

ITEM No ...4.....

REPORT TO: CITY GOVERNANCE COMMITTEE – 16 FEBRUARY 2026

REPORT ON: CAPITAL PLAN 2026-31

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 24-2026

1 PURPOSE OF REPORT

1.1 To enable Members to consider proposed changes to the 2025-30 Capital Plan (as agreed by the Council on 17 February 2025 - Report 44-2025, Article V refers) to prioritise projects within the available resources and to recommend the allocations for 2030-31.

2 RECOMMENDATIONS

2.1 It is recommended that the Council:

- a) notes the impact of the current financial environment on the Capital Plan 2026-31
- b) agrees the revised Capital Plan for 2026-31, as detailed in Appendix A; and
- c) note that the additional general capital grant in relation to the Scottish Government Climate Emergency Fund and Active Travel Tier One has yet to be distributed and that further details of these will be provided to members in a future capital monitoring report.

3 FINANCIAL IMPLICATIONS

3.1 The Capital Plan 2026-31 has been prepared in the context of decreasing resources. The level of borrowing from 2027/28 onwards is previously approved budgets that have been reprofiled.

3.2 The general capital grant allocation, from Scottish Government, for 2026/27 has been confirmed and is reflected in the Plan. The 2026/27 Scotland wide allocations for Active Travel Tier One (formerly Cycling, Walking Safer Streets) and Climate Emergency Fund, £40m and £20m in total respectively, have not yet been distributed. Once these figures are known, details of the actual amount and how this will be spent will be reflected in future capital monitoring reports. Future years general capital grant allocations are estimates only and will be reviewed next year once 2027/28 figure is available.

3.3 The volatility in the housing market, due to high interest rates and inflated building costs, alongside the continued economic uncertainties, both domestically and worldwide, have led to less demand for development sites. In addition, higher levels of costs (associated with sites that are more difficult to develop), are reducing any potential capital receipts. The overall level of capital receipts in the plan has been reviewed, and the sums included reflect the best realistic estimates of what might be realised, taking account of both the demand for sites and the land and property the Council has available.

3.4 As a result of the above in 3.2 and 3.3, £0.268m savings were required in order to deliver the General Services capital programme. After a review of the Capital Plan, it is recommended that this is achieved by reducing the budget for Contingency Capital Expenditure Budget in 2026/27.

3.5 The total investment included in the HRA element of the Capital Plan is £160m. The overall borrowing requirement has been factored into the latest rent increase agreed at City Governance Committee on 19th January (Report 13-2026, Article VI refers). This investment will continue to support the delivery of key housing investment priorities in this plan such as maintaining Council houses at Scottish Housing Quality Standard and progressing towards meeting new Energy Efficiency Standards in Social Housing. It will also be targeted to areas identified from the results of the stock condition survey due to be carried out.

3.6 For 2030/31 block programmes have been added, and these are shown within the Capital Plan 2026-31. These will be funded by the general capital grant from Scottish Government.

4 COUNCIL PRIORITIES

- 4.1 The Capital Plan takes account of the Council priorities as set out in the Council Plan 2022-27, with the capital budgets aligned to the strategic themes.
- 4.2 Sustainability is a key focus for the Council with the investment of £74 m in tackling climate change to help deliver the Councils Net Zero ambitions making up a quarter of the Capital Plan. This includes:
- energy efficiency measures in Council Housing
 - DCA Lifecycle Plant Replacement Programme
 - Bell Street Green Transport HUB

The upper parking levels of the Green Transport Hub at Bell Street opened to the public on the 8th of December. The facility offers EV charging for city centre residents, commuters, and visitors, powered by on-site renewable energy. The ground floor is expected to open in the spring and will include a range of active travel facilities, such as cycle storage, bike hire, and a bike reuse centre, supporting the circular economy of cycling and encouraging a shift toward more sustainable modes of transport.

The HRA Capital Plan is committed to tackling climate change and reaching Net Zero carbon emissions by 2045. The plan aims to deliver larger area-based projects, improving multiple measures within the asset so that it improves energy efficiency and reduces fuel poverty for our tenants.

The Council continues to develop and deliver key packages of works at the DCA. The £4.55m Investment to date has so far delivered new goods and passenger lifts, as well as improved gallery lighting and security systems. The Council is now working towards further capital investment in 2026/27 to provide new boiler, hot water plant and new chillers. New lighting controls and fire alarm will also be progressed. This investment will contribute to and improve energy efficiency and ensure resilience going forward, supporting the Council and DCA in meeting their carbon reduction targets.

- 4.3 The full cost of the proposed Western Gateway Primary School has been included in the plan at an overall cost of £25m and reflects the timescales for delivery of this project, recognising that revised developer contributions, of £7m, will form part of the overall funding. On completion of the site acquisition, the council will develop the design and the programme for delivery of the new school facility.
- 4.4 Dundee City Council has received £20m from the UK Government's Ministry of Housing, Communities and Local Government to deliver an identified programme of interventions under the Community Regeneration Partnership (CRP). The £20m programme includes projects that will be delivered by Dundee City Council and key partners, with the City Council acting as the Lead Authority/conduit for the funding. Progress is reviewed fortnightly and reported to the Capital Governance Group to ensure strategic oversight and accountability and compliance with the CRP Memorandum of Understanding.
- 4.5 St Fergus and Ardler Primary Schools continue to be inspected in accordance with IStructE guidelines. These currently show no concerns with the condition of the RAAC. Trial remediation works to an area were carried out during the summer 2025 school holidays with further works planned for summer 2026 break, to develop accurate costs for wider remediation of these two schools.
- 4.6 Tenanted and mixed-tenure Council properties containing Reinforced Autoclaved Aerated Concrete (RAAC) are now entering the third cycle of structural inspections. Findings from the second cycle confirmed that the majority of affected properties remain in a serviceable and safe condition, with targeted remediation works completed during 2025/26 where issues were identified. In addition, the Council has undertaken a series of pilot remediation projects across a range of RAAC-affected property types, all of which were completed in 2025/26 and are now undergoing detailed evaluation.

This evaluation phase will provide the accurate costing, technical feasibility assessments, and delivery modelling required to inform a sustainable and buildable long-term RAAC remediation strategy. The emerging future works plan will prioritise minimising occupant disruption, ensuring structural safety in line with updated IStructE guidance, and supporting efficient programme delivery. A full set of findings and recommendations will be brought forward to a future committee for consideration.

