

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 £209.1 million.
- 1.3. The overall 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. Approval is sought to re-profile the budget between financial years to match the latest forecast position for each scheme. In the majority of cases this is deferring spend to future years as projects have slipped. Where this is financed by borrowing it delays the borrowing and leads to a delay in occurring financing costs, this has already been assumed in the revenue position as is contributing to the mitigations to impact of Covid-19.
- 1.5. For any delayed schemes which are financed by grants, the grant conditions will be reviewed to ensure there is no adverse impact to the Council by delaying the scheme.
- 1.6. There has been an acceleration in the spend of the IT Transformation project, which will bring forward planned spend from 21/22, this is financed by capital receipts and there are sufficient capital receipts already received and not applied that this doesn't create any adverse implications on the budget. It reduced anticipated cash balances at the end of the year but this is offset by the wider slippage in the programme.
- 1.7. Further detail on directorate capital project spend is available in Appendices A1-6.

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

| Approved Budget (Feb 20) | Budget Changes upto P6 | Directorate | Revised Budget | Actual Spend to date | Budget Spend to date % | Forecast Outturn | Variance |
|--------------------------|------------------------|--------------------------------|----------------|----------------------|------------------------|------------------|---------------|
| £m | £m | | £m | £m | | £m | £m |
| 32.3 | 8.1 | People | 40.4 | 5.6 | 14% | 31.8 | (8.6) |
| 14.3 | 2.3 | Resources | 16.6 | 13.2 | 80% | 17.9 | 1.3 |
| 164.0 | (3.5) | Growth and Regeneration | 160.5 | 23.3 | 15% | 108.3 | (52.2) |
| 210.6 | 6.9 | Sub-total | 217.5 | 42.1 | 19% | 158.0 | (59.5) |
| 1.5 | (0.6) | Corporate | 0.9 | 0.0 | 0% | 0.9 | 0.0 |
| 83.0 | 0.0 | Housing Revenue Account | 83.0 | 12.1 | 15% | 50.2 | (32.8) |
| 295.1 | 6.3 | Total Capital Programme | 301.4 | 54.2 | 18% | 209.1 | (92.3) |

Figure 2: Capital Programme Spend run rate comparators

Cumulative run rates

