

CAPITAL INVESTMENT PROGRAMME 2024/25 MONITORING REPORT Month 4 – July 2024

1 Background

- 1.1 The original capital programme for 2024/25 reflected the priorities outlined in the capital strategy as approved at Cabinet on 12 February 2024 and confirmed at the Council meeting on 28 February 2024.
- 1.2 The position at the end of Month 4 (July 2024) is highlighted in this report.
- 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 Table 1 below shows the capital programme for 2024/25 and a further four years to 2028/29, and reflects the priorities outlined in the capital strategy as approved at Cabinet on 12 February 2024 and confirmed at the Council meeting on the 28 February 2024.

Table 1 – 2024/29 Capital Strategy

Directorate Budget	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Community Health and Adult Social Care	4,443	1,000	-	-	-	5,443
Children's Services	4,724	5,058	3,188	2,000	-	14,970
Communities	100	173	-	-	-	273
Place and Economic Growth	83,226	68,621	26,601	17,859	1,000	197,307
Housing Revenue Account (HRA)	628	95	-	-	-	723
Corporate/Information Technology (IT)	2,919	2,809	2,039	3,661	1,000	12,428
Capital, Treasury & Technical Accounting	2,600	-	125	10,120	-	12,845
Funding for Emerging Priorities	1,043	3,318	2,885	2,000	-	9,246
Total Expenditure	99,683	81,076	34,838	35,640	2,000	253,237

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

Funding	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Grant & Other Contributions	(43,834)	(28,633)	(6,494)	(4,054)	-	(83,015)
Prudential Borrowing	(49,638)	(51,646)	(27,851)	(31,494)	(2,000)	(162,629)
Revenue Contributions	(630)	(95)	-	-	-	(725)
Capital Receipts	(5,581)	(702)	(493)	(92)	-	(6,868)
Grand Total	(99,683)	(81,076)	(34,838)	(35,640)	(2,000)	(253,237)

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

The estimated additional costs (annualised) associated the prudential borrowing are outlined below:

Estimated annual additional Interest costs associated with prudential Borrowing	2,234	2,582	1,393	1,575	100	7,883
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2024/25 – 2028/29 Capital Programme

- 2.2 Following the approval of the Q1 Capital Investment programme 2024/25, there has been a Creating a Better Place (CaBP) update report presented and approved at Cabinet 15 July 2024 along with new approvals due to new grant offers, details of which area shown below.
- 2.3 The CaBP report approved the reduction to the overall capital programme 2024/25 - 2028/29 of £35m across all years. The reduction to the current year 2024/25 Capital Programme as a result of the CaBP review is £3.012m.

CaBP Reduction £35m

Service Area / Scheme	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Grand Total
Corporate Property					
Royton Town Hall	380				380
Corporate Property Total	380	-	-	-	380
Corporate					
Funding for Emerging Priorities	3,010	5,000			8,010
Corporate Total	3,010	5,000	-	-	8,010
Regeneration					
Strategic Acquisitions- General Provision	(3,000)	(5,000)			(8,000)
Performance Space (formerly Oldham Coliseum Theatre - Phase C)	(4,842)	(2,636)	(6,522)		(14,000)
Alexandra Park Depot	750				750
Northern Roots	800				800
Flexible Housing Fund	-	(3,484)	(10,000)	(9,346)	(22,830)
Spindles Redevelopment	2,000	5,000			7,000
Old Library Refurbishment - Phase 2	1,000				1,000
Wrigley Head Solar Farm	700				700
Green Shoots (Rhodes Bank)	(3,810)	(5,000)			(8,810)
Regeneration Total	(6,402)	(11,119)	(16,522)	(9,346)	(43,390)
Grand Total	(3,012)	(6,119)	(16,522)	(9,346)	(35,000)

- 2.4 In addition to this there have been a number of new grant offers totalling £14.75m over the life of the programme circa £5.25m in 2024/25, £9.4m in 2025/26 and £0.1m in 2026/27. Details of these are provided in appendix I and shown in Table 3 for consideration and request for approval.
- 2.5 Following the approved changes since Q1 and assuming grant offers are approved, the revised Capital Programme 2024/5 to 2028/9 is a net reduction of £20.24m since the last reporting period (Q1). (This being the reduction in Prudential Borrowing Schemes of £35m offset by additional external grant of £14.75m).

