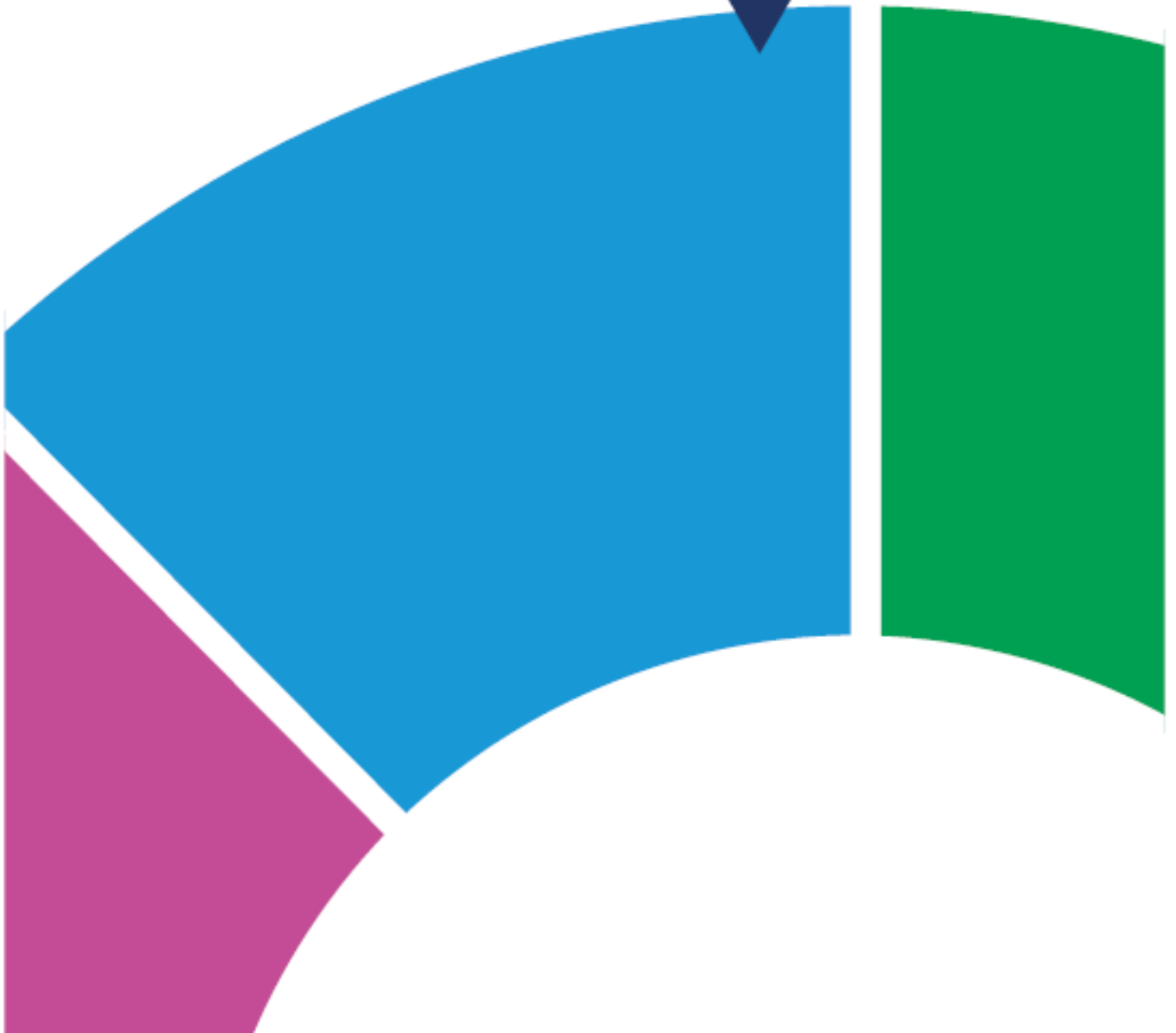


Capital Investment Plan

January 2024

Budget 2024-2025



Introduction

As detailed in the 2024/25 Capital Strategy, we have fundamentally reviewed the Capital Investment Plan for the period 2024/25 to 2026/27 to provide stronger governance and project management discipline whilst giving greater transparency on the overall funding available for capital investment and the status of existing projects.

The Council remains ambitious in its capital investment aspirations. We have successfully attracted more than £90m of grant funding to support our investment programme with indications that further allocations will follow.

However, challenges remain within the industry with exceptional increases in construction inflation over the last two years and high borrowing costs resulting in financial viability issues across a number of key projects. Often this means that the true cost of delivering a capital project is now well in excess of the original business case submitted and subsequent grant funding attracted.