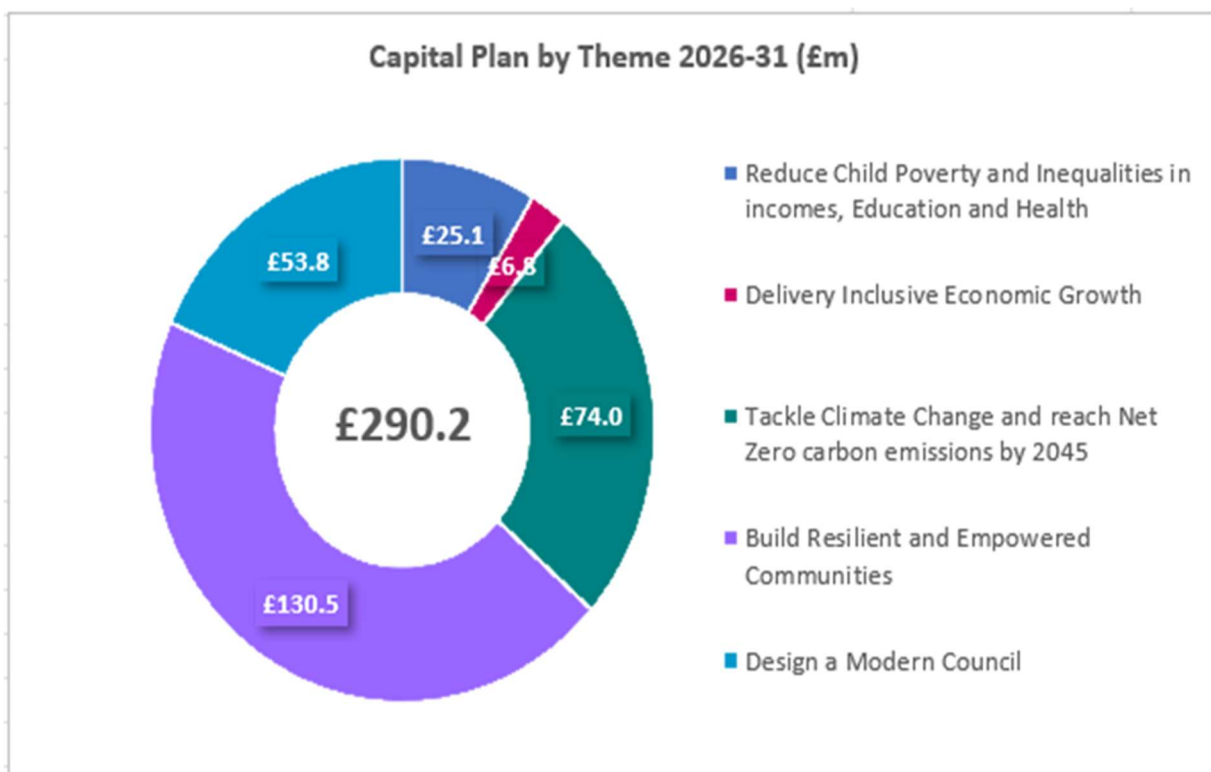
4.7 The Scottish Government’s 2026/27 draft Budget sets out an ambitious national commitment to affordable housing, including an uplift in the Affordable Housing Supply Programme (AHSP) budget to £925.87 million. This signals a clear intent to expand the availability of Affordable Housing Grant for local authorities and Registered Social Landlords (RSLs), reinforcing a national policy direction focused on boosting the delivery of high-quality, sustainable, and affordable homes across Scotland.

This continued national commitment is very much welcomed; however, it is important to note that local Resource Planning Assumptions (RPAs) for future years have not yet been confirmed. As a result, the precise level of investment that will be available to Dundee City Council remains to be determined. Until these allocations are finalised, officers will continue detailed assessment of the potential financial implications for the Housing Capital Plan, including scenario modelling and sensitivity analysis, to ensure that any additional resources can be used to maximum effect. Alongside this, officers will explore a wider range of opportunities to enhance impact, including partnership-based approaches, innovative financing mechanisms, and improved programme phasing to accelerate delivery where possible.

In this context, the Council will continue proactive, structured engagement with key delivery partners including developers, RSLs, and wider stakeholders across the housing system. This will support the identification and progression of opportunities for new supply through land release, strategic acquisition, and direct development. Officers will also work to ensure that the local programme remains closely aligned with emerging national housing priorities, such as increasing affordable supply, addressing homelessness and housing precarity, improving energy efficiency, and strengthening the use of land and infrastructure planning to unlock stalled, constrained, or otherwise complex sites.

Officers will additionally consider the implications of the Scottish Government’s announcement of a new More Homes Scotland national housing agency, which is intended to support “simplicity, scale and speed” in delivery from 2027/28 onward. The establishment of this new agency—focused on strategic land assembly, large-scale affordable housing projects, and more integrated collaboration with local authorities—will be monitored closely. Ensuring Dundee is well positioned to access future opportunities, influence the pipeline of national investment, and maximise alignment with both the Housing Capital Plan and the Strategic Housing Investment Plan (SHIP) will form an important element of ongoing strategic planning activity.

4.8 The chart below provides a summary of the Capital Plan broken down by the themes of the Council Plan over the period from April 2026 to March 2031.



