

APPENDIX A

Calculation of the Council Tax 2025/26

<u>Portsmouth City Council</u>	2025/26 £	2024/25 £
Gross Expenditure	616,413,305	543,649,931
LESS: Gross Income	(447,032,559)	(395,459,849)
Net Expenditure	169,380,746	148,190,082
LESS: Government Grants	(61,523,175)	(47,265,076)
Council Tax Requirement - Portsmouth City Council Purposes	107,857,571	100,925,006
Council Tax Base	59,340.0	58,299.4
Council Tax - Portsmouth City Council Purposes at Band D <u>107,857,571</u> 59,340.0 =	£1,817.62	£1,731.15

<u>Hampshire Police & Crime Commissioner Precept</u>	16,345,796	15,242,961
Council Tax - Hampshire Police & Crime Commissioner Purposes at Band D	£275.46	£261.46

<u>Hampshire & IOW Fire and Rescue Authority Precept</u>	5,212,426	4,829,522
Council Tax - Hampshire & IOW Fire and Rescue Authority Purposes at Band D	£87.84	£82.84

The Council Tax to be levied for all bands in 2025/26 will be as follows :

		Portsmouth City Council £	Police & Crime Commissioner For Hampshire £	Hampshire & IOW Fire & Rescue Authority £	TOTAL 2025/26 £	TOTAL 2024/25 £
Estimated Valuation as 1 April 1991						
Up to £40,000	A	1,211.75	183.64	58.56	1,453.95	1,383.64
£40,001 - £52,000	B	1,413.70	214.25	68.32	1,696.27	1,614.24
£52,001 - £68,000	C	1,615.66	244.85	78.08	1,938.59	1,844.85
£68,001 - £88,000	D	1,817.62	275.46	87.84	2,180.92	2,075.45
£88,001 - £120,000	E	2,221.54	336.67	107.36	2,665.57	2,536.66
£120,001 - £160,000	F	2,625.45	397.89	126.88	3,150.22	2,997.87
£160,001 - £320,000	G	3,029.37	459.10	146.40	3,634.87	3,459.09
£320,001 and over	H	3,635.24	550.92	175.68	4,361.84	4,150.90

GENERAL FUND SUMMARY - 2024/25 to 2028/29

(APPENDIX A)

Original Budget 2024/25 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2025/26 £	Original Budget 2025/26 £	Forecast 2026/27 £	Forecast 2027/28 £	Forecast 2028/29 £
33,193,400	Central Services	33,675,800	39,155,100	40,512,400	41,537,500	42,294,400
70,886,500	Children, Families & Education	72,032,600	77,802,100	84,931,200	88,523,900	92,054,400
24,800	Climate Change and Greening the City	54,000	114,900	114,400	114,500	114,600
64,910,100	Community, Wellbeing, Health & Care	65,083,700	74,323,900	82,527,700	87,077,900	91,688,400
7,291,600	Community Safety, Leisure & Sport	7,145,500	11,491,300	11,917,400	12,114,100	12,269,800
13,105,600	Culture, Regeneration & Economic Development	12,832,800	12,157,700	12,042,800	12,112,700	12,251,600
17,353,700	Environmental Services	17,394,900	18,380,500	18,820,600	19,163,700	19,748,100
6,680,000	Housing & Tackling Homelessness	6,920,000	6,796,100	10,963,900	9,584,100	8,250,000
(31,938,100)	Leader	(27,646,800)	(14,629,400)	(13,784,500)	(14,645,400)	(15,399,300)
1,451,200	Planning Policy & City Development	1,435,600	2,083,300	2,120,700	2,160,200	2,200,800
28,801,700	Transport	25,624,800	28,408,700	27,273,000	27,146,600	27,049,000
(64,900)	Licensing Committee	(66,800)	(11,900)	(11,900)	(11,900)	(11,900)
211,695,600	Portfolio Expenditure	214,486,100	256,072,300	277,427,700	284,877,900	292,509,900
	<u>Other Expenditure</u>					
105,000	Precepts	105,000	137,000	150,000	150,000	150,000
1,443,500	Pension Costs	1,331,900	1,378,700	1,414,300	1,443,800	1,473,200
17,048,400	Contingency Provision	22,618,600	22,210,900	4,580,000	4,480,000	4,480,000
11,912,000	Transfer to / (from) Reserves	11,216,100	6,191,300	2,998,300	2,998,300	2,798,300
(26,424,400)	Treasury Management	(33,058,700)	(51,213,700)	(45,822,900)	(42,057,100)	(39,575,600)
5,918,000	Other Expenditure	5,496,600	5,750,000	7,450,000	7,450,000	8,350,000
10,002,500	Other Expenditure	7,709,500	(15,545,800)	(29,230,300)	(25,535,000)	(22,324,100)
221,698,100	TOTAL NET EXPENDITURE	222,195,600	240,526,500	248,197,400	259,342,900	270,185,800
	FINANCED BY:					
243,415	Contribution (to) from Balances and Reserves	(591,647)	(81,183)	2,856,808	6,232,123	9,005,813
14,470,071	Revenue Support Grant	14,470,071	14,797,083	15,193,645	15,521,827	15,849,338
70,907,151	Business Rates Retention	70,901,373	68,794,505	69,858,360	71,356,502	72,851,574
32,795,005	Other General Grants	34,133,345	46,726,092	47,048,878	47,341,791	47,655,605
103,282,458	Council Tax	103,282,458	110,290,003	113,239,709	118,890,657	124,823,470
221,698,100		222,195,600	240,526,500	248,197,400	259,342,900	270,185,800
	BALANCES & RESERVES					
21,410,624	Balance brought forward at 1 April	21,410,475	22,002,122	22,083,305	19,226,497	12,994,374
(243,415)	Deduct (Deficit) / Add Surplus for Year	591,647	81,183	(2,856,808)	(6,232,123)	(9,005,813)
21,167,209	Balance carried forward at 31 March	22,002,122	22,083,305	19,226,497	12,994,374	3,988,561
10,000,000	Minimum Level of Balances	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
243,415	Underlying Budget Deficit / (Surplus)	(591,647)	(81,183)	2,856,808	6,232,123	9,005,813

APPENDIX B

BUDGET AND FORECAST EXPENDITURE 2025/26 to 2028/29

	Budget 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000	Forecast 2028/29 £'000
Service Cash Limits	178,726	200,030	207,437	215,064
Contingency	22,211	4,580	4,480	4,480
Debt financing costs	24,191	29,582	33,348	35,829
Levies and insurance premiums	1,942	1,993	2,036	2,041
Other income/expenditure	13,457	12,013	12,042	12,772
	240,527	248,198	259,343	270,186
<u>Less</u>				
- Council Tax Income	110,290	113,240	118,891	124,823
- Revenue Support Grant	14,797	15,194	15,522	15,849
- Business Rates Retention	68,795	69,858	71,357	72,852
- Other General Grants	46,726	47,049	47,341	47,656
	240,608	245,341	253,111	261,180
Budget (Deficit)/Surplus	81	(2,857)	(6,232)	(9,006)

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Appendix C

INDICATIVE BUDGET SAVINGS 2025/26

Indicative Savings Proposal	Saving 2025/26 £	Saving 2026/27 £	Saving 2027/28 £
<u>Central Services Portfolio</u>			
<u>Chief Executive</u>			
001 Historical underspending on IT equipment No impact on service provision	6,000	6,000	6,000
<u>Director of Corporate Services</u>			
002 Civic Office utilisation - ongoing impact of the decision in 2024-25 to reduce occupancy of civic offices by mothballing one wing No impact on service provision	100,000	100,000	100,000
003 Rationalise Microsoft 365 licenses No impact on service provision	50,000	50,000	50,000
<u>Director of Finance & Resources</u>			
004 Administrative efficiencies in the processing of Housing Benefit claims as clients move to Universal Credit No impact on service provision	35,000	35,000	35,000
005 Additional income from audit services No impact on service provision	30,000	30,000	30,000
006 Additional commission from PCC led framework contract of additional voluntary pension contributions No impact on service provision	25,000	25,000	25,000
Central Services Portfolio Total	246,000	246,000	246,000

Children, Families and Education Portfolio

Director of Children, Families & Education

007 Additional interest Income	No impact on service provision	70,000	0	0
008 Reduction in postage costs, through use of technology	No impact on service provision	10,000	10,000	10,000
009 Efficiencies in the operation of the Portsmouth Education Partnership (PEP)	No impact on service provision	10,000	10,000	10,000
010 Campaign and Events team additional income	No impact on service provision	10,000	10,000	10,000
011 Efficiencies generated through realignment of work within the sufficiency and resources team.	No impact on service provision	3,000	3,000	3,000
012 Services currently delivered at the Batternburg Family Centre will be relocated and delivered at alternative appropriate locations. To remain at the current Batternburg Family Centre would require capital works estimated to cost in excess of £1m.	The service offer will remain the same as staffing resource and capacity is not impacted. Services will be delivered at different hubs in the city which we anticipate will limit the impact on travel time for children and families	54,000	54,000	54,000
013 Reduction in cost of mobile phone usage	No impact on service provision	25,000	25,000	25,000
014 Improved commissioning of placements for Care Experienced Young Adults	Service offer will reflect the changing need of the young adults	150,000	200,000	200,000
015 Greater coordination of internally commissioned support services	No impact on service provision	56,000	56,000	56,000
016 Review of court requested assessments	No impact on service provision	25,000	25,000	25,000

Appendix C

INDICATIVE BUDGET SAVINGS 2025/26

Indicative Savings Proposal	Saving 2025/26 £	Saving 2026/27 £	Saving 2027/28 £
017 Learning and development opportunities currently provided via an external contract, will be delivered in a different way via the Principal Social Worker	15,000	15,000	15,000
018 Efficiencies generated through redesign of Learning & Development offer across service	32,000	52,000	52,000
Children, Families and Education Portfolio Total	460,000	460,000	460,000
<u>Community Safety, Leisure & Sport Portfolio</u>			
<u>Director of Housing, Neighbourhood & Building Services</u>			
019 Review of Safecleantidy operations		Improved supervision and support to improve service provision. There will be a small adjustment to the service operating hours to appropriately reflect the demands on the service	11,000
	11,000	11,000	11,000
Community Safety, Leisure & Sport Portfolio Total	11,000	11,000	11,000
<u>Community Wellbeing, Health & Care Portfolio</u>			
<u>Director of Adult Services</u>			
020 Contract savings from care and support service being provided by an alternate provider		No impact as already implemented	70,000
	70,000	70,000	70,000
021 Extra care housing - following negotiation with providers and focussing on eligible need, block contract hours have reduced		No impact as already implemented	110,000
	110,000	110,000	110,000
022 Additional income, through removal of the cap on charges to clients for day time support		There is no impact on the service received, however some residents may decide to reduce or cease their service	75,000
	75,000	75,000	75,000
023 Ending the current subsidised service to external purchasers for short term care support at Russets		No impact on service provision	220,000
	220,000	220,000	220,000
024 Charging full cost recovery for transport in relation to private hire vehicles		No impact on service provision	160,000
	160,000	160,000	160,000
<u>Director of Public Health</u>			
025 Saving to be delivered through contractual efficiencies		No impact on service provision	2,000
	2,000	2,000	2,000
Community Wellbeing, Health & Care Portfolio Total	637,000	637,000	637,000
<u>Environmental Services Portfolio</u>			
<u>Director of Housing, Neighbourhood & Building Services</u>			
026 Waste Collection - Lower than anticipated staff and fuel costs		No impact on service provision	190,000
	190,000	190,000	190,000
Environmental Services Portfolio Total	190,000	190,000	190,000

INDICATIVE BUDGET SAVINGS 2025/26

Indicative Savings Proposal	Saving 2025/26 £	Saving 2026/27 £	Saving 2027/28 £
<u>Leader Portfolio</u>			
<u>Director of Economy, Transport & Planning</u>			
027 Increase of rental income from new units at Dunsbury Business Park	15,000	15,000	15,000
Leader Portfolio Total	15,000	15,000	15,000
<u>Planning Policy and City Development Portfolio</u>			
<u>Director of Economy, Transport & Planning</u>			
028 Increase in Householder Planning Fees in line with central government changes	85,000	85,000	85,000
Planning Policy and City Development Portfolio Total	85,000	85,000	85,000
<u>Transport Portfolio</u>			
<u>Director of Economy, Transport & Planning</u>			
029 Parking fees review in line with Parking strategy	356,000	356,000	356,000
Transport Portfolio Total	356,000	356,000	356,000
Grand Total	2,000,000	2,000,000	2,000,000

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New Schemes Starting in 2025/26 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Values		
			Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Central Services					
	Replacement Quick Pay Payment Machines	Replacement of 2 Quick Pay payment machines situated in the Civic Offices, for card and cash payments made by residents and customers, which are at end of life.	50,000	50,000	
	Renew / Refresh UPS (Uninterruptible power supply) solution in the IT Data Centre	Replacement of 1 of the Uninterruptible Power Supply (UPS) units within the Data Centre, which are at end of life, to provide power protection.	43,000	43,000	
	Renew Printing Service Envelopers	Replacement of 2 enveloping machines used by services across the Council, which are at end of life.	35,000	35,000	
Children, Families & Education					
	Increasing Capacity and Adaptations for Carers' Homes	Increasing the number of available rooms offered by Portsmouth mainstream carers through the extension or adaptation of the carer properties.	200,000	200,000	
	Early Years Demand	Creation of additional Early Years Places, following changes to the statutory entitlement for free early years education from September 2024. (NB: Government Grants received are insufficient and have been exhausted).	120,000	500,000	
Climate Change & Greening the City					
	Greening the City	Additions and improvements to the city's green infrastructure in priority areas.	80,000	429,250	

Portfolio	Description of Scheme	Scheme Details	Values		
			Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Community Safety, Leisure & Sport					
	Baffins Pond - bio-dredging of sediment build-up	To complete biological dredging to remove sediment build up in Baffins Pond and improve water quality.	80,000	80,000	
	Outside Court Improvements - Playzones Programme	Construction and provision of 5 new and refurbished outdoor mini football pitches in various sites across the city. Funded by the Football Foundation and requiring a contribution from Portsmouth City Council. Sites include Beacon View School, Stamshaw Park, Baffins Pond, Mayfield School & Charles Dickens Centre.	303,900	1,568,000	
	Play Equipment Replacement	Replacement of children's play equipment at 4 playground sites across the City. Sites include Victoria Park, College Park, Southsea Common & Drayton Park	320,000	320,000	
	Southsea Common Grounds Regeneration	A 2 year turf regeneration, irrigation and monitoring programme at Southsea Common in order to increase its aesthetic appeal, biodiversity, ecosystem resilience, recreational value and ability to support the wide ranges of events and audiences it hosts	164,000	164,000	
	Splashpool Refurbishments	Replacement of plant, equipment and infrastructure at Canoe Lake and Clarence Esplanade, to minimise loss of provision (caused by defects) during the high-season and to retain good quality public play provision.	203,000	203,000	
Community Wellbeing H&SC					
	Care Act Compliant Case Management System	To commission/procure a new IT system for the purpose of case management that is compliant with updated legal requirements.	1,500,000	2,800,000	585,000
Culture, Leisure & Economic Development					
	Conservation of Bronze Statues	Treatment of Bronze disease to key bronze statues for their conservation, (Grade II Nelson statue, Queen Victoria and Charles Dickens)	34,200	34,200	
	Victory in Europe / Japan Plaque Schemes	Memorial plaques for both Victory in Europe and Victory in Japan (WW2), history centre project and commemorative event.	20,000	20,000	
	Parks Improvements	General improvements to City Parks identified by the Parks Team and informed by issues raised by Members. Expenditure to include repairs / renewal to pathways, fencing and grounds. Note, this is separate to Play Equipment Replacement.	90,000	90,000	

Portfolio	Description of Scheme	Scheme Details	Values		
			Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Housing & Tackling Homelessness (GF)					
	Landlords Maintenance Capital - Priority 1 plus Contingency	Prioritised funding to support either critical fire safety, Health & Safety, or where a building element has failed and it is significantly impacting the operation of the building and therefore the delivery of core essential Council services. It also includes a contingency for assets at risk of failure within the next 12 months.	2,355,000	2,355,000	
HRA					
	Adventure Playgrounds - Play Equipment	Replacement of children's play equipment at various Adventure Playground sites including Landport, Somerstown, Portsea, Paulsgrove, Stamshaw and Buckland. This is the General Fund contribution	30,000	120,000	
	Paulsgrove Community Centre	Partial demolition of the changing room block at Paulsgrove Community Centre, retaining the toilet and community space. This is the General Fund contribution	20,000	80,000	
	Splash Parks - Relining	Repairs to the water tanks and relining of the Splash pools in Stamshaw, Buckland, Portsea and Paulsgrove to ensure the safe use of the facilities. This is the General Fund contribution	17,000	70,000	
Leader					
	City Centre North Regeneration	Scheme development costs for fees, land and property purchases. To deliver the provision of up to 2300 homes and 3 hectares of public space as part of the City Centre North Regeneration scheme.	1,047,000	20,850,200	
	Civic Futures (Formerly known as Civic Offices Relocation Scheme)	Feasibility, project management, surveys, design and consultancy costs necessary to enable any approved option for the future of the Civic Offices to progress through the Royal Institute of British Architects (RIBA) design phase prior to any construction works.	1,939,800	2,412,600	
	Energy Performance Certificates - statutory works	Ongoing improvements to a further 160 commercial properties identified with an Energy Performance Certificate (EPC) rating of below 'C'.	98,000	294,000	
	Power Columns in Cosham (pedestrianised area)	Installation of Feeder Pillars for the supply of power in the pedestrianised area of Cosham - a request to Ward Councillors CIL is being made for a 50% contribution	15,876	31,752	
	Upgrade of Accessways and Roadways (non-adopted highways)	Repairs and improvements to another 40 accessways and roads. Part of an ongoing programme of works.	150,000	300,000	
	Upgrade to Hilsea Lines Bastion 4 Car Park	Upgrade and resurfacing of the car park at Hilsea Lines Bastion 4.	100,000	100,000	

Portfolio	Description of Scheme	Scheme Details	Values		
			Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Transport					
	Additional Lighting	This project is to supplement previous funding for lighting schemes, required at St Mary's Churchyard, Eastern Parade Footpath, Garrison Church Footpath, Garden Lane, M27 Footbridge, Isambard Brunel Car Park and Victoria Park Footpath. To improve safety and reduce the fear of crime. Confirmation of which schemes will be delivered, will follow stakeholder engagement	40,000	40,000	
	Non-PFI Asset Management Resource	To complete condition surveys of various highway assets as part of the preparations for the post PFI contract and ongoing maintenance.	200,000	450,000	
	Parking and Access Neighbourhood Improvements	Ongoing minor improvements to the highways for Parking and Access.	50,000	50,000	
	Highways PFI Tertiary Roads - Annual Additional funds	This fund is to pay for the annual resurfacing of the Tertiary Network once the PFI contract exceeds 20 years	250,000	450,000	
Grand Total			9,555,776	34,140,002	585,000

New Schemes Starting in 2025/26 and Relying on Prudential Borrowing

Schemes to be approved in principal and funded from prudential borrowing but only if supported by a satisfactory financial appraisal approved by the Director of Finance & Resources and S151 Officer which demonstrates that borrowing costs can be met from savings arising from the scheme

Portfolio	Description of Scheme	Scheme Details	Council Borrowing £	Total Capital Cost	Annual Revenue £ Cost / (Saving) After Borrowing Costs
Children, Families & Education					
	Housing for Care Experienced Young Adults	To purchase a number of properties to accommodate care experienced young adults. Scheme will only progress subject to Business Case	1,054,500	1,054,500	(77,869)
HRA					
	Highgrove - Supported Living Service	The development of four 4-bedded supported living flats located on the site of a former council care facility suitable for adults with learning disabilities. Scheme will only progress subject to Business Case	1,600,000	1,600,000	(173,049)
	Acquisition of Temporary Accommodation	Acquisition of 1 and 2 bedroom units for easing temporary accommodation within the City in 2025/26 and 2026/27. Once all properties are acquired, it is anticipated that Temporary Accommodation costs will reduce by £6m per annum	31,280,000	31,280,000	
Grand Total			33,934,500	33,934,500	(250,918)

