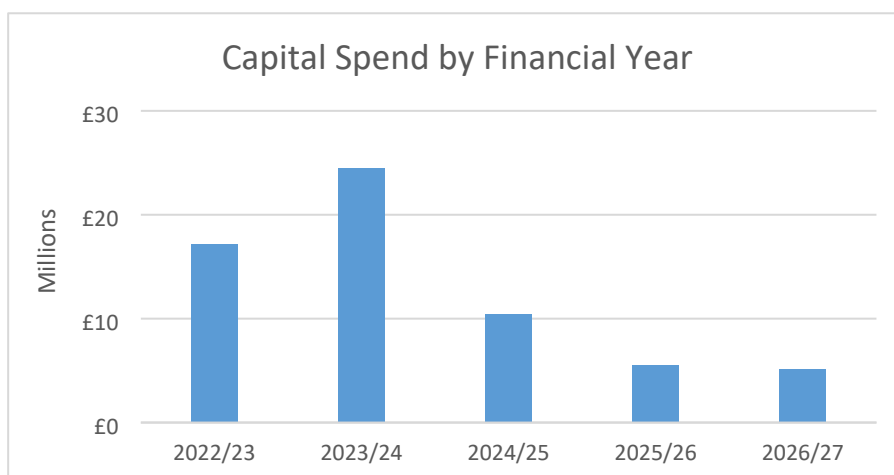
6. The objectives of the CIPFA Prudential Code aim to ensure that capital investment plans are **affordable, prudent and sustainable**, and that treasury decisions are taken in accordance with good professional practice.
7. To achieve these objectives, five prudential indicators are included in the capital strategy:
 - Prudential Indicator 1 - Estimates of capital expenditure and financing
 - Prudential Indicator 2 - The Council's borrowing need
 - Prudential Indicator 3 - Gross debt and the capital financing requirement
 - Prudential Indicator 4 - Limits to borrowing activity
 - Prudential Indicator 5 - Net income from commercial investments to net revenue stream
 - Prudential Indicator 6 - Proportion of financing costs to net revenue stream

CAPITAL EXPENDITURE

8. Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this also includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

ESTIMATES OF CAPITAL EXPENDITURE

9. The Council agrees a rolling five-year capital programme each year consistent with the Medium-Term Finance Strategy and the resources available, along with any impact on the revenue budgets.
10. The capital programme for the period 2022/23 to 2026/27 has been updated to take account of re-phased schemes and newly approved schemes such as town centre property acquisitions for housing and the review of community buildings.
11. Total capital expenditure is one of the risk indicators required by the Prudential Code. The Council is planning capital expenditure of £62.9 million in the 5-year capital programme as summarised below (detailed schemes are in **Annex 1**):



Prudential Indicator 1 - Estimates of Capital Expenditure

Capital Expenditure	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	Total £'000
Health and Public Protection	9	0	0	0	0	9
Streetscene	37	50	50	50	189	376
Leisure and Community	5,473	9,953	1,817	329	200	17,772
Housing	1,889	500	500	500	573	3,962
Planning and Development	118	133	195	0	0	446
Policy and Resources	2,407	8,192	3,505	700	400	15,204
Total General Fund	9,933	18,828	6,067	1,579	1,362	37,769
HRA	7,292	5,706	4,351	3,990	3,800	25,139
Total Expenditure	17,225	24,534	10,418	5,569	5,162	62,908

MAJOR CAPITAL SCHEMES

12. The major General Fund capital schemes include Fareham Live, schemes at Solent Airport at Daedalus and Osborn Road Multi-Storey Car Park.
13. The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and includes new housing developments with 16 new sheltered housing flats at Station Road and 11 houses for Shared Ownership properties at Stubbington Lane.
14. Major schemes over £1 million are summarised in the table below:

Major Schemes	£'000
Fareham Live	16,015
HRA Improvements to Existing Stock	15,515
HRA New Builds	6,961
Solent Airport at Daedalus	5,323
Civic Offices Improvements	3,681
Disabled Facilities Grants	3,650
Asset Replacement Programme (ICT, Vehicles etc.)	3,227
HRA Stock Acquisitions	2,283
Osborn Road Multi-Storey Car Park	1,912
166 Southampton Road Repairs	1,194

