

CAPITAL INVESTMENT PROGRAMME REPORT 2021/22

Quarter 1 - June 2021

1 Background

- 1.1 The original capital programme for 2021/22 reflects the priorities outlined in the capital strategy as approved at Cabinet on 23 February 2021 and confirmed at the Council meeting on the 4 March 2021.
- 1.2 The position as at 30 June 2021 is highlighted in this report but as the year progresses the outturn projections will reflect the evolving position.
- 1.3 For the remainder of the financial year, the programme will continue to be monitored and revised to take account of any new developments and changes in the profile of planned expenditure.

2 Current Position

- 2.1 The approved capital programme summary position for the five financial years 2021/22 to 2025/26, approved by Council on 4 March 2021 is summarised in Table 1 and shows capital programme expenditure of £86.002m in 2021/22.

Table 1 : Original Budget - Capital Programme 2021/22 to 2025/26

2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	TOTAL £000
86,002	94,153	71,418	62,553	27,454	341,580

- 2.2 The 2020/21 Month 9 report approved at Cabinet on 22 March 2021 projected an outturn position of £71.012m. However, the actual outturn was £73.227m, a variance of £2.215m compared to the last reported position at month 9. Further approved accelerations of £0.292m in the final quarter of 2020/21, therefore required net resources of £1.923m being accelerated from 2021/22 and future years, as detailed in Table 2 and Appendices A-F.
- 2.3 Table 2 shows the original capital programme forecast spend for 2021/22 at £86.002m. There have been a range of changes, explained below, that increase the capital programme to £100.404m. This report presents a further proposed rephasing of £12.330m to give the projected revised expenditure of £88.075m.
- 2.4 Actual expenditure to 30 June 2021 was £4.791m (5.44% of forecast outturn). This spending profile is lower than previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.

Table 2 – 2021/22 Capital Programme

Directorate	Original Budget 2021/22 £000	Further Budget changes £000	Outturn Position Revision £000	Revised Budget 2021/22 £000	Proposed Virement/ Rephase £000	Revised Budget (M03) £000	Forecast £000	Variance £000
Corporate Services	6,762	617	277	7,656	-	7,656	7,656	-
Children's Services	6,110	2,395	(236)	8,269	-	8,269	8,269	-
Communities and Reform	637	119	(63)	693	-	693	693	-
Community Health & Adult Social Care	3,409	(371)	369	3,407	-	3,407	3,407	-
Housing Revenue Account	3,412	1,116	(465)	4,063	-	4,063	4,063	-
People and Place	65,671	12,449	(1,804)	76,316	(12,330)	63,986	63,986	-
Overall Total	86,002	16,325	(1,923)	100,404	(12,330)	88,075	88,075	-

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

- 2.5 Subsequent to the approval of the 2021-2026 Capital Strategy and Capital Programme at Council 4 March 2021, virements of £10.085m (an increase to the 2021/22 capital programme and reduction to the 2020/21 capital programme) were approved. This revised the 2020/21 capital programme down to £71.012m and increased the 2021/22 programme to £96.087m. However, there was then further approved rephasing into 2021/22 of £5.233m and the receipt of the additional grants and contributions of £1.007m encompassing £0.343m of additional Disabled Facilities Grant, £0.023m from private contributions for Disabled Facilities Grant funded schemes and additional £0.641m of School Condition Allocation (SCA). These movements total £16.325m.
- 2.6 The 2020/21 outturn required the rephasing of £1.923m (the net acceleration of 2021/22 and future years approved budgets), thus reducing the planned spending in 2021/22.
- 2.7 The changes outlined in paragraphs 2.5 and 2.6 resulted in increased planned spending in 2021/22 to £100.404m, to which further net changes of £12.330m are proposed to reflect anticipated virements and further rephasing of spending as detailed in Appendix G.
- 2.8 Due to the continued COVID-19 pandemic, there remains an element of uncertainty about the forecast position, that said the forecasts are based on the latest and most up to date information. A further breakdown of Table 2 on a service by service area basis is shown at Appendices A to F and a detailed breakdown of proposed virement/rephasing of both expenditure and financing, is shown in Appendix G.