New Schemes Starting in 2025/26 and Relying on Reserves

Portfolio	Description of Scheme	Scheme Details	Reserves Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Central Services					
	Digital Post and ERMS/Back-scanning (Phase 1)	Costs for external IT To design an effective procurement of digital solutions in post and records management, both current and historical. This scheme will only progress subject to Business Case.	170,000	170,000	
	Digital Strategy	Costs for external IT support as part of the development of a digital strategy for the digitalisation and modernisation of the Council. This scheme will only progress subject to Business Case.	300,000	300,000	
Community Wellbeing H&SC					
	Care Act Compliant Case Management System	To commission/procure a new IT system for the purpose of case management that is compliant with updated legal requirements.	1,300,000	2,800,000	585,000
Grand Total			1,770,000	3,270,000	585,000

New Schemes Starting in 2025/26 and Relying on Passported Grants

Portfolio	Description of Scheme	Scheme Details	FY25 26 £	FY26 27 £	FY27 28 £
Children, Families & Education					
	Places for Children with Special Educational Needs	School places across the special school sector to meet increasing demand. All schemes are subject to a full business case and Financial appraisal to be approved by S151 Officer	2,186,500		
	School Maintenance Projects FY25/26 to FY27/28	3 year rolling programme for urgent works at maintained and voluntary controlled schools across the City	473,500	545,300	545,300
Transport	LTP 4	3 year rolling programme funding for the Council's Transport Strategy Implementation Plan (LTP4) 2026-28 including statutory and prioritised schemes and will be delivered against the Portsmouth Transport Strategy. The programme of schemes will provide a strategic and proactive plan for delivery of the LTP4 vision, its objectives and the City Vision		1,495,000	1,495,000
Grand Total Passported Resources			2,660,000	2,040,300	2,040,300

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Summary of Capital Programme (All Services)	Expenditure to 31 March 24 £	Revised Estimate 2024 / 25 £	Estimate 2025 / 26 £	Estimate 2026 / 27 £	Estimate 2027 / 28 £	Estimate 2028 / 29 £	Estimate 2029 / 30 £	Expenditure in Subsequent Years £	Final Cost £
Children, Families & Education	58,942,611	7,172,312	15,970,504	1,638,594	1,638,594	-	-	-	85,362,614
Central Services	26,958,044	1,680,213	5,417,475	1,000,000	1,000,000	6,000,000	500,000	6,600,000	49,155,731
Climate Change & Greening the City	4,870,610	8,499,720	17,806,058	80,000	-	-	-	-	31,256,388
Community Safety, Leisure & Sport	17,217,909	13,010,683	18,415,663	8,610,129	-	-	-	-	57,254,384
Community Wellbeing Health & Care	819,219	1,364,300	1,722,500	4,477,695	5,955,391	2,977,695	-	-	17,316,800
Culture Leisure & Economic Development	141,754,786	33,488,793	41,581,185	24,329,047	33,059,914	10,656,202	-	-	284,869,926
Environmental Services	6,987,320	1,193,625	4,529,008	4,529,591	4,970,812	17,000,000	15,000,000	-	54,210,356
Leader	457,821,159	32,948,216	79,129,351	22,419,255	7,148,000	9,143,000	9,143,000	-	617,751,981
Commercial Port	62,025,100	22,194,232	13,409,964	24,171,393	18,950,000	-	-	-	140,750,689
Planning, Policy & City Development	1,568,008	630,097	47,520	-	-	-	-	-	2,245,625
Transport	136,090,540	60,770,091	22,255,622	7,585,149	6,593,402	3,081,429	-	-	236,376,234
Total Capital Programme (Excluding Housing Investment Programme)	915,055,305	182,952,281	220,284,850	98,840,854	79,316,113	48,858,326	24,643,000	6,600,000	1,576,550,729
Housing Investment Programme	388,429,699	75,528,288	92,770,790	101,456,639	101,742,094	51,118,574	42,084,992	-	853,131,076
Total Capital Programme	1,303,485,004	258,480,569	313,055,640	200,297,493	181,058,207	99,976,900	66,727,992	6,600,000	2,429,681,804

Analysis of Programme by Source of Finance

Unsupported Borrowing		29,891,724	103,560,900	96,454,549	96,751,406	42,184,324	25,643,992	6,600,000	401,086,895
Corporate Reserves (Including Capital Receipts)		12,066,019	27,470,014	7,500,185	2,652,804	1,628,607	226,000	-	51,543,629
Revenue & Reserves		41,172,956	57,947,986	47,353,764	37,058,223	37,140,506	37,528,000	-	258,201,435
Grants		150,393,747	110,566,599	46,028,098	38,274,774	7,262,750	2,059,000	-	354,584,969
Contributions		24,956,122	13,510,141	2,960,896	6,321,000	11,760,713	1,271,000	-	60,779,872
Total Financing		258,480,569	313,055,640	200,297,493	181,058,207	99,976,900	66,727,992	6,600,000	1,126,196,801

RESOURCES AVAILABLE

Specific Resources

Prudential Borrowing	
Other Capital Receipts	
Other Capital Reserves	
Other Contributions	
Government Grants	
Other Grants	
Sub Total - Specific Resources	
Specific Resources Used	

Specific Resources Available

Corporate Resources

Corporate Capital Receipts	
Corporate Capital Reserves	
Corporate S106 Contributions & CIL	
Capital Settlement - Non Ring Fenced Grants	
Corporate Grants	
Sub Total - Corporate Resources	
Corporate Resources Used	

Corporate Resources Available

Total Resources Available

Total Resources Used

Total Remaining Resources Available

Revised Estimate 2024 / 25 £	Estimate 2025 / 26 £	Estimate 2026 / 27 £	Estimate 2027 / 28 £	Estimate 2028 / 29 £	Estimate 2029 / 30 £	Expenditure in Subsequent Years £	Final Cost £
29,891,724	103,560,900	96,454,549	96,751,406	42,184,324	25,643,992	6,600,000	401,086,895
1,042,336	1,062,655	476,000	476,000	476,000	226,000	-	3,758,991
40,945,279	57,488,685	47,353,764	37,058,223	37,140,506	37,528,000	-	257,514,457
20,186,663	10,063,115	1,533,896	1,521,000	11,760,713	1,271,000	-	46,336,387
0	-	-	-	-	-	-	-
134,679,167	94,903,676	40,632,083	32,230,215	5,225,750	2,059,000	-	309,729,892
226,745,170	267,079,031	186,450,292	168,036,844	96,787,293	66,727,992	6,600,000	1,018,426,622
226,745,170	267,079,031	186,450,292	168,036,844	96,787,293	66,727,992	6,600,000	1,018,426,622
0	0	0	0	0	0	0	0
592,899	349,648	112,500					1,055,047
47,223,665	192,948	-					47,416,613
9,337,821	4,537,502						13,875,323
21,778,465	12,884,927	4,077,444	6,114,301				44,855,137
568,060	-						568,060
79,500,909	17,965,025	4,189,944	6,114,301	0	0	0	107,770,179
31,735,399	45,976,609	13,847,200	13,021,363	3,189,607	0	0	107,770,178
47,765,510	19,753,926	10,096,670	3,189,608	0	0	0	0
306,246,079	285,044,056	190,640,236	174,151,145	96,787,293	66,727,992	6,600,000	1,126,196,801
258,480,569	313,055,640	200,297,493	181,058,207	99,976,900	66,727,992	6,600,000	1,126,196,802
47,765,510	19,753,926	10,096,670	3,189,608	0	0	0	0

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
1	Children's Case Management Software Replacement	CorpRsv CP(DCSF)BN	2,331,119 79,385	154,153							2,485,272 79,385
	Sub Total		2,410,504	154,153	-	-	-	-	-	-	2,564,657
2	E C Roberts Centre refurbishment Loan	CorpRsv	-								-
3	Adaptation to Carers Homes	MTRS CROC CorpRsv	38,745 41,734 21,935	100,317							139,062 41,734 21,935
	Sub Total		102,414	100,317	-	-	-	-	-	-	202,731
4	Sufficiency Programme Phase Two 2015- 2017	CP(DCSF)BN CorpRsv UBIR CROC CIL GGR(DCSF)SSEYC GGR(DCSF)DF OC CP(DCSF)CM	2,136,350 2,482,590 4,097,868 300,000 635,710 726,721 - 251,344 72,000	382,281	4624						2,136,350 2,864,871 4,097,868 300,000 635,710 726,721 - 255,968 72,000
	Sub Total		10,702,583	386,905	-	-	-	-	-	-	11,089,488
5	King Richard School Rebuild 900-1000 places	GGR(DCSF)TC CorpRsv OC CP(DCSF)BN	1,251,400 144,115 10,917 6,224	149,648							1,251,400 293,763 10,917 6,224
	Sub Total		1,412,656	149,648	-	-	-	-	-	-	1,562,304
6	Secondary School Places Expansion Phase (1)	UBIR CP(DCSF)BN CP(DCSF)CM CROC OC	626,860 776,118 8,211 6,473 200,000	22,749	88,289						626,860 798,867 8,211 94,762 200,000
	Sub Total		1,617,662	111,038	-	-	-	-	-	-	1,728,700

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CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
12	Forest School at Foxes Forest - Community Accessible Education Centre	CorpRsv	5,446	24,554							30,000
13	Additional School Places in Mainstream Schools - Design	CorpRsv	126,892	121,488							248,380
14	Additional School Places - 2020/21	CP(DCSF)BN	378,821		1,684,794						2,063,615
15	Sufficiency at Wymering Site Improvement	CorpRsv	112,153	6,626							118,779
		CP(DCSF)BN	150,010	872							150,882
		CP(ESFA)SEND	71,174	(7,498)							63,676
	Sub Total		333,337	-	-	-	-	-	-	-	333,337
16	School Places - SEND Phase 1 & Phase 2	S106(EC)	22,400								22,400
		CP(DCSF)BN	1,265,210		72,165						1,337,375
		CP(ESFA)SEND	1,769,411		60,288						1,829,699
		OC	-		3,635						3,635
		CP(DCSF)CM	-		11,712						11,712
	Sub Total		3,057,021	-	147,800	-	-	-	-	-	3,204,821
17	Replacement Education Case Mmgt System	CorpRsv	849,101	543,242							1,392,343
18	Accommodation for Special Education Needs (additional School Places)	CorpRsv	116		414,495						414,611
		CIL	749,565		1,671,377						2,420,942
		GGR(DCSF)DSG	-								-
		CP(DCSF)CM	(66,100)		80,456						14,356
		CP(ESFA)SEND	669,094	990,601	2,334,145	1,093,250	1,093,250				6,180,340
		CP(DCSF)BN	1,408,235		55,899						1,464,134
		CROC	-								-
	Sub Total		2,760,910	990,601	4,556,372	1,093,250	1,093,250	-	-	-	10,494,383

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
27	Prior Year Education Conditions	CP(DCSF)BN	205,255								205,255
		CP(DCSF)CM	2,159,723								2,159,723
		GGR(DCSF)DF	452,664								452,664
		OC	220,291	93,067							313,358
		CorpRsv	169,059								169,059
	Sub Total		3,206,992	93,067	-	-	-	-	-	-	3,300,059
28	Prior Year Schools Education Conditions	CorpRsv	1,496,881	39,134	229,073						1,765,088
		CP(DCSF)BN	257,845								257,845
		CP(DCSF)CM	1,145,127		35,700						1,180,827
		OC	174,214		9,328						183,542
	Sub Total		3,074,067	39,134	274,101	-	-	-	-	-	3,387,302
29	Maintenance and Upkeep of 5 Family Hubs	OG	-	94,045							94,045
30	Conditions Work for the Lantern Building	CorpRsv	-		149,900						149,900
		CP(DCSF)CM	-		200,100						200,100
	Sub Total		-	-	350,000	-	-	-	-	-	350,000
31	Early Years' Demand	CP(DCSF)BN	-	39,000	341,000						380,000
		CIL	-		120,000						120,000
	Sub Total		-	39,000	461,000	-	-	-	-	-	500,000
32	Children's Homes - Ongoing Maintenance and Refurbishment	CROC	-	18,411	17,589						36,000
33	Secondary & Special School Places	CP(DCSF)BN	-	1,956,440	5,616,760						7,573,200
		CP(DCSF)CM	-	43,560							43,560
	Sub Total		-	2,000,000	5,616,760	-	-	-	-	-	7,616,760

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
34	Youth Investment Fund - Chaucer House	OG	55,253	848,006							903,259
35	Family Hubs and Start For Life	OG	70,455	-							70,455
36	Schools Conditions FY25 26	CP(DCSF)CM	-	-	473,500	545,344	545,344				1,564,188
37	Housing for Care Experienced Young Adults	UB	-		1,054,500						1,054,500
38	Increasing Capacity and Adaptations for Carers' Homes	CorpRsv	-		200,000						200,000
Grand Total			58,942,611	7,172,312	15,970,504	1,638,594	1,638,594	0	0	0	85,362,614

APPENDIX E

COMMUNITY SAFETY, LEISURE AND SPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
11	Farlington Pavilion Refurbishment	CorpRsv	96,247								96,247
		S106(OS)	8,100								8,100
		CP(DFI)IT	170,000								170,000
	Sub Total		274,347	-	-	-	-	-	-	-	274,347
12	Lumps Fort Sun Huts Maintenance / Replacement	CorpRsv	56,520	8,480							65,000
13	Disabled Beach Buggies and Access Mat	CROC	15,022	4,991							20,013
14	Pyramids Refurbishment	CorpRsv	1,893,482	-	-	-	-	-	-		1,893,482
		CP(DFI)IT	101,904	-	-	-	-	-	-		101,904
		OR	1,448,087	-	-	-	-	-	-		1,448,087
		MTRS	450,000	-	-	-	-	-	-		450,000
		OC	84,815	-	-	-	-	-	-		84,815
			-	-	-	-	-	-	-		-
	Sub Total		3,978,287	-	-	-	-	-	-	-	3,978,287
15	Portsmouth Watersports Centre	CP(DFI)IT	90,000								90,000
		CorpRsv	509,350	65,480							574,830
		OR	45,000								45,000
	Sub Total		644,350	65,480	-	-	-	-	-	-	709,830
16	Bransbury Park Pavilion	CP(DFI)IT	-		150,000						150,000
		CIL	-			300,000					300,000
	Sub Total		-	-	150,000	300,000	-	-	-	-	450,000

APPENDIX E

COMMUNITY SAFETY, LEISURE AND SPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate					Exp. in Subsequent Years	Final Cost
				Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29		
17	Invest in Football Facilities Including Changing Facilities	CorpRsv	1,529,133							1,529,133
		OC	3,898,878	471,122	30,000					4,400,000
		S106(OS)	26,522							26,522
		CROC	8,845							8,845
		CP(DCSF)CM	708,500							708,500
		OC	65,058	451,942						517,000
		OR	200,000							200,000
		OG(LUHC)	1,000,000							1,000,000
	Sub Total		7,436,936	923,064	30,000	-	-	-	-	8,390,000
18	Re-provision of Leisure Centre, Pool & Community Centre	CorpRsv	269,834	682,000	8,531,537	3,984,129				13,467,500
		UB	-		2,846,897					2,846,897
		CP(DCSF)BN	1,024,900							1,024,900
		MTRS	-			3,000,000				3,000,000
		OR	-			1,221,300				1,221,300
		OC	14,625							14,625
	Sub Total		1,309,359	682,000	11,378,434	8,205,429	-	-	-	21,575,222
19	Loan to Pompey in the Community - John Jenkins Centre (Copnor/Baffins)	UB	1,000,000							1,000,000
	Sub Total		1,000,000	-	-	-	-	-	-	1,000,000
20	Peter Ashley Centre Grant	CorpRsv	20,000							20,000
21	Paulsgrove Football Club Fencing	CorpRsv	1,995		28,005					30,000

APPENDIX E

COMMUNITY SAFETY, LEISURE AND SPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
22	Linear Park	OG(LUHC)	851,846	5,557,439	1,340,715						7,750,000
		OG	-		16,000						16,000
		CorpRsv	-								-
		RCCO	-		200,000						200,000
	Sub Total		851,846	5,557,439	1,556,715	-	-	-	-	-	7,966,000
23	Accessible Beach Huts	MTRS	-	25,000							25,000
24	Mountbatten Centre Roofing Project	CIL	962,632	837,368	-		-	-			1,800,000
		OR	-	2,563,824	3,025,946		-	-			5,589,770
		UB	-	1,000,000	-		-	-			1,000,000
	Sub Total		962,632	4,401,192	3,025,946	-	-	-	-	-	8,389,770
25	Farlington Playing Field	UB	-		500,000						500,000
26	BMX Track (Baffins)	CRGG	-								-
		CorpRsv	-								-
		CILNRsv	-								-
	Sub Total		-	-	-	-	-	-	-	-	-
27	Renewal of Skate Ramps (Milton)	S106(OS)	-		25,000						25,000
28	Binstead Play Area	CRGG	-	-							-
		CorpRsv	-	15,000							15,000
29	Hilsea Basketball Court - Refurbishment and Resurfacing	CorpRsv	-	55,000	5,000						60,000

APPENDIX E

COMMUNITY SAFETY, LEISURE AND SPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
30	Gatcombe Park Play Area	S106(OS) CILNRsv	-	7,500							7,500
			-	7,500							7,500
	Sub Total		-	15,000	-	-	-	-	-	-	15,000
31	College Park Play Equipment	CP(DCSF)CM	10,000								10,000
32	Play Area Improvements	CorpRsv	-	180,000	30,000						210,000
33	Outside Court Improvements Across The City	CorpRsv OC	-	81,000	530,200						611,200
			-	815,850	413,250						1,229,100
	Sub Total		-	896,850	943,450	-	-	-	-	-	1,840,300
34	Southsea Skatepark Roof Project Design and Planning	CROC	-	36,000							36,000
35	Baffins Pond - bio-dredging of sediment build-up	CorpRsv	-		47,000	33,000					80,000
36	Play Equipment Replacement	CorpRsv	-		320,000						320,000
37	Southsea Common Grounds Regeneration	CorpRsv	-		92,300	71,700					164,000
38	Splashpool Refurbishments	CorpRsv CROC	-		202,000						202,000
			-		1,000						1,000
	Sub Total		-	-	203,000	-	-	-	-	-	203,000
Grand Total			17,217,909	13,010,683	18,415,663	8,610,129	0	0	0	0	57,254,384

APPENDIX E

CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
1	Local Full Fibre Network Project	OG	2,455,605					-	-	-	2,455,605
		CorpRsv	2,098,552	117,243							2,215,795
		LEP	192,217								192,217
	Sub Total		4,746,374	117,243	-	-	-	-	-	-	4,863,617
2	Modern Ways of Working	MTRS	1,000,000								1,000,000
		OR	1,094,135	23,991							1,118,126
		CorpRsv	1,945,355								1,945,355
		RCCO	-								-
	Sub Total		4,039,490	23,991	-	-	-	-	-	-	4,063,481
3	HCM Fusion ORC	CorpRsv	98,569	4,860							103,429
		OR	56,700								56,700
		CRGG	227,750								227,750
	Sub Total		383,019	4,860	-	-	-	-	-	-	387,879
4	Archive Tool	OR	140,768		50,000						190,768
5	Portico Capital Investment Loan	UB	10,562,329	750,000	4,187,671	1,000,000	1,000,000	1,500,000	500,000	6,600,000	26,100,000
		LEP	2,500,000								2,500,000
	Sub Total		13,062,329	750,000	4,187,671	1,000,000	1,000,000	1,500,000	500,000	6,600,000	28,600,000
6	Portico Plant & Equipment II	UB	-					4,500,000			4,500,000
7	LAN Access Switches	CorpRsv	551,138	25,661							576,799
8	M365 Phase 2 incl Telephony Sharepoint & Security	CorpRsv	619,299	75,694							694,993
		CROC	330,473								330,473
		CRGG	101,087								101,087
	Sub Total		1,050,859	75,694	-	-	-	-	-	-	1,126,553