5 CLIMATE CHANGE

- 5.1 The Council is committed to becoming a net zero organisation by 2038 through its Net Zero Transition Plan and is proactively working with partners across the city to achieve the ambitions set out in Dundee's Local Heat and Energy Efficiency Strategy and Local Area Energy Plan. The Council has an ambition to decarbonise, the cost (both capital and revenue) of moving towards Net Zero across all the Council's assets will be significant, both for the General Fund and the Housing Revenue Account. It is anticipated that the investment needed will exceed current resource levels and will require major investment to replace a significant percentage of the Council's vehicle fleet, to retrofit a range of energy efficiency measures, such as external wall insulation and to install decarbonised heating systems and solar panels. The Council is investigating the feasibility of district heating schemes which could offer an important solution for decarbonising Council and wider city buildings, whilst helping to tackle fuel poverty and drive economic growth, where these are commercially viable and sufficient external funding can be secured.
- 5.2 The investment required is not quantifiable at this time. Based on known costs from previous sustainability investments, - the school building programme and the condition of the Council's assets, the cost will require to be phased over a period of time. Routes to funding continue to be developed across multiple sources (Scottish Government and Department for Energy Security & Net Zero), and officers actively monitor for openings to apply to external sources which will assist progress with renewable energy solutions.
- 5.3 Whilst current financial limitations restrict projects to ensuring the Council's portfolio remains safe and secure, wherever new investment opportunities and external funding allow, new assets are constructed to the highest energy performance standard possible (e.g. Greenfield Academy built to Passivhaus equivalent). Any projects that are undertaken are assessed to determine the opportunity and deliverability of sustainable methods of construction and renewable energy sources based on a balance of service requirement, economic and financial considerations.
- 5.4 It is anticipated that future advancements in low or zero carbon technologies and greater market maturity will lead to cost reductions and therefore lower levels of required investment over time. Developments in the market are proactively monitored by officers to ensure informed decision making which takes account of the financial and environmental impacts and resilience of supply. Officers will monitor such investment requirements as they are identified to provide a long-term assessment of need. As an example, it is estimated that replacement of the Council vehicle fleet will require around £40m to be invested as existing vehicles require replacement and technologies develop.
- 5.5 The Council has a long-term investment programme for our housing stock that will aim to ensure these properties are as energy efficient as possible delivering benefits for both tenants and the climate. This will be delivered by ensuring these homes meet government Energy Efficiency Standards and the target is to ensure all council housing meets Energy Performance Certificate (EPC) Band B (or where this is not possible) ensure it is as energy efficient as it practically can be. This programme will be tackled through a 'fabric first approach' that essentially means making changes to the design and construction of the key components e.g. roof, doors and windows and ensuring that any future investment to replace these items will improve the energy performance of the building. These changes will be part funded by the Council through further borrowing and any other grant funding available from Scottish Government or other sources.
- 5.6 In respect of other planned investments, the Council will ensure these take cognisance of our net zero ambitions by ensuring that these works are completed using sustainable materials and low or zero carbon heating solutions wherever possible. Whilst recognising the longer-term benefits this can offer this will need to be balanced with affordability.

6 PRUDENTIAL FRAMEWORK

- 6.1 The Prudential Framework has been developed as a professional code of practice to support local authorities in taking decisions on capital investment. Local authorities are required by Regulation to comply with the Prudential Code under Part 7 of the Local Government in Scotland Act 2003. The Capital Plan 2026-31 has been prepared in compliance with the Prudential Code.
- 6.2 Under the Prudential Code Local Authorities are obliged to introduce a system of option appraisal for capital projects and to develop asset management plans to assist in determining capital expenditure priorities.

- 6.3 Option appraisal guidelines have been developed which allow services to consider systematically whether individual capital projects provide value for money. An option appraisal report will be completed for all projects of £1m or above being considered for inclusion in the Council's Capital Plan. All Option Appraisals must be presented to the Capital Governance Group in the first instance.
- 6.4 The Prudential Code requires the Executive Director of Corporate Services to prepare a set of indicators that demonstrate that the Council's Capital Plan 2026-31 is affordable, prudent and sustainable, via the level of Council's borrowing for General services and Housing HRA. The Prudential Indicators are shown in Appendix B of this report.

7 RISK ASSESSMENT

- 7.1 In preparing the Capital Plan 2026-31, the Executive Director of Corporate Services has considered the key strategic, operational and financial risks facing the Council over the period of the Capital Plan. The main factors considered were the: -

- inherent uncertainty in inflation levels being greater than the contingencies already built into the capital plan.
- unforeseen factors once projects have commenced leading to increased costs and delays to the completion of projects (which in itself could result in further expenditure)
- uncertainty about the levels of capital receipts assumed in plan, due to external factors outwith Council's control.
- uncertainty of when capital receipts will be realised, again due to external factors outwith the control of the council.
- inherent risk of capital financing costs due to uncertainty of future interest rates
- uncertainty of future levels of Capital Grants from Scottish Government

A robust Capital Monitoring process and Treasury management Strategy will ensure action is taken should any risks be identified.

8 CONSULTATION

- 8.1 The Council Leadership Team has been consulted in the preparation of the report.

9 POLICY IMPLICATIONS

- 9.1 This report has been subject to an Integrated Impact Assessment to identify impacts on Equality & Diversity, Fairness & Poverty, Environment and Corporate Risk. An impact, positive or negative, on one or more of these issues was identified. An appropriate senior manager has checked and agreed with this assessment. A copy of the Integrated Impact Assessment showing the impacts and accompanying benefits of/ mitigating factors for them is included as an Appendix C to this report.

10 BACKGROUND PAPERS

- 10.1 None

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES
05 FEBRUARY 2026

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APPENDIX A



CAPITAL PLAN 2026-31

FOR

GENERAL SERVICES

&

HOUSING HRA

Feb-26

Executive Director of Corporate Services

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DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PROJECTED CAPITAL RESOURCES

| | | <u>2025/26</u> <u>£000</u> | <u>2026/27</u> <u>£000</u> | <u>2027/28</u> <u>£000</u> | <u>2028/29</u> <u>£000</u> | <u>2029/30</u> <u>£000</u> | <u>2030/31</u> <u>£000</u> |
|--|------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 1 Capital expenditure funded from borrowing | General Services | 23,620 | 18,674 | 23,255 | 13,552 | 1,000 | 50 |
| | Housing HRA | 18,509 | 31,832 | 34,543 | 36,712 | 23,382 | 26,637 |
| 2 Capital Element of General Capital Grant less PSHQ | General Services | 14,181 | 12,854 | 13,000 | 12,578 | 11,551 | 11,551 |
| 3 Capital grants & contributions - corporate | General Services | | | | | | |
| | Housing HRA | 165 | 165 | 250 | 250 | 250 | 250 |
| 4 Capital grants & Contributions - project specific | General Services | 15,682 | 2,642 | 4,272 | 1,110 | 1,110 | |
| | Housing HRA | 980 | 1,396 | | - | - | 1,140 |
| 5 Capital Receipts - Sale of Assets | General Services | 2,000 | 2,000 | 1,000 | | | |
| | Housing HRA | 432 | 288 | 103 | | | |
| 6 Capital Financed from Current Revenue | General Services | 379 | | | | | |
| | Housing HRA | 450 | 1,000 | 450 | 450 | 450 | 450 |
| TOTAL PROJECTED GROSS CAPITAL RESOURCES | | 76,398 | 70,851 | 76,873 | 64,652 | 37,743 | 40,078 |
| TOTAL PLANNED GROSS CAPITAL EXPENDITURE | | 76,398 | 70,851 | 76,873 | 64,652 | 37,743 | 40,078 |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE : OUTTURN PRICES

