

Date of meeting:	18 September 2023
Title of Report:	<b>Capital Monitoring Report June 2023</b>
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	David Northey, (Interim Service Director for Finance)
Author:	Wendy Eldgridge, Lead Accountancy Manager (Capital and Treasury Management)
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Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

This report sets out the capital monitoring position of the Council forecast to the end of the financial year 2023/24 at Period 3.

## Recommendations and Reasons

That Council approves:

1. The amended Capital Budget 2023-2028 revised to £556.722m as shown in Table I  
*Reason: Full Council for approval in line with the Constitution.*

## Alternative options considered and rejected

There are no alternative options – our Financial Regulations require us to produce regular monitoring of our finance resources.

## Relevance to the Corporate Plan and/or the Plymouth Plan

The report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

## Implications for the Medium Term Financial Plan and Resource Implications:

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Plan (MTFP).

## Financial Risks:

Financial risks concerning period 3 reporting are discussed in the body of the report.

## Carbon Footprint (Environmental) Implications:

There are no impacts directly arising from this report.

## Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans within budget is paramount to ensuring the Council can achieve its objectives

## Appendices

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 1 of the Local Government Act 1972 by ticking the relevant</i>						
		1	2	3	4	5	6	7

### Background papers:

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

### Sign off:

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Originating Senior Leadership Team member: David Northey (Interim Service Director for Finance)											
Please confirm the Strategic Director(s) has agreed the report? Yes in conjunction with CMT Date agreed: 31/08/2023											
Cabinet Member approval: Cabinet Member for Finance, after discussion with Cabinet colleagues Date approved: 31/08/2023											

## Capital Finance Report Quarter I 2023/24 (June 2023)

The approved capital budget (representing forecast resources) includes the Capital Programme made up of approved projects and future funding assumptions. These assumptions are estimates of capital funding the Council is likely to receive in the future or has received, and is awaiting business case approval to add to the capital programme.

The forecast for five-year capital budget 2023-2028 is £338.052m as at 30 June 2023. Movement from the previous 2022 – 2027 programme reported to Cabinet on 12 June 2023 as part of 2022/23 Capital Outturn as at 31 March 2023 is detailed in Table 1 with main change being the actual years within the 5 year scope.

Table 2 provides a further breakdown of new projects added to capital programme.

**Table 1 The Capital budget:**

Description	£m
Capital Programme as at 31 March 2023 for 5 year period 2022 - 2027	407.502
Change of years within 5 year scope – remove 2022/23	(86.653)
Addition of 2027/28 to 5 year scope	10.454
Slippage to 2028/29 now outside 5 year scope	(0.092)
New Approvals – April to June 2023 breakdown see table 2	7.461
Variations – April to June 2023	(0.620)
Capital Programme as at 30 June 2023	338.052
Future Funding Assumptions	218.670
<b>Total Revised Capital Budget for Approval (2023/24 -2027/28)</b>	<b>556.722</b>

**Table 2 Breakdown of new approvals**

Governance	New Approvals Q1	5 Year Programme Approvals
		£
S151	Theatre Royal Car Park - Solar Scheme	199,000.00
S151	Eastern Corridor Strategic Cycle Network (Colesdown Hill)	34,108.00
	<b>Subtotal Strategic Planning &amp; Infrastructure</b>	<b>233,108.00</b>
S151	Derriford Community Park - Phase 1 Biodiversity Improvements	107,844.59
S151	Central Park Improvements	60,000.00
S151	Ply & S.Devon Community Forest	25,000.00
S151	Street Furniture Replacements	150.00
Exec Decision	TCF T2 Signal Optimisation / ITS (citywide) and Traffic Control Centre	738,815.00
Exec Decision	Various annual Highway projects	3,719,000.00
S151	Tennis Improvements - Devonport Hartley and Tothill Park	680.00
	<b>Subtotal Street Services</b>	<b>4,651,489.59</b>
S151	Mount Edgcumbe Mower	9,000.00
Exec Decision	Derriford District Centre	1,036,196.00
	<b>Subtotal Economic Development</b>	<b>1,045,196.00</b>
Exec Decision	Local Authority Housing Fund	1,531,181.00
	<b>Subtotal People</b>	<b>1,531,181.00</b>
	<b>Total Capital Approvals</b>	<b>7,460,974.59</b>

A breakdown of the current approved capital budget by directorate and by funding is shown below in Table 3.

**Table 3 Capital Programme by Directorate**

Directorate	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m	£m	£m
Children's Services	3.426	0.130	0.130	-	-	3.687
People	9.576	5.837	0.241	-	-	15.654
Place - Economic Development	49.449	38.666	18.428	7.126	10.397	124.067
Place - Strategic Planning & Infrastructure	72.935	47.317	0.981	-	0.608	121.841
Place - Street Services	35.595	9.523	1.609	0.023	0.023	46.773
Customer & Corporate Services	6.753	4.101	0.582	-	-	11.436
Office for Director of Public Health	11.923	2.671	-	-	-	14.594
<b>Total</b>	<b>189.657</b>	<b>108.246</b>	<b>21.972</b>	<b>7.149</b>	<b>11.028</b>	<b>338.052</b>
Finance by:	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m	£m	£m
Capital Receipts	7.524	1.125	0.811	0.026	0.608	10.094
Grant Funding	74.741	24.158	1.136	0.023	0.023	100.080
Corporate Funded borrowing	51.672	36.902	5.667	0.243	0.043	94.528
Service dept. supported borrowing	50.382	39.855	14.165	6.856	10.336	121.594
Developer contributions	4.599	6.073	0.150	-	0.018	10.840
Other Contributions	0.739	0.133	0.043	-	-	0.916
<b>Total</b>	<b>189.657</b>	<b>108.246</b>	<b>21.972</b>	<b>7.149</b>	<b>11.028</b>	<b>338.052</b>

**Table 4 2023/24 Programme including actual spend and % spent compared to latest forecast**

Directorate	Latest Forecast 2023/24	Actual Spend as at 30 June 2023	Spend as a % of Latest Forecast
	£m	£m	%
Children's Services	3.426	0.022	0.64%
People	9.576	0.609	6.36%
Place – Economic Development	49.449	1.953	6.79%
Place – Strategic Planning & Infrastructure	72.935	4.394	3.95%
Place – Street Services	35.595	4.059	6.02%
Customer & Corporate Services	6.753	0.458	11.40%
Office for Director of Public Health	11.923	1.088	9.12%
<b>Total</b>	<b>189.657</b>	<b>12.582</b>	<b>6.63%</b>

Finance Officers will continue to challenge spending profiles in preparation for budget setting. With further work planned to incorporate an assessment of inflationary impact to overall capital programme and project officer review planned project delivery across 2023 to 2028.