APPENDIX E

CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
17	NEC Hosting of Housing, Revs & Bens	OR	-	134,450	334,450						468,900
18	Renew / Refresh UPS (Uninterruptible Power Supply) solution in the IT Data Centre	CROC	-		43,000						43,000
19	Renew Printing Service Envelopers	CROC	-		35,000						35,000
20	Replacement Quick Pay Payment Machines	CROC	-		50,000						50,000
21	Digital Post and ERMS/Back-scanning (Phase 1)	MTRS	-		170,000						170,000
22	Digital Strategy	MTRS	-		300,000						300,000
Grand Total			26,958,044	1,680,213	5,417,475	1,000,000	1,000,000	6,000,000	500,000	6,600,000	49,155,731

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
9	Palmerston Road Improvements	CorpRsv	345,198	154,802							500,000
10	Brougham Road (Arts Centre) - External Repairs	CorpRsv CP(DFI)IT	154,200 83,000	17,401 -							171,601 83,000
	Sub Total		237,200	17,401	-	-	-	-	-	-	254,601
11	Burfields Road Barns - Demolition	CorpRsv CP(DFI)IT	- -	7,500 -	62,500 92,000						70,000 92,000
	Sub Total		-	7,500	154,500	-	-	-	-	-	162,000
12	Hotwalls' Paving Maintenance	CorpRsv	28,350	5,000	27,720						61,070
13	Kings Theatre Regeneration	UB OC	- -	- -	3,000,000 1,300,000						3,000,000 1,300,000
	Sub Total		-	-	4,300,000	-	-	-	-	-	4,300,000
14	Kings Theatre Landlords Backlog Maintenance Obligations	CP(DFI)IT CorpRsv	312,765 348,332	- 59,668	- -						312,765 408,000
	Sub Total		661,097	59,668	-	-	-	-	-	-	720,765
15	Guildhall Regeneration	UB	412,500	137,500	150,000	500,000	500,000				1,700,000
16	Future High Streets Commercial Rd	OG UB	365,590 -	93,866 -							459,456 -
	Sub Total		365,590	93,866	-	-	-	-	-	-	459,456
17	Future High Streets Fratton Rd	OG	2,631,973	1,226,516							3,858,489

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
27	Southsea Coastal Flood Defence	OGENV	78,757,368	20,017,516	14,820,869	23,646,000	26,681,382				163,923,135
		PCCOC	-					10,489,713			10,489,713
		CIL	-				4,800,000				4,800,000
		CorpRsv	589,044				204,567	166,489			960,100
		CP(DCSF)CM	60,935				873,965				934,900
		LEP	5,000,000								5,000,000
	Sub Total		84,407,347	20,017,516	14,820,869	23,646,000	32,559,914	10,656,202	-	-	186,107,848
28	Old Portsmouth Seawalls' Maintenance	CorpRsv	74,747	45,253							120,000
29	Southsea Seafront Emergency Work to Sea Defences	OGENV	760,458	33,345							793,803
30	Southsea Sea Defences - Public Realm Enhancements	CP(DFT)IT	19,019		180,981	-	-	-	-	-	200,000
		CorpRsv	-	7,500	192,514	-	-	-	-	-	200,014
		S106(OS)	-	55,948	74,038	-	-	-	-	-	129,986
	Sub Total		19,019	63,448	447,533	-	-	-	-	-	530,000
31	Castle Road Phase 2	CIL	7,739	92,261							100,000
		CorpRsv	-	100,000	200,000						300,000
	Sub Total		7,739	192,261	200,000	-	-	-	-	-	400,000
32	Canoe Lake De-Silting	CIL	-		25,000						25,000
33	Museum Store Phase 1	CIL	-		44,100						44,100

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
34	Sea Defence Enhancements	CP(DCSF)CM	-	10,000	15,000						25,000
35	Enhancements to Sea Defences Grand Parade	CP(DFT)IT CorpRsv	66,260 158,473	14,267							66,260 172,740
Sub Total			224,733	14,267	-	-	-	-	-	-	239,000
36	Highbury Community Centre - Heat Pump Technology	S106(OS)	-	5,000							5,000
37	Christmas Lights	CWCIL	107,657	14,343	-	-	-	-	-	-	122,000
38	Replacement of the Big Screen - Guildhall Square	CorpRsv	-	139,200							139,200
39	Air Quality	CorpRsv	-	66,200							66,200
40	Refurbishment of Cumberland House Natural History Museum Welcome Area and Shop	CorpRsv	-		40,000						40,000
41	Refurbishment of 4 Public Toilet Areas and Stairwell Carpets at City Museum	CorpRsv	-		33,900						33,900
42	DLTC Urban Spaces - Inclusive Design	CorpRsv	-	30,000							30,000
43	City Buildings - (Former Playland Site)	OC	-	110,000							110,000
44	Portsmouth Enterprise Centre Fencing	CorpRsv	-	44,660							44,660
45	Portsmouth Historic Environment Record Website	CROC CP(DFT)IT	- -		4,500 12,000						4,500 12,000
Sub Total			-	-	16,500	-	-	-	-	-	16,500
46	Peter Ashley Centre Bridging Loan	CorpRsv	-	95,652	81,282						176,934
47	Conservation of Bronze Statues	CorpRsv	-		34,200						34,200

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
48	Victory in Europe / Japan Plaque Schemes	CorpRsv	-		20,000						20,000
49	Parks Improvements	CorpRsv	-		90,000						90,000
Grand Total			141,754,786	33,488,793	41,581,185	24,329,047	33,059,914	10,656,202	-	-	284,869,926

APPENDIX E

COMMUNITY WELLBEING, HEALTH & CARE PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate				Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
				Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28			
1	Older Persons Supported Living (Extra Care Housing)	CorpRsv	561,817			986,118	1,972,237	986,118		4,506,290
		CP(DH)CG	93,710			-	-	-		93,710
		UB	-			1,459,000	2,918,000	1,459,000		5,836,000
		OR	163,692			209,077	418,154	209,077		1,000,000
		BCF(DFG)DCLG	-			323,500	647,000	323,500		1,294,000
		OC	-							-
Sub Total			819,219	-	-	2,977,695	5,955,391	2,977,695	-	12,730,000
2	Critical Reporting Solution	BCF(DFG)DCLG	-							364,800
		OC	-	100,000	50,000					150,000
Sub Total			-	100,000	414,800	-	-	-	-	514,800
3	WiFi In Care Homes	CorpRsv	-	60,000						60,000
4	Young Persons supported living accommodation	MTRS	-	1,204,300	7,700					1,212,000
5	Care Act Compliant Case Management System	CorpRsv	-			1,500,000				1,500,000
		OR			1,300,000					1,300,000
Sub Total			-	-	1,300,000	1,500,000	-	-	-	2,800,000
Grand Total			819,219	1,364,300	1,722,500	4,477,695	5,955,391	2,977,695	-	17,316,800

APPENDIX E

ENVIRONMENTAL SERVICES

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
1	Wheeled Bins for Refuse	CorpRsv	1,119,769								1,119,769
2	Single Material Recycling Facility	UB	-	100,000	2,000,000	2,738,400					4,838,400
3	Anaerobic Digestion Plant	CorpRsv	202,568	57,432							260,000
		CP(DCSF)CM	300,000	50,000	100,000	65,000					515,000
		UB	-				3,000,000	17,000,000	15,000,000		35,000,000
	Sub Total		502,568	107,432	100,000	65,000	3,000,000	17,000,000	15,000,000	-	35,775,000
4	Energy Recovery Facilities - Emissions Control Equipment Upgrade	CorpRsv	-		115,000						115,000
5	Depot Expansion to Meet Increased Fleet (Env Bill)	UB	192,988	519,004	1,038,008						1,750,000
6	Waste Collection Fleet Replacement 2023	UB	4,636,181	300,000	300,000	750,000	1,970,812				7,956,993
7	City Wide Food Waste Collection Service	CorpRsv	248,809	50,000	168,000	168,191					635,000
8	Mixed Plastic Recycling Bank & Glass Refurbishment	CorpRsv	35,821								35,821
9	Changing Places Toilets	OG	157,963	1,537							159,500
		CorpRsv	93,221	15,652							108,873
	Sub Total		251,184	17,189	-	-	-	-	-	-	268,373
10	Green Waste Club (GWC) Bins	CP(DCSF)CM	-	100,000							100,000
11	Twin Stream	UB	-		808,000	808,000					1,616,000
	Grand Total		6,987,320	1,193,625	4,529,008	4,529,591	4,970,812	17,000,000	15,000,000	0	54,210,356

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
1	Sainsbury's Acquisition	CorpRsv CP(DCSF)BN	1,975,952 4,668,598								1,975,952 4,668,598
	Sub Total		6,644,550	-	-	-	-	-	-	-	6,644,550
2	City Centre North Regeneration	CIL CorpRsv UB OG CP(DFI)IT RCCO	4,053,300 2,112,864 7,401,200 2,662,919 - -	1,275,542 125,864 39,019 26,800	233,344 1,872,381	1,047,000					6,609,186 2,112,864 7,527,064 2,662,919 1,911,400 26,800
	Sub Total		16,230,283	1,467,225	2,105,725	1,047,000	-	-	-	-	20,850,233
3	Dunsbury Hill Farm - Access Road	UBIR OG(DCLG)CD OC LEP UB	280,440 568,954 4,540,136 241,078 4,805,578	160,000	188,950						280,440 568,954 4,540,136 241,078 5,154,528
	Sub Total		10,436,186	160,000	188,950	-	-	-	-	-	10,785,136
4	Dunsbury Hill - Utilities & Enabling	UB LEP	11,467,205 924,904		59,427						11,526,632 924,904
	Sub Total		12,392,109	-	59,427	-	-	-	-	-	12,451,536
5	Dunsbury Hill Farm- Master Plan	UB CorpRsv OG(LUHC)	8,129,704 1,577,554 3,100,000	1,075,000	2,194,754 5,284,246	10,531,000	7,148,000	9,143,000	9,143,000		47,364,458 6,861,800 3,100,000
	Sub Total		12,807,258	1,075,000	7,479,000	10,531,000	7,148,000	9,143,000	9,143,000	-	57,326,258

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
6	Dunsbury Hill Farm- Plot 4a	UB	33,918								33,918
		LEP	2,827,982								2,827,982
		LEP(MHCLG)	2,004,844								2,004,844
		CorpRsv	7,595,862	254,006	100,000						7,949,868
	Sub Total		12,462,606	254,006	100,000	-	-	-	-	-	12,816,612
7	Tipner Regeneration	OG(DCLG)CD	4,072,035								4,072,035
		CorpRsv	-		1,227,787						1,227,787
		CIL	972,213								972,213
		OC	121,089								121,089
		ORCD	1,636,380								1,636,380
		UB	22,004			3,106,263					3,128,267
		CP(DCSF)CM	3,722,451								3,722,451
		CP(DCSF)BN	4,478,312								4,478,312
		CP(DH)CG	654,533								654,533
		CP(DFI)IT	3,451,282								3,451,282
		CP(DFI)HM	2,014,294								2,014,294
		CP(DCLG)DFG	666,047								666,047
		CRGG	769,589								769,589
		CorpRsv	1,700,000								1,700,000
		MTRS	775,705								775,705
		ORCD	5,883,726	1,615,059	2,615,230	1,884,656					11,998,671
		OR	-		8,206,764	5,752,336					13,959,100
		CP(EFA)2YR	331,666								331,666
		S106(ST)	161,376								161,376
		S106(OS)	105,515								105,515
	Sub Total		31,538,217	1,615,059	12,049,781	10,743,255	-	-	-	-	55,946,312

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
8	Local Enterprise Partnership	OC	25,643,217								25,643,217
		LEP	101,333,436	4,154,184							105,487,620
		LEPCapRec	105,499	8,463,047	453,360						9,021,906
		LEP(DCLG)	2,116,080								2,116,080
		LEP(OG)	6,672,217	417,783							7,090,000
		LEP(MHCLG)	12,666,783								12,666,783
		LEP(ERDF)	36,908								36,908
		UB	41,196,998								41,196,998
		CorpRsv	2,999,361								2,999,361
		CRGG	456,600								456,600
	Sub Total		193,227,098	13,035,014	453,360	-	-	-	-	-	206,715,472
9	Solent Growth Partnership	SGP	-	2,033,875	5,775,148						7,809,023
		SGP(CapRec)	-		9,392,437						9,392,437
	Sub Total		-	2,033,875	15,167,585	-	-	-	-	-	17,201,460
10	Scrutton Street	UB	16,309,434	20,000	11,434,525						27,763,959
11	Lakeside North Harbour	UB	122,706,735	500,000	3,336,286						126,543,021
		LEP	21,456,979								21,456,979
	Sub Total		144,163,714	500,000	3,336,286	-	-	-	-	-	148,000,000
12	Enza Building Development, Warrington	UB	-		10,818,386						10,818,386
13	Limberline 1 & 2 Roof Replacement	CorpRsv	1,113,333								1,113,333
14	Upgrade of Accessways & Rd Ways (non Highway)	CorpRsv	21,570	70,000	58,430						150,000

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
15	Minimum Energy Efficiency Standards	CorpRsv CP(DFI)IT	-	-	98,000	98,000					196,000 98,000
	Sub Total		-	98,000	98,000	98,000	-	-	-	-	294,000
16	Solent Freeport	OG(LUHC) UB	152,574	11,667,930	10,079,496						21,900,000 3,100,000
	Sub Total		152,574	11,667,930	13,179,496	-	-	-	-	-	25,000,000
17	Eastney Point Opportunity Area	CorpRsv	-	40,000							40,000
18	Eastney Pool Site	CorpRsv CP(DFI)IT	2,850	47,150	50,000						50,000 50,000
	Sub Total		2,850	47,150	50,000	-	-	-	-	-	100,000
19	Ravelin Share Capital	CorpRsv CP(DFI)IT	-		100,000						100,000 150,000
	Sub Total		-	-	250,000	-	-	-	-	-	250,000
20	City Centre North Land Assembly	CP(DFI)IT	-	100,000							100,000
21	Edinburgh House Access Road	CorpRsv	29,358	370,957							400,315
22	Upgrade to Hilsea Lines Bastion 4 Car Park	CorpRsv	-		100,000						100,000
23	Upgrade of Accessways and Roadways (non-adopted highways)	CorpRsv	-		150,000						150,000
24	Civic Futures (Formerly known as Civic Offices Relocation Scheme)	CorpRsv	-	394,000	2,018,600						2,412,600

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
25	Power Columns in Cosham (pedestrianised area)	CorpRsv CILNRsv	-		15,900						15,900
			-		15,900						15,900
	Sub Total		-	-	31,800	-	-	-	-	-	31,800
	Grand Total		457,821,159	32,948,216	79,129,351	22,419,255	7,148,000	9,143,000	9,143,000	0	617,751,981

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised Estimate					Exp. in Subsequent Years	Final Cost
			to 31 Mar 2024	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	
1	Port Regeneration	OG(DCLG)CD	43,362							43,362
		LEP	1,627,881							1,627,881
		UB	9,527,009							9,527,009
	Sub Total		11,198,252	-	-	-	-	-	-	11,198,252
2	Development of Cruise & Ferry Port	UB	8,070,900	508,895	2,000,000	5,941,962				16,521,757
		LEP	1,935,383							1,935,383
		LEP(MHCLG)	636,957							636,957
		CorpRsv	684,977							684,977
		CRGG	926							926
		OG(LUHC)	11,250,000							11,250,000
	Sub Total		22,579,143	508,895	2,000,000	5,941,962	-	-	-	31,030,000
3	Passenger Boarding Bridge	UB	155,125	100,000	2,000,000	4,744,875				7,000,000
		RCCO	-							-
	Sub Total		155,125	100,000	2,000,000	4,744,875	-	-	-	7,000,000
4	Anodes	CorpRsv	276,270							276,270
		UB	33,767							33,767
	Sub Total		310,037	-	-	-	-	-	-	310,037
5	Port - Floating Dock Jetty Dredge	MTRS	1,000,000							1,000,000
		UB	1,862,705							1,862,705
	Sub Total		2,862,705	-	-	-	-	-	-	2,862,705

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
6	Brexit Infrastructure	CorpRsv	5,976,592	142,952	300,000						6,419,544
		OG	17,146,731								17,146,731
		UB	-								-
		RCCO	8,420								8,420
		LEP(MHCLG)	550,000								550,000
		LEP	-								-
	Sub Total		23,681,743	142,952	300,000	-	-	-	-	-	24,124,695
7	Replacement of Freight Gate Roof	PR	-			100,000					100,000
	Sub Total		-	-	-	100,000	-	-	-	-	100,000
8	Replacement of Turnout Shed Roof	PR	-				750,000				750,000
	Sub Total		-	-	-	-	750,000	-	-	-	750,000
9	Acquisitions including Port Master Plan Land & Building Requirements Phase 1	UB	-	400,000	2,900,000	10,000,000	14,200,000				27,500,000
			-	400,000	2,900,000	10,000,000	14,200,000	-	-	-	27,500,000
10	Demolish Sydenhams Building & Hinterland Work	UB	5,410	244,590							250,000
		OC	-	30,000							30,000
	Sub Total		5,410	274,590	-	-	-	-	-	-	280,000
11	Rudmore Square Right Hand Turn	CorpRsv	11,024	38,976							50,000
		OC	-	220,000	150,000						370,000
	Sub Total		11,024	258,976	150,000	-	-	-	-	-	420,000
12	Brexit Control Post - New Building	UB	-		2,000,000	2,000,000					4,000,000

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
13	Shore Power	UB	531,844	2,109,400	1,600,000	384,556					4,625,800
		CorpRsv	406,036	2,609,000	59,964						3,075,000
		OC	283,781	15,790,419	2,400,000						18,474,200
	Sub Total		1,221,661	20,508,819	4,059,964	384,556	-	-	-	-	26,175,000
14	Purchase of Linkspan Berth 4	RCCO	(95,224)								(95,224)
		EUG	95,224								95,224
	Sub Total		-	-	-	-	-	-	-	-	-
15	Shore Power Berth 5	UB	-			1,000,000	4,000,000				5,000,000
	Sub Total					1,000,000	4,000,000	-	-	-	5,000,000
Grand Total			62,025,100	22,194,232	13,409,964	24,171,393	18,950,000	-	-	-	140,750,689

APPENDIX E

PLANNING, POLICY & CITY DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
1	Public Realm 2021/22	CWCIL	480,261								480,261
		CP(DCSF)CM	220,070	42,823							262,893
		CorpRsv	-	25,823							25,823
		PARK	3,323	46,677							50,000
	Sub Total		703,654	115,323	-	-	-	-	-	-	818,977
2	Planning IT System	CorpRsv	-	77,880	47,520						125,400
3	Queen Alexandra Hospital Grant	CIL	864,354	436,894							1,301,248
Grand Total			1,568,008	630,097	47,520	-	-	-	-	-	2,245,625

APPENDIX E

TRANSPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp. in Subsequent Years	Final Cost
			to 31 Mar 2024	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	
1	Contribution to PFI	HwayPFI	27,489,108	4,625,815	4,039,686	2,025,395	1,584,069	1,044,429		40,808,502
		OG(DCLG)CD	2,772,625							2,772,625
		EUG	(10,427)							(10,427)
		OG	145,167							145,167
		UB	2,306,379							2,306,379
		UBIR	7,572,663							7,572,663
		CP(DFT)HM	18,839,082	2,011,000	2,731,000	2,037,000	2,037,000	2,037,000		29,692,082
	Sub Total		59,114,597	6,636,815	6,770,686	4,062,395	3,621,069	3,081,429	-	83,286,991
2	Local Transport Plan & Road Safety 3	CorpRsv	-	41,750						41,750
		S278	-							0
		CP(DFT)IT	1,515,589	202,098	144,031	60,421				1,922,139
		CIL	596,655	102,845						699,500
		S106(ST)	-	3,490						3,490
		OG(DFT)Sec31	-	26,503						26,503
		OG	136,410							136,410
		OC	13,777	83,951						97,728
	Sub Total		2,262,431	460,637	144,031	60,421	-	-	-	2,927,520
3	Traffic Management Centre - System Review	PARK	255,585	25,635						281,220
		OG(DFT)TFSHSec31	-	11,732	60,000					71,732
		CorpRsv	-							0
	Sub Total		255,585	37,367	60,000	-	-	-	-	352,952
4	Isambard Brunel Car Park	PARK	387,929	(41,687)						346,242
5	Eastern Corridor Road Link Improvements	CP(DFT)NPIF	500,000							500,000
		OG(DFT)Sec31	342,617	-						342,617
		CP(DFT)IT	331,770	-						331,770
		CorpRsv	53,732	-						53,732
	Sub Total		1,228,119	-	-	-	-	-	-	1,228,119