GOVERNANCE AND PRIORITIES

15. Capital programme expenditure is monitored through monthly officer monitoring reports and half-yearly and annual outturn reports to the Executive.
16. All new potential capital schemes will only be considered if they make a clear contribution to the Council's objectives and priority actions or support the Council's Asset Management Plan.
17. The following factors need to be considered before a decision is made to include a new scheme in the capital programme:
 - On-going operational costs associated with the scheme;
 - Whole life costing implications of the scheme;
 - Cost of servicing the debt if the scheme is financed by borrowing;
 - Loss of investment interest if internal resources are used.
18. Where new capital schemes are included in the capital programme there will be a need to ensure that the necessary resources are in place to meet the full capital costs and the on-going revenue costs.
19. Efforts will be made to secure external (non-borrowing) sources of funding capital schemes. Internal capital resources will only be released to fund schemes once external sources of funding (such as developers' contributions, lottery grants, etc.) have been explored and rejected.
20. Capital schemes will normally be financed by use of capital reserves or external contributions. Borrowing will only be considered where there is a sound economic business case (e.g. for spend to save schemes) whereby borrowing costs are wholly offset by long term net revenue income or savings.

21. Resources allocated to particular capital projects but subsequently not required are returned to meet future corporate priorities rather than be retained for use by that service.
22. To ensure the Council is able to meet the financial challenges ahead, priority is given to the following:
 - Corporate priorities;
 - Providing for future liabilities;
 - Maintaining and protecting public assets;
 - Investing in the future by ensuring assets are sustainable, encourage economic growth and regeneration, and meet the needs of the community.
23. This is achieved by:
 - Building up finances for the future, such as the allocation of windfall income to the Capital Fund Account;
 - Maximising external funding opportunities to reduce the reliance on internal resources;
 - Effective project planning and management to ensure schemes are completed on time and within budget.

SOLENT AIRPORT AND DAEDALUS

24. Solent Airport and the Daedalus site is a strategic asset for the Council, and as such will require significant capital investment over time. It also has the potential to generate revenue for the Council, create job opportunities for the borough and the aspiration is for the airport operations (airside and non-airside combined) to be financially self-sustaining.
25. The significance of Daedalus is such that it warrants its own financial operating framework, and the Daedalus Finance Strategy was presented to the Executive in March 2022. The strategy establishes a financial framework for the operation and investment at Solent Airport and the wider Daedalus site, including the approach to capital receipts and its use as a corporate capital resource.
26. Members have financial updates comparing figures against the strategy position at regular meetings of the Daedalus Scrutiny Panel. The Scrutiny Panel will also consider all activities and developments at the site.

ENVIRONMENTAL SUSTAINABILITY

27. At the June 2021 Executive, members adopted the Council's Climate Change Action Plan detailing the actions the Council is taking to reach carbon neutrality, under the categories, Eliminate, Reduce and Offset.

28. The annual review of the action plan, presented to the July 2022 Climate Change Scrutiny Panel, highlights areas that will require future capital funding for projects such as:
- Energy efficiency improvements to Council properties and housing stock
 - Electric vehicle charging points at the Depot
 - Replacement vans and smaller vehicles that have exceeded their working lifespan with electric versions
 - Replacement of petrol-powered tools e.g., lawnmowers that have exceeded their natural lifespans with electric versions
 - A potential energy generation site on Council land
29. External sources of funding will be sought where possible to contribute towards priority environmentally sustainable projects and will be an area of spending pressure in the future.

