

9 Capital Plan Summary Position

- 9.1 The Capital Plan budgets to spend a total of £303m on capital projects over the 4 year programme, with £39m currently scheduled to be spent in 2022/23, including £15m on various Regeneration projects and £7m on various Education projects. The Capital Plan is funded from capital receipts, capital grants and contributions, reserves and revenue budget contributions, and long-term borrowing to ensure a balanced budget over the life of the Plan.
- 9.2 The spend and funding profile for the Capital Plan is included in Appendix 1.
- 9.3 Of the £7.7m capital receipts budgeted for in the Capital Plan, £1.2m has been received so far in 2022/23 and prior financial years. This leaves a balance of £6.5m still to be realised from both capital receipts and capital contributions. It is only after this £6.5m has been achieved that any capital receipts can be applied to new schemes. This prioritisation ensures the Capital Plan remains fully funded.
- 9.4 The movements in the estimate of expenditure in 2022/23 on the Capital Plan between the last monitoring report at September 2022 of £52.1m and the current approved budget for 2022/23 of £39.2m are shown below.
- 9.5 Please note the format of this table shows schemes ordered by Council's Targeted Actions, as is Appendix 2.

10 Updates to Capital Plan

Scheme	Variation in 2022/23	Change £m	Reason
Estimate as at Q1 2022/23		52.1	Capital Plan Update – 2022/23 Quarter 1 (Cabinet 27th Sep 2022)
Budget changes as reported in last report (Q1 2022/23)			
Car Park Investment	New scheme	0.5	Agreed as part of Capital Plan 2022-23 budget setting process.
Climate Change Initiatives	New scheme	0.3	Agreed as part of Capital Plan 2022-23 budget setting process.
Capital Contingency	New scheme	1.0	Agreed as part of Capital Plan 2022-23 budget setting process.
Flood Alleviation Schemes - Torquay, Paignton and Brixham	New schemes	0.2	New grant funding from Environment Agency towards cost of studies (£50k Torquay, £60k Paignton, £45k Brixham)
Haldon and Princess Piers	New scheme	0.1	New grant funding of £95k from Environment Agency towards cost of study.
Paignton Picture House	New scheme	2.3	New grant funding of £2,322,670 has been awarded by Department

			for Digital, Culture, Media and Sport (DCMS) towards the restoration and development of Paignton Picture House.
Changing Places Toilets	New scheme	0.2	New grant funding of £180,000 has been awarded by Department of Levelling Up, Housing and Communities (Changing Places Fund) for the implementation of Changing Places Toilet facilities.
Torre Abbey Gatehouse/SW Wing	New scheme	0.1	New grant funding of £468,993 has been awarded from Museum Estate Development Fund (MEND) to help fund the restoration works of the Gatehouse and South West Wing of Torre Abbey. The project has a total budget of £964,157, with matchfunding of £471,715 from Torbay Council (part of previously agreed borrowing of £1.7m) and £23,449 contribution from Friends of Torre Abbey. £160k profiled in 22/23.
Torre Abbey SE Wing/Courtyard/Tower	New scheme	0.1	New grant funding of £363,748 has been awarded from National Heritage Memorial Fund (NHMF) to help fund the restoration works of the South East range of Torre Abbey. The project has a total budget of £404,165, with match funding of £20,209 from Torbay Council (part of previously agreed borrowing of £1.7m) and £20,208 contribution from Friends of Torre Abbey. £67k profiled in 22/23
TCCT Seashore Centre (Drake House)	New scheme	0.1	£110,000 borrowing in respect of lease surrender, Seashore Centre (Drake House), Goodrington (Emergency Cabinet 30/8/22)
12-14 The Strand (former Debenhams site)	New scheme	9.6	£9,600,000 has been allocated from the Economic Growth Fund for the regeneration of the site (Cabinet 24/05/22).
Town Centre Regen / Econ Growth Fund	Budget allocation	(0.1)	Allocation to TCCT Seashore Centre (Drake House) Scheme.