SUMMARY

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|---|-----------------------|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Reduce Child Poverty and Inequalities in incomes, Education and Health | 127,193 | 86,186 | 15,944 | 563 | 16,500 | 8,000 | - | - |
| Deliver Inclusive Economic Growth | 35,080 | 25,487 | 2,838 | 2,706 | 1,279 | 2,170 | 300 | 300 |
| Tackle Climate Change and reach Net Zero carbon emissions by 2045 | 136,763 | 42,708 | 20,001 | 17,471 | 16,385 | 21,861 | 9,690 | 8,647 |
| Build Resilient and Empowered Communities | 180,932 | 19,890 | 30,462 | 33,996 | 28,086 | 22,226 | 20,417 | 25,855 |
| Design a Modern Council | 71,004 | 10,106 | 7,153 | 16,115 | 14,623 | 10,395 | 7,336 | 5,276 |
| <i>Total Gross Expenditure</i> | 550,972 | 184,377 | 76,398 | 70,851 | 76,873 | 64,652 | 37,743 | 40,078 |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | | |
|---|-----------------------|---------------------------|-----------------|--------------|-------------------|------------------|---------|---------|--|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | |
| School Estate Investment - Greenfield Academy (EECC) (Less External Funding) | 100,900 (100) | 85,727 | 15,173 (100) | | | | | | |
| School Estate Investment - Western Gateway (Less External Funding) | 25,000 (6,992) | | 150 (150) | 350 (350) | 16,500 (4,272) | 8,000 (1,110) | (1,110) | | |
| Children & Families Hub (Less External Funding) | 484 (50) | 54 (50) | 430 | | | | | | |
| Free School Meals Expansion - Primary Schools | 668 | 405 | 50 | 213 | | | | | |
| Craigiebarns Out of School Refurbishment (Less External Funding) | 15 (15) | | 15 (15) | | | | | | |
| Social Care - Learning Disability Accommodation | 126 | | 126 | | | | | | |
| Net Expenditure | 120,036 | 86,136 | 15,679 | 213 | 12,228 | 6,890 | (1,110) | | |
| Netted Off Receipts | (7,157) | (50) | (265) | (350) | (4,272) | (1,110) | (1,110) | | |
| Gross Expenditure | 127,193 | 86,186 | 15,944 | 563 | 16,500 | 8,000 | | | |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

DELIVER INCLUSIVE ECONOMIC GROWTH

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|--|-----------------------|---------------------------|------------|--------------|---------|---------|---------|---------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Central Waterfront | 1,095 | 1,030 | 25 | 40 | | | | |
| Site 6 South Development - Offices | 26,202 | 23,496 | 1,406 | 1,300 | | | | |
| Economic Development Fit Out | 661 | 656 | 5 | | | | | |
| Vacant & Derelict Land Fund (Less External Funding) | 290 (290) | | | 290 (290) | | | | |
| Tay Cities | 1,770 | | | | | 1,770 | | |
| Tay Cities - 5G Testbeds (Less External Funding) | 144 (144) | 134 (134) | 10 (10) | | | | | |
| Demolition of Properties & Remediation Works | 4,918 | 171 | 1,392 | 1,076 | 1,279 | 400 | 300 | 300 |
| Net Expenditure | 34,646 | 25,353 | 2,828 | 2,416 | 1,279 | 2,170 | 300 | 300 |
| Netted Off Receipts | (434) | (134) | (10) | (290) | | | | |
| Gross Expenditure | 35,080 | 25,487 | 2,838 | 2,706 | 1,279 | 2,170 | 300 | 300 |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

TACKLE CLIMATE CHANGE AND REACH NET ZERO EMISSIONS BY 2045

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|--|-----------------------|---------------------------|----------------|--------------|---------|---------|---------|---------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Coastal Protection Works | 15,974 | 15,690 | 119 | 165 | | | | |
| Water Resilient Dundee | 491 | 60 | 40 | 391 | | | | |
| Broughty Ferry to Monifieth Active Travel Improvements (Less External Funding) | 17,562 (17,343) | 16,548 (16,479) | 1,014 (864) | | | | | |
| Flood Risk Management | 971 | 45 | 10 | 916 | | | | |
| Strathmartine Connections (St Marys Drainage/St Leonards Park) (Less External Funding) | 567 (367) | 1 | 379 (367) | 187 | | | | |
| Dighty Burn Restoration Project (Less External Funding) | 425 (425) | | 40 (40) | 385 (385) | | | | |
| Low Emission Zone (Less External Funding) | 340 (215) | 242 (175) | 98 (40) | | | | | |
| Tier 1 Active Travel (formerly known as Cycling Walking & Safer Routes) (Less External Funding) | 877 (877) | | 877 (877) | | | | | |
| Parks & Open Space (Less External Funding) | 361 (235) | 16 | 172 (136) | 173 (99) | | | | |
| DCA Lifecycle plant replacement programme | 4,550 | 256 | 1,180 | 1,450 | 1,664 | | | |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

TACKLE CLIMATE CHANGE AND REACH NET ZERO EMISSIONS BY 2045

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | | |
|--|-----------------------|---------------------------|------------------|---------|---------|---------|---------|---------|-------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | |
| Low Carbon Transport - Green Transport Hub & Spokes - Bell Street (Less External Funding) | 18,614 (16,340) | 9,742 (9,742) | 8,872 (6,598) | | | | | | |
| Recycling Initiatives | 160 | | | 160 | | | | | |
| Riverside & Baldovie Recycling Sites (Less External Funding) | 1,317 (693) | 9 | 1,308 (693) | | | | | | |
| Transport & Infrastructure (Less External Funding) | 1,192 (942) | 43 (26) | 996 (916) | 153 | | | | | |
| Vehicle Fleet & Infrastructure (Less External Funding) | 10,884 (229) | 56 | 3,136 (229) | 2,492 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| HOUSING HRA ELEMENT | | | | | | | | | |
| Energy Efficient | 62,478 | | 1,760 | 10,999 | 13,421 | 20,561 | 8,390 | 7,347 | |
| Net Expenditure | 99,097 | 16,286 | 9,241 | 16,987 | 16,385 | 21,861 | 9,690 | 8,647 | |
| Netted Off Receipts | (37,666) | (26,422) | (10,760) | (484) | | | | | |
| Gross Expenditure | 136,763 | 42,708 | 20,001 | 17,471 | 16,385 | 21,861 | 9,690 | 8,647 | |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