- 2.6 Following the approval of grant offers the in year Capital Programme 2024/25 will be revised to £103.95m.
- 2.7 The In year proposed changes relates to the request to accept the grant offers totalling £5.256m shown by scheme in Appendix 1.
- 2.8 In addition to this there has been a small amount of additional DFG contributions totalling £11k for adaptations. It should be noted that there are inflationary pressures in relation to the DFG budget, the costs of delivering the adaptations are now nearly 50% higher than last year. Officers are currently reviewing the overall impact of the pressures, including any mitigating actions, and will report the outcome to the September CIPB meeting.

Table 3 – 2024/25 Capital Programme

Directorate Budget	Capital Strategy 2024-29 £000	Approved Virements to M03 £000	Approved Virements M04 £000	Proposed Virements M04 £000	Current Budget M04 £000	Spend to M04 £000
Community Health and Adult Social Care	4,443	(1,353)	11	-	3,101	867
Children's Services	4,724	1,611	-	1 65	6,500	205
Communities	100	116	-	-	216	32
Place and Economic Growth						
- Corporate Property	8,574	692	380	746	10,392	935
- Environment	343	753	-	252	1,348	604
- Housing	150	377	-	-	527	296
- Regeneration	57,781	(6,072)	(6,402)	3,760	49,067	11,486
- Transport	16,378	3,550	-	333	20,261	2,723
Housing Revenue Account (HRA)	628	700	-	-	1,328	-
Corporate/Information Technology (IT)	2,919	1,739	-	-	4,658	249
Capital, Treasury & Technical Accounting	2,600	-		-	2,600	-
Funding for Emerging Priorities	1,043	(116)	3,010	-	3,937	-
Grand Total	99,683	1,997	(3,001)	5,256	103,935	17,397

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

- 2.10 Given that this is the position as at Month 4 and in view of the current challenges being faced including the pressure caused by the economic position, there must remain an element of uncertainty about the forecast position. Proposed virements are detailed at Appendix 1 and a further breakdown of Table 3 on a service-by-service area basis is shown at Appendix 2 (A to H).
- 2.11 Actual expenditure to 31 July 2024 was £17.397m (16.74% of the proposed forecast outturn). This spending profile is similar to last year's (17.65%). As would be expected the majority of this spend is within the Place & Economic directorate which amounts for 78% of the total 2024/25 Capital Programme. The position will be kept under review and budgets will be managed in accordance with forecasts.

2.12 The revised capital programme for 2024/25 to 2028/29, considering all the above amendments in arriving at the revised forecast position, is shown in Table 4 together with the projected financing profile.

Table 4 – 2024/25 to 2028/29 Current Capital Programme

Directorate Budget	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	TOTAL £000
Community Health and Adult Social Care	3,101	1,000	-	-	-	4,101
Children's Services	6,500	5,058	3,188	2,000	-	16,746
Communities	216	173	-	-	-	389
Place and Economic Growth						
- Corporate Property	10,392	3,203	1,101	-	1,000	15,696
- Environment	1,347	100	1,070	100	-	2,617
- Housing	528	5,677	-	-	-	6,205
- Regeneration	49,067	50,894	942	6,359	-	107,262
- Transport	20,262	6,835	7,067	2,054	-	36,218
Housing Revenue Account (HRA)	1,328	95	-	-	-	1,423
Corporate/Information Technology (IT)	4,658	2,700	2,039	3,661	1,000	14,058
Capital, Treasury & Technical Accounting	2,600	-	126	10,120	-	12,846
Funding for Emerging Priorities	3,937	8,318	2,884	2,000	-	17,139
Grand Total	103,936	84,053	18,417	26,294	2,000	234,700

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

Funding	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	TOTAL £000
Grant & Other Contributions	(49,054)	(44,532)	(6,494)	(4,054)	-	(104,133)
Prudential Borrowing	(46,805)	(38,726)	(11,430)	(22,147)	(2,000)	(121,108)
Revenue Contributions	(1,358)	(95)	-	-	-	(1,453)
Capital Receipts	(6,719)	(702)	(493)	(92)	-	(8,006)
Grand Total	(103,936)	(84,053)	(18,417)	(26,294)	(2,000)	(234,700)

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

Estimated annual additional Interest costs associated with prudential Borrowing (cumulative)	1,053	3,074	4,328	5,186	5,771	
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2.13 The reduction of the Capital programme funded by Prudential Borrowing shows that by 2028/29 there will be an estimated reduction in annualised interest costs of approximately £2.1m from £7.9m (see Table 1) to £5.8m. This excludes further savings from a reduction in the amounts required to be set aside to repay the additional debt in accordance with the Council's Minimum Revenue Provision Policy.