		(9.6)	Allocation to 12-14 The Strand (former Debenhams Site) scheme.
Disabled Facilities Grant	New year allocation	2.1	2022/23 Government Grant Allocation.
	Budget allocation	(1.1)	Allocation to Adult Social Care.
Adult Personal Social Services	Budget allocation	1.1	Allocation from Disabled Facilities Grant funding.
School Condition (Capital repairs & maintenance) 22/23	New year allocation	0.4	2022/23 Government grant allocation
Devolved Formula Capital 22/23	New year allocation	0.1	2022/23 Government grant allocation
DfE Basic Need Grant 22/23	Revised allocation	0.1	2022/23 revised government grant allocation - increased from £1,829,365 to £1,952,924.
High Needs Capital Provision 22/23	New year allocation	1.3	2022/23 Government. grant allocation
Transport – Highway Structural Maintenance	Additional resources	0.8	2022/23 Local Highways Maintenance Fund
		0.2	2021/22 Incentive element allocation
		0.8	Additional Pothole /Challenge Fund
Transport – Integrated Transport	Additional resources	1.1	2022/23 grant allocation
Minor year end adjustments not reported at Q1 22/23		0.2	
	Total	64.0	
Budget Changes since last report (Q1 2022/23)			
Thriving People and Communities			
Brixham Town Centre Car Park - Housing scheme	Project removed from Capital Plan	(0.7)	£675k project removed from Plan as cannot proceed with project as per the grant offer. Grant to be returned as cannot be transferred to another project.
St Cuthbert Mayne Expansion	Additional resources	1.6	Additional resources required for project - funding from Basic Need Grant.
St Cuthbert Mayne Phase 2	New Scheme	1.0	Phase 2 of Cuthbert Mayne expansion - funding from Basic Need Grant.

	Rephased budget	(0.7)	£750,000 reprofiled to future years.
New Primary School Paignton sites (St Michaels & Windmill)	Resources transfer	(0.6)	Due to cessation of project, no further funding required. Resources transferred to Education Review Projects for reallocation.
Education Review Projects	Budget allocation	(1.6)	Allocation to St Cuthbert Mayne Expansion.
	Budget allocation	(1.0)	Allocation to St Cuthbert Mayne Phase 2.
	Budget allocation	0.6	Resources transferred from New Primary School Paignton project due to cessation of scheme. Funding to be reallocated.
	Rephased budget	(1.0)	£1,000,000 reprofiled to 23/24.
Affordable housing	Additional resources	0.2	In line with previous Council decision, the proceeds derived from Right to Buy Clawback receipts arising from sales of transferred ex Council housing properties has been used to support the provision of further affordable housing. The budget has been increased by £211,925.
	Rephased budget	(0.9)	£867,227 reprofiled to future years.
Temporary Accommodation	New scheme	10.0	New project for the purchase and renovation of properties for temporary accommodation - funded by borrowing (Council 17/05/22)
	Rephased budget	(5.0)	£5,000,000 reprofiled to 23/24.
Crossways (Extra Care Housing)	Rephased budget	(7.2)	£7,232,762 reprofiled to future years.
Polsham Centre Development	Rephased budget	(0.1)	£100,000 reprofiled to 23/24.
High Needs Capital Provision	Rephased budget	(1.0)	£1,000,000 reprofiled to 23/24.
Capital R&M 2020/21 & 2021/22	Rephased budget	(0.1)	£100,000 reprofiled to 23/24.
Capital R&M 2022/23	Rephased budget	(0.2)	£200,000 reprofiled to 23/24.
Disabled Facilities Grants	Rephased budget	(1.3)	£1,294,845 reprofiled to 23/24.