APPENDIX E

TRANSPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
12	Smart Cities - Intelligent Transport System - Phase 1	CorpRsv CP(DFT)IT	429,556 21,555	43,465	26,979						500,000 21,555
	Sub Total		451,111	43,465	26,979	-	-	-	-	-	521,555
13	Pedestrian Crossing - Henderson Rd	CP(DFT)IT	64,990	-							64,990
14	On-Street Residential EV Chargepoint Scheme (ORCS)	PARK OG CIL OG(DFT)Sec31	100,000 60,698 5,144 -	(5,144) 887,430							100,000 60,698 0 887,430
	Sub Total		165,842	882,286	-	-	-	-	-	-	1,048,128
15	Air Quality Infrastructure Improvements	OG CP(DFT)IT CorpRsv	262,505 71,091 105,069	13,517 0							262,505 84,608 105,069
	Sub Total		438,665	13,517	-	-	-	-	-	-	452,182
16	Smart Cities: Intelligent Transport System Phase 2	CP(DFT)IT	36,035	22,410	20,000	100,000					178,445
	The Hard Interchange Auxiliary Works	CP(DFT)IT	138,349								138,349
	Sub Total		138,349	-	-	-	-	-	-	-	138,349
17	Transforming Cities Fund	OG(DFT)TCF CP(DFT)IT PARK	4,263,466 111,727 1,047,875	31,814							4,263,466 143,541 1,047,875
	Sub Total		5,423,068	31,814	-	-	-	-	-	-	5,454,882

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TRANSPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
18	South East Hampshire Rapid Transit Programme - Tranche 2	OG(DFT)TCF	48,398,195	7,235,865							55,634,060
	Sub Total		48,398,195	7,235,865	-	-	-	-	-	-	55,634,060
19	Safer Road Improvement A27	OG	127,489	1,211							128,700
		OG(DFT)Sec31	-								0
		CP(DFT)IT	-	10,000							10,000
	Sub Total		127,489	11,211	-	-	-	-	-	-	138,700
20	Air Quality Improvement	OG	5,011,216	2,495,651							7,506,867
		CP(DFT)IT	158,612	61,389							220,001
	Sub Total		5,169,827	2,557,040	-	-	-	-	-	-	7,726,867
21	Cycle Parking Across the City	CP(DFT)IT	9,328	15,672							25,000
	Sub Total		9,328	15,672	-	-	-	-	-	-	25,000
22	One-Way Streets and Low Traffic Neighbourhoods	CP(DFT)IT	39,057	25,942	45,001						110,000
	Sub Total		39,057	25,942	45,001	-	-	-	-	-	110,000
23	Electric Vehicle Charging Infrastructure	CP(DFT)IT	81,178								81,178
		CIL	14,003	(14,003)							-
		OG	222,228								222,228
		OG(DFT)Sec31	-		1,227,333	1,227,333	1,227,333				3,682,000
	Sub Total		317,409	(14,003)	1,227,333	1,227,333	1,227,333	-	-	-	3,985,406
24	Local Cycling & Walking Investment Plan	CP(DFT)IT	21,253	2,222	26,525						50,000
	Sub Total		21,253	2,222	26,525	-	-	-	-	-	50,000

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CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
25	Full Business Case For Extension to Tipner Park & Ride Multi Story Car Park	CIL	499,541	459							500,000
	Sub Total		499,541	459	-	-	-	-	-	-	500,000
26	Non PFI Asset Management Register / Plan	CP(DFT)IT CorpRsv CIL	217,389 - -	157,611 - 50,000	200,000						375,000 200,000 50,000
	Sub Total		217,389	207,611	200,000	-	-	-	-	-	625,000
27	The Hard Structural Repairs	CP(DFT)IT OC	495,312 -	2,975,189 -	(3,070,501) 3,200,000						400,000 3,200,000
	Sub Total		495,312	2,975,189	129,499	-	-	-	-	-	3,600,000
28	City Centre Road	CIL CorpRsv OC	1,074,668 - -	464,884 - -	458,048 7,400 500,000	250,000	250,000				1,997,600 7,400 1,000,000
	Sub Total		1,074,668	464,884	965,448	250,000	250,000	-	-	-	3,005,000
29	LTP 4	CorpRsv CIL CP(DCSF)CM CP(DFT)IT S106(NEW) PARK	9,632 450,081 - - 564 277,693	8,236 770,461 15,000 1,891,910 461 644,994	12,639 273,658 - 1,188,729 - 616,122		1,495,000 1,495,000				30,507 1,494,200 15,000 6,070,639 1,025 1,538,809
	Sub Total		737,970	3,331,062	2,091,148	1,495,000	1,495,000	-	-	-	9,150,180
30	Full Repair of Retaining Wall (London Rd, North of QA Hosp)	CorpRsv	26,607	23,393	250,000						300,000

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CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
31	Transport Hub	CorpRsv	191,213	8,787							200,000
		CIL	-	100,000							100,000
		PARK	-								0
	Sub Total		191,213	108,787	-	-	-	-	-	-	300,000
32	Zero Emission Bus Regional Area Scheme (ZEBRA)	OG(DFT)Sec31	6,599,254	6,168,602							12,767,856
33	Bus Service Improvement Plan (BSIP)	OG(DFT)Sec31	1,281,834	27,089,412	6,948,956						35,320,202
34	Improved Access (neighbourhood fund)	CorpRsv	-	10,000							10,000
35	Cycle Improvements in the City	CIL	-	105,000							105,000
		CP(DCSF)CM	-	15,000							15,000
		CorpRsv	-	20,000							20,000
		PARK	-	50,000							50,000
	Sub Total		-	190,000	-	-	-	-	-	-	190,000
36	Verge Hardening Paulsgrove	CorpRsv	-	80,246							80,246
		CP(DFT)IT	-		40,000						40,000
	Sub Total		-	80,246	40,000	-	-	-	-	-	120,246
37	Active Travel 4 Grant	OG(DFT)Sec31	26,503	597,666							624,169
		OC	5,242	(5,242)							-
	Sub Total		31,745	592,424	-	-	-	-	-	-	624,169
38	Safer Road Fund	OG(DFT)Sec31	-	60,000	1,240,000						1,300,000
		OG	740	(740)							-
		PARK	-			390,000					390,000
	Sub Total		740	59,260	1,240,000	390,000	-	-	-	-	1,690,000

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TRANSPORT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
48	Green Light Fund	OG(DFT)TFSHSec31	-	105,886	394,114						500,000
49	Parking and Access Neighbourhood Improvements	CorpRsv	-		50,000						50,000
Grand Total			136,090,540	60,770,091	22,255,622	7,585,149	6,593,402	3,081,429	0	0	236,376,234

APPENDIX E

HOUSING AND TACKLING HOMELESSNESS PORTFOLIO (GF)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
7	Investment in Solar Photovoltaic Cells	UB	7,263,220	6,562							7,269,782
		CROC	204,689								204,689
		MTRS	-								-
	Sub Total		7,467,909	6,562	-	-	-	-	-	-	7,474,471
8	Utilities & Energy Mgmt 2019/20	MTRS	-	1,050,000							1,050,000
		UB	34,750								34,750
	Sub Total		34,750	1,050,000	-	-	-	-	-	-	1,084,750
9	Landlord's Maintenance (across the whole PCC Estate)	CorpRsv	4,292,231	2,014,296	2,355,000						8,661,527
		CP(DCSF)CM	252,400								252,400
		CP(DCSF)BN	282,205	2,050,395							2,332,600
		CP(DFI)IT	722,200	326,000							1,048,200
		MTRS	34,738								34,738
	Sub Total		5,583,774	4,390,691	2,355,000	-	-	-	-	-	12,329,465
10	Landlord's Maintenance - Capital Contingency	CorpRsv	51,987	141,183							193,170
		CRGG	-								-
		CROC	-	47,000							47,000
	Sub Total		51,987	188,183	-	-	-	-	-	-	240,170
11	Green Homes - Local Authority Delivery	OG	33,183,794	121,226							33,305,020
	Sub Total		33,183,794	121,226	-	-	-	-	-	-	33,305,020
12	Public Sector Decarbonisation	UBS	-								-
		OG	1,821,122	41,261							1,862,383
	Sub Total		1,821,122	41,261	-	-	-	-	-	-	1,862,383

APPENDIX E

HOUSING AND TACKLING HOMELESSNESS PORTFOLIO (GF)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
13	Home Upgrade Grant Projects	OG	9,704,178	17,091,081	20,000,000						46,795,259
	Sub Total		9,704,178	17,091,081	20,000,000	-	-	-	-	-	46,795,259
14	Relocation of the Rough Sleeping Hub	CP(DFT)IT	-	167,000	36,000						203,000
	Sub Total		-	167,000	36,000	-	-	-	-	-	203,000
15	Creation of a Prevention Hub (incl Improved Reception Facilities for HNAS)	CP(DFT)IT	-	352,000							352,000
	Sub Total		-	352,000	-	-	-	-	-	-	352,000
16	Asset Management Surveys	CP(DFT)IT	-	250,000							250,000
	Sub Total		-	250,000	-	-	-	-	-	-	250,000
Grand Total			74,791,868	27,612,057	25,578,300	2,568,896	2,556,000	2,556,000	2,556,000	0	138,219,121

APPENDIX E

HOUSING & TACKLING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
10	Cabbagefield Row	OCRec(HRA)	4,731								4,731
		OG	219,286	135,402							354,688
	Sub Total		224,017	135,402	-	-	-	-	-	-	359,419
11	Strouden Court	UB(HRA)	691,008	100,000	1,546,417	7,282,350	8,934,902				18,554,677
		OCRec(HRA)	145,323								145,323
	Sub Total		836,331	100,000	1,546,417	7,282,350	8,934,902	-	-	-	18,700,000
12	Wecock Farm (Infill)	RCCO(HRA)	81,075								81,075
		UB(HRA)	419,706	150,000	1,343,772	6,101,596					8,015,074
		OCRec(HRA)	3,851								3,851
	Sub Total		504,632	150,000	1,343,772	6,101,596	-	-	-	-	8,100,000
13	Somers Orchard	RCCO(HRA)	2,913,176								2,913,176
		UB(HRA)	5,250,668	261,912	2,161,528	14,406,047	48,747,292	5,332,324	1,000,992		77,160,763
		OCRec(HRA)	191,061								191,061
		OG	-			13,376,250	1,615,500	2,843,250			17,835,000
	Sub Total		8,354,905	261,912	2,161,528	27,782,297	50,362,792	8,175,574	1,000,992	-	98,100,000
14	Acquisition of Viking Court and Shootpool	UB(HRA)	2,530,396								2,530,396
		CRec(HRA)	518,274								518,274
	Sub Total		3,048,670	-	-	-	-	-	-	-	3,048,670
15	Twyford Avenue	UB(HRA)	14,017	25,000	854,983						894,000
		CRec(HRA)	9,345		586,655						596,000
	Sub Total		23,362	25,000	1,441,638	-	-	-	-	-	1,490,000

APPENDIX E

HOUSING & TACKLING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2024	Revised Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Estimate for 2027/28	Estimate for 2028/29	Estimate for 2029/30	Exp. in Subsequent Years	Final Cost
16	Residential Stock Portfolio Acquisition	UB(HRA)	70,506,908	8,267,092	1,040,400	1,061,200	1,082,400				81,958,000
	Sub Total		70,506,908	8,267,092	1,040,400	1,061,200	1,082,400	-	-	-	81,958,000
17	Adventure Playground Equipment Replacement and	CorpRsv	-	30,000	30,000						60,000
		OR	-		90,000						90,000
		RCCO(HRA)	-	90,000							90,000
	Sub Total		-	120,000	120,000	-	-	-	-	-	240,000
18	Paulsgrove Community Centre	CorpRsv	-		20,000						20,000
		OR	-		60,000						60,000
	Sub Total		-	-	80,000	-	-	-	-	-	80,000
19	Splash Parks - Relining	CorpRsv	-		17,000						17,000
		OR	-		53,000						53,000
	Sub Total		-	-	70,000	-	-	-	-	-	70,000
20	Acquisition of Temporary Accommodation	UB(HRA)	-		15,640,000	15,640,000					31,280,000
	Sub Total		-	-	15,640,000	15,640,000	-	-	-	-	31,280,000
Grand Total			313,637,831	47,916,231	67,192,490	98,887,743	99,186,094	48,562,574	39,528,992	0	714,911,955

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PRUDENTIAL INDICATORS

Details of the Capital Programme are contained in Appendix E

Ratio of Financing Costs to Net Revenue Stream							
	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non - HRA	5.1%	5.0%	7.7%	9.8%	10.9%	11.4%	11.4%
HRA	6.3%	8.0%	8.4%	9.8%	11.7%	12.6%	13.4%

Capital Financing Requirement							
	2023/24 Actual £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s	2027/28 Estimate £'000s	2028/29 Estimate £'000s	2029/30 Estimate £'000s
Non - HRA	636,332	641,965	706,329	736,468	752,942	765,951	768,228
HRA	332,650	346,630	373,747	425,237	487,252	495,834	496,835
Total	968,982	988,595	1,080,076	1,161,705	1,240,194	1,261,785	1,265,063

Authorised Limit for External Debt							
	2023/24 Actual £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s	2027/28 Estimate £'000s	2028/29 Estimate £'000s	2029/30 Estimate £'000s
Borrowing	926,488	974,521	1,070,269	1,157,901	1,243,347	1,272,856	1,284,485
Other Long Term Liabilities (ie Credit Arrangements)	42,494	38,366	34,639	29,132	22,682	15,281	7,456
Total	968,982	1,012,887	1,104,907	1,187,033	1,266,029	1,288,136	1,291,941

Operational Boundary for External Debt							
	2023/24 Actual £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s	2027/28 Estimate £'000s	2028/29 Estimate £'000s	2029/30 Estimate £'000s
Borrowing	926,488	950,229	1,045,437	1,132,573	1,217,512	1,246,504	1,257,607
Other Long Term Liabilities (ie Credit Arrangements)	42,494	38,366	34,639	29,132	22,682	15,281	7,456
Total	968,982	988,595	1,080,076	1,161,705	1,240,194	1,261,785	1,265,063

Ratio of Net Income from Commercial and Service Investments to Net General Fund Revenue Stream							
	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Commercial Investments	4.3%	4.0%	3.8%	3.8%	3.6%	3.6%	3.6%
Service Investments	5.1%	4.2%	4.1%	3.8%	3.7%	3.6%	3.4%
Total	9.4%	8.1%	7.9%	7.6%	7.3%	7.2%	7.0%

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Appendix G: CAPITAL STRATEGY

Part 1 - Capital Expenditure and Aspirations



PART I Capital Expenditure and Aspirations

CONTENTS

- 1. Definition, Purpose & Policy Scope**
- 2. Strategic Fit**
- 3. Key Capital Expenditure Assessment & Principles**
- 4. Planned Capital Investments**
- 5. Long Term Capital Expenditure Aspirations**
- 6. Financing the Capital Programme**
- 7. Summary**

1. Definition, Purpose & Policy Scope

Definition

1.1 Capital expenditure is the expenditure that is incurred primarily on buying, constructing or improving physical assets, such as:

- Buildings (including schools, houses, libraries and museums)
- Land for development, roads, playing fields; and
- Vehicles, plant and machinery (including street lighting and road signs).

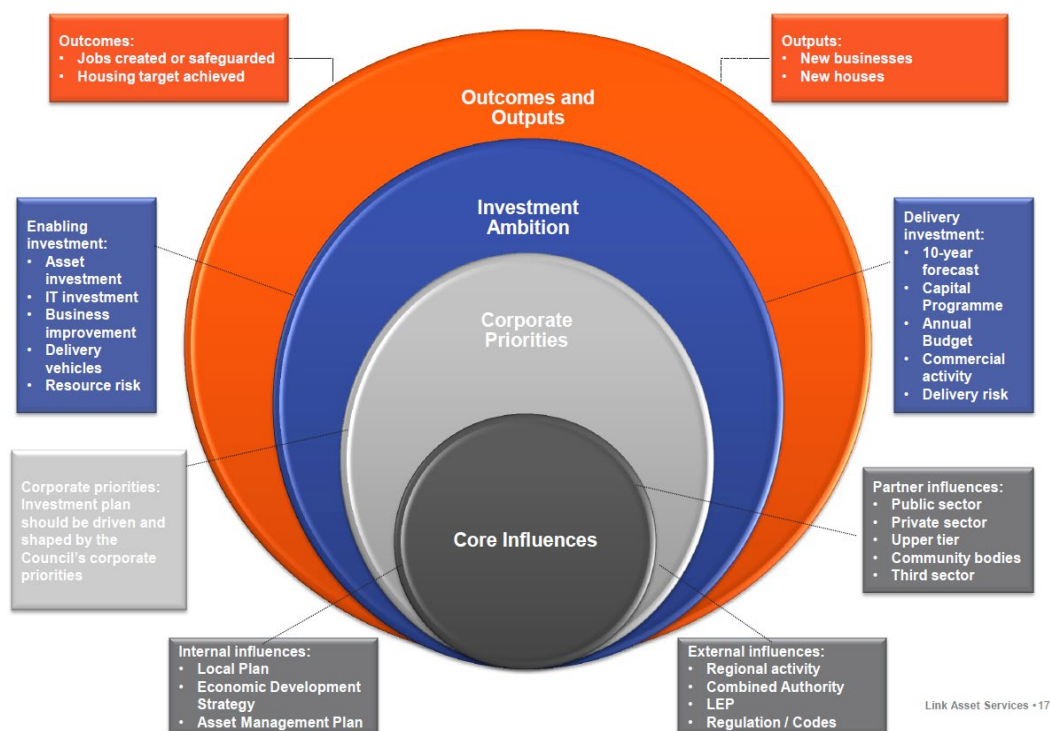
Capital expenditure also includes grants and advances made to the public or private sector for capital purposes, such as advances to Registered Social Landlords to provide adaptations to houses that meet the needs of vulnerable people.

1.2 The Capital Strategy is a high-level plan that sets out the Council's approach to Capital expenditure over the short, medium and long term. As well as the Local Plan, the strategies and Business Plans developed by the services, play a key role in driving the Council's capital investment decisions. These strategies and plans are under constant review as needs change.

1.3 The Capital Strategy takes both a "bottom up" and "top down" approach to the identification of the Council's Capital expenditure requirements. It takes a 10-year time horizon and considers:

- What are the short-term **needs** of the existing capital assets of the City Council, which of them will be required for future service delivery and what capital expenditure will be needed to sustain them both now and, in the future, ("Bottom Up" approach)
- What are the Council's medium-term **priorities** for service delivery and what capital expenditure will be needed to help deliver those priorities ("Top Down" and "Bottom Up" approach)
- What are the Council's long-term **aspirations** for the City of Portsmouth and what capital expenditure will be needed to deliver those aspirations ("Top Down" approach)

Capital Strategy



Purpose

- 1.4 The purpose of the Capital Strategy is to set out a plan and a supporting financial framework to assist in the delivery of the Council's needs, priorities and aspirations. That plan describes what will be achieved, by when with key milestones and how it could be funded. The Capital Strategy is "the long-term strategy for investment in assets and for obtaining the resources required for that investment" (CIPFA).
- 1.5 The Capital Strategy is intended to be a robust vehicle with sufficient guiding principles to achieve the Council's stated vision and priorities but flexible enough to be able to respond to the emerging local priorities that will inevitably arise.
- 1.6 The Capital Strategy is not intended to be static; it is a dynamic plan that will change and evolve continually over time as needs change. The Capital Strategy needs to be flexible to respond to emerging national and local priorities. In particular, the nature of the Central Government Capital Financing system is such that many national priorities for Capital expenditure will be cascaded and "drip fed" to Local Authorities over time and will be accompanied by the external funding to support them. These will be incorporated into the Council's Capital expenditure Plans as they arise. The Strategy will, however, be robust and will include local priorities and aspirations that the Council aims to fund from the Council's own capital resources.
- 1.7 Following the December 2021 publication of the CIPFA Prudential Code for Capital Finance in Local Authorities', there is a requirement for Full Council to approve an annual Capital Strategy linking with the Council's asset management plans and its Treasury Management Strategy. Being aligned with one another, they will generate and create value for the Council by optimising the Council's liquidity; having a framework in place to prioritise capital expenditure and safeguarding against risk of either project overspend or non-delivery and by limiting the uncertainty of its returns.