BUILD RESILIENT AND EMPOWERED COMMUNITIES

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|---|-----------------------|---------------------------|--------------|---------|---------|---------|---------|---------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| NON HOUSING HRA ELEMENT | | | | | | | | |
| Neighbourhood Capital Fund (Community Regeneration Fund) | 2,114 | 63 | 443 | 660 | 308 | 240 | 200 | 200 |
| Community Choices - Participatory Budget | 371 | 355 | 16 | | | | | |
| Bridge Assessment Work Programme (Less External Funding) | 2,868 (446) | 717 (446) | 551 | 400 | 400 | 300 | 250 | 250 |
| Council Roads and Footpaths - Other | 1,800 | | 400 | 300 | 300 | 300 | 250 | 250 |
| Footway Upgrades | 2,310 | | 560 | 400 | 400 | 350 | 300 | 300 |
| Road Reconstructions/Recycling | 14,923 | | 2,423 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Road Safety (Less External Funding) | 1,312 (620) | | 822 (620) | 150 | 150 | 90 | 50 | 50 |
| Traffic signal upgrades | 71 | | 71 | | | | | |
| Street Lighting Renewal | 5,728 | | 1,048 | 1,000 | 1,000 | 980 | 850 | 850 |
| District Shopping (Less External Funding) | 355 (275) | 18 | 337 (275) | | | | | |
| Vacant Derelict Land Investment Programme (Less External Funding) | 830 (645) | | 645 (645) | 185 | | | | |
| Gypsy Travellers Site - Balmuir Woods | 237 | 43 | 194 | | | | | |
| Housing First & Rapid Rehousing | 120 | | | 120 | | | | |
| Housing Cladding Remediation | 59 | | 59 | | | | | |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

BUILD RESILIENT AND EMPOWERED COMMUNITIES

ALL FIGURES £'000

| Project/Nature of Expenditure | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|---|-----------------------|---------------------------|------------------|------------------|---------|---------|---------|------------------|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| City Improvement Fund | 500 | | | 500 | | | | |
| City Investment Fund | 433 | 42 | 391 | | | | | |
| Levelling Up - UK Shared Prosperity Fund (Less External Funding) | 835 (1,226) | 314 (314) | 291 (682) | 230 (230) | | | | |
| Community Regeneration Partnership (Less External Funding) | 1,988 (1,988) | | 700 (700) | 1,288 (1,288) | | | | |
| Union Street Infrastructure Improvements (Less External Funding) | 1,780 (1,116) | | 1,116 (1,116) | 664 | | | | |
| Parks & Open Space (Less External Funding) | 4,689 (804) | 989 (195) | 1,437 (609) | 1,120 | 353 | 290 | 250 | 250 |
| Sports Facilities | 1,244 | 35 | 137 | 747 | 100 | 75 | 75 | 75 |
| LACD Projects | 1,000 | 5 | 45 | 50 | 650 | 250 | | |
| HOUSING HRA ELEMENT | | | | | | | | |
| Free from Serious Disrepair | 67,170 | | 9,337 | 9,997 | 14,005 | 12,130 | 9,618 | 12,083 |
| Modern Facilities and Services | 10,165 | | 812 | 2,101 | 1,577 | 1,033 | 1,386 | 3,256 |
| Healthy, Safe and Secure | 17,405 | | 2,180 | 4,000 | 3,945 | 2,260 | 3,260 | 1,760 |
| Miscellaneous | 10,811 | | 3,109 | 2,343 | 1,812 | 1,168 | 1,168 | 1,211 |
| Increased Supply of Council Housing (Less External Funding) | 27,646 (11,383) | 17,309 (7,867) | 2,762 (980) | 4,689 (1,396) | 326 | | | 2,560 (1,140) |
| Demolitions | 366 | | 66 | 60 | 60 | 60 | 60 | 60 |
| Digital /ICT | 602 | | 310 | 292 | | | | |
| Sheltered Lounge Upgrades | 1,200 | | 200 | 200 | 200 | 200 | 200 | 200 |
| Net Expenditure | 162,429 | 11,068 | 24,835 | 31,082 | 28,086 | 22,226 | 20,417 | 24,715 |
| Netted Off Receipts | (18,503) | (8,822) | (5,627) | (2,914) | | | | (1,140) |
| Gross Expenditure | 180,932 | 19,890 | 30,462 | 33,996 | 28,086 | 22,226 | 20,417 | 25,855 |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

DESIGN A MODERN COUNCIL

ALL FIGURES £'000

| Project/Nature of Expenditure | Cost Centre | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|---|-------------|-----------------------|---------------------------|---------|---------|---------|---------|---------|---------|
| | | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Cemeteries | N2110 | 706 | 58 | 148 | 150 | 100 | 100 | 75 | 75 |
| Contaminated Land | N2280 | 314 | | 35 | 70 | 59 | 50 | 50 | 50 |
| Recycling & Waste Management - Purchase of Bins | | 885 | | 135 | 150 | 150 | 150 | 150 | 150 |
| Baldovie Depot Redevelopment | N2431 | 6,300 | 244 | 231 | 5,825 | | | | |
| Purchase Computer Equipment | | 5,597 | 97 | 1,263 | 1,248 | 875 | 798 | 658 | 658 |
| Purchase Desktop Collaboration Platform | N3502 | 4,734 | | 722 | 712 | 850 | 800 | 825 | 825 |
| Smart Cities Digital/ICT Investment | N3701 | 403 | 271 | 132 | | | | | |
| Desktop Management Software | | 2 | | 2 | | | | | |
| Schools Connectivity | N3505 | 2,679 | 1,489 | 49 | 47 | 47 | 47 | 1,000 | |
| Asset Management System Replacement | N3504 | 350 | | | 350 | | | | |