Re-profiling of the Capital Programme

2.9 The revised capital programme for 2021/22 to 2025/26, taking into account all the above amendments in arriving at the revised forecast position, is shown in Table 3 together with the projected financing profile.

Table 3 – 2021/2026 Capital Programme

Directorate Budget	Revised Budget 2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Corporate Services	7,656	4,269	3,119	1,374	3,896	20,314
Children's Services	8,269	14,335	13,142	-	-	35,746
Communities and Reform	693	-	-	-	-	693
Community Health & Adult Social Care	3,407	400	400	1,100	-	5,307
Housing Revenue Account	4,063	8,127	7,914	1,150	-	21,254
People and Place	63,986	81,047	46,293	57,165	23,558	272,050
Grand Total	88,075	108,178	70,868	60,789	27,454	355,364

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

Funding	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Grant & Other Contributions	(25,756)	(20,693)	(8,371)	(1,973)	(1,973)	(58,766)
Prudential Borrowing	(50,816)	(73,654)	(53,581)	(56,269)	(25,481)	(259,801)
Revenue	(4,089)	(8,127)	(7,914)	(1,150)	-	(21,280)
Capital Receipts	(7,414)	(5,704)	(1,002)	(1,397)	-	(15,517)
Grand Total	(88,075)	(108,178)	(70,868)	(60,789)	(27,454)	(355,364)

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

2.10 The revised Provision for Emerging Priorities for 2021/22 to 2025/26, taking into account all the above amendments is contained within the Corporate Services budget and is as follows:

Table 4 - Provision for Emerging Priorities

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Provision for Emerging Priorities	1,165	4,200	3,050	1,236	3,896	13,547

Capital Receipts

2.11 The capital programme requires the availability of £7.414m of capital receipts in 2021/22 for financing purposes, this includes £2.000m to support transformational activity in the General Fund using the flexibility allowed by the Government. The usable capital receipts forecast for the current year is £7.542m, a projected surplus of £0.128m. The total net usable capital receipts currently received in year is £2.311m, the first call being the £2.000m outlined above.

2.12 The capital receipts position as at 30 June 2021 is as follows:

Table 5 – Capital Receipts 2021/22

	£000	£000
Capital Receipts Financing Requirement		7,414
Usable Capital Receipt b/fwd.	-	
Actual received to date	(2,311)	
Further Required/(Surplus) in 2021/22		5,103

2.13 Given the significant amount of receipts needed to finance the capital programme in this and 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 on-going review throughout the year. It is of course recognised that the pandemic has had an impact of business/economic activities making capital disposals more challenging.

2.14 The Capital Strategy and Capital Programme 2021/22 to 2025/26 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. The position as at 30 June 2021 is illustrated in the table below:

Table 6 – Capital Receipts 2021/26

Capital Receipts	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Capital Receipts Carried Forward	-	(128)	4,679	4,356	5,753
Estimated Capital Receipts	(5,231)	(897)	(1,325)	-	-
Received in year	(2,311)				
Total Receipts	(7,542)	(1,025)	3,354	4,356	5,753
Capital Receipts Financing Requirement	7,414	5,704	1,002	1,397	-
Over/(Under) programming	(128)	4,679	4,356	5,753	5,753

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

2.15 As shown above, the most recent projection indicates a potential shortfall in all but the current year of the programme. However, until a thorough review of the asset disposal programme has taken place (which is expected to increase receipts), it is prudent to retain the current programme and review during the course of the current year.

Annual Review of the Capital Programme

2.16 In accordance with previous practice, there will once again be a review of the capital programme over the summer months (the Annual Review). This will examine any further opportunities to reallocate, decommission or reprofile resources. It will also include an in-depth analysis of capital receipts which may lead to opportunities to increase resource levels to support new projects or provide an alternative to prudential borrowing.

