

## CAPITAL INVESTMENT PROGRAMME REPORT 2018/19

### Quarter 3 - December 2018

#### 1 Background

- 1.1 The original capital programme for 2018/19 reflects the priorities outlined in the capital strategy as approved at Council on 28 February 2018.
- 1.2 The position reflects the actual position as at 31 December 2018 together with a latest projection of the outturn position for the financial year 2018/19.

#### 2 Current Position

- 2.1 The approved capital programme summary position for the four years 2018 to 2022, approved by Council on 28 February 2018 is summarised in Table 1 and shows capital programme expenditure of £89.658m in 2018/19.

**Table 1 : Capital Programme 2018/19 to 2021/22**

	2018/19	2019/20	2020/21	2021/22	TOTAL
	£000	£000	£000	£000	£000
<b>Original Budget</b>	<b>89,658</b>	<b>105,681</b>	<b>37,605</b>	<b>11,234</b>	<b>244,178</b>

- 2.2 Table 2 shows the revised capital programme for 2018/19, with expenditure of £48.267m based on the most up to date information including known commitments. It also has regard to the approval of the Capital Strategy, approved at Council 27 February 2019. The overall position is a net decrease of £0.685m compared to £48.952m reported at Month 8.
- 2.3 Due to the timing of this report it has been possible to report the position at quarter 3 and also the current position, based on the latest information. Actual expenditure to 31 December 2018 was £36.507m (75.64% of forecast outturn), and the actual expenditure to 28 February 2019 was £41.610m (86.21% of forecast outturn).

**Table 2 – 2018/19 Capital Programme**

Directorate	Revised Budget (M08) £000	Budget Changes/ Virements (to M11) £000	Proposed Virement /Rephasing £000	Revised Budget (M11) £000	Forecast £000	Variance £000
Corporate and Commercial Services	14,174	320	(17)	14,477	14,477	0
People and Place	31,265	636	(1,859)	30,042	30,042	0
Health & Adult Social Care Community Services	1,894	1	234	2,129	2,129	0
Reform	216	0	0	216	216	0
Housing Revenue Account	1,097	0	0	1,097	1,097	0
Funds Yet to be Allocated	306	0	0	306	306	0
<b>Grand Total</b>	<b>48,952</b>	<b>957</b>	<b>(1,642)</b>	<b>48,267</b>	<b>48,267</b>	<b>0</b>

(subject to rounding – tolerance +/- £1k)

- 2.4 At this time there is no forecast variance projected. A further breakdown of Table 2 on a scheme by scheme basis is shown at Appendices A to F.
- 2.5 The budget changes to month 9 of £0.957m represent changes agreed since the approval of the month 8 report at Cabinet on 11 February 2019, as summarised in the table below:

**Table 3 Approved Budget Changes**

<b>Corporate and Commercial Services</b>	<b>£000</b>
Library & Lifelong Learning Service; IT Update (funded by prudential borrowing)	250
Planning Service; new system (funded by revenue contribution)	70
<b>Sub Total</b>	<b>320</b>
<b>People and Place</b>	
Laurel Bank (Pupil Referral Unit) adaptations (funded by acceleration of Basic Need grant from 2019/20)	240
Highways Grant; additional funding	1087
Flood grant; additional funding	30
Congestion Fund; new grant	15
Schools and transport schemes; approved re-phasing of various schemes	(638)
Oldham Museum and Arts (OMA) project; re-phasing	(98)
<b>Sub Total</b>	<b>636</b>
<b>Health &amp; Adult Social Care Community Services</b>	
Disabled Fund Grant (DFG) scheme; additional private contributions	1
<b>Sub Total</b>	<b>1</b>
<b>Total Approved Budget Changes</b>	<b>957</b>

- 2.6 In addition there is a further proposed decrease of £1.642m in the budget due to virements and the re-phasing of a number of schemes, for which approval is sought, as summarised in the table below.

**Table 4 Proposed Virements/ Re-phasing**

<b>Corporate and Commercial Services</b>	<b>£000</b>
IT Refresh schemes; revenue contributions	175
Resident First Phase 1 & 2 schemes; re-phasing	(192)
<b>Sub Total</b>	<b>(17)</b>
<b>People and Place</b>	
Replacement pitch scheme; Academy contribution	60
Town Centre Grant scheme; private contribution	2
Devolved Formula Capital grant; additional funding	642
Mayor's Challenge Fund; new grant	754
School/corporate property schemes; re-phasing of various schemes	(3,317)
<b>Sub Total</b>	<b>(1,859)</b>
<b>Health &amp; Adult Social Care Community Services</b>	
Disabled Facilities Grant; additional grant funding	220
Disabled Facilities Grant; client contributions	14
<b>Sub Total</b>	<b>234</b>
<b>Total Proposed Virements/ Re-phasing</b>	<b>(1,642)</b>

**Re-profiling of the Capital Programme**

2.7 The revised (and extended) capital programme for 2018/19 to 2023/24 taking into account all the above in-year amendments, updated to include the approved Capital Strategy and Capital Programme 2019/20 to 2023/24, at Council on 27 February 2019, is shown in Table 5 together with the projected financing profile.