Adult Social Care	Rephased budget	(1.6)	£1,648,065 reprofiled to 23/24.
	Total	(9.6)	
Thriving Economy			
Torquay Town Dock - Infrastructure Improvements	Rephased budget	(0.2)	£211,906 reprofiled to 23/24
Torquay Town Deal - Harbour Public Realm	Rephased budget	(1.8)	£1,813,531 reprofiled to 23/24
Harbour View Hotel	Additional resources	6.6	Allocation of contingency to fund increased costs - Council 13/10/22
	Rephased budget	(8.6)	£8,600,000 reprofiled to 23/24
Old Toll House	Rephased budget	(0.2)	£250,169 reprofiled to 23/24.
Town Centre Regen / Econ Growth Fund	Rephased budget	9.6	Transfer budget to 22/23 (from future years) to cover allocation to 11-12 The Strand
		0.1	Transfer budget to 22/23 to cover allocation to The Seashore Centre (Drake House)
Lymington Road Business Park	Additional resources	1.8	Allocation of contingency to fund increased costs - ROD 31/8/22
	Rephased budget	(2.4)	£2,396,743 reprofiled to future years.
Edginswell Business Park (Unit 1)	Rephased budget	(3.1)	£3,105,618 reprofiled to 23/24
Edginswell Business Park (Unit 3)	Project ceased	(6.5)	Tenant no longer going ahead with project. Funding transferred back to Economic Growth Fund until new tenant found and new approval given.
Edginswell Enabling Works	Additional Resources	2.0	Allocation of contingency to fund increased costs - Council 13/10/22
	Rephased budget	(2.0)	£2,000,000 reprofiled to 23/24
Torquay Town Deal – Pavilion	Rephased budget	(1.3)	£1,300,000 reprofiled to 23/24.
Torquay Town Deal – Core Area Public Realm	Rephased budget	(0.6)	£597,600 reprofiled to 23/24.

Paignton Future High Street Fund - Torbay Road	Rephased budget	0.3	£275,236 reprofiled to 22/23 as per projected scheme spend.
Paignton Future High Street Fund - Station Square	Rephased budget	(1.1)	£1,112,590 reprofiled to future years as per projected scheme spend.
Paignton Future High Street Fund – Victoria Centre Phase 1	Rephased budget	(0.7)	£651,644 reprofiled to 23/24.
Paignton Future High Street Fund - Picture House	Rephased budget	(0.4)	£367,213 reprofiled to future years as per projected scheme spend.
Paignton Future High Street Fund - Flood Defence	Rephased budget	0.1	£89,000 reprofiled to 22/23 as per projected scheme spend.
Paignton Picture House	Rephased budget	(2.2)	£2,172,670 reprofiled to future years as per projected scheme spend.
12-14 The Strand (former Debenhams)	Rephased budget	(9.0)	£9m reprofiled to future years.
Flood Alleviation - Monksbridge	Rephased budget	(0.2)	£180,661 reprofiled to 23/24 as per projected scheme spend.
Paignton Coastal Defence Scheme	Rephased budget	(1.5)	£1,450,354 reprofiled to future years as per projected scheme spend.
Princess Pier - Structural repair	Rephased budget	(0.8)	£832,000 reprofiled to future years as per projected scheme spend.
Transport Highways Structural Maintenance	Budget allocation	(0.1)	Allocation of £60,000 to Bridges & Retaining Walls in 22/23. Further £70,000 in 23/24 and £70,000 in 24/25.
	Rephased budget	(0.8)	£757,061 reprofiled to 23/24.
Bridges & Retaining Walls	Budget allocation	0.1	Allocation of £60,000 from Transport Highways Structural Maintenance in 22/23. Further £70,000 in 23/24 and £70,000 in 24/25.

SWISCO Loan - Vehicle & Equipment Replacement	New scheme	0.9	Loan provided to SWISCO for the replacement of vehicles and equipment. Funded from borrowing (Council 13/10/22). Total budget of £2,800,000 with £924,000 profiled for 22/23.
SWISCO Loan - Buildings	New scheme	0.6	Loan provided to SWISCO for investment in the structure of its buildings. Funded from borrowing (Council 13/10/22). Total budget of £1,200,000 with £600,000 profiled for 22/23.
	Total	(21.4)	
Tackling Climate Change			
Green Waste Bins	New scheme	0.3	Supply of bins for new kerbside green waste collection service. Funded from borrowing (Council 21/07/22). Total budget of £929,038 with £310,000 profiled for 22/23.
	Total	0.3	
Council Fit for the Future			
Contingency (existing)	Rephased budget	(0.6)	£631,064 reprofiled to 23/24.
Contingency (new 22/23)	Additional resources	8.0	Increased contingency due to increased cost of schemes.
	Budget allocation	(1.8)	Allocation of contingency to Lymington Road Business Park to fund increased costs - ROD 31/8/22
	Budget allocation	(6.6)	Allocation of contingency to Harbour View Hotel to fund increased costs - Council 13/10/22
	Budget allocation	(2.0)	Allocation of contingency to Edginswell Enabling Works to fund increased costs - Council 13/10/22
	Rephased budget	3.0	Reprofiling of contingency budget to allow for allocation to various projects.
	Rephased budget	(1.6)	£1,600,000 reprofiled to 22/23.
	Total	(1.6)	

