

CAPITAL INVESTMENT PROGRAMME REPORT 2022/23

Month 6 - September 2022

1 Background

- 1.1 The original capital programme for 2022/23 reflected the priorities outlined in the capital strategy as approved at Cabinet on 14 February 2022 and confirmed at the Council meeting on 2 March 2022 as detailed in Table 1 below.

Table 1 : Original Budget - Capital Programme 2022/23 to 2026/27

2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	TOTAL £000
100,248	86,993	64,253	48,810	47,083	347,387

2 Current Position

- 2.1 The position as at 30 September 2022 is highlighted in this report but as the year progresses the outturn projections will reflect the evolving position.
- 2.2 Table 2 shows the revised capital programme for 2022/23 as at 30 September 2022 at an overall expenditure level of £68.318m, following a number of changes explained in the following paragraphs.
- 2.3 Actual expenditure to 30 September 2022 was £18.842m (27.58% of forecast outturn). This spending profile is lower than in previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.
- 2.4 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.

Table 2 – 2022/23 Capital Programme

Directorate	Revised Budget (M03) £000	Approved Virements (to M06) £000	Proposed Virement/ Rephase £000	Revised Budget (M06) £000	Forecast £000	Variance £000
Community Health and Adult Social Care	2,058	(190)	-	1,868	1,868	-
Children's Services	6,719	967	-	7,686	7,686	-
Communities	750	-	(304)	446	446	-
Place and Economic Growth	57,553	(1,281)	(7,204)	49,068	49,068	-
Housing Revenue Account	3,283	-	(2,712)	571	571	-
Corporate/ Information Technology	4,368	361	(50)	4,679	4,679	-
Capital, Treasury & Technical Accounting	3,964	36	-	4,000	4,000	-
Funding for Emerging Priorities	-	-	-	-	-	-
Overall Total	78,696	(107)	(10,270)	68,318	68,318	-

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

- 2.4 The approved movements of a net reduction of £0.107m are detailed in Table 3 below and the proposed net reduction of 2022/23 budget of £10.270m represent approved movements including new funding and realignment of existing funding, as detailed in Appendix I:

Table 3

£000	Project	Approved Movement
(200)	Social Care- General Provision	Realignment to IT Scheme
5	Disabled Facilities Grant (DFG)	Private Contributions
200	0-19 Children's Centre IT System	Realignment from Social Care General Provision
161	0-19 Children's Centre IT System	Acceleration of Budget
36	Funding for Emerging Priorities	Realignment of budget
4	DFG - Boroughwide	Private Contribution
(35)	Education Basic Need General Provision	Realignment of Budget
1,001	Firbank Nursery extension	Acceleration of Budget
12	Corporate Property - Legislative Repair Works	Acceleration and rephase of budgets
(2,030)	Essential Condition Works	Realignment and rephase budgets
150	Kingsland School (Laurel Bank) - Heating	Realignment of budget
130	Horton Mill - Replace Hot/Cold pipes	Realignment of budget
50	Glodwick Primary - Dry Rot	Realignment of budget
273	Alexandra Park Depot	Additional Grant
135	Egyptian Room	Additional Grant
(107)	TOTAL	

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

- 2.5 The proposed changes of £10.270m shown in Table 2 represent proposed service movements including the outcome of the Annual Review of the Capital Programme. This is detailed more fully from paragraph 2.15 and in Appendix I.
- 2.6 Given that this is the position at month 6, there remains an element of uncertainty about the forecast position and it is inevitable that this will change in the remaining months; that said the forecasts are based on the latest and most up to date information and give a better picture of the likely outturn.

Re-profiling of the Capital Programme

- 2.7 The revised capital programme for 2022/23 to 2026/27, taking into account all the above amendments in arriving at the revised forecast position, is shown in Table 4 together with the projected financing profile.