New Funding

- 2.17 Since 30 June 2021 the Council has been notified of grant funding, which has not yet been incorporated within financial tables but will be in future reports. This includes:
- additional grant of £1.071m from the Highway Maintenance Integrated Transport Block
 - a grant award of £24.4m from the Towns Fund to support major projects including the Creating a Better Place investment programme

3 Conclusion

- 3.1 Whilst the current projected position is showing the outturn to match the budget, a detailed review of the capital programme (the Annual Review) will be undertaken to establish if there are any surplus resources that can be realigned or any further re-profiling required. It is therefore likely that there will be some further rephasing across all years to reflect the current developments relating to individual projects/schemes.
- 3.2 The capital programme is being continually monitored and is reported to Members on a regular basis.

4 Appendices

- 4.1 Appendix A - SUMMARY – Quarter 1 - Corporate Services
Appendix B - SUMMARY – Quarter 1 - Children's Services
Appendix C - SUMMARY – Quarter 1 - Communities and Reform
Appendix D - SUMMARY – Quarter 1 - Community Services & Adult Social Care
Appendix E - SUMMARY – Quarter 1 - Housing Revenue Account (HRA)
Appendix F - SUMMARY – Quarter 1 - People and Place
Appendix G - SUMMARY – Quarter 1 - Proposed Variations

SUMMARY – Quarter 1 – Corporate Services

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget M03 £000	Forecast £000	Year End Variance £000
Corporate	6,762	617	277	7,656	-	7,656	7,656	-
	6,762	617	277	7,656	-	7,656	7,656	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - Children’s Services

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
Children, Young People & Families	118	(65)	33	86	-	86	86	-
Schools – General Provision	63	356	112	531	-	531	531	-
Schools – Primary	942	455	361	1,758	-	1,758	1,758	-
Schools – Secondary	1,404	1,934	(717)	2,621	-	2,621	2,621	-
Schools – Special	-	162	2	164	-	164	164	-
Schools – New Build	3,583	(448)	(26)	3,109	-	3,109	3,109	-
	6,110	2,395	(236)	8,269	-	8,269	8,269	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - Communities and Reform

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
District Investment Fund	637	119	(63)	693	-	693	693	-
	637	119	(63)	693	-	693	693	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - Community Services & Adult Social Care

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
Adult Services	3,409	(371)	369	3,407	-	3,407	3,407	-
	3,409	(371)	369	3,407	-	3,407	3,407	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - Housing Revenue Account (HRA)

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
Housing Revenue Account	3,412	1,116	(465)	4,063	-	4,063	4,063	-
Reform Total	3,412	1,116	(465)	4,063	-	4,063	4,063	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - People and Place

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
Asset Management – Corporate Premises	9,845	5,226	(495)	14,576	-	14,576	14,576	-
Asset Management - Education Premises	3,814	1,566	(698)	4,682	-	4,682	4,682	-
Boroughwide Developments	6,133	331	833	7,297	-	7,297	7,297	-
Development	-	13	-	13	-	13	13	-
District Partnership – Boroughwide	213	52	(26)	239	-	239	239	-
Environment – Countryside	100	90	(45)	145	-	145	145	-
Environment – Parks	74	(23)	28	79	-	79	79	-
Env - Playing Fields & Facilities	12	(20)	10	2	-	2	2	-
ICT	2,898	1,337	(155)	4,080	-	4,080	4,080	-
Parks & Playing Fields	2	26	(13)	15	-	15	15	-
Private Housing – HMRF	200	(165)	82	117	-	117	117	-
Private Housing	729	-	-	729	-	729	729	-
Public Realm	91	18	(9)	100	-	100	100	-
Schools	289	(289)	-	-	-	-	-	-
Strategic Acquisitions		13	(13)	-	-	-	-	-
Town Centre Developments	12,253	3,383	(1,142)	14,494		14,494	14,494	-
Transport - Accident Reduction	848	215	(105)	958	(106)	852	852	-
Transport - Bridges & Structures	5,090	700	(266)	5,524	(3,742)	1,782	1,782	-
Transport - Fleet Management	937	(144)	72	865	-	865	865	-
Transport - Highway Major Works/Drainage schemes	21,340	(958)	581	20,963	(11,416)	9,547	9,547	-
Transport – Metrolink	-	2	(1)	1	(1)	-	-	-
Transport - Minor Works	774	503	(229)	1,048	(455)	593	593	-
Transport – Miscellaneous	30	538	(196)	372	3,389	3,761	3,761	-