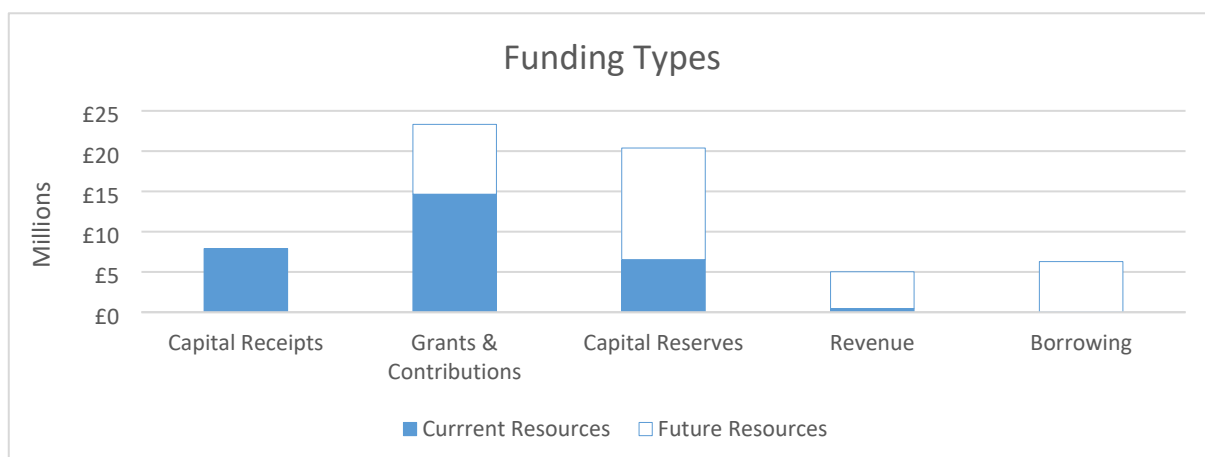
CAPITAL FINANCING

30. All capital expenditure must be financed, either from **external sources** (government grants and other contributions), the Council’s **own resources** (revenue, reserves and capital receipts) or **debt** (borrowing and leases).
31. The planned financing of the above expenditure is as follows:

Prudential Indicator 1 - Estimates of Financing

Capital Financing	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	Total £'000
Capital Receipts	1,349	5,674	200	400	273	7,896
Grants & Contributions	8,543	10,770	2,240	879	889	23,321
Capital Reserves	4,024	3,890	6,122	3,150	3,200	20,386
Revenue	1,177	1,103	1,070	870	800	5,020
Borrowing	2,132	3,097	786	270	0	6,285
Total Financing	17,225	24,534	10,418	5,569	5,162	62,908

32. Total resources of **£67.7 million** are estimated to be available over the life of the capital programme and therefore there should be a surplus of approximately £4.8 million in 2026/27.
33. The chart below shows the different funding types split between current and future resources. Grants and contributions are the largest funding source financing 37% of the programme.



34. The forecast surplus of resources is limited and relies partly on resources that have not yet been secured (such as future capital receipts and grants as well as continued revenue contributions towards capital investment), totalling £33 million.
35. In the event that these resources do not materialise, other funding options will need to be investigated including borrowing, reliance on external funding or the programme scaled back.
36. It must also be borne in mind that the implications of some of the Council's priority actions, such as town centre regeneration, and emerging capital spending pressures have not yet been quantified. Costs associated with approved schemes also remain provisional until tenders have been received.
37. For example, since the Airport Investment Plan was approved by the Executive last March, consultants have been appointed to progress the Aeronautical Ground Lighting (AGL) installation, with the planning application about to be submitted, and RCA Ltd have been appointed to deliver the Performance Based Navigation system (PBN).
38. However, with changes to the AGL scheme required by the Civil Aviation Authority, the approved capital budget is unlikely to be sufficient. In addition, safety improvements are required to the airport control tower and two replacement vehicles are required. As such, the Airport Investment Plan is under review and revised proposals will be brought forward to the Executive in April.
39. Spending pressures including repair and refurbishment, or replacement works to Council assets (for example, community and leisure facilities, public conveniences, car parks) have also yet to be added to the capital programme.
40. The following asset management reviews are currently taking place and will be presented to the Executive in the coming months:

- Five-year asset management plan for Streetscene public buildings and infrastructure
- Civic Offices asset management plan
- Vehicle replacement programme

DEBT AND MRP

41. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually by putting aside revenue resources to repay debt which is known as **Minimum Revenue Provision (MRP)**. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance.
42. Planned MRP and use of capital receipts are as follows:

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Minimum Revenue Provision	1,498	1,538	1,618	1,700	1,745
Future Capital Receipts	3,587	0	1,919	0	0

43. Borrowing costs (MRP and interest charges) for schemes funded by debt will be covered by revenue generating assets.
44. The MRP budget provision reflects the capital costs relating to commercial property purchases, and construction works at Solent Airport at Daedalus including the Innovation Centre extension and new hangars.