**Table 5 – 2018/2023 Capital Programme**

<b>Directorate Budget</b>	<b>Revised Budget 2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>TOTAL £000</b>
Corporate and Commercial Services	14,477	10,104	3,493	1,719	1,614	249	31,655
People and Place	30,042	66,791	68,080	75,544	8,897	3,615	252,969
Health & Adult Social Care Community Services	2,129	2,235	1,400	400	400	400	6,964
Reform	216	100	100	700	200	200	1,516
Housing Revenue Account	1,097	4,235	1,633	922	800	0	8,687
Funds Yet to Be Allocated	306	5,000	3,000	1,500	1,500	1,500	12,806
<b>Grand Total</b>	<b>48,267</b>	<b>88,465</b>	<b>77,706</b>	<b>80,785</b>	<b>13,411</b>	<b>5,964</b>	<b>314,597</b>
<b>Funding</b>							
Grant & Other Contributions	(16,615)	(36,909)	(25,376)	(17,776)	(6,973)	(1,973)	(105,621)
Prudential Borrowing	(26,244)	(27,755)	(43,919)	(48,558)	(3,064)	(42)	(149,582)
Revenue	(299)	(3,916)	(4,033)	(5,822)	(800)	0	(14,870)
Capital Receipts	(5,109)	(19,885)	(4,378)	(8,629)	(2,574)	(3,949)	(44,524)
<b>Grand Total</b>	<b>(48,267)</b>	<b>(88,465)</b>	<b>(77,706)</b>	<b>(80,785)</b>	<b>(13,411)</b>	<b>(5,964)</b>	<b>(314,597)</b>

(subject to rounding – tolerance +/- £1k)

## Capital Receipts

- 2.8 The revised capital programme requires the availability of £5.109m of capital receipts in 2018/19 for financing purposes. The total net usable capital receipts currently received in year, inclusive of £8.747m carried forward from 2017/18, is £12.970m.
- 2.9 The capital receipts position as at 31 December 2018 is as follows:

**Table 6 – Capital Receipts Supporting the Approved Capital Programme 2018/19**

	£000	£000
Capital Receipts Financing Requirement		5,109
Usable Capital Receipt b/fwd	(8,747)	
Actual received to date	(4,223)	(12,970)
<b>Further Required/ (Surplus) in 2018/19</b>		<b>(7,861)</b>

- 2.10 As can be seen, there is currently an anticipated surplus of £7.861m of capital receipts in year. Given the significant amount of receipts needed to finance the capital programme in future years it is imperative that the capital receipts/disposal schedule is adhered to. This is monitored at the monthly Capital Receipts meeting and will be subject to ongoing review throughout the year.
- 2.11 The Capital Strategy and Capital Programme 2018/22 introduced an expectation of the level of receipts that is anticipated in each of the respective years and therefore an estimate as to the resultant level of over or under programming in order to present a balanced budget.
- 2.12 As a result of the approval of the Capital Strategy 2019 to 2024 the capital receipt profile has been amended to reflect the latest approved position, therefore the current position is illustrated in the table below:

**Table 7 – Capital Receipts 2018/2023**

Capital Receipts	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Capital Receipts Carried Forward	(8,747)	(8,207)	(3,403)	(9,735)	(4,268)	(3,699)
Estimated Capital Receipts in year	(346)	(15,081)	(10,710)	(3,162)	(2,005)	(250)
Received in year	(4,223)					
<b>Total Receipts</b>	<b>(13,316)</b>	<b>(23,288)</b>	<b>(14,113)</b>	<b>(12,897)</b>	<b>(6,273)</b>	<b>(3,949)</b>
Capital Receipts Financing Requirement	5,109	19,885	4,378	8,629	2,574	3,949
<b>Over/(Under) programming</b>	<b>(8,207)</b>	<b>(3,403)</b>	<b>(9,735)</b>	<b>(4,268)</b>	<b>(3,699)</b>	<b>0</b>

(subject to rounding – tolerance +/- £1k)

- 2.13 The capital receipts position is monitored on a monthly basis. The most recent projections are for receipts to exceed current planned requirements consistently throughout the course of the programme. However, until there is more confidence as to the timing of planned asset disposals, a prudent approach has been adopted and these are excluded from current forecast.

### **3 Conclusion**

- 3.1 Whilst the current estimated forecast outturn position is £48.276m, it is possible that the at the year end, further reprofiling will be required. This will be addressed during the preparation of the final accounts.
- 3.2 The capital programme has been continually monitored and has been reported to Members on a regular basis.