DUNDEE CITY COUNCIL

CAPITAL PLAN 2026-31

PRICE BASE: OUTTURN PRICES

DESIGN A MODERN COUNCIL

ALL FIGURES £'000

| Project/Nature of Expenditure | Cost Centre | Total Cost of Project | Actual prior to 31-Mar-25 | | | | | | |
|--|-------------|-----------------------|---------------------------|---------|---------|---------|---------|---------|---------|
| | | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Property Lifecycle Development Programme | NP700 | 28,982 | 3,052 | 4,112 | 6,522 | 4,695 | 3,615 | 3,468 | 3,518 |
| Property Rationalisation Programme | | 3,947 | 3,289 | 223 | 200 | 235 | | | |
| Depot Rationalisation Programme | NP701 | 3,063 | 431 | 3 | 29 | 2600 | | | |
| Contingency Capital Expenditure | NP522 | 3,942 | | | 612 | 1110 | 1,110 | 1,110 | |
| Dundee Ice Arena Plant & Upgrade | NL390 | 9,100 | 1,175 | 98 | 200 | 3,902 | 3725 | | |
| Net Expenditure | | 71,004 | 10,106 | 7,153 | 16,115 | 14,623 | 10,395 | 7,336 | 5,276 |
| Netted Off Receipts | | | | | | | | | |
| Gross Expenditure | | 71,004 | 10,106 | 7,153 | 16,115 | 14,623 | 10,395 | 7,336 | 5,276 |

THE PURPOSE OF PRUDENTIAL INDICATORS

The framework established by the Prudential Code should support local strategic planning, local asset management planning. The objectives of the Prudential Code are to ensure, within a clear reporting framework, that:

- All external borrowing and other long-term liabilities are within **prudent** and sustainable levels
- The Council's capital expenditure plans are **affordable** and proportionate
- Treasury management decisions are taken in accordance with good professional practice

The Annual Treasury Management Activity for 2024/25 including Prudential Indicators covering period 2024/25 to 2029/30 were reported to City Governance Committee on 27th October 2025 (Report No 305-2025, Article VIII refers). These have now been updated to reflect projected expenditure included in the 2026-31 Capital Plan.

PRUDENTIAL CODE INDICATORS - TREASURY MANAGEMENT INDICATORS

Adoption of Revised CIPFA Treasury Management Code of Practice

Yes

Upper limit for variable and fixed rate exposure

| | Net principal re variable rate borrowing / investments | Net principal re fixed rate borrowing / investments |
|---------|--|---|
| 2025/26 | 30% | 100% |
| 2026/27 | 30% | 100% |
| 2027/28 | 30% | 100% |
| 2028/29 | 30% | 100% |
| 2029/30 | 30% | 100% |
| 2030/31 | 30% | 100% |

Maturity structure of fixed rate borrowing 2024/25

| Period | Lower % | Upper % |
|---|---------|---|
| Under 12 months | 0 | 10 |
| 12 months & within 24 months | 0 | 15 |
| 24 months & within 5 years | 0 | 25 |
| 5 years & within 10 years | 0 | 25 |
| 10 years + | 50 | 95 |
| Upper limit for total principal sums invested for over 364 days | n/a | No sums will be invested longer than 364 days |

PRUDENCE INDICATORS

CAPITAL EXPENDITURE

Prudential Indicator: Level of Capital Expenditure

This indicator measures affordability and gives a basic control of the Council's capital expenditure as contained in the Capital Plan 2026-31. To provide an accurate indicator of capital expenditure all receipts are excluded from the calculation, so figures are based on gross expenditure.

| | Capital Expenditure | | |
|---------|----------------------------|-----------|-------------|
| | Non-HRA £m | HRA £m | Total £m |
| 2025/26 | 55.862 | 20.536 | 76.398 |
| 2026/27 | 36.170 | 34.681 | 70.851 |
| 2027/28 | 41.527 | 35.346 | 76.873 |
| 2028/29 | 27.240 | 37.412 | 64.652 |
| 2029/30 | 13.661 | 24.082 | 37.743 |
| 2030/31 | 11.601 | 28.477 | 40.078 |

Prudential Indicator: Capital Financing Requirement

The calculation of the capital financing requirement reflects the Council's underlying need to borrow for a capital purpose. Capital expenditure can be funded from capital receipts from the sale of land and buildings, grants and contributions, or from revenue. The remaining expenditure not funded from the aforementioned, will require to be funded from borrowing, and will increase the capital financing requirement of the Council. The Capital Financing Requirement also includes other long term liabilities

| | Net Borrowing Requirement (NBR) | | | Capital Financing Requirement (CFR) | | | |
|---------|--|----------------|----------------|--|-----------|-------------|----------------|
| | 1 April £m | 31 March £m | Movement £m | Non-HRA £m | HRA £m | Total £m | Movement £m |
| 2025/26 | 690.000 | 709.000 | 19.000 | 822.000 | 185.000 | 1,007.000 | 15.000 |
| 2026/27 | 709.000 | 737.000 | 28.000 | 826.000 | 204.000 | 1,030.000 | 23.000 |
| 2027/28 | 737.000 | 771.000 | 34.000 | 833.000 | 226.000 | 1,059.000 | 29.000 |
| 2028/29 | 771.000 | 798.000 | 27.000 | 831.000 | 249.000 | 1,080.000 | 21.000 |
| 2029/30 | 798.000 | 798.000 | - | 817.000 | 258.000 | 1,075.000 | (5.000) |
| 2030/31 | 798.000 | 800.000 | 2.000 | 801.000 | 270.000 | 1,071.000 | (4.000) |

EXTERNAL DEBT

Prudential Indicator: Authorised Limit

The authorised limit represents a maximum value beyond which the Councils external debt must not exceed. Total external debt needs to be expressed as gross of investments and split between borrowing and other long term liabilities. The Council has a £30m headroom between its authorised limit and its operational boundary.