Policy Scope

- 1.8 The City Council's Capital Strategy encompasses all areas of the Council's activities including some of the traditionally more autonomous service areas such as Housing Revenue Account and the Commercial Port.
- 1.9 The body that approves the budget for PCC is the Full Council. The responsibility for decision-making and ongoing monitoring in respect of capital expenditure, investment and borrowing, including prudential indicators, remains with the Full Council.
- 1.10 New Capital Expenditure will be targeted towards those schemes that meet the Council's statutory responsibilities and that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the city.

2. Strategic Fit

- 2.1 In Autumn 2024, the Council's Corporate Plan for 2024-26 was approved by Full Council, setting out the Council's mission and priorities for the next 2 years and to contribute to the city's vision for 2040. The Medium-Term Financial Strategy (MTFS) and the Capital Strategy (CS) set out the Revenue Spending plans and the Capital expenditure plans respectively that deliver the longer-term aspirational Vision for Portsmouth and the medium-term Priorities for the City Council. Both strategies set out the financial frameworks that exist to support the achievement of the vision and priorities.
- 2.2 Whilst there is a technical distinction between Revenue and Capital, the focus of attention for the Council is not whether it is Capital or Revenue, but whether the desired outcome is achieved. In this respect, the strategy for capital expenditure is of equal importance to the strategy for revenue spending.
- 2.3 Whilst the MTFS and CS are designed to support the delivery of the day-to-day revenue and ongoing capital expenditure needs, priorities and aspirations of the Council, those needs, priorities and aspirations are also constrained by the revenue and capital resources available. These strategies therefore introduce criteria-based processes to assist the Council in making informed spending decisions that will optimise the outcomes from the resources available.

Simple Business Planning Model



- 2.4 The MTFs and CS are driven by the Corporate Plan both directly in terms of medium to longer term priorities and ambitions of the Council, the Local Plan, Service Business Plans and the Council's Asset Management plans in terms of the short- and medium-term needs and priorities of the Council. Service Business Plans and Asset Management plans are the more immediate "needs analysis" and "bottom up" drivers that feed the MTFs and Capital Strategy.
- 2.5 Service Business Plans set out all spending plans of the service to deliver priority outcomes. Service Business Plans also feed into asset management plans which seeks to align the Council's asset base with our corporate plans and objectives. Asset management plans identify current and future needs and priorities of services and seeks to provide a series of actions to ensure the Council has the right assets, in the right condition and in the right location.
- 2.6 A core feature of this Capital Strategy is to assist in the delivery of the Corporate Plan. There is a presumption that Capital expenditure will be targeted towards income generation and economic growth whilst ensuring the Council's statutory obligations are also met. The emphasis is therefore on cost reduction, innovation and clean economic growth and productivity for the City.

3. Key Capital Expenditure Assessment & Principles

- 3.1 The Capital Strategy considers investments that will be made in the acquisition, creation or enhancement of tangible or intangible fixed assets in order to yield benefits to the Council for a period of more than one year. It also considers how stewardship, value for money, prudence, sustainability and affordability will be secured. The priority of new capital expenditure will be assessed in accordance with the following capital expenditure criteria:

3.2 Criteria 1 - To support a Medium-Term Outlook

- Allocating known resources to future years for critical capital investment, ensuring that in years where capital resources are limited, critical investment can continue to be made
- Aligning known resources to current approved spending, ensuring that uncertain or forecast resources are not applied to current investment, thus leaving potentially unfunded obligations in the future
- Smoothing out any significant gaps between capital investment needs and capital resources available by utilising contributions from revenue.

Criteria 2 - To Maximise the Capital Resources Available and the Flexibility of their Application

- Setting aside capital funding for "match funding" opportunities, where these are aligned with the Council's strategic objectives in order to take advantage of "free" funding
- Reviewing contractually uncommitted schemes against newly emerging capital investment priorities
- Avoiding ring-fencing of capital resources, except where such ring fencing is statutory
- Using prudential borrowing for "invest to save" schemes, or schemes which generate income.

Criteria 3 - Targeted Capital Investment

- Annual review of all contractually uncommitted capital schemes which rely on non-ring-fenced funding is undertaken to ensure that they remain a priority in the context of any newly emerging needs and aspirations
- Investment in programmes of a recurring nature that are essential to maintain operational effectiveness - including statutory responsibilities

3.3 In order to determine which current, or future assets, should be either maintained or invested in, the following principles will be adopted when consideration is given to capital expenditure decisions:

3.4 Principle 1 – Contribution to Council Plan / Priorities

For the Council's non-commercial activities, Capital expenditure will be made where there is a clear and demonstrable contribution to the priorities and aspirations contained within the Corporate Plan.

For the Council's commercial activities (such as the Port and Investment Property Portfolio), Capital expenditure will be based on the commercial principles of achieving security of the investment with a specified rate of return and payback through surpluses over a reasonable timeframe.

Principle 2 - Statutory Obligations

There must be clarity about the details of immediate obligations and the extent to which the current statutory obligation is being met.

Principle 3 – Financial Appraisal

The City Council will only embark on new capital expenditure where that capital expenditure is fully funded and the source of funding in terms of both timing and value can be relied upon with a high degree of confidence. The timing and accessibility of funds to PCC must be considered.

Prior to any Capital expenditure decision being made, the whole life cost of the proposal will be estimated, and the Council will satisfy itself that those costs can be accommodated with the council's overall budget. Capital Expenditure must also take into consideration the impact on both existing revenue and capital budgets and future forecasts. This will include both the maintenance, and any lifecycle replacement of components required over the estimated useful life of the asset.

Principle 4 – Option Appraisal

Any new capital expenditure decision is to follow a full and proper options appraisal that considers the following for each reasonable alternative:

- Suitability – the extent to which each option contributes to the needs, priorities and aspirations of the Council as defined within asset management plans and Corporate Plan

- Feasibility – the capital cost and whole lifecycle cost plus the practical ease of implementing the scheme
- Acceptability – the extent to which the scheme is acceptable to Members of the City Council and the residents of Portsmouth.

Principle 5 - Risk

The Capital expenditure should neither place the Council in a position where the risks associated with the Capital expenditure exceed the benefits of undertaking that investment, nor should the Council enter any Capital expenditure where the risks associated with that investment cannot be managed effectively. Such risks may include (but will not be exclusive to) having insufficient resources generally or project management resources to be able to effectively deliver a capital scheme.

Principle 6 – Approved Schemes in Progress (overspends)

The first concern before any new Capital Expenditure is considered, is to ensure that the existing approved capital programme is fully and properly funded. Except in exceptional circumstances, the first call on available capital resources will be to fund any overspendings on approved schemes which are contractually committed. An approved scheme that is in progress will only be cancelled when the Value for Money of that scheme becomes unviable. (i.e. the additional costs and risks outweigh the potential future benefits).

4. Planned Capital Investments

The Capital Strategy is dynamic and whilst the priorities and aspirations of the Council will remain broadly constant, the Capital expenditure to achieve those priorities may change. The Capital expenditure plans of the Council will be updated continuously and added to the Council's Capital Programme following the proper approvals in accordance with the Council's Constitution and Financial Rules.

4.1 **The short- and medium-term Capital expenditure** needs of the Council will be driven by the Corporate Plan and be identified in Service Business Plans and asset management plans. The Corporate Plan, Asset Management Plans and Service Business Plans is both a "bottom up approach" (i.e. needs led - drawing upon changing demographics, changing demand and changing expectations of residents) as well as a "top down" approach (i.e. priority led - based on the future direction of the Council set out in the Corporate Plan).

4.1.2 Asset management plans will identify:

- The assets needed to deliver current and future services
- The condition and sufficiency of those assets
- The capital expenditure required to maintain and / or adapt those assets to ensure that they are "fit for purpose"
- Unsuitable and surplus assets that are not required for the delivery of the Council's services and could either be:
 - Re-used for another purpose
 - Re-developed or "mothballed" for future re-development

- Transferred for Community or other Public Use
- Disposed of via sale.

4.1.3 The City Council has a wide range of service responsibilities, both statutory and non-statutory. In determining the needs and priorities for new Capital expenditure, a balanced approach will be taken to ensure that all the needs and priorities of all service areas are considered including the capital-intensive nature of some services.

4.2 Long Term Capital Expenditure Aspirations

4.2.1 In accordance with the Council's Capital Strategy and Medium-Term Financial Strategy, in developing capital investment plans for 2025-26, the Cabinet is proposing to prioritise those schemes that:

- 1) Provide for statutory requirements including School Places, Transport Safety, Homelessness and necessary Health and Safety obligations
- 2) Ensure that the Council's services to residents continue to operate from safe "fit for purpose" buildings
- 3) Support the renewal of the Council's aging Leisure Estate and end of life sports and play facilities across the City
- 4) Continue the Council's environmental agenda, including the downsizing of the Civic Offices and further greening initiatives
- 5) Continue with the Council's key regeneration opportunity for the City Centre North, aiming to stimulate housing and employment in the Council's most deprived area.

4.2.2 The longer-term aspirations that the Council has for the City are ambitious and rely on the Council applying the resources at its disposal in ways which deliver the greatest impact. Known obligations and aspirations, in line with the Medium-Term Financial Strategy, for future capital investment once further capital resources become available include:

Statutory Obligations:

- Additional extensions / additions to schools in respect of pupils with complex educational needs in order to provide for additional school places
- Provision of additional disabled facilities grants
- Requirements to improve road safety, disabled access and air quality
- Landlords Repairs & Maintenance.

Improving the City Economy:

- Further development of key employment, housing and regeneration sites
- Anti-Poverty projects
- Coastal protection schemes to protect homes and businesses
- Improvements to road transport infrastructure as a means of supporting new business growth and productivity generally as well as the protection of the tourism economy.

Enhancing the Environment:

- Greening the City
- Creating space and access.

Public Service Transformation:

- Developing the Digital Council
- Use of technology to provide greater personal independence for those with care needs.

4.3 The current short, medium and long-term capital aspirations are set-out within the main budget report.

5. Financing the Capital Programme

5.1 The financial framework governing the allocation of Capital Resources offers Members greater choice and transparency with the overall aim of delivering better outcomes from the resources available. It seeks to strike the correct balance of allocating capital resources between short- and medium-term needs and priorities and longer-term aspirations, to support the delivery of the long-term Capital Strategy.

5.2 All capital investments must be financed. Allocation of corporate capital resources (i.e. non passported sources of finance) available to the City Council for new capital schemes comprise the following:

- Contributions to the “Corporate Pool” of all non-ring-fenced capital grants from Government, commonly referred to as the “Single Capital Pot” allocations
- The anticipated balance on the Revenue Reserve for Capital
- Changes to the existing Capital Programme - additions or deductions for any changes in the costs or funding requirements associated with the existing capital programme
- Any allowances for Prudential Borrowing
- Other Corporate Capital Grants & Contributions e.g. Community Infrastructure Levy
- Any Revenue Contributions to Capital
- The forecast value of additional capital receipts considering:
 - New assets declared surplus to requirements
 - Any increase or decrease in the estimated value of existing assets to be disposed of
 - Any requirements to provide for affordable housing, parking or any other conditions which could have a significant impact on the disposal value and other costs associated with disposal.

5.3 Unless there is a compelling case in the wider public interest, any capital receipts received from assets previously appropriated between the General Fund and the Housing Revenue Account be used in any way to relieve the Council (HRA or General Fund) of its associated ongoing debt burden. Such uses will include:

- A voluntary contribution to the repayment of debt (i.e. Voluntary Minimum Revenue Provision)
- The funding of (or contribution to) a capital scheme that will generate long term income streams that exceed the ongoing debt burden
- The funding of a capital scheme that will reduce expenditure or avoid costs at a level that exceeds the ongoing debt burden
- Any combination of the above.

6. Summary

This strategy sets out the key capital expenditure priorities over the short, medium and longer term.

Whilst the capital resources available are currently insufficient to meet all the capital expenditure Priorities of the Council, the financial framework set out in this strategy will provide the best opportunity for maximising resources and the best opportunity for applying those resources to that Capital expenditure which will make the greatest contribution to the Council's needs, priorities and aspirations.

Inevitably plans to achieve the Council's objectives over the short, medium and long term will change as will the capital resources available. This strategy has been designed to be flexible enough to accommodate any such changes whilst being robust enough to enable the Council's core objectives to be achieved.

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Appendix G: CAPITAL STRATEGY

Part 2 - Borrowing and Investing



PART II Borrowing and Investing

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- 1. Definition**
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- 3. Borrowing**
- 4. Investments**
- 5. Skills and Knowledge**
- 6. Treasury Management Reporting**

Appendices:

- 1. Investment Indicators**

1. Definition

The Council manages its cashflows, and associated risks, by knowing:

- when and how much to borrow
- when the Council requires more cash
- when the Council has surplus cash to invest

This activity is known as Treasury Management.

2. Net Debt

2.1 Borrowings increase when capital schemes are financed from borrowing and decrease when debt is repaid.

2.2 The Council's reserves and working capital are invested until the money is required to finance expenditure. The Council's forecast net debt, i.e. its borrowings less its investments are summarised in the table below. This forecast is based on the Council using its reserves to finance capital expenditure in the medium term, rather than undertaking new external borrowing for as long as possible. This is beneficial to the Council's revenue budget as the interest on borrowings normally exceeds the return on the Council's investments. However, this position cannot be maintained in the long term with the Council's net debt increasing year on year. It is expected that the Council will have to undertake further external borrowing in 2026/27 or alternatively sell its Investment Properties.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m	£m	£m
Borrowings	709	696	731	805	824	826
<i>Less Investments</i>	(224)	(122)	(75)	(73)	(72)	(71)
Net Debt	485	574	656	732	752	755

3. Borrowing

3.1 In the past, the principal source of borrowing has been the Public Works Loan Board, (PWLB) which is operated by HM Treasury. The PWLB can still be used to replace existing debt or to reschedule debt. However, a recent change in the PWLB's lending terms requires Local Authorities to confirm that they do not plan to purchase investment assets primarily for yield or use incidental income from the development of commercial properties for regeneration purposes to fund wider services.

3.2 There are alternative types of borrowing available including:

- Local Authority
- Market Forward Borrowing (for transactions greater than £30m)
- Bond Issue (for transactions greater than £100m)
- UK Municipal Bond Agency (UKMBA)

- UK Infrastructure Bank (UKIB) specially for infrastructure investments such as Transport, waste etc
- Other such as leasing or local bonds

3.3 This Capital Strategy identifies capital aspirations that may be included in future capital programmes. Prudential Borrowing is only available for a Council's "Primary Purpose for Investment", this means that it must be directly and primarily related to the functions of the authority. Also, any Prudential Borrowing must meet the "Invest to Save" criteria where those savings accrue directly to the Council on a sustained basis and meet the Prudential Code's tests of affordability, sustainability, and prudence over the lifetime of the borrowing undertaken. Prior to any borrowing, a full business case and financial appraisal is prepared that can satisfactorily demonstrate that borrowing is affordable by the services existing cash limits and must satisfy the S151 Officer.

3.4 Outstanding long-term debt is reviewed regularly with a view to early redemption and rescheduling; although premiums would be payable to the lender and consequently early redemption and rescheduling are rarely financially beneficial to the Council.

Affordability of Borrowing

3.5 To ensure future budgets remain affordable, the Council needs to be aware that capital expenditure financed from Prudential Borrowing incurs both **interest costs** and a **Minimum Revenue Provision (MRP)** for the repayment of debt. The MRP is a revenue charge within the budget which reduces the Capital Financing requirement over time.

3.6 The Council has a policy of calculating MRP on an annuity basis. This means that MRP will start at a relatively low level but require increasing amounts of MRP to be set aside year on year, especially for assets with long useful economic lives. This creates a period of low MRP during the early years as income builds, or savings start to accrue. The distribution of MRP over the life of a capital scheme is determined by the prevailing interest rate. The lower the interest rate, the higher the MRP is in the early years.

3.7 It is estimated that MRP will amount to £12.1m in 2025/26 The inclusion of further schemes in the capital programme financed by Prudential Borrowing will further increase the MRP.

Key Risks

3.8 There are risks with borrowing more than the Council can afford. To mitigate these risks, the Chartered Institute of Public Finance and Accountancy (CIPFA) has produced the Prudential Code for Capital Finance in Local Authorities, which is a statutory code governing local authority borrowing. The Prudential Code requires the Council to establish various indicators over a minimum of 3 years to demonstrate that its capital programme is both affordable and prudent. The Council publishes its Prudential Indicators, over a 5-year period, within its capital programme and the Council then reports its position against the prudential indicators at the end of each financial year.

3.9 To ensure that the borrowing required to finance the capital programme is affordable, the Council:

- Estimates the ratio of its financing costs to its net revenue stream
- Estimates the ratio of net income from commercial and service investments to its net revenue stream.

- 3.10 To ensure that the Council's capital programme is prudent, the Council:
- Publishes a capital programme which includes estimates of its underlying need to borrow as measured by its Capital Financing Requirement
 - Is required to approve an Authorised Limit for external debt and an Operational Boundary when it approves its capital programme.
- 3.11 The **Authorised Limit** for external debt, as set by the City Council, is the maximum amount of debt which the authority may legally have outstanding at any time. The authorised limit includes headroom to enable the Council to undertake borrowing to take advantage of unexpected movements in interest rates and to accommodate any short-term debt or unusual cash movements that could arise during the year.
- 3.12 Whilst the Authorised Limit cannot be breached, the **Operational Boundary** is based on the probable external debt during the year. It is not a limit but acts as a warning mechanism to prevent the authorised limit (above) being breached.

Sensitivity Analysis

- 3.13 The Council's gross debt on 31 March 2024 was as follows:

	£m	£m
Fixed Rate Borrowing	618	
Finance Leases	1	
Private Finance Initiative (PFI) Schemes	42	
Sub Total - Fixed Rate Debt		661
Lenders Option Borrowers Option (LOBO) Loan	11	
Retail Price Index (RPI) linked loan	61	
Sub Total - Variable Rate Debt		72
Total Gross Borrowing		733

- 3.14 At 31 March 2024, 90% of the Council's borrowing had a fixed interest rate, the Council's two variable rate loans were:
- LOBO loan - the lender of the LOBO loan had an option to increase the interest rate every two years. The lenders next option was due on 19 March 2025. Due to high expectations that the lender would exercise this option in March, the opportunity to repay the loan early, without payment of any early repayment penalty, was taken in November 2024 and the loan was repaid in full.
 - RPI linked loan - the Council has £61m outstanding on a loan which links the instalments payable by the Council to the RPI. The Council has leased the Isle of Wight Ferry Terminal in White Heart Road to Wightlink on an RPI linked rent that mirrors the instalments payable on this loan mitigating the consequences of increases in RPI.

Minimum Revenue Provision (MRP) for Debt Repayment

- 3.15 Early in 2018 the Government issued revised statutory guidance on MRP requiring the repayment of General Fund Prudential Borrowing to be provided for within 50 years. Amendments to the Local Authorities (Capital Finance and Accounting) (England) Regulations 2023, have been made effective from 1st April 2025. The amendments

"explicitly prevent" the underpayment of MRP by using capital receipts to replace the revenue charge and not making MRP on debt associated with investments whereby Local Authorities must make a "prudent" provision for MRP.

3.16 The following MRP policies (applied to calculating the MRP) are set out in the table below and are fully compliant with this policy. It is recommended the City Council approves the Annual Minimum Revenue Provision (MRP) for Debt Repayment Policies set out in the table below.