To provide a greater understanding of the deliverability, and timing, of progressing key work, we have adopted an approach whereby initial funding is only allocated to new projects to progress them to either Outline, or Final Business Case stage. Such projects have been grouped under the heading 'Feasibility and Development' and will only move into the full Delivery / Construction section of the Capital Investment Plan following an approved, fully costed, Final Business Case which clearly identifies the sources of finance required and any risks associated with delivery.

Details of the current status of the Feasibility and Development projects are detailed within this document. At the February 2024 Council meeting, formal decisions will be sought to move the following projects into full delivery / construction stage:

- St Kildas affordable housing scheme;
- Nightingale Park Solar Farm;
- Brokenbury Solar Farm

The 2024/25 Capital Investment Plan has assumed that these projects will be approved at the February 2024 meeting. Amendments to the programme will be made should any recommendations not be supported.

Moving forwards, it is envisaged that individual projects will move from 'Feasibility and Development' to 'Delivery /Construction' throughout the financial year. Relevant Business Cases will be presented to Cabinet, Overview and Scrutiny and Council prior to capital budget amendments being formally approved through the regular Budget Monitoring Reporting process.

Projects under Feasibility and Development

There are a number of large projects that the Council is aiming to deliver, against which various grant funding streams have been identified. These projects will remain under the Feasibility and Development section of the approved Capital Investment Plan until such time as a fully costed Business Case has been approved by Council (following consideration by the Capital and Growth Board, Cabinet and Overview and Scrutiny).

Title and lead officer	Project description	Expected outcome	Planned completion date	Progress to date	Key delivery milestones 24/25	Total expenditure to date £000	Planned expenditure 24/25 £000	Future planned expenditure £000
Crossways, Paignton (Director of Pride in Place)	Demolition and redevelopment of the (Paignton) Shopping Centre site.	Delivery of affordable housing, (and potential extra care), units linked to Town Centre regeneration	October 2026	<ul style="list-style-type: none"> Demolition of the Shopping Centre to be completed by February 2024; Original Planning approval granted for extra care scheme; Revised feasibility / options report produced – passed to the Council's Strategic Development partner 	<ul style="list-style-type: none"> Development partner appointed - Dec 2023; Option appraisal of financially viable options to be produced – May 2024 Planning to commence Summer 2024; Commence on-site for preferred scheme – early 2025 	1,200	250	TBC following Final Business Case
Torre Marine (Extra Care Housing) (Director of Adult and Community Services)	Development of Extra Care Housing	Residents are supported to live independent, healthy and active lives	April 2027	<ul style="list-style-type: none"> Planning approved November 2022 Procurement complete and preferred contractor identified 	<ul style="list-style-type: none"> Full Business Case to be approved and preferred contractor appointed. Construction start on site Autumn 2024 	680	TBC	TBC following Final Business Case
Edginswell Train Station (Divisional Director – Planning, Housing and Climate Emergency)	Provision of new Railway Station at Edginswell	Transport connectivity and sustainability is improved.	Mid 2026	<ul style="list-style-type: none"> Funding agreement with Network Rail to support and complete the design phase Detailed design nearing completion 	<ul style="list-style-type: none"> Seek support from DfT and other sourced for delivery phase of the scheme; Develop a relevant funding strategy, clearly identifying funding sources for delivery / construction. 	1,997	2,209	TBC following confirmation of additional funding
Torquay Town Deal – Union Square (Divisional Director – Economy,	Phase 1 of the redevelopment of Union Square Shopping Centre, Torquay.	The economy of Torbay grows.	October 2027	<ul style="list-style-type: none"> Purchase of main site and surrounding land assembly units Appointment of a delivery partner for the feasibility and development phase 	<ul style="list-style-type: none"> Preferred option to be presented by delivery partner for approval via Strategic Outline Business Case 	6,839	246	Awaiting Strategic Outline Business Case from Development Partner before