Prudential Indicator: Operational Boundary

This indicator focuses on the day-to-day treasury management activity within the Council. It is a means by which the Council ensures that it remains within its authorised limits. It is based on the what the Council expects its maximum level of debt based on the Councils level of borrowing as contained in the Capital Plan and other long term liabilities.

| | Authorised Limit | | | Operational Boundary | | |
|---------|------------------|-------------|-------------|----------------------|-------------|-------------|
| | Borrowing £m | Other £m | Total £m | Borrowing £m | Other £m | Total £m |
| 2025/26 | 743.000 | 271.000 | 1,014.000 | 713.000 | 271.000 | 984.000 |
| 2026/27 | 771.000 | 267.000 | 1,038.000 | 741.000 | 267.000 | 1,008.000 |
| 2027/28 | 805.000 | 262.000 | 1,067.000 | 775.000 | 262.000 | 1,037.000 |
| 2028/29 | 832.000 | 256.000 | 1,088.000 | 802.000 | 256.000 | 1,058.000 |
| 2029/30 | 832.000 | 251.000 | 1,083.000 | 802.000 | 251.000 | 1,053.000 |
| 2030/31 | 834.000 | 245.000 | 1,079.000 | 804.000 | 245.000 | 1,049.000 |

Prudential Indicator: Actual External Debt

A record of the Council's actual external debt is kept as part of the Treasury Management Activities. Actual external debt reflects the position at a particular point in time and is therefore not directly comparable to the authorised limit and operational boundary, and includes other long term liabilities.

| | 31/03/2024 | 31/03/2025 |
|------------------------------------|----------------|----------------|
| | £m | £m |
| Actual borrowing | 582.019 | 692.919 |
| Actual other long term liabilities | 202.477 | 275.208 |
| Actual external debt | 784.496 | 968.127 |

AFFORDABILITY INDICATORS

Prudential Indicator: Ratio of Commercial & Service Income to Net Revenue Stream

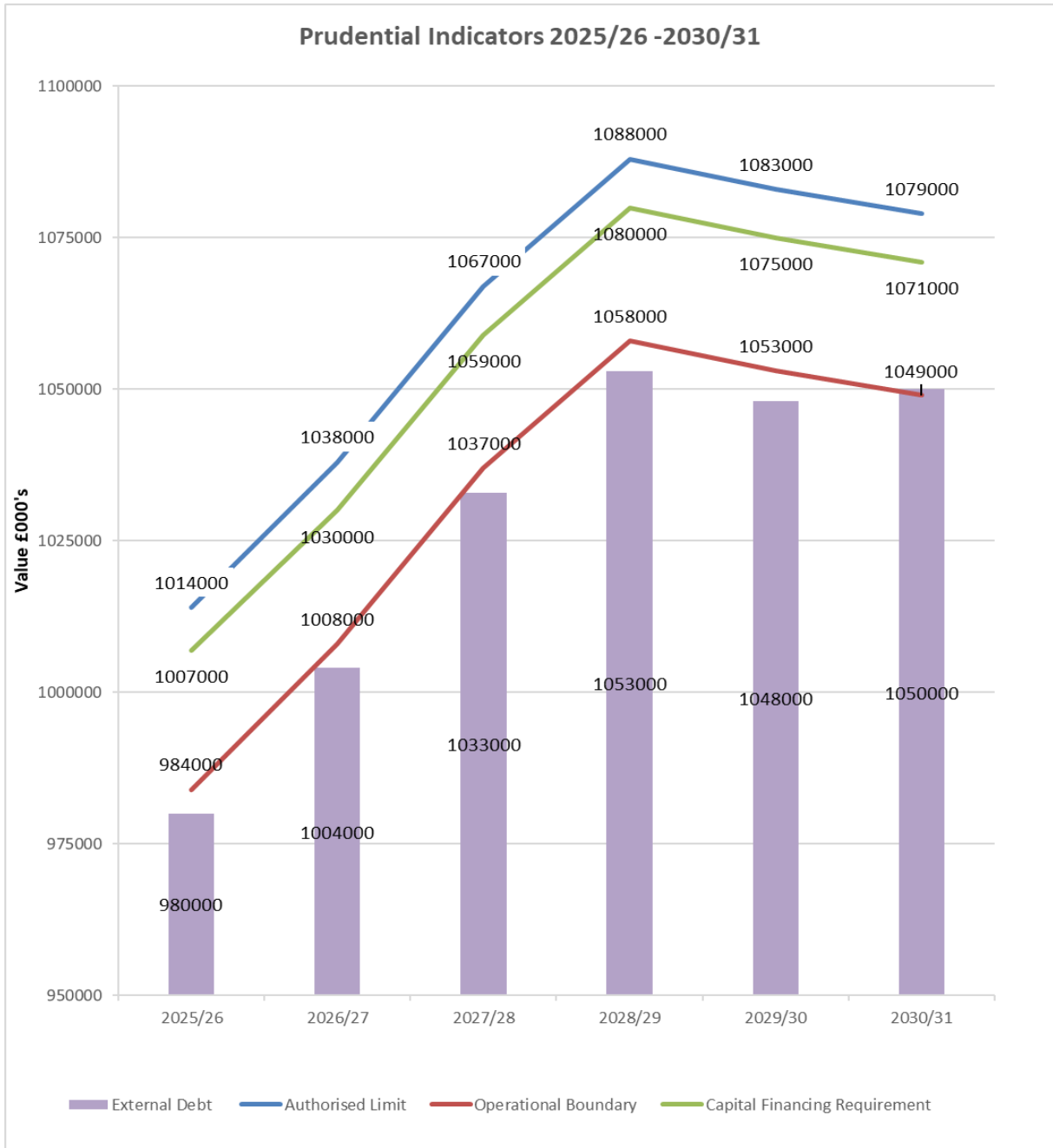
The ratio of commercial and service income to net revenue stream measures both current and future income streams from service and commercial assets as a percentage of the Council's total income that it is estimated over the period of the Capital Plan.

Prudential Indicator: Ratio of Financing Costs to Net Revenue Stream

The ratio of financing costs to net revenue stream also measures affordability. The measure includes both current and future commitments based on the Capital Plan, and the adoption of IFRS and Service Concessions, and shows the revenue budget being used to fund the associated financing costs associated with the capital expenditure programme and .