Capital Receipts

- 2.14 The capital programme requires the availability of £6.719m of capital receipts in 2024/25 for financing purposes. This includes £2.600m to support transformational activity in the General Fund using the flexibility allowed by Government.

The total net usable capital receipts currently received in year is £0.244m, the first call being the £2.600m outlined above.

- 2.15 The capital receipts position as at 31 July 2024 is as follows:

Table 6 – Capital Receipts 2024/25

	£000	£000
Capital Receipts Financing Requirement		6,719
Usable Capital Receipt b/fwd.	-	
Actual capital receipts received to date	(244)	
Identified in year capital receipts remaining	(4,510)	
Further Required in 2024/25		1,965

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

- 2.16 Given the significant amount of capital 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 ongoing economic instability with high interest rates and the impact on borrowing costs, coupled with the increase cost of living will continue to impact on business/economic activities making capital disposals more challenging.
- 2.17 The Capital Strategy and Capital Programme 2024/29 incorporates 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. As can be seen below, the most recent review has produced a forecast which is below the financing projections included in Table 3. Should the currently estimated position prevail then the position would be as illustrated in the table below:

Table 7 – Capital Receipts 2024/25 to 2028/29

Capital Receipts	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Capital Receipts Carried Forward	-	2,238	(5,950)	(6,897)	(9,382)
Identified Capital Receipts	(4,725)	(8,890)	(1,440)	(2,577)	
Received in year	244				
Total Receipts	(4,481)	(6,652)	(7,390)	(9,474)	(9,382)
Capital Receipts Financing Requirement	6,719	702	493	92	-
Over/(Under) programming	2,238	(5,950)	(6897)	(9,382)	(9,382)

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

- 2.18 Although the capital receipts forecast is currently lower than the required amount, given that this is the month 4 position and there is the opportunity for the forecast to improve, at this stage it is considered appropriate to retain the original forecast and review this during the course of the current year. The consequence should the level of capital receipts fall is either, a corresponding increase in the level of

prudential borrowing and hence an impact on the revenue budget, or a reduction in the overall capital programme.

Annual Review of the Capital Programme

- 2.19 In accordance with previous practice, there is once again a review of the capital programme over the summer months (the Summer Review). This is examining any further opportunities to reallocate, decommission or reprofile resources. It will also include an in-depth analysis of capital receipts to support a revised forecast.

3 Conclusion

- 3.1 A detailed review of the capital programme (the Annual Review) is being 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 further rephasing across all years to reflect developments relating to individual projects/schemes. Again, this will be reported to CIPB in September, which will then make appropriate recommendations to Cabinet.
- 3.2 The capital programme is being continually monitored and is reported to Members on a regular basis.

4 Appendices

- 4.1 Appendix 1 - PROPOSED CHANGES
Appendix 2A - SUMMARY – Month 4 - Community Health and Adult Social Care
Appendix 2B - SUMMARY – Month 4 - Children’s Service
Appendix 2C - SUMMARY – Month 4 - Communities
Appendix 2D - SUMMARY – Month 4 - Place and Economic Growth
Appendix 2E - SUMMARY – Month 4 - Housing Revenue Account (HRA)
Appendix 2F - SUMMARY – Month 4 - Corporate/Information Technology
Appendix 2G - SUMMARY – Month 4 - Capital Treasury and Technical Accounting
Appendix 2H - SUMMARY – Month 4 - Funding for Emerging Priorities

APPENDIX 1: SUMMARY – Month 4 (July 2024) Proposed Changes

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 31 JULY 2024	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	
People				
Castleshaw Centre - Roof Replacement	165			New grant
People – TOTAL	165			
Place and Economic Growth				
Gallery Oldham – Priority Maintenance Work	807	440	460	New grant / Realignment
Corporate Property - Major Repair Works (Priority 1)	(61)	(1,000)	(359)	Realignment
Oldham Green New Deal Delivery Partner	3,300	4,400		New grant
Oldham Mumps/Princes Gate - New Homes		5,552		New grant
CRSTS Bus Pinch Point - Grampian Way / Trent Road, Shaw	12			New grant
CRSTS BPP - Ashton Road West	61			New grant
CRSTS – EVCI Resource Funding	110			New grant
ATF - Frederick Street	150			New grant
Northmoor Library - ACE Project	152			New grant
Oldham Library - ACE Project	308			New grant
Renovation of Tennis Courts	252			New grant
Place and Economic Growth TOTAL	5,091	9,392	101	
TOTAL	5,256	9,392	101	