Borrowing	MRP Methodology
<u>General Fund Borrowing:</u>	
Supported borrowing other than finance leases and service concessions including private finance initiative schemes #	50-year annuity
Finance leases and service concessions including private finance initiative schemes *	MRP equals the principal repayments made to lessors and PFI operators
Prudential borrowing excluding borrowing to fund long term debtors (including finance leases), investment properties and equity shares purchased in pursuit of policy objectives	Annuity over life of asset
Prudential Borrowing to fund long term debtors	Following the 2023 amendments, MRP is required in the relevant financial year, for any expected credit loss in respect of capital loans of a non-commercial nature which have been made since 7 May 2024
Prudential Borrowing to fund finance leases	The principal element of the rent receivable be set aside to repay the borrowing that financed these assets
Prudential Borrowing to fund investment properties with an expected holding period of under 50 years	The 2023 amendments require there to be an Annuity over the life of the asset
Prudential Borrowing to fund investment properties with an expected holding period of over 50 years	Annuity over life of asset
Prudential Borrowing to fund equity shares purchased in pursuit of policy objectives	25-year annuity
<u>Housing Revenue Account (HRA)</u>	No MRP is currently provided for. It is currently anticipated that from 2028/29 it will be provided again for the HRA Self Financing Payment in equal instalments over 30 years. MRP is not provided for other HRA debt

The Council applied the last of its supported borrowing 2011/12

* If transactions that take the legal form of finance leases but in substance amount to borrowing, the MRP policy relating to self - financed borrowing will be adopted. An example of when this could happen would be when the Council grants a head lease to an institution in return for an upfront premium and leases the asset back from the same institution in return for a rent.

- 3.17 The Council had a review of its MRP policy in 2016/17. Consequently, it highlighted that the previous methods used in the past have resulted in over provisions of MRP from 2008/09 to 2015/16 of £22.6m. The Director of Finance and Resources (Section 151 Officer) will release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years under delegated authority. This overprovision is forecast to expire in 2026/27.

4. Investments

Treasury Management

- 4.1 Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service Delivery

- 4.2 Investments held primarily and directly for the delivery of public services including housing, regeneration, and local infrastructure. Dunsbury Park, Portsmouth Retail Park, Portico and Ravelin are included in this category as income received would be used for regeneration purposes. Returns on this category of investment which are funded by borrowing are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.

Commercial Return

- 4.3 Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must no longer borrow to invest primarily for financial return.

Due Diligence

- 4.4 The Council initially identifies suitable Treasury Management investments using credit ratings from Fitch, Moody's, and Standard and Poor. Where possible, credit ratings are compared to insurance premiums against a counter party defaulting. Insurance premiums against a counter party defaulting can be compared to a widely used index of the market (ITRAAX). If the market has concerns about a borrower, it should be reflected in a higher insurance premium. Although credit ratings are supported by an in-depth analysis of the borrower, insurance premiums provide a more up to date indicator of a borrower's credit worthiness. Prior to making investments, any news relating to the borrower is also considered together with any available data on ESG, (Environment, Social & Governance).
- 4.5 All property acquisitions require a business case which includes a full financial appraisal. The detailed business case and financial appraisal includes building surveys, environmental surveys and valuations in accordance with the Red Book. In addition, properties continue to be revalued on an annual basis.

- 4.6 Other sources of information that are relevant to particular sectors are also considered either as a substitute for credit ratings and insurance premiums in sectors where these are not available or to supplement credit ratings and insurance premiums. Examples of this are the governance and viability ratings assigned to larger registered social landlords (RSLs) by the Homes and Communities Agency (HCA), and data sets published by the Building Societies Association
- 4.7 For further detail on the Council's investment criteria, see the Treasury Management Policy.

Service and Commercial Investments Acquired Through the Capital Programme

- 4.8 According to the CIPFA Treasury Management Code, investment properties acquired through the capital programme are regarded as investments in addition to investments of surplus cash.
- 4.9 CIPFA's Prudential Code relating to service and commercial investments requires that:
- 1) The risks associated with service and commercial investments should be proportionate to a local authority's financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services
 - 2) An authority must not borrow to invest for the primary purpose of commercial return
 - 3) It is not prudent for local authorities to make any investment or spending decision that will increase the Capital Financing Requirement (CFR), and so may lead to new borrowing, unless directly and primarily related to the functions of the authority, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose
 - 4) An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt
 - 5) A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream
 - 6) Local authorities should create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

Statutory Guidance

- 4.10 The Government issued revised statutory guidance on local government investments early in 2018 coming into effect from 01 April 2018. The guidance requires Councils not to borrow purely for financial gain.
- 4.11 The Government's revised statutory guidance also requires local authorities to present a range of indicators to allow members and other interested parties to understand the total exposure from borrowing and investment decisions. It is recommended that the indicators contained in the Appendix be approved. The Government's statutory guidance requires the Council to consider the long-term sustainability risk implicit in becoming too dependent on commercial income or in taking out too much debt relative to net service expenditure. In particular, the Government's statutory guidance requires the City Council to set limits that cannot be exceeded for gross debt compared to net service expenditure, and for commercial income as a percentage of net service expenditure. It is

recommended that if these limits are exceeded, the Director of Finance and Resources (Section 151 Officer) bring a report to the Cabinet and City Council.

Activity in the Investment Property Market

- 4.12 The Council has an investment property portfolio that it acquired over several years for £173m.
- 4.13 The Council's overall long-term strategy is to dispose of its investment property portfolio and to mitigate the risks attached to the investment property portfolio in the meantime. The Council's exit strategy is as follows:
- 1) To sell property when it becomes clear from a property and financial perspective that a sale will be preferable to a hold and rent (based on frequent review of forward cash flow forecasts).
 - 2) Use all sale proceeds to make a voluntary MRP contribution.
 - 3) If the carrying (market) value of a property falls below that part of the purchase price financed from unsupported borrowing, MRP will be made for the shortfall over the residual life of the property up until 31st March 2025, when it will then be superseded by the Amended 2023 Regulations.
 - 4) The savings in debt costs to contribute towards the loss of rental income to the General Fund. Over time the significance of the rental income will reduce as it is eroded by inflation.
- 4.14 The Commercial Property Portfolio is managed by an in-house team who are qualified members of the Royal Institute of Chartered Surveyors.

Investment Indicators

Gross General Fund (GF) Debt to GF Net Service Expenditure

- 4.15 The Council's GF borrowing is forecast to be 1.4 times its GF net service expenditure in 2025/26. It is recommended that GF borrowing be limited to four times GF net service expenditure. This will allow further borrowing to be undertaken if it is financially advantageous.

Income from Investments for commercial and service purposes to General Fund (GF) Net Service Expenditure

- 4.16 The Council will depend on income from investments for commercial and service purposes to fund 8.9% of its estimated GF net service expenditure in 2025/26. To ensure that the Council does not become over dependent on income it is recommended that no more than 13.3% of GF net service expenditure will be funded from investment income.

Interest Cover

- 4.17 The Council's investment property portfolio has been financed from borrowing. There is therefore a risk that income from investment properties may be insufficient to pay the interest incurred on the associated debt. However, the net income from the investment property portfolio exceeds the cost of the associated interest 2.2 times.

Loan to Value Ratio

- 4.18 The market value of the Council's investment properties is thought to be sufficient to repay the borrowing that financed their acquisition.

Forecast Income Returns

- 4.19 The investment property portfolio is expected to make a net return of 2.4% against the original cost of the properties in 2025/26.

Gross and Net Income from Investment Properties

- 4.20 The investment property portfolio is expected to generate a retained income of £3.3m in 2025/26.

External Operating Costs

- 4.21 External operating costs are driven by lease events such as rent reviews and lease renewals. Some years have more lease events than others.

5. Skills and Knowledge

- 5.1 The issues covered by this report are in their nature complex, so all the Council's senior finance staff are chartered accountants. The Treasury Manager is a Chartered Institute of Public Finance and Accountancy (CIPFA) qualified accountant. Where the Council does not have the necessary in-house skills and services, it employs MUFG Corporate Markets Treasury Limited (formerly called Link Group) to provide interest rate and economic forecasts, and counter party information.
- 5.2 On 31 March 2024, £46.98m of the Council's investments of surplus cash were being managed externally consisting of £34.48m invested in instant access money market funds, £4.8m in a multi-asset fund and £7.7m invested in corporate bonds that were being externally managed.
- 5.3 The City Council is also a member of Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Network which provides training events throughout the year. Some training is also provided by MUFG. Additional training for investment staff is provided as required.
- 5.4 Councillors are offered training by an external consultant to provide them with an overview of treasury management after the local government elections.

6. Treasury Management Reporting

- 6.1 An integrated approach to Treasury Management gives rise to consideration in relation to:
- Borrowing
 - Repaying
 - Refinancing
 - Investing

6.2 Treasury management has been defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as "the management of an organisations borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks". Put simply, the Council's approach to cash flow includes:

- Borrowing when the Council requires more cash
- Investing when the Council has surplus cash.

6.3 In addition to the Capital strategy, the Council also has a Treasury Management Strategy. The Treasury Management Strategy contains:

- The Treasury Management Indicators that set the boundaries within which treasury management activities will be undertaken and
- An Annual Investment Strategy that specifies how surplus cash will be invested.

6.4 To demonstrate good governance, all treasury management reports taken to the Governance and Audit and Standards Committee and all treasury management reports requiring policy decisions are taken to the Cabinet and the City Council.

Report	Reporting of Compliance & Performance in Previous Period	Policy Changes	Audience
Treasury Management Policy	N/A	Yes	G&A&S Committee Cabinet City Council
Treasury Management Quarter 1 Monitoring	Yes		G&A&S Committee
Treasury Management Mid-Year Review	Yes	Yes	G&A&S Committee Cabinet City Council
Treasury Management Quarter 3 Monitoring	Yes		G&A&S Committee
Treasury Management Outturn	Yes		G&A&S Committee

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INVESTMENT INDICATORS

Gross General Fund (GF) Debt to GF Net Service Expenditure						
This provides an indication of the Council's financial strength and its ability to repay its debts. Statutory government guidance requires a limit to be placed on the number of times gross debt can exceed net service expenditure.						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Forecast	164%	134%	123%	123%	121%	122%
Recommended Limit	400%	400%	400%	400%	400%	400%

Forecast Investment Income to General Fund Net Service Expenditure						
This provides an indication of how dependent the Council is on investments to fund its services.						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Investment Properties	3.8%	3.5%	3.5%	3.5%	3.8%	3.8%
Investments for Service Purposes	5.3%	4.9%	4.8%	4.6%	4.4%	4.4%
Long Term Treasury Management Investments	0.4%	0.4%	0.2%	0.0%	0.0%	0.0%
Overall Investment Income	9.6%	8.9%	8.4%	8.0%	8.1%	8.1%

Limit on Investment Income to General Fund Net Service Expenditure						
Statutory government guidance requires a limit to be placed on the Council's dependence on commercial income and other long term income to fund its services						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Investment Properties	5.7%	5.3%	5.2%	5.2%	5.7%	5.7%
Investments for Service Purposes	8.0%	7.4%	7.1%	6.8%	6.6%	6.6%
Long Term Treasury Management Investments	0.7%	0.7%	0.3%	0.0%	0.0%	0.0%
Overall Investment Income	14.4%	13.3%	12.6%	12.1%	12.2%	12.2%

Interest Cover						
This provides a measure of the risk that net income from investment properties will be insufficient to pay the interest on the debt that financed their acquisition						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Investment Properties	243%	215%	221%	230%	260%	260%

Loan to Value Ratio						
This indicator shows whether the market value of the investment properties is likely to be sufficient to repay the debt that financed them.						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Investment Properties	0.8	0.7	0.7	0.7	0.7	0.7

Forecast Income Returns						
This is a measure of the achievement of the portfolio of properties.						
	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	20230/31 Estimate
Investment Properties	2.55%	2.41%	2.55%	2.77%	3.46%	3.47%
Long Term Treasury Management Investments	2.95%	3.75%	4.62%	0.00%	0.00%	0.00%

Gross and Net Income from Investment Properties						
This indicator shows how much of the gross income is being retained by the Council.						
	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s	2027/28 Estimate £'000s	2028/29 Estimate £'000s	20230/31 Estimate £'000s
Gross Income	8,454,840	8,454,840	8,665,417	9,034,604	10,193,307	10,193,307
Net Income	3,525,355	3,333,094	3,520,422	3,835,325	4,782,553	4,803,556

External Operating Costs						
This indicator shows the trend in operating costs over time, as the portfolio expands.						
	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s	2027/28 Estimate £'000s	2028/29 Estimate £'000s	20230/31 Estimate £'000s
Investment Properties	1,456,734	1,197,211	1,220,460	1,274,744	1,486,219	1,465,216



BUDGET CONSULTATION

2024

September 2024
Research and Engagement Team
Portsmouth City Council

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1.0 Purpose

The purpose of this report is to provide a comprehensive summary of the 2024 Budget Consultation. The consultation gave residents in Portsmouth the opportunity to provide their views on how the council should prioritise spending. The budget consultation formed part of wave six of the broader Portsmouth residents survey.

2.0 Background

The council budget comprises of various income streams and purposes. Revenue budget must be used to fund all ongoing services, and capital budget can only be invested in new projects. Additionally, some funding is ring-fenced for specific services, such as the cost of providing housing benefits and the cost to run schools.

To give residents a voice in decisions about the council's budget and how it is spent, the annual budget consultation included questions aimed at encouraging respondents to prioritise services they think are most important, before asking about the existing priority order of funding for portfolio areas.

3.0 Methodology

The budget consultation questions were included within a broader online survey - The Big Portsmouth Survey Wave 6. The survey was available from 1 August to 15 September 2024.

To ensure as many residents as possible had a chance to complete the survey, it was promoted through the following communication channels:

- Press release announcing start of consultation
- Social media promotion including boosted posts and paid advertising
- Website news story, banners and 'your city your say' page
- Inclusion in news bulletins
- Inclusion in staff bulletins and all-staff emails
- Posters in key locations around the city
- Promoted with voluntary and community sector organisations
- Made available as a paper survey in key locations around the city e.g. Southsea Library
- Face-to-face engagement events

The focus of the consultation survey was designed around the research objectives listed below. Postcode and demographic information were also collected which allowed for the representativeness of the sample to be measured during data analysis - see Sections 4.0 and 7.0.

3.1 Research objectives

1. To understand which priorities residents think are most important to help shape the future of the city
2. To understand where respondents think the council's revenue budget and capital budget should be directed

4.0 Response rates

Using the various channels of marketing and communications listed in Section 3.0, the consultation attracted 1,581 responses. Assuming a 'total population' of 170,818 people (the latest 2021 census data from the Office for National Statistics for people aged 16+ in Portsmouth), this volume of responses ensures a 95% confidence level with a margin of error of 2%.

Table 1 below shows the total number of responses to the budget consultation by year.

Table 1: Number of responses by year of budget consultation

Year	Number of responses
2017	1,689
2018	3,085
2019	3,288
2020	1,579
2021	2,331
2022	1,519
2023	2,652
2024	1,581

Responses were distributed throughout the city and provide a varied set of geographic responses, as Table 2 below shows. The largest proportion of responses are from residents in PO4 (30%).

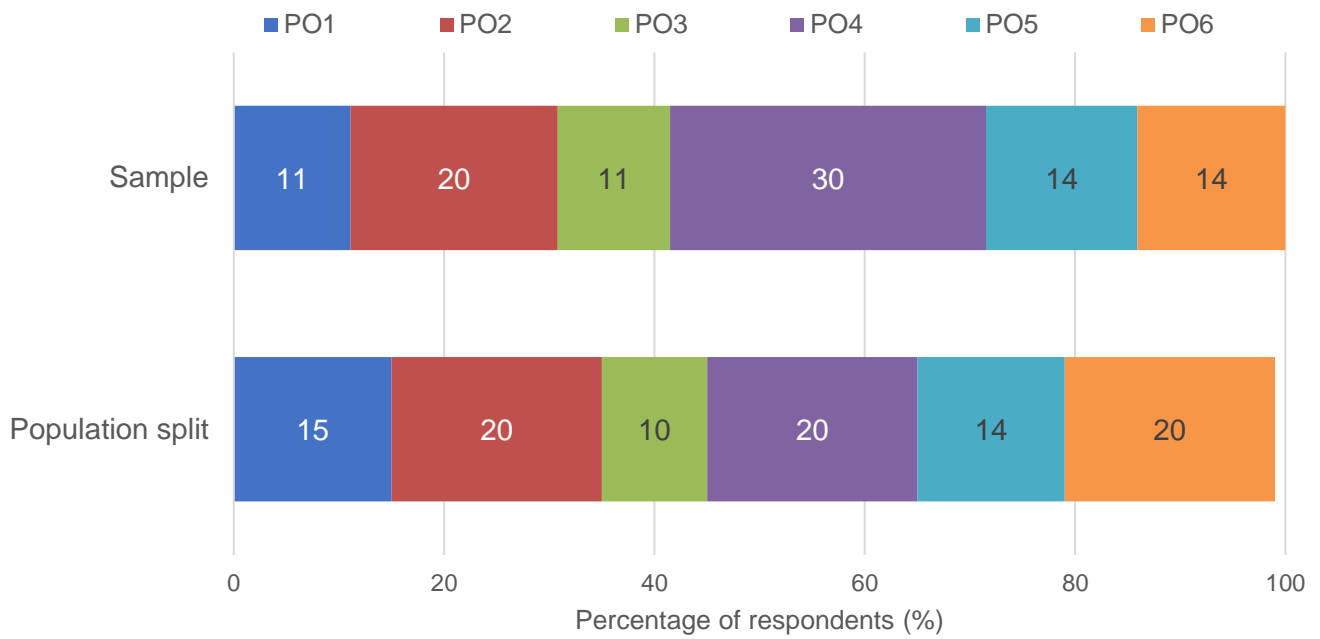
Table 2: Proportion of responses by postcode

Postcode district	Percentage of responses (%)
PO1	11
PO2	20
PO3	11
PO4	30
PO5	14
PO6	14

Base: Respondents living in PO1-PO6 (1,478)

Figure 1 on the following page compares the postcode district of respondents against the known population split of Portsmouth residents. The sample is broadly representative of the population of Portsmouth. However, residents of PO4 are overrepresented by 9 percentage points and residents of PO1 and PO6 are both underrepresented by 3 and 6 percentage points, respectively.

Figure 1: Sample postcode district compared to known population split of Portsmouth



Base: Respondents living in PO1-PO6 (1,478)

5.0 Summary of findings

The following section outlines the key findings from the budget consultation.

- The priority areas the highest proportion of residents feel are important are 'making sure people feel safe and supported in their homes and communities', 'regenerating major sites to create homes, jobs and economic opportunities in the city', and 'ensuring the city has a healthy and resilient natural environment by improving greening and air quality and enhancing local nature'
- When asked to rank priority areas in order of importance, 'making sure people feel safe and supported in their homes and communities' and 'regenerating major sites to create homes, jobs and economic opportunities in the city' were consistently ranked in the top five by the highest proportion of respondents. 'Working to support individuals and families struggling to make ends meet', 'ensuring the city has a healthy and resilient natural environment by improving greening and air quality and enhancing local nature', and 'building new homes, especially council homes, to reduce the housing register/ waiting' were also ranked in the top five by around a third of respondents.
- 'Making sure people feel safe and supported in their homes and communities' is consistently ranked in the top five for importance by all postcode districts. 'Regenerating major sites to create homes, jobs and economic opportunities in the city' is ranked in the top five by the second highest proportion of respondents for most postcode districts.
- Most respondents would keep the priority of funding order for the council's portfolios as set out in the existing budget allocation.
- Those who would change the order of funding largely agree with Community, Wellbeing, Health and Care and Children, Families and Education receiving the two highest proportions of funding. However, they would re-order the list to place Central Services and Transport at the bottom of the priority order and move Housing and Tackling Homelessness to the third position.
- Those who would change the priority order of funding in the council's budget largely feel that improving funding to particular portfolio areas would have a knock-on effect to produce benefits in other areas, meaning less funding would need to be directed to these areas. Others feel that portfolio areas are currently either receiving too much or too little funding.
- A larger proportion of females compared to males took part in the consultation survey (61%). In line with usual trends in council consultations a large proportion of respondents are aged 55 and over (55%). The vast majority of respondents are White (96%), and 26% of respondents in the consultation sample have a disability or long-term illness

Full breakdowns are available in the following section of this report.