Title and lead officer	Project description	Expected outcome	Planned completion date	Progress to date	Key delivery milestones 24/25	Total expenditure to date £000	Planned expenditure 24/25 £000	Future planned expenditure £000
Environment and Infrastructure)				<ul style="list-style-type: none"> Feasibility studies and scoping of preferred option nearing completion 	<ul style="list-style-type: none"> Planning application to be submitted Spring 2024 Construction start expected late 2024 / early 2025 			allocating any additional funding
12-14 The Strand , Torquay (former Debenhams) (Divisional Director – Economy, Environment and Infrastructure)	Redevelopment of 12-14 The Strand, Torquay.	Strategic place shaping around a key Torbay site. The economy of Torbay grows.	July 2026	<ul style="list-style-type: none"> Planning Committee recommended approval Nov 22 Pre-demolition activities including asbestos removal complete Demolition contractor identified 	<ul style="list-style-type: none"> Demolition due to commence March 2024 Delivery partner to be formally appointed to aid with feasibility 	70	20	Awaiting Strategic Outline Business Case from Development Partner before allocating any additional funding
Torquay Town Deal – Pavilion (Divisional Director – Economy, Environment and Infrastructure)	To undertake feasibility work to identify a cost plan for the full refurbishment of the Pavilion, Torquay	Torbay's unique heritage is protected for the enjoyment of residents and visitors	Aug 2026	<ul style="list-style-type: none"> Initial intrusive surveys and condition reports complete Negotiations with tenant progressed and nearing final agreements for surrender of lease. 	<ul style="list-style-type: none"> Project requires full scoping to gauge feasibility. Following initial feasibility reports being approved, further opening up works will commence. 	443	394	Awaiting initial feasibility report prior to releasing any further funding
Torquay Town Deal – Core Area Public Realm (Divisional Director – Economy, Environment and Infrastructure)	Improvements to the Public Realm in Torquay Town Centre	The economy of Torbay grows.	February 2025	<ul style="list-style-type: none"> Consultation undertaken and completed Detailed design complete Procurement for preferred contractor underway 	<ul style="list-style-type: none"> Procurement to be completed and contractor identified Full Business Case to be completed May 2024 Start on site estimated to be June 2024 	80	40	TBC following Final Business Case
Paignton Future High Streets Fund – Torbay Road (Divisional Director – Economy,	Improvements to the Public Realm in Torbay Road, Paignton	The economy of Torbay grows.	February 2025	<ul style="list-style-type: none"> Trial of full pedestrianisation scheme including consultation and engagement 	<ul style="list-style-type: none"> Conclusion of the consultation on the pedestrianisation trial Outline Business Case April 2024 	133	129	TBC following Outline Business Case

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Environment and Infrastructure)					<ul style="list-style-type: none"> Procurement April – June 2024 Start on site – August 2024 			
Paignton Future High Streets Fund – Station Square (Divisional Director – Economy, Environment and Infrastructure)	Redevelopment of Station Square, Paignton	The economy of Torbay grows.	February 2025	<ul style="list-style-type: none"> Stage 4 Design and Cost Plan complete (information package for tendering a contractor) Procurement of contractor progressed 	<ul style="list-style-type: none"> Contractor Identified March 2024 Full Business Case April 2024 Start on site May 2024 	253	150	TBC following Final Business Case
Paignton Future High Streets Fund – Victoria Centre Phase 1 (Divisional Director – Economy, Environment and Infrastructure)	Phase 1 of the redevelopment of Victoria Centre, Paignton.	The economy of Torbay grows.	January 2026	<ul style="list-style-type: none"> Early enabling and pre-works activity complete Demolition contractor procured Demolition commenced 	<ul style="list-style-type: none"> Demolition Garfield Road Structure to complete June 2024 	351	276	Further spend will be part of the phase 2 development
Paignton Future High Streets Fund – Victoria Centre Phase 2 (Divisional Director – Economy, Environment and Infrastructure)	Phase 2 of the redevelopment of Victoria Centre, Paignton.	The economy of Torbay grows.	To be confirmed	<ul style="list-style-type: none"> Delivery partner engaged to conduct feasibility for the site. 	<ul style="list-style-type: none"> Adjacent site land assembly to conclude. Spend in 24/25 predicated on acquisitions. Initial feasibility and Strategic Outline Case to be presented by Delivery Partner June 2024 	1,360	1,653	Awaiting Strategic Outline Case from Development Partner before allocating any additional funding
Paignton Coastal Defence Scheme (Director of Pride in Place)	Provision of additional protection against sea inundation in low lying areas of Paignton and Preston	The risk of flooding will be addressed.	September 2025	<ul style="list-style-type: none"> All public consultation works completed. Masterplan for the area approved by Cabinet in Jan 23. 	<ul style="list-style-type: none"> Expectation for additional funding to be approved by Environment Agency, (EA), late spring / early summer 24. Phase 1 of works expected to commence September 24 	227	TBC	TBC upon confirmation of funding from EA and approval of an Outline Business Case

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				<ul style="list-style-type: none"> • Planning application submitted October 23. • Application for additional funding submitted to Environmental Agency (EA) December 23 				
Renovation of Oldway Mansion, Paignton (Director of Pride in Place)	Renovation of key Torbay Heritage Asset	Initially to protect the asset from any further deterioration whilst developing a long term solution and funding strategy	10 year restoration Master-Plan	<ul style="list-style-type: none"> • Oldway Master-Plan approved by Full Council in December 2023; • Initial £1m funding identified to progress with Phase 1 of works within the 2024/25 budget papers (subject to Council approval in Feb 24) 	<ul style="list-style-type: none"> • Council approve £1m funding to proceed with phase 1 works in February 2024 (part of 24/25 budget setting) • Specification of initial work drawn up – April 2024; • Commence procurement for initial restoration works – July 2024 	0	250	Initial £1m identified. Full Oldway master-plan estimated as £54m which will require a comprehensive funding strategy