Council Approvals which are awaiting proposals			
Economic Growth Fund	Budget transfer	6.5	Funding re Edginswell Business Park (Unit 3) transferred back to Economic Growth Fund until new tenant found and new approval given.
Housing Rental Company - Loan	Budget adjustment	0.2	Adjustment to bring total budget back to agreed level.
	Rephased budget	0.8	£814,747 reprofiled to 22/23 as per projected scheme spend.
	Total	7.5	
Estimate – Quarter 2 2022/23		39.2	

10.1 Further information on variations to scheme budgets is detailed below

Thriving Economy

10.2 Torre Abbey: Gatehouse, SW Wing - future years budgets have been reprofiled, moving £96,415 into 24/25.

10.3 Torre Abbey: SE Wing, Courtyard & Tower - future years budgets have been reprofiled, moving £40,415 into 24/25.

Thriving People

10.4 Preston Down Road: This Council approved scheme is now likely to be delivered by a partner organisation and not by direct delivery by the Council or by TorVista therefore this scheme is likely to be removed from the capital plan.

Council Borrowing Approvals Awaiting Proposals

10.5 Torre Abbey Renovation : Phase 3 (TC contribution) - the budget is in future years. This has been reprofiled, moving £500k into 24/25 and £500k into 25/26.

11 Receipts & Funding

11.1 The funding identified for the latest Capital Plan budget is shown in Appendix 1. This is based on the latest prediction of capital resources available to fund the budgeted expenditure over the next 4 years. A summary of the funding of the Capital Plan is shown in the Table below:

Funding	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Totals @ Q2 22/23 (£m)

Unsupported Borrowing	19	153	36	1	209
Grants	19	60	6	0	85
Contributions	1	0	0	0	1
Revenue	0	0	0	0	0
Reserves	0	0	0	0	0
Capital Receipts	0	2	6	0	8
Total	39	215	48	1	303

12 Capital Receipts

- 12.1 The approved Plan relies on the generation of a total of £7.7m capital receipts from asset sales by the end of 2025/26. At 1 April 2022 the Council held a balance of £1.2m with nothing significant added by the end of July 2022, leaving a target of £6.5m still to be achieved.

13 Capital Grants

- 13.1 Since the last Capital Plan update (Quarter 1 2022/22) reported to Cabinet in September 2022, the Council has been notified of the following capital grant allocation:
- 13.2 MLUHC – Brownfield Land Release Funding of £337,748. Torbay Council, through One Public Estate Partnership, has made a successful bid for capital funding for affordable housing at St Kilda's, Brixham. Budget has been profiled for spend in 23/24.

14 Capital Contributions – S106 & Community Infrastructure Levy

- 14.1 The Council's Capital Strategy states that capital contributions are applied to support schemes already approved as part of Capital Plan and are not allocated to new schemes unless the agreement with the developer is specific to a particular scheme outside the Capital plan. No Section 106 capital contributions have been received in 2022/23 to date. The Council's Community Infrastructure Levy (CIL) scheme came into effect from 1 June 2017. The main capital project identified for funding from CIL receipts is the South Devon Highway.

15 Borrowing and Prudential Indicators

- 15.1 The Council has continued its policy of using internal cash resources to temporarily fund capital spending and as such, no new borrowing was undertaken during the quarter. As at 30th September 2022 the Council's total borrowing was £386m. The Operational Boundary has not been breached being set at £530m in the approved Treasury Management Strategy. This limit is based on the expected maximum borrowing the Council would undertake in order to meet its Capital Financing Requirement.
- 15.2 The Treasury Management Strategy for 2022/23 was presented to Council on 3rd February 2022 and contains more information on the Council's current and future borrowing requirements

16 Appendices:

16.1 Appendix 1 - Capital Plan summary – Quarter 2 2022/23