Table 4 – 2022/2027 Capital Programme

Directorate Budget	Revised Budget 2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Community Health and Adult Social Care	1,868	2,343	2,343	2,300	400	9,254
Children's Services	7,685	9,065	3,409	5,691	942	26,792
Communities	446	250				696
Place and Economic Growth	49,068	68,807	76,042	41,550	29,636	265,103
Housing Revenue Account	571	10,839	7,914	1,150		20,474
Corporate/ Information Technology	4,680	5,415	3,910	2,200	1,990	18,195
Capital, Treasury & Technical Accounting	4,000	138	138	234	10,120	14,630
Funding for Emerging Priorities		1,493	1,624	836	1,884	5,837
Overall Total	68,318	98,350	95,380	53,961	44,972	360,981

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

Funding	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Grants and Other Contributions	(38,697)	(38,480)	(16,705)	(4,587)	(2,500)	(100,969)
Prudential Borrowing	(23,731)	(46,015)	(69,917)	(47,324)	(40,502)	(227,489)
Revenue Contribution	(525)	(10,739)	(7,814)	(1,050)	-	(20,128)
Capital Receipts	(5,365)	(3,116)	(944)	(1,000)	(1,970)	(12,395)
Overall Total	(68,318)	(98,350)	(95,380)	(53,961)	(44,972)	(360,981)

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

- 2.8 Since Month 3, the overall capital programme has increased by £3.756m mainly in 2023/24. This is due mostly to additional grants, namely £2.189m High Needs Provision, £0.707m Integrated Transport Block funding, £0.349m Special Provision Fund, £0.273m Public Sector Decarbonisation scheme and £0.135m Future High Street Fund.

Capital Receipts

- 2.9 As a result of the Annual Review of the capital programme more emphasis will be placed on utilising capital receipts rather than financing through prudential

borrowing in 2022/23. This resulted in an increased capital receipt requirement for 2022/23 of £2.367m and consequently increased the prudential borrowing requirement in future years.

- 2.10 The revised 2022/23 capital programme requires the availability of £5.365m of capital receipts for financing purposes. It is expected that £7.274m of capital receipts will be received in year, summarised in Table 6. The total net usable capital receipts currently received in year is £2.224m. The first £2.500m of capital receipts has been earmarked to be used to provide funding under the flexible use of capital receipts initiative.
- 2.11 The capital receipts position as at 30 September 2022 is summarised as follows:

Table 5 – Capital Receipts 2022/23

	£000	£000
Expected Capital Receipts		7,274
Capital Receipts Financing Requirement		5,365
Usable Capital Receipt b/fwd.	-	
Actual received to date	(2,224)	
Further Required in 2022/23		3,141

- 2.12 Given the significant amounts 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.
- 2.13 The 2022/23 to 2026/27 Capital Strategy and Capital Programme 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 revised and updated position is illustrated in the table below:

Table 6 – Capital Receipts 2022/23 - 2026/27

Capital Receipts	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Capital Receipts Carried Forward	-	(1,909)	(118)	826	1,826
Estimated Capital Receipts Received in year	(5,050)	(1,325)	-	-	-
Total Receipts	(7,274)	(3,234)	(118)	826	1,826
Capital Receipts Financing Requirement	5,365	3,116	944	1,000	1,970
Over/(Under) programming	(1,909)	(118)	826	1,826	3,796

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

- 2.14 The projected capital receipts for this year exceed the financing requirement and if delivered will enable a healthy balance of receipts to be carried forward into 2023/24. The balance reduces by the end of 2023/24 and current projections

identify a shortfall in the following three years to 2026/27. This position will be kept under review.

Annual Review of the Capital Programme

- 2.15 In accordance with previous practice, the Annual Review of the Capital Programme has taken place (the Summer Review). There has been extensive discussion with Project Managers and Finance Officers to determine an updated profile of expenditure for all schemes. It also examined any further opportunities to reallocate resources or decommission schemes. It is also included an in-depth analysis of capital receipts.
- 2.16 The review has highlighted a requirement for a net rephasing of £10.313m of planned expenditure from 2022/23 to future years, together with some realignments and also rephasing from 2024/25 to later years. The detailed outcome can be found in Appendix I on a scheme by scheme basis and is summarised below on a Portfolio basis.