6.0 Analysis of results

The following section provides a summary of the analysis undertaken on the budget consultation results. It is split into the following two sections:

- Core responsibilities and priority areas
- Budget allocation

6.1 Core responsibilities and priority areas

The council has a range of core responsibilities it delivers for residents. These include:

- Ensure older people and vulnerable adults are looked after and supported to live independently
- Offer housing services
- Support education, early years and children with special educational needs
- Keep children safe and families together
- Encourage economic development
- Provide planning services
- Provide benefits and collect council tax and business rates
- Ensure people have access to the care services they need
- offer more recycling opportunities
- Keep the city clean, tidy and safe

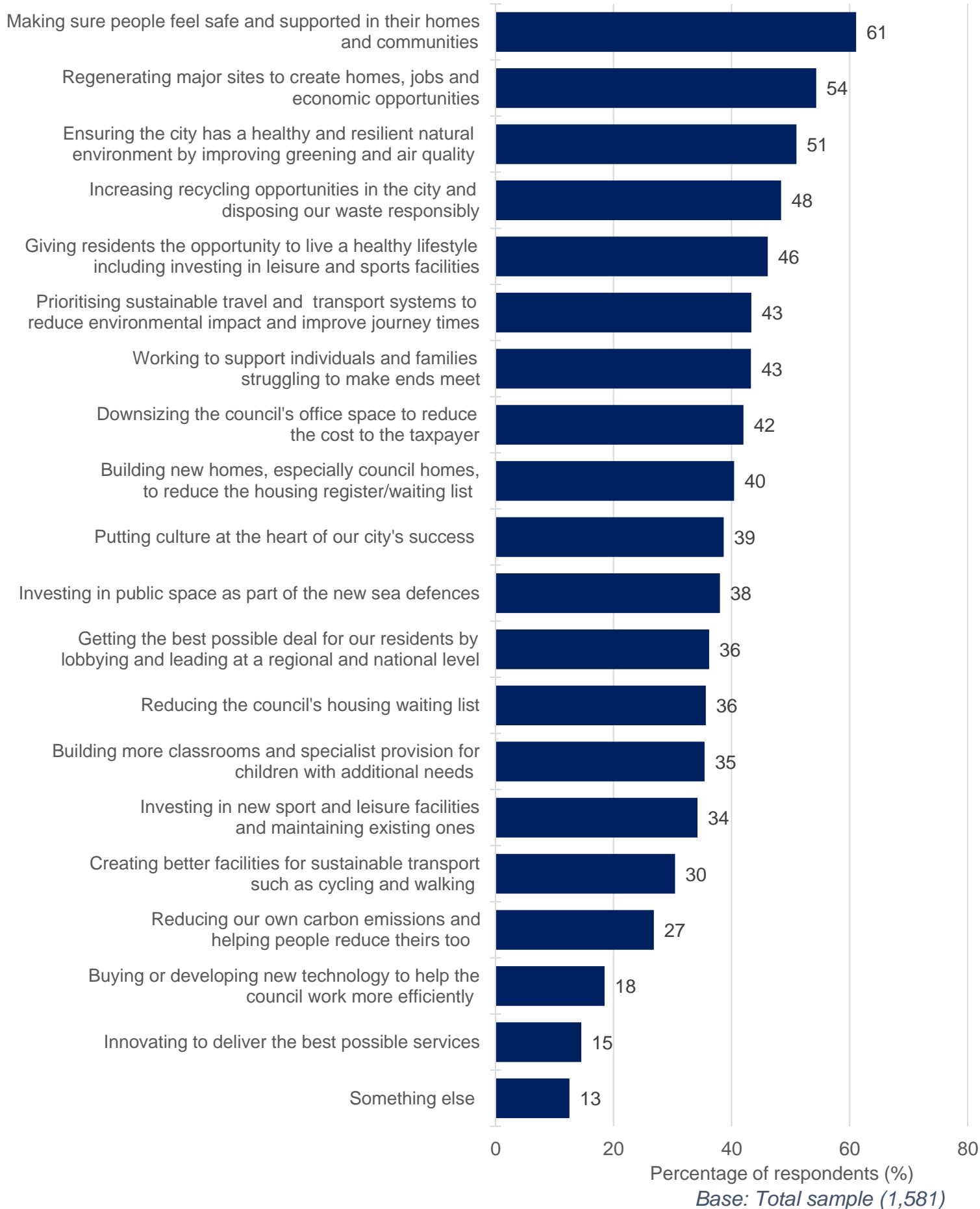
Alongside the core responsibilities there are areas the council can prioritise to spend money on. Respondents were asked to select up to ten priorities out of a possible 19 they feel are the most important for the council to focus on. Respondents were also given the option to specify an alternative area if they thought a priority was not included in the list.

Figure 2 on the following page shows that the highest proportion of respondents feel that 'making sure people feel safe and supported in their homes and communities' is an important area for the council to focus on (61%), followed by 'regenerating major sites to create homes, jobs and economic opportunities in the city (54%), and 'ensuring the city has a healthy and resilient natural environment by improving greening and air quality and enhancing local nature' (51%).

In terms of environmental focuses, higher proportions of respondents select priorities that provide broad opportunities for residents to live environmentally cleaner lives, like increasing recycling opportunities (48%) and sustainable travel and transport (43%), as opposed to specific areas like reducing carbon emissions (27%) or facilities for walking and cycling (30%).

Looking at council operations, respondents are more likely to select priorities which reduce costs to taxpayers (by downsizing council office space - 42%) or ensure residents get the best deal possible through lobbying for the city's voice (36%), compared to investing in new technologies (18%) or developments (15%) to provide efficiency and quality.

Figure 2: Respondent rating on importance of core responsibilities



Respondents were also given the option to select 'other' and specify any priorities they feel are important for the council to focus on that fall outside the priorities listed in the question. 13% of respondents provided 'other' suggestions. The priorities listed in Table 3 below were the most frequent themes which emerged from qualitative analysis of open-ended comments, in order of popularity:

Table 3: Other priorities mentioned in open-ended comments

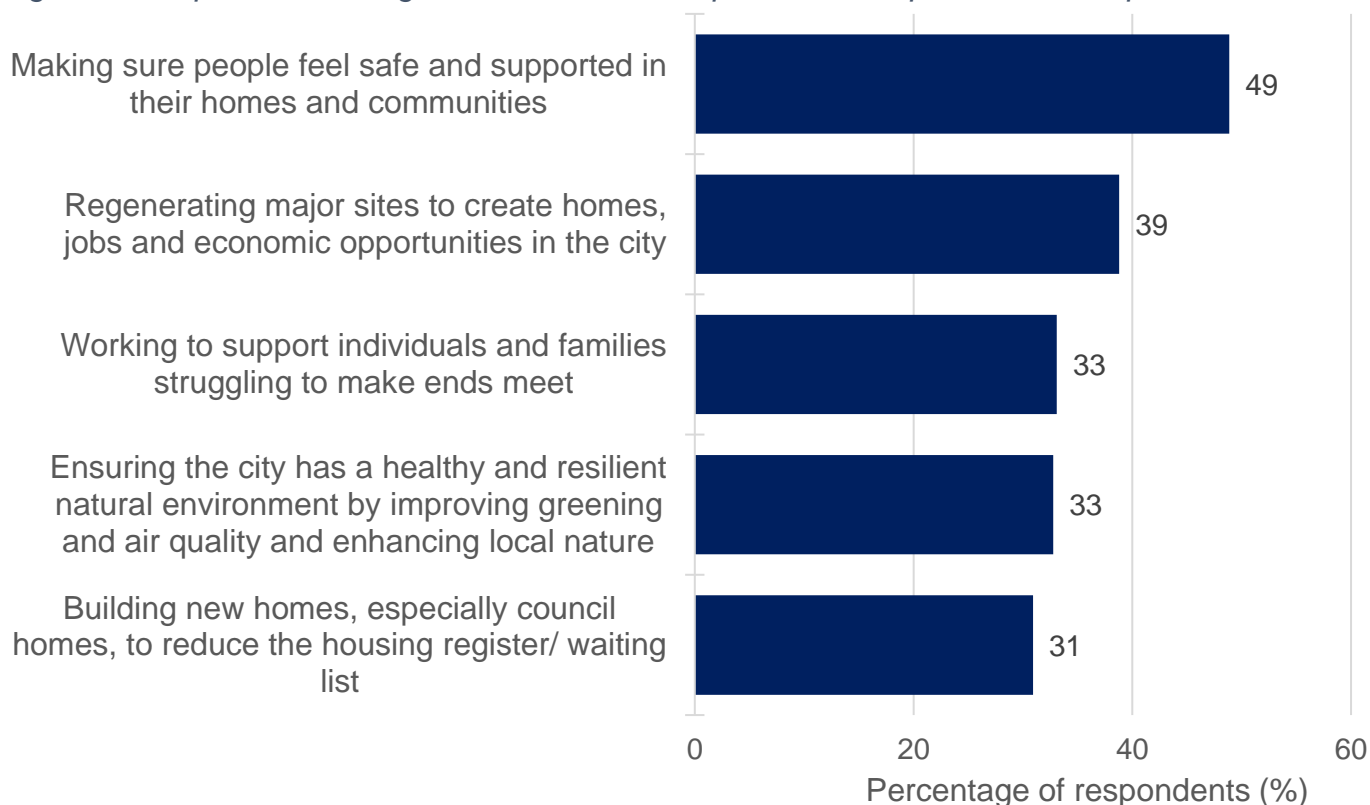
Other (main themes)
Affordable and protected housing, not giving priority to student housing, Airbnb's/ holiday rentals, or HMOS, and regulating the private rental sector
Improving road infrastructure including public transport, cycling infrastructure, and parking
Protecting the environment e.g. improving recycling (including glass), protecting sea water quality, keeping the city clean, protecting nature such as sites of special interest
Improving safety and reducing crime e.g. street safety, increasing police presence, deterring anti-social behaviour
Improving council operations e.g. finding alternative sources of funding, maximising efficiency through processes and collaboration, reducing costs
Culture and leisure e.g. swimming and sports facilities/access, preserving historic sites, championing a sense of community
Regeneration to freshen up the city and derelict sites e.g. Commercial Road/ town centre
Health and healthcare, including reducing wait times for diagnoses (e.g. ADHD), mental health services, and dentists
Focus attention on residents across whole of Portsmouth, not just city centre, and prioritise above those coming from outside the city
Strengthen economy and create more jobs e.g. support local businesses
Better support for those with disabilities and SEN, ensuring accessibility throughout the city
Improving education e.g. recruitment and retention of quality teachers
Help residents who are struggling financially
All are important
Other e.g. addressing illegal immigration, considering current provision of benefits

After selecting up to ten priority areas, respondents were then asked to rank their chosen spending priorities, in order of importance. Figure 3 on the following page shows the priorities that were consistently ranked in the top five by respondents, where 'one' signals the highest level of importance. Consistent with the highest proportion of respondents selecting this priority, the focus ranked with the highest importance is 'making sure people feel safe and supported in their homes and communities', listed in the top five by almost half of respondents (49%). Similarly, selected by the second highest proportion of respondents, 'regenerating major sites to create homes, jobs and economic opportunities' is the second most frequently ranked in respondents' top five.

Although a lower proportion of respondents overall selected 'working to support individuals and families struggling to make ends meet' as a key priority, it is an important focus to those who do select it - a third of respondents placed this priority in the top five, making it third overall. A third of respondents also consider 'ensuring the city has a healthy and resilient natural environment by improving greening and air quality and enhancing local nature' a top five priority.

Similarly to the third priority, although 'building new homes, especially council homes, to reduce the housing register/ waiting list' was initially selected by a lower proportion of respondents overall, it is considered an essential focus, with 31% placing this in the top five most important council priorities.

Figure 3: Respondents rating focus areas in the top five most important council priorities



Base: Total sample (1,581)

Table 4 on the following page shows which priorities were ranked in the top five most important focus areas by postcode district. Priorities have been colour-coded to highlight similarities and discrepancies between postcode districts. All postcode areas agree that 'making sure people feel safe and supported in their homes and communities' is the most important priority for the council to pursue, followed by 'regenerating major sites to create homes, jobs and economic opportunities in the city' which is ranked second by PO1, PO2, PO5, and PO6, and third by PO3 and PO4.

Whilst a higher proportion of respondents from PO1 and PO2 rank 'working to support individuals and families struggling to make ends meet' in their top five, 'ensuring the city has a healthy and resilient natural environment' is more favoured by those living in PO4 and PO5.

In PO3, the second highest proportion of respondents place 'prioritising sustainable travel and improving transport systems in the city' in the top five most important priority areas for the council to focus on, although this does not rank in the top five at a total sample level. Similarly, 'reducing the council's housing waiting list' is an important priority to those living in PO6, which is not reflected at a total sample level.

Table 4: Priorities ranked in the top five most important areas, by postcode district

Postcode district	Project priority 1	Project priority 2	Project priority 3	Project priority 4	Project priority 5
PO1	Making sure people feel safe and supported in their homes and communities	Regenerating major sites to create homes, jobs and economic opportunities in the city	Working to support individuals and families struggling to make ends meet	Ensuring the city has a healthy and resilient natural environment	Building new homes, especially council homes
PO2	Making sure people feel safe and supported in their homes and communities	Regenerating major sites to create homes, jobs and economic opportunities in the city	Working to support individuals and families struggling to make ends meet	Building new homes, especially council homes	Ensuring the city has a healthy and resilient natural environment
PO3	Making sure people feel safe and supported in their homes and communities	Prioritising sustainable travel and improving transport systems in the city	Regenerating major sites to create homes, jobs and economic opportunities in the city	Ensuring the city has a healthy and resilient natural environment	Working to support individuals and families struggling to make ends meet
PO4	Making sure people feel safe and supported in their homes and communities	Ensuring the city has a healthy and resilient natural environment	Regenerating major sites to create homes, jobs and economic opportunities in the city	Working to support individuals and families struggling to make ends meet	Increasing recycling opportunities in the city and making sure we dispose of our waste responsibly
PO5	Making sure people feel safe and supported in their homes and communities	Regenerating major sites to create homes, jobs and economic opportunities in the city	Ensuring the city has a healthy and resilient natural environment	Building new homes, especially council homes	Working to support individuals and families struggling to make ends meet
PO6	Making sure people feel safe and supported in their homes and communities	Regenerating major sites to create homes, jobs and economic opportunities in the city	Building new homes, especially council homes	Working to support individuals and families struggling to make ends meet	Reducing the council's housing waiting list

Base: PO1 (164), PO2 (291), PO3 (158), PO4 (444), PO5 (213), PO6 (208)

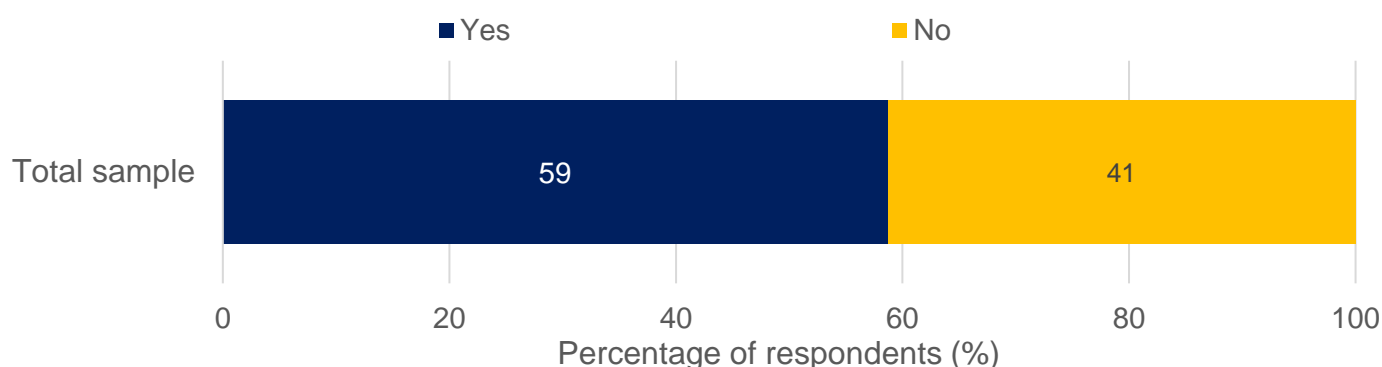
6.2 Budget allocation

To understand how the public would like funding to be divided, a budget allocation question was included in the consultation. Respondents were shown how the current controllable budget is divided amongst the nine cabinet portfolios (illustrated in Table 5 below) and asked whether they would keep the same priority of funding. Figure 5 below shows their responses.

Table 5: Current budget breakdown in order of funding

Portfolio	Budget
Community, Wellbeing, Health & Care	£59.9m
Children, Families and Education	£53m
Central Services	£26m
Transport	£18.9m
Environmental Services	£15.8m
Culture, Regeneration & Economic Development	£8m
Community Safety, Leisure & Sport	£6.7m
Housing & Tackling Homelessness	£3.5m
Planning Policy and City Development	£1.5m

Figure 5: Would you keep the priority of funding in this order?



Base: Total sample (1,535)

Most respondents agree with the priority of funding set out by the council (59%), whilst 41% would change the order. Those who would change the order were asked to indicate how they would re-order the funding priorities. These responses are shown in Table 6 on the following page, which indicates which position in the priority order of funding respondents would allocate to each portfolio.

Community, Wellbeing, Health and Care and Children, Families and Education are chosen as the two areas which should receive the highest proportion of funding, accordant with the existing budget breakdown. Central Services and Transport, however, which are third and fourth in the council's order of funding, are not as prioritised by respondents; respondents move these to the bottom of the order of funding. Housing and Tackling Homelessness, placed eighth in the council's order of funding is more prioritised by respondents, with the highest proportion placing this in third place.

Table 7 on the following page shows a comparison between the council's existing order of funding for cabinet portfolios and the order of funding suggested by the highest proportion of respondents.

