

## Bristol City Council May 2020 Capital Programme Finance Report

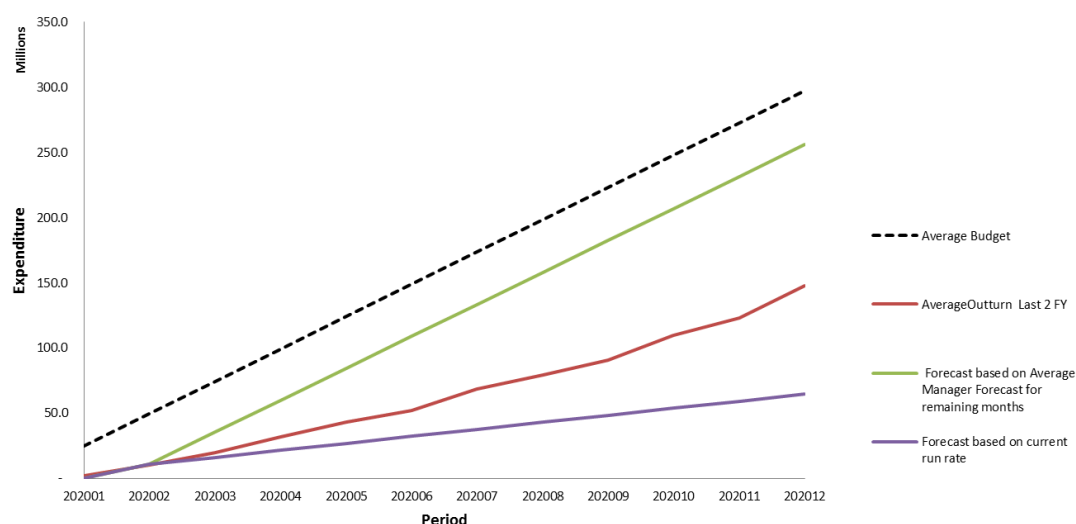
### 1. Capital Programme Summary

- 1.1. The following table below (Figure 1) sets out the forecast Capital Outturn position for 2020/21 by Directorate with a full programme summary at the end of this report.
- 1.2. The overall programme for 2020/21 has slipped from the original planned £295.1m to a forecast of £235.7 million.
- 1.3. The overall forecast being a total of £235.7 million the current forecast assumes that the average monthly spend for the remainder of the year will increase significantly from the current spend run-rate and also in comparison to previous years. This is due to forecast at project level containing a level of optimism bias which when accumulated across the wider programme gives a high forecast than other comparable information would suggest.
- 1.4. Given the level of spend to date (£23.4 million) and the current run rate table along with making comparisons with previous years expenditure the outturn is projected to be region of £150m based on current and previous spend trends. As a result the capital financing forecast has been based on an overall spend of £150 million for the General fund.

Figure 1 - Capital Forecast Outturn position for 2020/21 by Directorate

Approved Budget (Feb 20)	Budget Changes upto P3	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date %	Forecast Outturn	Variance
£m	£m		£m	£m	%	£m	£m
32.3	3.0	People	35.3	2.2	6%	31.6	(3.7)
14.3	3.4	Resources	17.7	8.0	45%	19.0	1.3
164.0	-7.1	Growth and Regeneration	156.9	9.8	6%	127.7	(29.2)
<b>210.6</b>	<b>-0.7</b>	<b>Sub-total</b>	<b>209.9</b>	<b>20.0</b>	<b>10%</b>	<b>178.3</b>	<b>(31.6)</b>
1.5	-0.6	Corporate	0.9	0.0	0%	0.9	0.0
83.0	0.0	Housing Revenue Account	83.0	3.4	4%	56.5	(26.5)
<b>295.1</b>	<b>-1.3</b>	<b>Total Capital Programme</b>	<b>293.8</b>	<b>23.4</b>	<b>8%</b>	<b>235.7</b>	<b>(58.1)</b>

Figure 2: Capital Programme Spend run rate comparators



## 2. Directorates

### People

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
<b>People</b>							
PE01	School Organisation/ Children's Services Capital Programme	23,312	2,091	26,354	3,042	9%	113%
PE03	Schools Devolved Capital Programme	2,685	0	1,212	(1,473)	0%	45%
PE04	Non Schools Capital Programme	0	18	0	0		
PE05	Children & Families - Aids and Adaptations	266	0	155	(111)	0%	58%
PE06	Children Social Care Services	2,455	20	1,785	(670)	1%	73%
PE06B	Adult Social Care – Better Lives at Home Programme	6,049	42	1,762	(4,287)	1%	29%
PE08	Care Management/Care Services	5	5	0	(5)	96%	0%
PE10	Sports Capital Investment	546	12	309	(237)	2%	57%
<b>Total People</b>		<b>35,317</b>	<b>2,187</b>	<b>31,576</b>	<b>(3,741)</b>	<b>6%</b>	<b>89%</b>