MRP Policy Statement

45. The Council is required to set an annual policy on the way it calculates the prudent provision for the repayment of General Fund borrowing. The main policy adopted is that MRP will be determined by charging the expenditure over the **expected useful life** of the relevant assets on an **annuity basis** starting in the year after the asset becomes operational. This calculation will be reviewed on a case-by-case basis depending on the circumstances and with a view to minimising the impact on the council tax payer.
46. Where expenditure is on an asset which will be held on a short-term basis (up to 5 years), no MRP will be charged. However, the capital receipt generated by the sale of the asset will be used to repay the debt instead.
47. No MRP will be charged in respect of assets held within the HRA, in accordance with MHCLG Guidance. Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25.

48. The Council's full MRP statement is available in the Council's Treasury Management Strategy.

Capital Financing Requirement

49. The Council's cumulative outstanding amount of debt finance is referred to as the **Capital Financing Requirement (CFR)** and is another prudential indicator. The CFR increases with new debt-financed capital expenditure and reduces when MRP and capital receipts are used to replace debt.
50. The CFR indicator is a measure of the Council's underlying need to borrow for a capital purpose taken from the balance sheet. This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits.
51. The CFR is expected to increase by £1.7 million during 2023/24 mainly due to debt funded capital expenditure at Osborn Road Multi-Storey Car Park and housing developments at Station Road, Stubbington Lane and Coldeast Scout Hut, offset partly by MRP. The Council's estimated CFR is as follows:

Prudential Indicator 2 - The Council's borrowing need

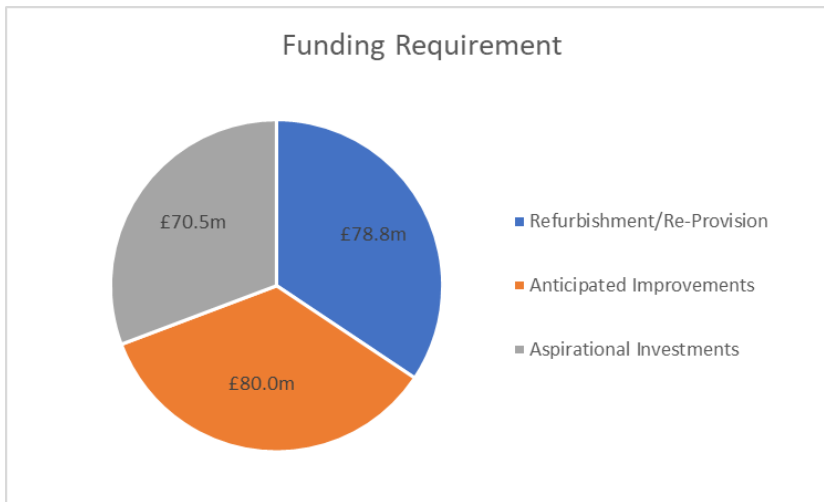
£'000	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
General Fund	55,513	56,192	54,716	53,016	51,271
HRA	52,733	53,713	54,357	54,627	54,627
Total CFR	108,246	109,905	109,073	107,643	105,898

ASSET MANAGEMENT

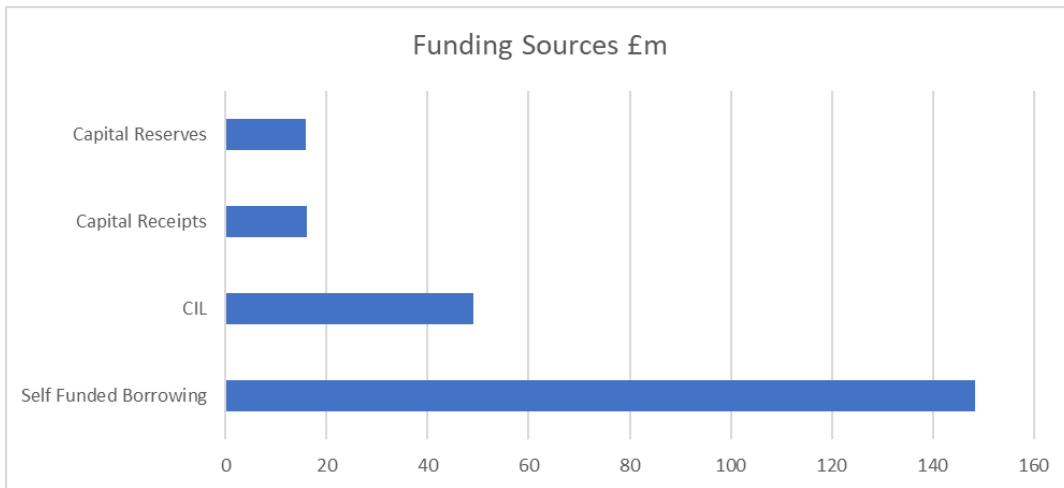
52. One of the Council's corporate priorities is 'a dynamic, prudent and progressive Council' and aims to 'undertake a major review of all Council owned land and buildings to ensure that we are making the best use of our assets'.