Table 6: Positions chosen by the three highest proportions of respondents for each portfolio

Existing place in priority order	Portfolio	Most commonly placed ... by respondents	Difference from existing place in order
1 st	Community, Wellbeing, Health and Care	2 nd	-1
2 nd	Children, Families and Education	1 st	+1
3 rd	Central Services	8 th	-5
4 th	Transport	9 th	-5
5 th	Environmental Services	5 th	-
6 th	Culture, Regeneration & Economic Development	4 th	+2
7 th	Community Safety, Leisure & Sport	8 th	-1
8 th	Housing & Tackling Homelessness	3 rd	+5
9 th	Planning Policy and City Development	7 th	+2

Base: Those who would change the priority order of funding (640)

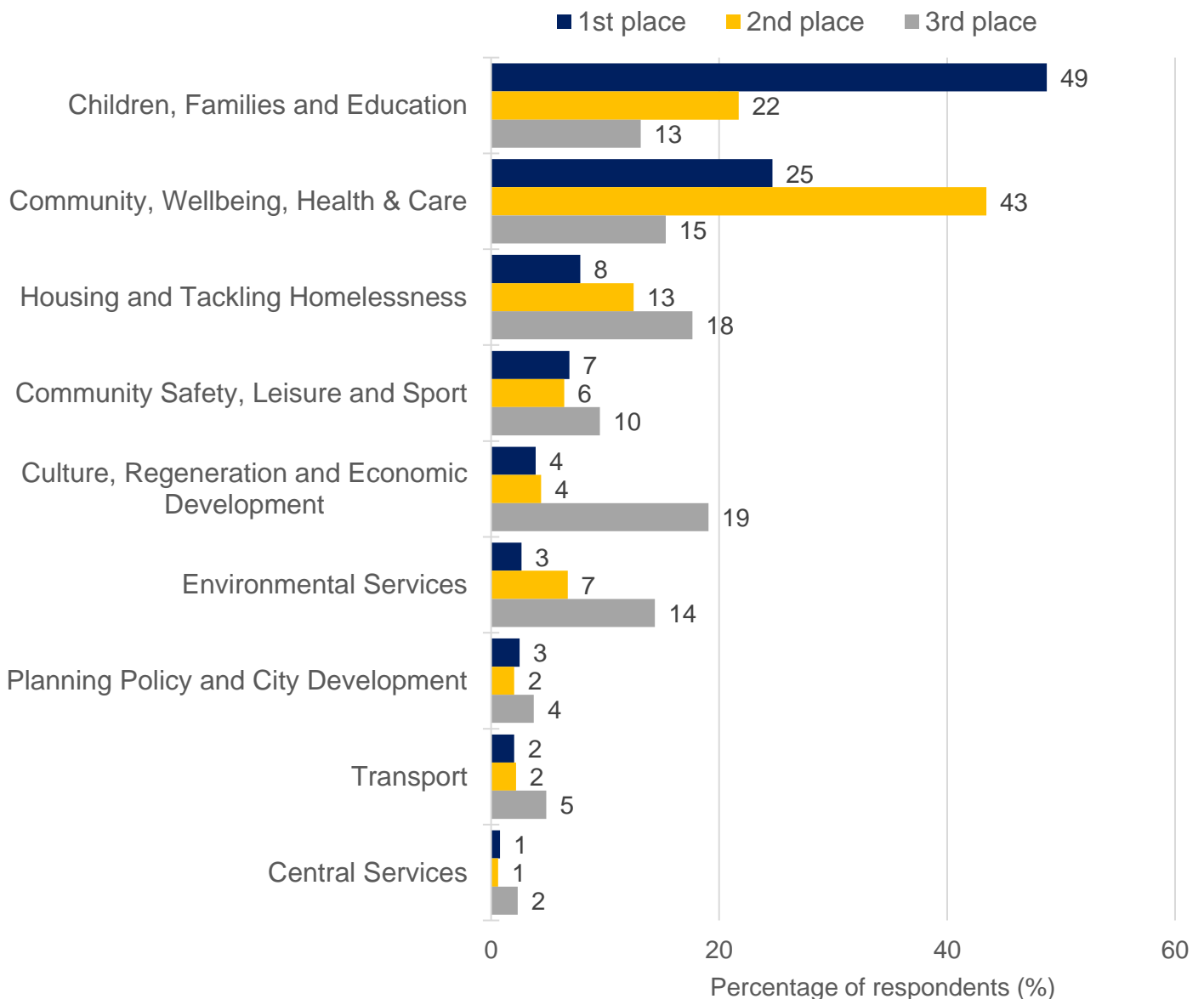
Table 7: Comparison between existing funding order, and funding order chosen by respondents

Place	Portfolio	Funding order chosen by respondents
1	Community, Wellbeing, Health and Care	Children, Families and Education
2	Children, Families and Education	Community, Wellbeing, Health and Care
3	Central Services	Housing & Tackling Homelessness
4	Transport	Culture, Regeneration & Economic Development
5	Environmental Services	Environmental Services
6	Culture, Regeneration & Economic Development	Planning Policy and City Development
7	Community Safety, Leisure & Sport	Community Safety, Leisure & Sport
8	Housing & Tackling Homelessness	Central Services
9	Planning Policy and City Development	Transport

Figure 4 below shows which portfolios respondents feel should receive the three biggest proportions of funding. As shown above, Children, Families and Education, and Community, Wellbeing, Health and Care are the two areas respondents agree should have the most funding. Nearly half feel that Children, Families and Education should receive the most funding (49%), whilst a quarter agree with the current order of funding which grants the largest budget to Community, Wellbeing, Health and Care.

However, just under a fifth of respondents feel that Culture, Regeneration and Economic Development (19%) or Housing and Tackling Homelessness (18%) should be third in the order of funding priorities.

Figure 4: Top three positions for funding priorities chosen by respondents



Base: Those who would change the priority order of funding (640)

Respondents who disagree with the priority order of funding were offered the opportunity to explain why they would change the order of funding. Table 8 on the following page shows the main themes emerging from qualitative analysis of their open-ended comments.

Overall, many respondents expressed the belief that improving funding to particular portfolio areas would have a knock-on effect to produce benefits in other areas, meaning less funding would need to be directed to these areas. This was largely the sentiment expressed by those who would like higher levels of funding directed towards Housing and Tackling Homelessness, Environmental Services, Planning Policy and City Development, Health and Care, and Children, Families and Education. Portfolios like Central Services were identified as being over-funded, in respondents' opinions, minimising the opportunity to direct funding elsewhere. Some respondents also feel that there has been too much focus on popular areas like housing, transport and environment.

Other respondents identified general areas where they feel funding would be beneficial to achieve improvement schemes and city goals for the benefit of residents, such as transport, safety in the community, and culture and leisure. Some respondents also took the opportunity to highlight particular groups of residents that should receive a higher level of focus and funding than they currently receive, including vulnerable residents, those in need, and families.

Looking across the board, some respondents generally made the point that the council needs a strategic and holistic approach to its portfolio funding, implementing a long-term vision and identifying where areas are interconnected to ensure an efficient and effective use of council funds.

Table 8: Why respondents disagree with the priority order of funding set out by the council

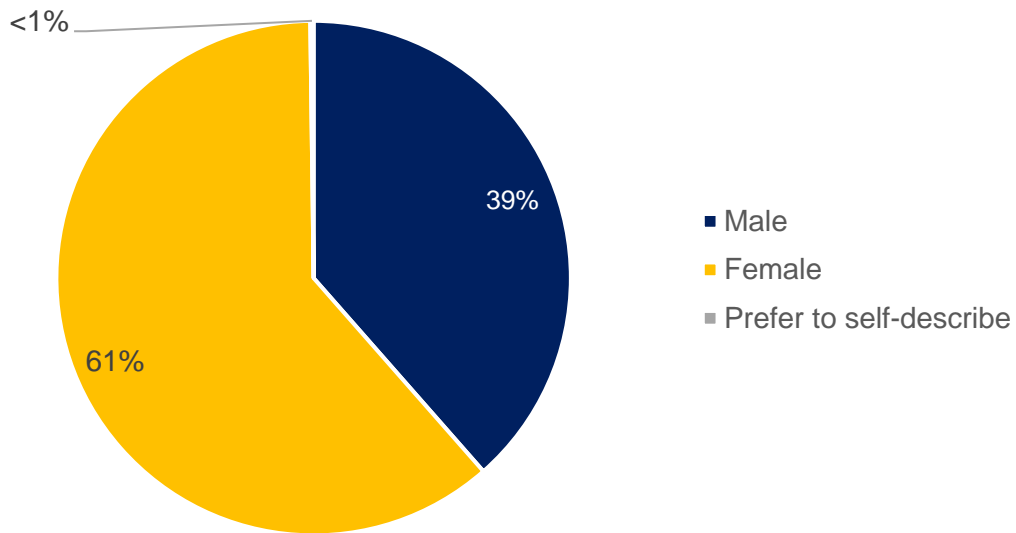
Other (main themes)
Housing and tackling homelessness should be a higher priority - this may reduce spend in other areas by catching and preventing problems at the root, such as safety in the community and health issues
Environment has not been prioritised enough - tackling climate change should be its own category and present in every portfolio, creating a green city will also help mitigate health issues
The cost of Central Services is too high
Transport should be higher up the list - creating sustainable, accessible and affordable transport is essential in the city
Safety is an issue in the city and needs more focus - this is an area that will have knock-on effects to other elements of wellbeing
Regeneration and economic development is important and will lead to other benefits in the city - directing funding to regenerating the city will invite further economic prospects and reduce costs to the council in the future
Children are the next generation and their education is important
Generally need to implement a strategic and holistic long-term vision for the city that understands the need for these portfolio areas to be intertwined
Culture and leisure should be prioritised as it provides knock-on benefits for wellbeing in the city and is an underutilised source of economic strength
There is too much housing in the city/the city is overcrowded with students and HMOs - more funding should not be given to these
Improving everyday health will have a knock-on effect in improving other areas of life and reduce costs at a higher level e.g. funding for the NHS
Families should not be forgotten in receiving help from the council
Need to target those who are vulnerable or in need the most
There is too much focus on the environment
Transport investments have not been effective/are given too much attention e.g. walking and cycling infrastructure over-prioritised
Other e.g. focus should be on people not businesses, local residents should be prioritised first

Base: Those who would change the priority order of funding (640)

7.0 Respondent demographics

This section provides a demographic profile of the respondents that interacted with the consultation - it summarises the information collected in the demographic section of the survey that included sex, age group, ethnicity, and disability. All questions in the demographics section of the survey included a 'prefer not to say' option, therefore, the base sizes vary from question to question.

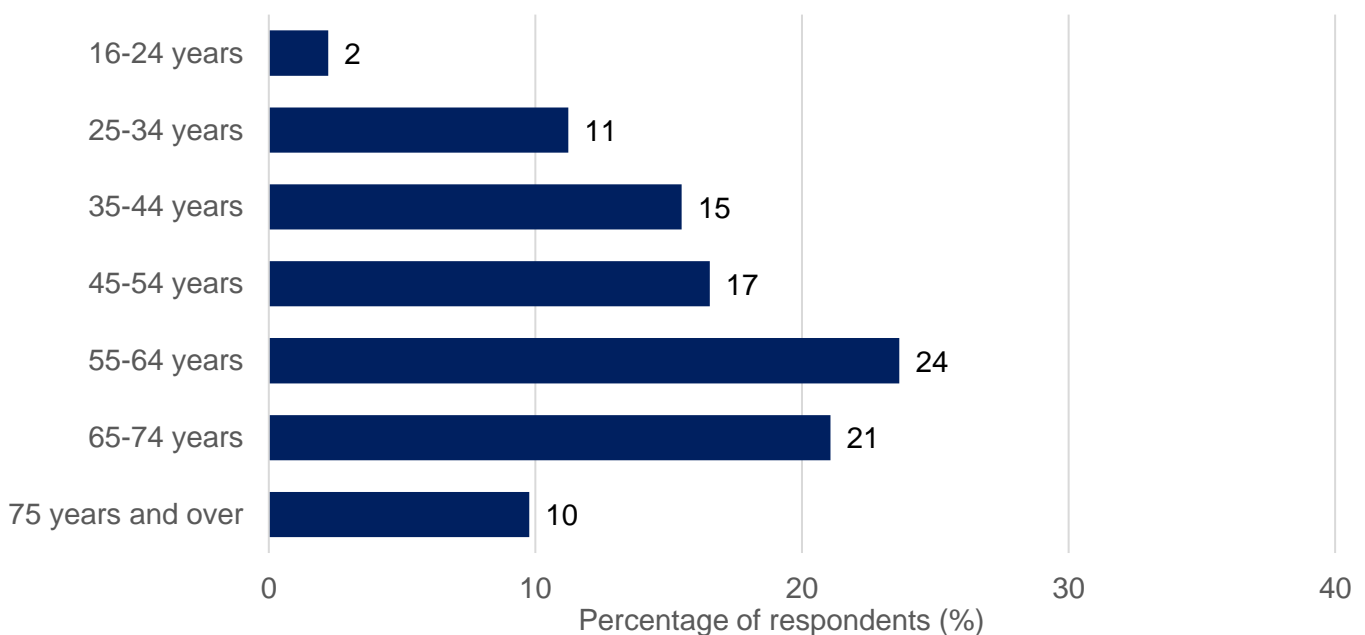
Figure 5: Respondents by sex



Base: Total sample (1,438)

Figure 5 above shows the distribution of respondents taking part in the budget consultation by sex - 39% male, 61% female and less than 1% prefer to self-describe. The split, with a larger proportion of respondents being female, follows usual trends in council consultations.

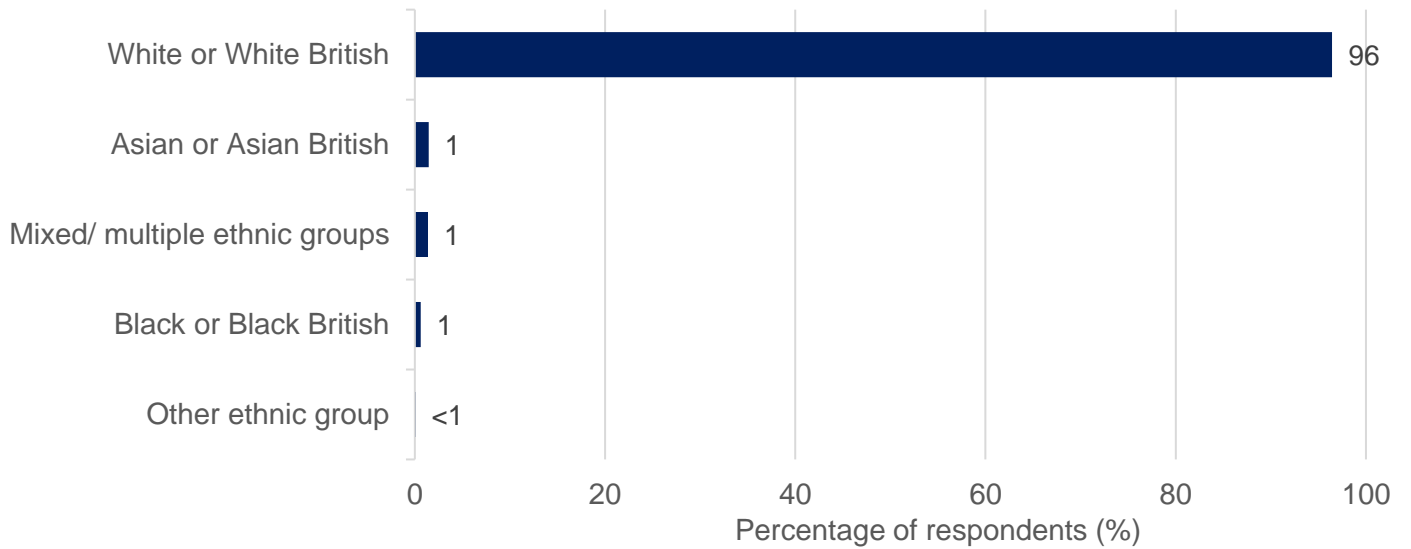
Figure 6: Respondents by age group



Base: Total sample (1,433)

Figure 6 on the previous page shows the distribution of respondents by age group. The majority of respondents in the consultation sample were aged 55+ (55% of respondents). This age distribution is, again, in line with expectations that a larger proportion of responses to public consultations will come from older people.

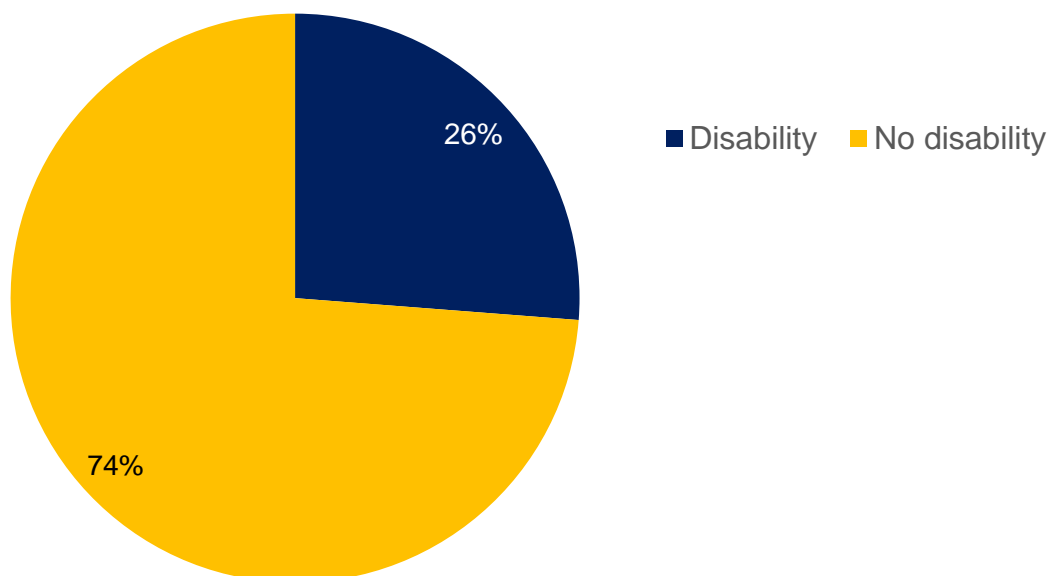
Figure 7: Respondents by ethnic group



Base: Total sample (1,435)

Figure 7 above shows the breakdown of respondents by ethnicity. The vast majority of respondents in the consultation sample are White (96%). The remainder of the sample is made up from the following ethnic groups: Asian or Asian British (1%), Mixed / Multiple ethnic groups (1%), Black or Black British (1%), and 'Other ethnic groups' (<1%).

Figure 8: Respondents by disability, long-term illness or physical or mental health condition that reduces their ability to carry out day-to-day activities

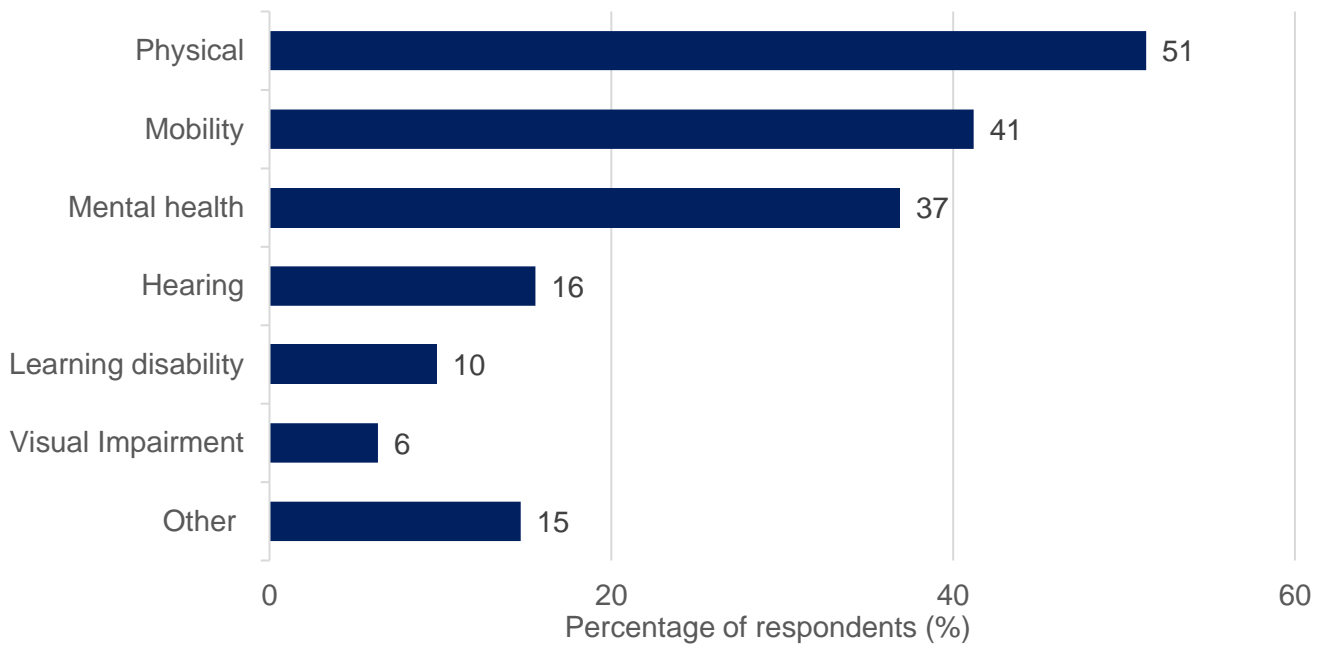


Base: Total sample (1,407)

Figure 8 on the previous page shows the proportion of respondents that interacted with the consultation who have a disability, long-term illness or physical or mental health condition that reduces their ability to carry out day-to-day activities. The majority of respondents (74%) indicated that they do not fall into this category, whereas 26% indicated that they do consider themselves to have a disability, a long-term illness, or a physical or mental health condition that reduces their ability to carry out day-to-day activities.

The most common disability types among respondents considering themselves to have a disability were 'physical' (51%) 'mobility' (41%), and 'mental health' (37%) - see Figure 9 below.

Figure 9: Respondents by disability type



Base: Respondents with a disability (347)