- 2.1. The People Directorate capital programme is predominantly spend on schools, of the £23 million the biggest schemes relates to Cathedral Schools Trust Trinity Academy, which has been delayed due to covid-19 however is anticipated to complete works in January 2021. The other major works relate to KnowleDGE where design work is on-going.
- 2.2. Besides schools scheme in both Adults and Children social care to investment in improved accommodation has both been delayed as a result of covid-19 with project plans being reviewed. These are investing to save proposals which will delay planned savings in both these areas which is factored into the revenue forecast.

### Resources

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
<b>Resources</b>							
PL21	Building Practice Service - Essential H&S	3,301	160	2,601	(700)	5%	79%
PL27	Vehicle Fleet Replacement Programme	2,344	175	1,244	(1,100)	7%	53%
PL35	Harbourside Operational Infrastructure	739	0	739	0	0%	100%
PL36	Investment in Markets infrastructure & buildings	444	15	413	(31)	3%	93%
RE01	ICT Refresh Programme	5,253	4,051	5,543	289	77%	106%
RE02	ICT Development - HR/Finance	467	167	467	0	36%	100%
RE03	ITTP – IT Transformation Programme	5,175	3,458	8,026	2,851	67%	155%
RE05	Mobile Working for Social Care (Adults & Children)	0	11	0	0		
<b>Total Resources</b>		<b>17,723</b>	<b>8,038</b>	<b>19,032</b>	<b>1,309</b>	<b>45%</b>	<b>107%</b>

- 2.3. ICT have made significant progress with the refresh of equipment and also delivery of the IT Transformation Programme with £5.1 million spend in April and May. The forecast overspend represents acceleration of the initial planned programme.
- 2.4. Facilities management are progressing with their approved plan for the financial year and covid-19 impacted on completing works during April and May, however the run rate is expected to increase in the later part of the year.

## Growth and Regeneration

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	
Growth & Regeneration							
GR01	Strategic Property – Temple Meads Development	6,054	1	8,599	2,545	0%	142%
GR03	Economy Development - ASEA 2 Flood Defences	8,568	(624)	8,528	(40)	-7%	100%
GR05	Strategic Property - Hawkfield Site	500	0	167	(333)	0%	33%
GR06	Innovation & Sustainability - OPCR 2	1,846	134	1,700	(146)	7%	92%
GR08	Delivery of Regeneration of Bedminster Green	225	23	225	0	10%	100%
HIF	HIF BID match funding	6,000	0	0	(6,000)	0%	0%
NH01	Libraries for the Future	609	0	568	(41)	0%	93%
NH02	Investment in parks and green spaces	1,580	182	1,664	84	11%	105%
NH03	Cemetries & Crematoria - Pending Business Case Development	789	18	704	(85)	2%	89%
NH04	Third Household Waste Recycling and Re-use Centre	5,624	3	3,571	(2,053)	0%	63%
NH06	Bristol Operations Centre - Phase 1	286	92	151	(135)	32%	53%
NH06A	Bristol Operations Centre - Phase 2	1,876	12	1,126	(750)	1%	60%
NH07	Private Housing	3,110	732	3,110	0	24%	100%
PL01	Metrobus	172	(126)	1,907	1,734	-73%	1106%
PL02	Passenger Transport	1,487	(159)	1,306	(180)	-11%	88%
PL04	Strategic Transport	534	309	5,878	5,343	58%	1100%
PL05	Sustainable Transport	9,524	2,661	7,778	(1,745)	28%	82%
PL06	Portway Park & Ride Rail Platform	3,038	0	3,038	0	0%	100%
PL08	Highways & Drainage Enhancements	191	(64)	191	0	-34%	100%
PL09	Highways infrastructure - bridge investment	2,849	14	879	(1,970)	0%	31%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	5,140	277	4,000	(1,140)	5%	78%
PL10	Highways & Traffic Infrastructure - General	8,987	1,163	9,644	657	13%	107%
PL10B	Highways & Traffic - Street Lighting	591	17	591	0	3%	100%
PL10C	Transport Parking Services	1,881	51	1,135	(746)	3%	60%
PL11A	Cattle Market Road site re-development	2,858	193	1,307	(1,551)	7%	46%
PL14	Bristol Legible City Scheme	315	45	134	(181)	14%	43%
PL15	Environmental Improvements Programme	319	5	174	(145)	1%	55%
PL17	Resilience Fund (£1m of the £10m Port Sale)	53	1	53	0	2%	100%
PL18	Energy services - Renewable energy investment scheme	1,678	31	1,348	(329)	2%	80%
PL18A	Energy Services – Bristol Heat Networks expansion	16,480	1,313	10,944	(5,536)	8%	66%
PL18B	Energy Services - School Efficiencies	151	(3)	151	0	-2%	100%
PL18D	Energy Services - EU Replicate Grant	(115)	23	37	152	-20%	-32%
PL19	Energy Services Phase 2 Investment & commercialisation opportunities	1,200	0	400	(800)	0%	33%
PL20	Strategic Property	332	14	284	(49)	4%	85%
PL22	Strategic Property - Investment in existing waste facilities	1,057	0	800	(257)	0%	76%
PL23	Strategic Property - Temple St	355	21	28	(328)	6%	8%
PL24	Colston Hall	19,468	3,099	22,005	2,537	16%	113%
PL25	Strategic Property - Community Capacity Building	998	0	0	(998)	0%	0%
PL30	Housing Strategy and Commissioning	30,296	329	13,973	(16,323)	1%	46%
PL30A	Housing Programme delivered through Housing Company	9,500	0	9,500	0	0%	100%
PL32A	Western Harbour Design Development	480	0	100	(380)	0%	21%
Total Growth & Regeneration		156,889	9,785	127,702	(29,187)	6%	81%