FUTURE FUNDING REQUIREMENTS

53. To ensure that capital assets continue to be of long-term use, the Council has undertaken a high-level review of the future funding requirements for its land and buildings, excluding Council dwellings. This review covers a 30-year time frame and has identified a capital funding requirement of **£229 million** for refurbishing/re-provisioning existing assets, improving existing assets and aspirational investments as shown in the chart below:



54. The main funding source is self-funded borrowing supported by capital receipts, capital reserves and the community infrastructure levy, as illustrated in the following graph:



55. The Council will put in place a Council-wide plan which will set out the overall direction and framework for the management of its assets to help deliver the Council's priority actions and service delivery needs, now and in the future.

ASSET DISPOSALS

56. When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt.

57. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive capital receipts as follows:

	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Right to Buy Houses	1,000	1,000	1,000	1,000	1,000
Other Housing Receipts	515	16	16	16	16
General Fund Property	10,365	0	0	0	1,919
Total	11,880	1,016	1,016	1,016	2,935

General Fund Property of £9.5m relates to property and land at Daedalus (2022/23) and Welborne Cottages (2026/27).

TREASURY MANAGEMENT

58. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.
59. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
60. At 31 March 2022, the Council had £53.2 million borrowing and £22.2 million treasury investments.
61. The Treasury Management Strategy and Investment Strategy for 2023/24 will be presented separately at the February meeting of the Executive.

BORROWING STRATEGY

62. The Council's main objective when borrowing is to achieve a low but sufficiently certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans and long-term fixed rate loans where the future cost is known but higher.
63. Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement.

Prudential Indicator 3 - Gross debt and the capital financing requirement

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Debt at 1 April	53,200	50,200	52,200	51,200	50,200
Capital Financing Requirement (CFR)	108,246	109,905	109,073	107,643	105,898

64. Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

AFFORDABLE BORROWING LIMIT

65. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and a lower “operational boundary” set as a warning level should debt approach the limit.
66. The operational boundary is based on the Council's estimate of the most likely (i.e. prudent but not worst case) scenario for external debt. This is the limit beyond which external borrowing is not normally expected to exceed.
67. The authorised limit represents the maximum amount of debt that the Council can legally owe. The limit provides headroom over and above the operational boundary for unusual cash movements.

Prudential Indicator 4 - Limits to Borrowing Activity

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Operational Boundary	135,000	159,000	170,000	175,000	175,000
Authorised Limit	143,000	167,000	178,000	183,000	183,000

68. Further details on borrowing are in the Council's Treasury Management Strategy.

TREASURY INVESTMENT STRATEGY

69. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),

- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

70. The Council does not currently have service investments.

Treasury Investment Policy

71. The Council's policy on treasury investments is to prioritise security and liquidity over yield, which is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss.

72. Money that will be held for longer terms is invested more widely, currently in property but could also include bonds and shares, to balance the risk of loss against the risk of receiving returns below inflation.

73. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy, and the Council may request its money back at short notice.

74. Further details on treasury investments are set out in the Council's Treasury Management Strategy.

Treasury Investment Risk Management

75. The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses.

Treasury Investment Governance

76. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Deputy Chief Executive Officer and staff, who must act in line with the treasury management strategy approved by Full Council.

77. Reports on treasury management activity are presented to the Executive. The Audit and Governance Committee is responsible for scrutinising treasury management decisions and therefore is presented with the annual Treasury Management Policy for comment, and reports on adherence to this Policy.

COMMERCIAL ACTIVITIES

Commercial Investments Policy

78. With central government financial support for local public services declining, the Council invests in commercial property to secure a financial gain. Total commercial investments that have been purchased in accordance with the Council's Commercial Property Investment Acquisition Strategy are summarised below and are currently valued at **£35.7 million** and expected to generate rental income of £2.3 million during 2023/24.