Variations to the ratio imply that the proportion of loan charges has either increased or decreased in relation to the total funded from Government Grants and local taxpayers.

| | Ratio Commercial & Service Income to Net Revenue Stream | Ratio of financing costs to Net Revenue Stream | |
|---------|---|---|----------|
| | Non HRA % | Non-HRA % | HRA % |
| 2025/26 | 1.5 | 10.5 | 32.7 |
| 2026/27 | 1.5 | 10.6 | 31.1 |
| 2027/28 | 1.7 | 10.7 | 32.4 |
| 2028/29 | 1.7 | 10.7 | 33.2 |
| 2029/30 | 1.7 | 10.6 | 32.9 |
| 2030/31 | 1.7 | 10.5 | 32.0 |





Integrated Impact Assessment

Committee Report Number: 24-2026

Document Title: Capital Plan 2026-31

Document Type: Other

Description:

The report sets out the Capital Plan for General Services and Housing HRA for the period 2026/27 to 2030/31

Intended Outcome:

The delivery of the Capital Plan will support the aims and objectives of the Council Plan

Period Covered: 01/04/2026 to 01/01/2031

Monitoring:

Regular capital monitoring reports to City Governance Committee will monitor the in year budgets, total cost of projects and timescales for delivering projects

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Equality, Diversity and Human Rights

Impacts & Implications

Age: Positive

The Plan includes investment in a range of projects to support the delivery of a range of services that benefit specific groups

Disability: Positive

The investments delivered in the capital plan will improve accessibility of services

Gender Reassignment: No Impact

Marriage & Civil Partnership: No Impact

Pregnancy & Maternity: No Impact

Race / Ethnicity: No Impact

Religion or Belief: No Impact

Sex: No Impact

Sexual Orientation: No Impact

Are any Human Rights not covered by the Equalities questions above impacted by this report?

No

Fairness & Poverty

Geographic Impacts & Implications

| | |
|----------------|----------|
| Strathmartine: | Positive |
| Lochee: | Positive |
| Coldside: | Positive |
| Maryfield: | Positive |
| North East: | Positive |
| East End: | Positive |
| The Ferry: | Positive |
| West End: | Positive |

Positive Implications: The Capital Plan will bring improvements in infrastructure citywide with some providing benefits to all residents of Dundee, whilst other improvements will benefit a specific locality

Household Group Impacts and Implications

Looked After Children & Care Leavers: No Impact

Household Group Impacts and Implications

Carers: No Impact

Lone Parent Families: No Impact

Single Female Households with Children: No Impact

Greater number of children and/or young children: No Impact

Pensioners - single / couple: No Impact

Unskilled workers or unemployed: No Impact

Serious & enduring mental health problems: No Impact

Homeless: Positive

Investment in New Council Housing stock and Relets will provide more homes for the people of Dundee

Drug and/or alcohol problems: No Impact

Offenders & Ex-offenders: No Impact

Socio Economic Disadvantage Impacts & Implications

Employment Status: Positive

The investment in the Capital Plan will create employment opportunities for the people of Dundee

Education & Skills: Positive

Investment in educational facilities will help to provide the best environment for pupils to study and provide a foundation to future career prospects.

Income: No Impact

Caring Responsibilities (including Childcare): No Impact

Affordability and accessibility of services: No Impact

Fuel Poverty: Positive

Investment in energy efficiency measures HRA Council houses, will have a positive impact on fuel poverty

Cost of Living / Poverty Premium: Positive

Investment in energy efficiency measures HRA Council houses, will have a positive impact on energy bills

Connectivity / Internet Access: Positive

Investment in Schools Connectivity will have a positive impact on the learning experience provided to Dundee pupils, by providing access to online resources

Income / Benefit Advice / Income Maximisation No Impact

Employment Opportunities: Positive

The investment in the Plan will provide opportunities for both direct and indirect employment

Education: Positive

Investment in the Councils Educational facilities will provide the best environment to support the learning experience and achieve the most favourable for pupils

Health: Positive

Investment in the Councils Housing Stock provide create a healthier living environment for tenants

Life Expectancy: No Impact

Mental Health: No Impact

Overweight / Obesity: No Impact

Child Health: No Impact

Neighbourhood Satisfaction: Positive

Investment in Council assets and infrastructure will improve services within Neighbourhoods

Transport: Positive

Investment in the Citys road network, footpaths and cycleways, along with cycle storage facilities, will make City more access

Environment

Climate Change Impacts

Mitigating Greenhouse Gases: Positive

The implementation of the Low Emission Zone, within the City Centre, and the refurbishment of Bell St Multi Storey Car Park into a Green Transport Hub & Spokes, will make a positive contribution to meeting Net zero targets

Adapting to the effects of climate change: Positive

Investment in building improvements to make more energy efficient will offset the impact of climate change

Resource Use Impacts

Energy efficiency & consumption: Positive

Investment in energy saving measures will have a positive impact on energy usage

Prevention, reduction, re-use, recovery or recycling of waste: Positive

Investment in measures to improve waste management will have a positive impact on the recycling of waste in the city

Sustainable Procurement: No Impact

Transport Impacts

Accessible transport provision: No Impact

Sustainable modes of transport: Positive

The Plan includes a number of sustainable transport initiatives

Natural Environment Impacts

Air, land & water quality: No Impact

Biodiversity: Positive

The Capital Plan includes investment in biodiversity measures within parks and open spaces

Open & green spaces: Positive

The Capital Plan includes investment in Parks and Open Spaces

Built Environment Impacts

Built Heritage: Positive

The investment in both existing and new property will help support a sustainable built environment

Housing: Positive

The investment in the HRA council houses and new builds will help support a sustainable build environment

Is the proposal subject to a Strategic Environmental Assessment (SEA)?

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

Corporate Risk

Corporate Risk Impacts

Political Reputational Risk: Positive

The Capital Plan sets out a 5 year programme of investment in Council Services to deliver the objectives in the Council Plan

Economic/Financial Sustainability / Security & Equipment: Positive

The investment in property and infrastructure, as detailed in the Capital Plan, will support the Dundee economy. The Capital Plan has been checked to ensure it is affordable

Social Impact / Safety of Staff & Clients: No Impact

Technological / Business or Service Interruption: Positive

Investment planned for properties will reduce the risk of service disruption due to unforeseen maintenance

Environmental: No Impact

Legal / Statutory Obligations: No Impact

Organisational / Staffing & Competence: No Impact

Corporate Risk Implications & Mitigation:

There are considerable risks associated with the subject matter of this report. This is due either to a significant departure from the previous norm of Council activity, the nature of the proposals or the potential for substantial financial or other impact to be sustained. The report incorporates the potential for losses in excess of £250,000 should the downside risk materialise and / or there is potential for the Council's decision to be challenged and for significant reputational damage.

The delivery of the Capital Plan will be reported through regular reports to City Governance Committee, and monitored by the Capital Governance Group

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