## Economy of Place

2.5. Avonmouth/sevenside Enterprise Area (AESA) flood defence scheme has entered delivery with work at various stages of delivery across the costal area, with groundworks being completed and construction expected to start during the financial year, also works with Temple Quarter and Temple Island are progressing and haven't at this point been significantly impacted by covid-19 in terms of overall scheme progress.

2.6. Additional costs during construction of Colston Hall have resulted in increase in in-year spend; work is on-going to understand the full implication on the capital programme.

## Transport

2.7. Key schemes within transport this financial year include Cumberland Road stabilisation, Redcliffe Bridge and implementation of a clean air zone.

2.8. £11.6 million grant has been received relating to implementation of the clean air zone which

will be added to the capital programme as per Cabinet approval.

- 2.9. The Council have also received an allocation of £2.640 million pothole funding this year through WECA. Conditions of the grant mean it must be spent prior to the end of the financial year and approval is sought to add this grant into the Capital Programme.

#### Housing Delivery

- 2.10. The biggest element of the Council's capital programme for the next five years is to support housing delivery. A large part relates to the Council's grant scheme for delivery of affordable housing.
- 2.11. The Council also have a wholly owned Housing Company, Goram Homes, for which there are plans to dispose of land in order to develop housing. Two sites have been identified which are progressing towards disposal during the financial year.

#### HRA

- 2.12. Covid has had a significant impact on HRA activity, with the lockdown meaning that many planned activities have had to be delayed. The planned programme of works will be pushed back and the speed of delivery will be dependent on both working arrangements being safe and meeting guidelines and also on being able to access residences as necessary.
- 2.13. HRA – There is forecasting an underspend of £6.7m against Major Projects and £4.6m on Building Maintenance and Improvements due to Covid restrictions limiting access to homes and delaying tender releases. These programmes of works are delayed and will take place when safe working arrangements are in place, though progress is dependent on accessing properties as necessary.
- 2.14. Despite the negative impact of Covid-19 on the Council's ability to achieve its Housing Delivery Targets for this year, there remains a high degree of confidence that significant progress can be made. Several schemes have progressed through the planning process, to ensure that build can be commenced at the earliest available opportunity. However, as the year progresses and the status of schemes are regularly reviewed, some have been identified as at risk. These risks have been factored into the revised forecast, which sees a reduction in anticipated spend of circa £5m over the previous forecast in relation mainly to the Florence Brown and Brunel Ford sites, of which the risks associated with Covid-19 which have caused delays in submitting a planning application and procurement of contractors.
- 2.15. Due to the potential HRA capital underspend in 2020/21, and in order to deliver affordable homes relatively quickly and to maximise the use of Right to Buy receipts, the HRA may seek to increase the number of acquisitions from developers during the year - though any diversion of capital funds for this will be subject to further Cabinet approval.