### **4 Appendices**

#### 4.1 Appendix

- A Summary – Corporate and Commercial Services – Month 9
- B Summary – People and Place – Month 9
- C Summary – Health & Adult Social Care Community Services – Month 9
- D Summary – Reform – Month 9
- E Summary – Housing Revenue Account – Month 9
- F Summary – Funds Yet To Be Allocated – Month 9

**SUMMARY – Corporate and Commercial Services – Month 9**

<b>Service area</b>	<b>Revised Budget (M08) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M09) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Corporate	11,300	0	0	11,300	11,300	0
IT	2,874	320	(17)	3,177	3,177	0
	<b>14,174</b>	<b>320</b>	<b>(17)</b>	<b>14,477</b>	<b>14,477</b>	<b>0</b>

**Major Variances Commentary**

No variances to report

**SUMMARY – People and Place – Month 9**

<b>Service area</b>	<b>Revised Budget (M08) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M09) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Asset Management - Asset Management	3,838	155	(1187)	2,806	2,806	0
Asset Management - Education Premises	1,894	(4)	(476)	1,414	1,414	0
Boroughwide Developments	4,430	0	0	4,430	4,430	0
Children, Young People & Families	57	0	0	57	57	0
Development	662	0	0	662	662	0
District Partnership - Boroughwide	100	0	0	100	100	0
Environment – Countryside	303	0	0	303	303	0
Environment – Parks	212	0	0	212	212	0
Environment - Playing Fields & Facilities	17	0	0	17	17	0
Parks & Playing Fields	31	0	0	31	31	0
Private Housing	230	0	0	230	230	0
Public Realm	350	0	2	352	352	0
Schools - General Provision	1,295	0	(45)	1,250	1,250	0
Schools – Primary	1,138	0	(176)	962	962	0
Schools – Secondary	1,950	(60)	24	1,914	1,914	0
Schools – Special	490	240	(1)	729	729	0
Strategic Acquisitions	204	0	0	204	204	0
Town Centre Developments	1,534	(98)	0	1,436	1,436	0
Transport - Accident Reduction	290	(122)	0	168	168	0
Transport - Bridges & Structures	2,797	57	0	2,854	2,854	0
Transport - Fleet Management	294	0	0	294	294	0
Transport - Highway Major Works/Drainage schemes	6,594	(241)	0	6,353	6,353	0
Transport – Metrolink	172	(166)	0	6	6	0

<b>Service area</b>	<b>Revised Budget (M06) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M08) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Transport - Minor Works	1,058	1091	0	2,149	2,149	0
Transport – Miscellaneous	1,309	(215)	0	1,094	1,094	0
Transport - Street Lighting	15	0	0	15	15	0
<b>People and Place Total</b>	<b>31,265</b>	<b>636</b>	<b>(1,859)</b>	<b>30,042</b>	<b>30,042</b>	<b>0</b>

(subject to rounding – tolerance +/- £1k)

### **Major Variances Commentary**

No variances to report



**SUMMARY –Health & Adult Social Care Community Services – Month 9**

<b>Service area</b>	<b>Revised Budget (M06) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M08) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Adult Services	1,894	1	234	2,129	2,129	0
	<b>1,894</b>	<b>1</b>	<b>234</b>	<b>2,129</b>	<b>2,129</b>	<b>0</b>

**Major Variances Commentary**

No variances to report

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**SUMMARY – Reform – Month 9**

<b>Service area</b>	<b>Revised Budget (M06) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M08) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Capital – District Investment Fund	185	0	0	185	185	0
Capital – District Partnership – Chadderton	1	0	0	1	1	0
Capital – Heritage Libraries and Arts	30	0	0	30	30	0
<b>Reform Total</b>	<b>216</b>	<b>0</b>	<b>0</b>	<b>216</b>	<b>216</b>	<b>0</b>

**Major Variances Commentary**

No variances to report

**SUMMARY – Housing Revenue Account (HRA) – Month 9**

<b>Service area</b>	<b>Revised Budget (M06) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M08) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Housing Revenue Account	1,097	0	0	1,097	1,097	0
	<b>1,097</b>	<b>0</b>	<b>0</b>	<b>1,097</b>	<b>1,097</b>	<b>0</b>

**Major Variances Commentary**

No variances to report

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**SUMMARY – Funds Yet To Be Allocated – Month 9**

<b>Service area</b>	<b>Revised Budget (M06) £000</b>	<b>Approved Changes /Virements £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M08) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Funds Yet to be allocated	306	0	0	306	306	0
	<b>306</b>	<b>0</b>	<b>0</b>	<b>306</b>	<b>306</b>	<b>0</b>

**Major Variances Commentary**

No variances to report