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

FINANCING BUDGETS TO BE REPROFILED AS AT 31 JULY 2024	2024/25	2025/26	2026/27
Fund Source	£000	£000	£000
Grants and Contributions	(4,647)	(10,096)	
Prudential Borrowing	(603)	704	(101)
Revenue Contribution	(7)		
Capital Receipts			
TOTAL	(5,256)	(9,392)	(101)

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

APPENDIX 2: SUMMARY OF CHANGES

SUMMARY – Month 4 (July 2024) - Community Health and Adult Social Care

APPENDIX 2A

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Adult Services	4,443	(1,353)	11	-	3,101	867
Community Health and Adult Social Care Total	4,443	(1,353)	11	-	3,101	867

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

SUMMARY – Month 4 (July 2024) – Children’s Services

APPENDIX 2B

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Children, Young People and Families (CYPF)	-	682	-	165	847	33
Schools - General Provision	3,545	(221)	-	-	3,324	47
Schools – Primary	1,084	506	-	-	1,590	9
Schools – Secondary	85	630	-	-	715	113
Schools – Special	10	15	-	-	25	3
Children’s Service Total	4,724	1,611	-	165	6,500	205

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

SUMMARY – Month 4 (July 2024) – Communities

APPENDIX 2C

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Local Investment Fund	100	116	-	-	216	32
Communities Total	100	116	-	-	216	32

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

SUMMARY – Month 4 (July 2024) – Place and Economic Growth

APPENDIX 2D

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Asset Management – Corporate Premises	5,705	(172)	380	746	6,659	929
Asset Management - Education Premises	2,869	864			3,733	6
Corporate Property Total	8,574	692	380	746	10,392	935
Boroughwide District Projects	17	10			27	-
Cemeteries and Crematorium	-	46			46	-
Countryside	91	38			129	81
Parks	235	491			726	191
Playing Fields & Facilities	-	157		252	409	332
Parks & Playing Fields	-	11			11	-
Environment Total	343	753	-	252	1,348	604
Private Housing	150	377			527	296
Housing Total	150	377	-	-	527	296
Boroughwide Developments	18,868	4,173	(560)	460	22,941	4,439
Strategic Acquisitions	4,669	478	(3,000)		2,147	133
Town Centre Developments	34,244	(10,723)	(2,842)	3,300	23,979	6,914
Regeneration Total	57,781	(6,072)	(6,402)	3,760	49,067	11,486
Accident Reduction	516	549			1,065	97
Bridges & Structures	3,926	1,488			5,414	551
Fleet Management	370	298			668	981
Highway Major Works/Drainage schemes	11,188	627			11,815	1,013
Minor Works	227	280		223	730	22
Miscellaneous	151	308		110	569	59
Transport Total	16,378	3,550	-	333	20,261	2,723
Place and Economic Growth Total	83,226	(700)	(6,022)	5,091	81,595	16,044

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

SUMMARY – Month 4 (July 2024) - Housing Revenue Account (HRA)**APPENDIX 2E**

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Housing Revenue Account	628	700	-	-	1,328	-
HRA Total	628	700	-	-	1,328	-

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

SUMMARY – Month 4 (July 2024) – Corporate/Information Technology (IT)**APPENDIX 2F**

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Information Technology	2,919	1,739	-	-	4,658	249
Information Technology Total	2,919	1,739	-	-	4,658	249

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

SUMMARY – Month 4 (July 2024) – Capital Treasury and Technical Accounting**APPENDIX 2G**

Service area	Capital Strategy £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Cross Cutting /Corporate	2,600	-	-	-	2,600	-
Capital Treasury and Technical Accounting Total	2,600	-	-	-	2,600	-

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

SUMMARY – Month 4 (July 2024) - Funding for Emerging Priorities

APPENDIX 2H

Service area	Capital Strategu £000	Approved Changes /Virements to M03 £000	Approved Changes /Virements to M04 £000	Proposed Virements M04 £000	Revised Budget (M04) £000	Expend to M04 £000
Funding for Emerging Priorities	1,043	(116)	3,010	-	3,937	-
Funding for Emerging Priorities Total	1,043	(116)	3,010	-	3,937	-

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