a) **Place and Economic Growth**

There is a proposed rephasing of planned expenditure of £7.601m from 2022/23 to 2023/24 and future years. The key changes are outlined below

- Reprofile of £2.144m of Asset Management - Corporate projects from 2022/23 to future years.
- Reprofile of £2.170m of Asset Management - Education projects from 2022/23 to future years.
- Reprofile of £3.286m of Transport related projects from 2022/23 to future years
- Reprofile of £0.970m of the Mercury Abatement project from 2024/25 to 2026/27.
- In-year realignment of £3.000m between Asset Management – Corporate and Education Projects.

b) **Housing Revenue Account**

There is a proposed rephasing of £2.712m from 2022/23 and 2023/24 to future years to reflect revised planned expenditure.

3 Conclusion

- 3.1 Following the Annual Review a further detailed review of the capital programme is now being undertaken in preparation for the Capital Strategy 2023/24 to 2027/28. If there are any additional surplus resources that can be realigned or any further

re-profiling required it will be incorporated into the starting position of the Capital Strategy.

- 3.2 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 and will be reported to Members on a regular basis.

4 Appendices

- 4.1 Appendix A - SUMMARY – Month 6 - Community Health and Adult Social Care
Appendix B - SUMMARY – Month 6 - Children’s Service
Appendix C - SUMMARY – Month 6 - Communities
Appendix D - SUMMARY – Month 6 - Place and Economic Growth
Appendix E - SUMMARY – Month 6 - Housing Revenue Account (HRA)
Appendix F - SUMMARY – Month 6 - Corporate/Information Technology
Appendix G - SUMMARY – Month 6 - Capital Treasury and Technical Accounting
Appendix H - SUMMARY – Month 6 - Funding for Emerging Priorities
Appendix I - SUMMARY – Month 6 - Proposed Changes

SUMMARY – Month 6 (September 2022) - Community Health and Adult Social Care

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Adult Services	2,058	(190)	-	1,868	1,868	-
Community Health and Adult Social Care Total	2,058	(190)	-	1,868	1,868	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) – Children’s Service

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Schools - General Provision	564	(35)	-	529	529	-
Schools - Primary	1,563	1,001	-	2,564	2,564	-
Schools - Secondary	4,589	-	-	4,589	4,589	-
Schools - Special	3	-	-	3	3	-
Schools New Build	-	-	-	-	-	-
Children’s Service Total	6,719	967	-	7,686	7,686	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) – Communities

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Local Investment Fund	750	-	(304)	446	446	-
Communities Total	750	-	(304)	446	446	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) – Place and Economic Growth

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Asset Mgt - Asset Management	8,337	(960)	(2,144)	5,233	5,233	-
Asset Mgt - Education Premises	6,029	(1,700)	(2,170)	2,158	2,158	-
Boroughwide Developments	9,019	1,245	-	10,264	10,264	-
Development	12	-	-	12	12	-
Boroughwide Projects	80	-	-	80	80	-
Cemeteries and Crematorium	9	-	-	9	9	-
Countryside	155	-	-	155	155	-
Parks	38	-	139	177	177	-
Playing Fields & Facilities	2	-	-	2	2	-
Parks & Playing Fields	13	-	-	13	13	-
Private Housing - HMRF	129	-	-	129	129	-
Private Housing - Non-HMRF	63	-	-	63	63	-
Public Realm	75	-	-	75	75	-
Strategic Acquisitions	-	-	-	-	-	-
Town Centre Developments	14,494	135	-	14,630	14,630	-
Accident Reduction	1,699	-	-	1,699	1,699	-
Bridges & Structures	5,364	-	(1,762)	3,602	3,602	-
Fleet Management	1,443	-	-	1,443	1,443	-
Highway Major Works/Drainage schemes	5,667	-	(930)	4,737	4,737	-
Minor Works	725	-	(256)	469	469	-
Miscellaneous	4,200	-	(80)	4,120	4,120	-
Street Lighting	-	-	-	-	-	-
Place and Economic Growth Total	57,553	(1,281)	(7,204)	49,068	49,068	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) - Housing Revenue Account (HRA)