Property Type	Current Value £'000
Retail	21,745
Commercial (Industrial)	11,730
Other (Healthcare)	2,210
Total	35,685

79. The Council's total investment portfolio, shown below, is valued at **£68.3 million** and includes Fareham Shopping Centre, Faretec and industrial sites at Palmerston Business Park and Newgate Lane.

Property Type	Current Value £'000
Retail	34,045
Commercial	23,682
Other	4,388
Office	4,740
Leisure	1,481
Total	68,336

Commercial Investments Risk Management

80. With financial return being a key objective, the Council accepts higher risk on commercial investment than with treasury investments. Investing in property is not risk-free, so it is important that any acquisitions reflect the Council's risk appetite in terms of maintaining the capital value of the asset in the long term, and extent to which rental income is guaranteed.
81. The principal risk exposures include vacancies and the resultant loss of income, added costs of holding a vacant property and cost of marketing and re-letting the property.

82. These risks are managed by ensuring:
- funds available for new purchases are disaggregated to limit the overall impact that any single investment would have on the Council's finances;
 - there is a mix of property types in the portfolio e.g. retail, industrial, etc.;
 - new purchases are only considered with existing tenants of "high quality" and sufficiently long lease terms;
 - appropriate checks are carried out to ascertain the tenant's reliability before the investment is made and periodically afterwards;
 - other "due diligence" is undertaken to protect the Council's investment as far as possible such as checks on planning conditions, land contamination issues and planning policy issues.
83. The majority of investments will be held for a medium to long term in order to achieve the required return and to justify the cost of the acquisition. However, as part of the investment decision, consideration is also given to the potential ways in which the Council could "exit" from the investment, such as sale to another investor, sale for redevelopment, etc. An investment only proceeds where there is a clear exit strategy, should it be required.

Commercial Investments Governance

84. The Executive approved a Commercial Property Investment Acquisition Strategy on 7th January 2013.
85. The steps taken before a decision to purchase a property are clearly documented and tested via a challenge process involving the Head of Property Services, Deputy Chief Executive Officer and the Executive portfolio holder for Policy Strategy and Finance.
86. Decisions on commercial investments are made by the Executive in line with the criteria outlined in the Commercial Property Investment Acquisition Strategy.
87. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

Prudential Indicator 5 – Net income from commercial investments to net revenue stream

	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Total net income from commercial investments £'000	1,940	2,328	2,731	2,731	2,731
General Fund Proportion of net revenue stream	18%	19%	22%	22%	22%

LIABILITIES

88. In addition to debt detailed above, the Council is committed to making future payments to cover its **pension fund deficit** (valued at £54.4 million as at 31 March 2022). It has also set aside provisions of £3.4 million mainly to cover **business rate appeals**.
89. Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Deputy Chief Executive Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported as necessary.
90. Further details on liabilities are given in the 2021/22 Statement of Accounts.

REVENUE BUDGET IMPLICATIONS

91. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable.
92. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates, general government grants and housing rents.

Prudential Indicator 6 - Proportion of financing costs to net revenue stream

	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund Financing costs £'000	556	825	999	1,081	1,126
General Fund Proportion of net revenue stream	5%	7%	8%	9%	9%
HRA Financing costs £'000	1,696	1,763	1,801	1,825	1,836
HRA Proportion of net revenue stream	13%	12%	13%	13%	13%

93. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 30 years into the future. The Deputy Chief Executive Officer is

satisfied that the proposed capital programme is prudent, affordable and sustainable.

KNOWLEDGE AND SKILLS

94. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council also supports junior staff to study towards relevant professional qualifications including CIPFA.
95. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs **Arlingclose Limited** as treasury management advisers and a number of property consultants. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