Service area	Original Budget £000	Approved Changes /Virements £000	2020/21 Rephasing/ Acceleration £000	Revised Budget 2021/22 £000	Proposed Virement £000	Revised Budget £000	Forecast £000	Year End Variance £000
Transport - Street Lighting	-	36	(18)	18	-	18	18	-
	65,671	12,449	(1,804)	76,316	(12,330)	63,986	63,986	-

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

SUMMARY – Quarter 1 - People and Place Cont'd

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 1 - Proposed Variations

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 JUNE 2021	2021/22	2022/23	Comments
Directorate / Scheme	£	£	
People and Place			
2019/20 Highways Improvement Programme (HIP) Schemes - Amber	(36,922)	-	Budget realignment within Service
2020/21 HIP Schemes - Amber	(890,881)	-	Budget realignment within Service
2020/21 HIP Schemes - Red	(54,700)	-	Budget realignment within Service
2021/22 HIP Schemes - Red	684,714	-	Budget realignment within Service
2021/22 HIP Schemes Amber	627,803	-	Budget realignment within Service
A672 Oldham Road, Denshaw (Rest Area) Reconstruction	(268)	-	Budget realignment within Service
Abbey Hills road - Instillation of pedestrian island	(46,800)	-	Budget realignment within Service
Abbey Hills Road Resurfacing	(44,462)	-	Budget realignment within Service
Sarah's Footbridge, East of Corbett Way, Denshaw	(198)	-	Budget realignment within Service
Burnley Street, Chadderton	(19,554)	-	Budget realignment within Service
Stannybrook Road (Daisy Nook Farm to Boundary)	(34,365)	-	Budget realignment within Service
Challenge Fund- A62 Oldham Way- Casualty Reduction Scheme	(638)	-	Budget realignment within Service
Chew Valley Road, Greenfield - School safety zone	(44,958)	-	Budget realignment within Service
Church Road Bridge	12,000	-	Budget realignment within Service
Cooper Street, Springhead - Reconstruction Scheme	(3,726)	-	Budget realignment within Service
Cycling / Walking Improvement Schemes	(20,000)	-	Budget realignment within Service
Sandy lane, Royton - Traffic calming	(60,000)	-	Budget realignment within Service
Waterloo & Wellington Bridges	(3,650,000)	4,759,600	Budget Rephase & Realignment within Service
Market Hall Connectivity Improvements	2,706,535	-	Budget realignment within Service
Growth Deal 3 - Programme Management Support	164,000	-	Budget realignment within Service
Lane Head Road, Lees	(9,145)	-	Budget realignment within Service
Chadderton Pedestrian & Cycle Access Improvements	(359,564)	253,000	Budget Rephase & Realignment within Service

Oldham Town Centre Improvements	(7,886,535)	5,180,000	Budget Rephase & Realignment within Service
Park Road to Town Centre	(1,555,025)	1,268,000	Budget Rephase & Realignment within Service
Royton Town Centre Connection	(490,192)	370,000	Budget Rephase & Realignment within Service
Metrolink Highway and Footway works in Town Centre	(563)	-	Budget realignment within Service
Minor Structures Works	3,726	-	Budget realignment within Service
Oldham Way Footbridge	(94,273)	-	Budget realignment within Service
Park Road / Kings Road / Woodstock Street Junction Improvements	(42,494)	-	Budget realignment within Service
Pedestrian Island Lansdowne Road (near Block Lane)	(250)	-	Budget realignment within Service
Public Rights of Way Improvements	14,49	-	Budget realignment within Service
Southlink Traffic Signal Junction	518,000	-	Budget realignment within Service
Transport Investment	(1,715,646)	-	Budget realignment within Service
People and Place TOTAL	(12,329,891)	11,830,600	
TOTAL	(12,329,891)	11,830,600	

FINANCING BUDGETS TO BE REPROFILED AS AT 30 JUNE 2021	2021/22	2022/23	
Fund Source	£	£	
Grants and Contributions	11,816,110	(11,830,600)	
Prudential Borrowing	-	-	
Revenue Contribution	-	-	
Capital Receipts	513,781	-	
TOTAL	12,329,891	(11,830,600)	