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Housing Revenue Account	3,283	-	(2,712)	571	571	-
HRA Total	3,283	-	(2,712)	571	571	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) – Corporate/Information Technology

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Information Technology	4,368	361	(50)	4,679	4,679	-
Information Technology Total	4,368	361	(50)	4,679	4,679	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) – Capital Treasury and Technical Accounting

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Cross Cutting /Corporate	3,964	36	-	4,000	4,000	-
Capital Treasury and Technical Accounting Total	3,964	36	-	4,000	4,000	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2022) - Funding for Emerging Priorities

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Funding for Emerging Priorities	-	-	-	-	-	-
Funding for Emerging Priorities Total	-	-	-	-	-	-

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

Major Variances Commentary

No additional variances to report.

SUMMARY – Month 6 (September 2022) Proposed Changes

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
Communities						
Local Investment Fund	(304)		-	-	-	Realignment to project
Communities TOTAL	(304)	-	-	-	-	
Place and Economic Growth						
Essential Condition Works - General Provision	1,135	(1,000)	(1,000)	(1,000)	-	Rephase to future years and realigning budget across the Service
Corporate Property - Major Repair Works General Provision	(316)	430	1,000	1,000	-	Rephase to future years and realigning budget across the Service
Royton Town Hall	-	1,000	-	-	-	Realignment to project
Crompton Cemetery Improvements	13					Realignment to project
Dogford Park	35					Realignment to project
George Street Pitch	6					Realignment to project
Rowland Way and Medlock Way	23					Realignment to project
Salmon Fields Highway improvement	25					Realignment to project
Sickle Street	29					Realignment to project
St Paul's School	7					Realignment to project
Stoneleigh and Whitehall Lane parks	56					Realignment to project
Tandle Hill	36					Realignment to project
Traffic calming Burnley Lane	44					Realignment to project
Traffic Calming Firwood Park Estate	30					Realignment to project
Golburn Clough	6					Additional Grant in Aid funding
Golburn Clough	(57)					Realignment - budget not required
Hunters Lane	(6)					Realignment - budget not required
Transport Capital - General Provision	63					Realignment - budget not required
Haven Lane Traffic Calming	<u>87</u>					New S106 funding

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
Greenacres Cemetery - entrance lodge, boundary walls, archway and roof	(22)	-	-	-	-	Realign budgets within Service
Chadderton Town Hall Toilet	(79)	79	-	-	-	Rephase to future years
Moorhey Street Depot - Re-wire	(44)	-	-	-	-	Realign budgets within Service
Huddersfield Road, Diggle - Retaining Wall	(29)	-	-	-	-	Realign budgets within Service
Ferney Field, Chadderton - Flood/Drainage Defences	(28)	-	-	-	-	Realign budgets within Service
Old Mill Lane Grotton - Burghley Close Greenacres	(175)	-	-	-	-	Realign budgets within Service
Oldham Failsworth Royton Saddleworth Sports Centre	7	-	-	-	-	Realign budgets within Service
Boroughwide - Flood Damaged Walkways/Footpaths, Bridges and Retaining Structures	(230)	230	-	-	-	Rephase to future years
Moorhey Street Electrical Upgrade	(1,232)	1,276	-	-	-	Rephase to future years
Medlock Court Electrical/Fire Alarm Upgrade	(130)	130	-	-	-	Rephase to future years
OCL - Saddleworth Pool Essential Repairs to Pool and Plant	(27)	-	-	-	-	Realign budgets within Service
Chadderton Cemetery Electrical Rewire	(40)	-	-	-	-	Realign budgets within Service
Failsworth Sports Centre - Replacement Boiler	150	-	-	-	-	Realign budgets within Service
Taj Palace Asbestos	50	-	-	-	-	Realign budgets within Service
South Failsworth Primary - External Cladding & Playground	(110)	-	-	-	-	Realign budgets within Service
Saddleworth School - Essential Electrical Rewiring and Circuit Replacement Works	(195)	-	-	-	-	Realign budgets within Service
Delph Primary School - Safeguarding Works	(11)	-	-	-	-	Realign budgets within Service
Greenfield St Marys Retaining Wall	(151)	-	-	-	-	Realign budgets within Service
Friezland Primary School - Electrical Rewire	10	-	-	-	-	Realign budgets within Service

