

CAPITAL OUTTURN 2019/2020 AND REVISED CAPITAL PROGRAMME

1. The focus for this report is on the capital outturn position for 2019/20, the variances compared with the agreed programme, the financing of the capital spend and any changes to the programme.

2019/20 CAPITAL OUTTURN POSITION

2. The total General Fund capital expenditure in 2019/20 was £56.03M compared to an estimate of £88.10M, giving a variance of £32.07M or 36.40% of the programme. The variance is comprised of £31.26M net slippage and £0.81M of underspends.
3. The total HRA capital expenditure in 2019/20 was £41.05M compared to an estimate of £47.35M, giving a variance of £6.30M or 13.31% of the programme. The variance is comprised of £6.36M net slippage and £0.06M of overspend.
4. The performance of individual capital programmes in 2019/20 is summarised in table 1 and 2.

Table 1 – Summary of the General Fund & HRA Capital Outturn 2019/20

	Approved Programme	Actual	Variance	
	£M	£M	£M	%
Adult Care	0.54	0.11	(0.43)	(79.6)
Aspiration, Children and Lifelong Learning	21.15	19.17	(1.98)	(9.4)
Healthier and Safer City	3.42	2.06	(1.36)	(39.8)
Homes and Culture	0.26	0.34	0.08	30.8
Leader	2.23	1.89	(0.34)	(15.2)
Place and Transport	33.66	29.08	(4.58)	(13.6)
Resources	26.84	3.38	(23.46)	(87.4)
Total GF Capital Programme	88.10	56.03	(32.07)	(36.4)
Total HRA Capital Programme	47.35	41.05	(6.30)	(13.3)
Total Capital Programme	135.45	97.08	(38.37)	(28.3)

Table 2 – 2019/20 Breakdown of Variance By Programme

Programme	Slippage/ (Rephasing) £M	(Under)/ Over Spend £M	Variance £M
Adult Care	0.00	(0.43)	(0.43)
Aspiration, Children and Lifelong Learning	(2.74)	0.76	(1.98)
Healthier and Safer City	(0.41)	(0.95)	(1.36)
Homes and Culture	(0.01)	0.09	0.08
Leader	(0.34)	0.00	(0.34)
Place and Transport	(4.30)	(0.28)	(4.58)
Resources	(23.46)	0.00	(23.46)
Total GF Capital Programme	(31.26)	(0.81)	(32.07)
Total HRA Capital Programme	(6.36)	0.06	(6.30)
Total Capital Programme	(37.62)	(0.75)	(38.37)

5. Reasons for major variances on individual schemes since the last reported position are detailed for each Programme in annex 2.1. The single largest item by far is £20M for the Property Investment Fund, where no investment was made and given market conditions may not be made during 2020/21. Without this one transaction, the variance is reduced to £18.37M, or 13.6% of the approved programme.

CAPITAL FINANCING

6. The resources used to finance the 2019/20 expenditure for each programme are summarised in table 3 below.

Table 3 – Capital Financing 2019/20

	General Fund £M	HRA £M	Total £M
Total Financing Required	56.03	41.05	97.08
Financed By: -			
Council Resources	17.26	4.00	21.26
Capital Receipts	0.25	7.96	8.21
Direct Revenue Financing	2.88	8.96	11.84
Capital Grants	31.65	0.19	31.84
Contributions	3.99	0.34	4.33
MRA	0.00	19.60	19.60
Total	56.03	41.05	97.08

7. Any over spends on individual schemes are financed from identified additional funding or from savings elsewhere within the programme. Programmes are

	required to balance their capital programmes within the resources available to them, this may result in reduced outputs where an overspend results in reductions being made elsewhere in the programme.																																
8.	The impact of scheme variances for 2019/20 on future years' capital expenditure will feed into future capital programme updates aligned to Council priorities.																																
	THE 5 YEAR CAPITAL PROGRAMME																																
9.	Table 4 shows a comparison of the amended capital estimate for the period 2019/20 to 2024/25 including any amendments noted elsewhere within this report, compared with the previously reported programme for the same period, and shows a decrease of £0.12M based on the adjustments reported.																																
10.	<p><u>Table 4 – Programme Comparison</u></p> <table border="1"> <thead> <tr> <th></th> <th>2019/ 2020 £M</th> <th>2020/ 2021 £M</th> <th>2021/ 2022 £M</th> <th>2022/ 2023 £M</th> <th>2023/ 2024 £M</th> <th>2024/ 2025 £M</th> <th>Total £M</th> </tr> </thead> <tbody> <tr> <td>Amended Programme</td> <td>97.08</td> <td>405.65</td> <td>169.02</td> <td>181.33</td> <td>79.95</td> <td>47.59</td> <td>980.62</td> </tr> <tr> <td>Previous Programme</td> <td>135.45</td> <td>367.07</td> <td>169.02</td> <td>181.33</td> <td>80.28</td> <td>47.59</td> <td>980.74</td> </tr> <tr> <td>Variance</td> <td>(38.37)</td> <td>38.58</td> <td>0.00</td> <td>0.00</td> <td>(0.33)</td> <td>0.00</td> <td>(0.12)</td> </tr> </tbody> </table>		2019/ 2020 £M	2020/ 2021 £M	2021/ 2022 £M	2022/ 2023 £M	2023/ 2024 £M	2024/ 2025 £M	Total £M	Amended Programme	97.08	405.65	169.02	181.33	79.95	47.59	980.62	Previous Programme	135.45	367.07	169.02	181.33	80.28	47.59	980.74	Variance	(38.37)	38.58	0.00	0.00	(0.33)	0.00	(0.12)
	2019/ 2020 £M	2020/ 2021 £M	2021/ 2022 £M	2022/ 2023 £M	2023/ 2024 £M	2024/ 2025 £M	Total £M																										
Amended Programme	97.08	405.65	169.02	181.33	79.95	47.59	980.62																										
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Variance	(38.37)	38.58	0.00	0.00	(0.33)	0.00	(0.12)																										
11.	There have been a number of Delegated Decision Notices (DDN) since the previous programme, totalling £0.09M. This has been offset by net underspends of £0.75M which have been removed from the programme. Details of the additions since the February Capital Update can be found in annex 2.2.																																
12.	Additions of £0.54M to the Children and Learning programme in 2020/21 are to be approved by full Council and are detailed in annex 2.3, to be funded from government grant. The programme remains fully funded.																																
<u>SUPPORTING DOCUMENTATION</u>																																	
Annexes																																	
1.	GF & HRA Major Variance Explanations																																
2.	GF & HRA Programme Variations																																
3.	GF & HRA Programme Additions for Approval																																