CAPITAL PROGRAMME 2022/23 to 2026/27

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£	£	£	£	£	£
HEALTH AND PUBLIC PROTECTION						
CCTV Cameras	9,400					9,400
HEALTH AND PUBLIC PROTECTION TOTAL	9,400	0	0	0	0	9,400
STREETSCENE						
Bus Shelters	20,000				89,000	109,000
Play Area Safety Equipment and Surface Replacement	17,100	50,000	50,000	50,000	100,000	267,100
STREETSCENE TOTAL	37,100	50,000	50,000	50,000	189,000	376,100
LEISURE AND COMMUNITY						
Buildings						
Fareham Live	5,310,200	8,922,600	1,552,800	229,400		16,015,000
Leisure Centres Capital Investment		305,000	141,700			446,700
Community Buildings Review	80,000	319,600	22,400			422,000
Whiteley Community Centre Refurbishment		40,000				40,000
	5,390,200	9,587,200	1,716,900	229,400	0	16,923,700
Play Schemes						
Play Area Improvement Programme	82,300	100,000	100,000	100,000	200,000	582,300
Skate Park Upgrade - Wicor Recreation Ground		100,000				100,000
Skate Park Upgrade - Stubbington Recreation Ground		100,000				100,000
Fareham College Play Area		50,000				50,000
	82,300	350,000	100,000	100,000	200,000	832,300
Other Community Schemes						
Allotment Improvements		16,300				16,300
	0	16,300	0	0	0	16,300
LEISURE AND COMMUNITY TOTAL	5,472,500	9,953,500	1,816,900	329,400	200,000	17,772,300
HOUSING						
Home Improvements						
Disabled Facilities Grants	1,650,000	500,000	500,000	500,000	500,000	3,650,000
Empty Homes Strategy					72,600	72,600
	1,650,000	500,000	500,000	500,000	572,600	3,722,600
Enabling						
92 Gordon Road Improvements	163,400					163,400
Sea Lane, Stubbington - Self Builds	75,900					75,900
	239,300	0	0	0	0	239,300
HOUSING TOTAL	1,889,300	500,000	500,000	500,000	572,600	3,961,900

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£	£	£	£	£	£
PLANNING AND DEVELOPMENT						
Car Parks						
Car Parks - Surfacing	20,000	132,500	195,000			347,500
	20,000	132,500	195,000	0	0	347,500
Coastal Protection						
Salterns Recreation Ground Seawall Repairs	98,000					98,000
	98,000	0	0	0	0	98,000
PLANNING AND DEVELOPMENT TOTAL	118,000	132,500	195,000	0	0	445,500
POLICY AND RESOURCES						
Replacement Programmes						
Vehicles and Plant Replacement Programme	494,700	400,000	400,000	400,000	400,000	2,094,700
ICT Development Programme	399,700	171,000	105,000	100,000	0	775,700
	894,400	571,000	505,000	500,000	400,000	2,870,400
Operational Buildings						
Civic Offices Improvement Programme	200,000	480,500	3,000,000			3,680,500
Depot Asset Management Works	224,500					224,500
	424,500	480,500	3,000,000	0	0	3,905,000
Property Developments						
Osborn Road Multi-Storey Car Park	100,000	1,812,100				1,912,100
166 Southampton Road Repairs	100,000	1,093,500				1,193,500
	200,000	2,905,600	0	0	0	3,105,600
Solent Airport at Daedalus						
Daedalus Site Wide	279,900					279,900
Daedalus Faraday Business Park	352,700					352,700
Managed Hangarage	105,000					105,000
Taxiway Maintenance		2,700,000				2,700,000
Aircraft Parking		200,000		200,000		400,000
Aeronautical Ground Lighting and Precision Based Navigation System	150,000	1,150,000				1,300,000
Self-Fuelling Facility		25,000				25,000
Grounds Maintenance Facility		160,000				160,000
	887,600	4,235,000	0	200,000	0	5,322,600
POLICY AND RESOURCES TOTAL	2,406,500	8,192,100	3,505,000	700,000	400,000	15,203,600
GENERAL FUND TOTAL	9,932,800	18,828,100	6,066,900	1,579,400	1,361,600	37,768,800

HOUSING REVENUE ACCOUNT						
Improvements to Existing Stock	3,015,000	3,050,000	3,100,000	3,150,000	3,200,000	15,515,000
Vehicles	40,000	100,000	70,000	70,000	100,000	380,000
Acquisitions	283,000	500,000	500,000	500,000	500,000	2,283,000
New Builds	3,953,500	2,056,000	681,000	270,000	0	6,960,500
HOUSING REVENUE ACCOUNT TOTAL	7,291,500	5,706,000	4,351,000	3,990,000	3,800,000	25,138,500
TOTAL CAPITAL PROGRAMME	17,224,300	24,534,100	10,417,900	5,569,400	5,161,600	62,907,300