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
Ferney Field Community School - Flood Mitigation	(33)	-	-	-	-	Realign budgets within Service
Higher Failsworth Primary - Roofing	(98)	-	-	-	-	Realign budgets within Service
Mather Street Primary School -Roofing	(246)	-	-	-	-	Realign budgets within Service
Hodge Clough - Electrical Rewire	(300)	-	300	-	-	Rephase to future years
Kingsland Primary - Asbestos removal	(115)	115	-	-	-	Rephase to future years
Mills Hill Primary / Whitegate end - asbestos removal	(30)	30	-	-	-	Rephase to future years
South Failsworth Jr/Inf Heating replacement	(250)	-	-	-	-	Realign budgets within Service
Springhead Primary - New Boiler and plant controls	(125)	125	-	-	-	Rephase to future years
Christ Church Denshaw Heating Replacement	(280)	-	280	-	-	Rephase to future years
Glodwick Primary Heating Replacement / Windows	(280)	280	-	-	-	Rephase to future years
Delph Primary Electrical Rewire	(230)	-	230	-	-	Rephase to future years
Hodge Clough Essential Drainage Works	(50)	-	-	-	-	Realign budgets within Service
Mather Street Electrical Rewire	(120)	-	120	-	-	Rephase to future years
Beever Street Heating Replacement	(280)	-	280	-	-	Rephase to future years
Bare Trees Primary Electrical Rewire	(130)	-	130	-	-	Rephase to future years
Horton Mill Electrical Rewire	(280)	-	280	-	-	Rephase to future years
Mercury Abatement	-	-	(970)	-	970	Rephase to future years
Bridge Work - King Street Roundabout Footbridge	(171)	67	-	-	-	Rephase & Realign budgets within Service
Park Bridge NCN 626 to Ashton	(83)	83	-	-	-	Rephase to future years
Waterloo & Wellington Bridges	(1,508)	1,508	-	-	-	Rephase to future years
Transport Investment	(578)	636	-	-	-	Rephase & Realign budgets within Service
Oldham Town Centre Improvements	(375)	375	-	-	-	Rephase to future years
Royton Town Centre Connection	(10)	10	-	-	-	Rephase to future years

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
Park Road NCN 626 to Town Centre	(32)	32	-	-	-	Rephase to future years
Chadderton Pedestrian & Cycle Access Improvements	(256)	306	-	-	-	Rephase & Realign budgets within Service
GD3 – Town Centre Hunters Lane Transport – Integrated Transport Block grant allocation	(4)	-	-	-	-	Realign budgets within Service
Southlink Traffic Signal Junction (GD3)	(269)	269	-	-	-	New Grant allocation – allocated directly to 23/24 Rephase to future years
Place and Economic Growth TOTAL	(7,204)	6,688	650	-	970	
Housing Revenue Account (HRA)						
HRA Capital Strategy	(2,712)	2,712	-	-	-	Rephase to future years
Housing Revenue Account TOTAL	(2,712)	2,712	-	-	-	
Corporate / Information Technology (IT)						
IT Schemes	(50)	(90)	-	-	-	Rephase to future years- other services
Corporate / Information Technology TOTAL	(50)	(90)				
TOTAL	(10,270)	9,310	650	-	970	

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

FINANCING BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27
Fund Source	£000	£000	£000	£000	£000
Grants and Contributions	5,245	(4,439)	(1,620)	-	-
Prudential Borrowing	2,208	(2,056)	-	-	-
Revenue Contribution (HRA)	2,712	(2,712)	-	-	-
Capital Receipts	105	(103)	970	-	(970)
TOTAL	10,270	(9,310)	(650)	-	(970)

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