

2021/22 Capital Programme P3

P3 2021/22 Capital Monitoring



2021/22 P3 Capital Monitoring Report

INTRODUCTION

This is the first capital monitoring report for 2021/22, summarising the forecast outturn at 31 March 2022 based on the financial activity to 30 June 2021.

The detail of this monitoring report is focused on the budget and forecast expenditure for fully approved projects in the 2021/22 financial year. The approved budget for 2021/22 is £68.234m (after re-profiling approved at Outturn) and current forecast for the financial year is £66.131m. There are additional schemes that have been identified as a priority for the Council, and, where available, capital resource has been earmarked against these schemes, which will be added to the Capital Programme and future detailed monitoring reports once satisfactory business cases have been approved by Executive Cabinet.

SUMMARY

Table 1 on the next slide provides a high level summary of capital expenditure by service area. The current forecast is for service areas to have spent £66.131m on capital investment in 2021/22, which is £2.103m less than the current capital budget for the year. This variation is spread across a number of areas, and is made up of a number of over/underspends on a number of specific schemes (£1.840m) less the re-profiling of expenditure in some other areas (£0.263m).

Table 2 shows proposed re-profiling of £0.263m of budgets into 2022/23 due to delays across a number of schemes.

Table 3 shows the budgeted resources funding the 2021/22 capital projects by service area. The final resourcing structure will be determined by the Director of Finance, making the best use of resources available at the end of the financial year as part of the year end financing decisions.

Detailed capital update reports for each Directorate area are included on the agenda of the Strategic Planning and Capital Monitoring Panel (SPCMP). This report provides a summary of the financial position against the overall programme but further details on scheme delivery can be found in the Directorate reports to SPCMP.

2021/22 P3 Capital Monitoring Report

	2021/22 Budget	Actual to 30 June 2021	Projected 2021/22 Outturn	Projected Outturn Variation	P3 Slippage
	£000	£000	£000	£000	£000
Growth (Appendix 4A)					
Investment & Development	14,705	1,176	14,765	(60)	0
Corporate Landlord	2,500	147	2,700	(200)	0
Estates	103	0	103	0	0
Vision Tameside	1,008	341	1,008	0	0
Operations and Neighbourhoods (Appendix 4B)					
Engineers	15,123	598	13,145	1,978	0
Environmental Services	2,612	178	2,612	0	0
Transport (Fleet)	292	170	170	122	(165)
Stronger Communities	16	0	16	0	0
Children's (Appendix 4C)					
Education	27,460	970	27,460	0	0
Children	445	22	449	(4)	0
Finance & IT (Appendix 4D)					
Digital Tameside	425	18	256	169	0
Population Health (Appendix 4E)					
Active Tameside	881	679	881	0	0
Adults (Appendix 4F)					
Adults	2,664	269	2,566	98	(98)
Total	68,234	4,568	66,131	2,101	(263)

Table 1: Capital Outturn Statement 2021/22

The current forecast is for service areas to have spent £66.131m on capital investment in 2021/22, which is £2.101m less than the current capital budget for the year. This variation is spread across directorate, and is made up of a number of over/underspends on various schemes (£1.840m) less the re-profiling of expenditure in some other areas (£0.263m).

2021/22 P3 Re-Profiling

Table 2: Re-profiling requested into 2022/23

	2021/22 Re-profile Q1
	£000
Growth	
Investment & Development	0
Corporate Landlord	0
Estates	0
Vision Tameside	0
Operations and Neighbourhoods	
Engineering Services	0
Environmental Services	0
Transport	165
Stronger Communities	0
Children's	
Education	0
Children	0
Finance & IT	
Digital Tameside	0
Population Health	
Active Tameside	0
Adults	
Adults	98
Total	263

RE-PROFILING

Proposed re-profiling of £0.263m includes:

Transport:

- An order has been raised for the purchase of an additional gully cleansing vehicle . The vehicle will not be delivered and paid for until the next financial year.

Adults:

- Housing Assistance Plans have been on hold due to Covid restrictions over the past year. Work is beginning to resume but due to the delays, some of the current planned work will shift into 22/23 financial year.

2021/22 P3 Budgeted Capital Financing

Table 3: Budgeted Capital Financing 2021/22

The final resourcing structure will be determined by the Director of Finance, making the best use of resources available at the end of the financial year as part of the year end financing decisions.

Budgeted Financing for 2021/22	Grants and Contributions	Revenue Contributions	Prudential Borrowing	Reserves & Receipts	Total
	£000	£000	£000	£000	£000
Growth					-
Investment and Development	11,281	0	0	3,424	14,705
Corporate Landlord	2,500	0	0	0	2,500
Estates	0	0	0	103	103
Vision Tameside	0	0	0	1,008	1,008
Operations and Neighbourhoods					
Engineers	8,209	0	0	6,914	15,123
Environmental Services	261	0	0	2,351	2,612
Transport	0	165	127	0	292
Stronger Communities	0	0	0	16	16
Children					
Education	27,460	0	0	0	27,460
Children	0	0	0	445	445
Finance					
Digital Tameside	0	0	344	81	425
Population Health					
Active Tameside	0	0	31	850	881
Adults					
Adults	2,664	0	0	0	2,664
Total	52,375	165	502	15,192	68,234

Programme Summary – Before Re-profiling

TOTAL APPROVED CAPITAL PROGRAMME- JUNE 2021				
	2021/22 Budget (Approved) £000	2021/22 Projected Outturn £000	2022/23 Budget (Approved) £000	2023/24 Budget (Approved) £000
Growth				
Investment & Development	14,705	14,765	606	0
Corporate Landlord Estates	2,500	2,700	0	0
Vision Tameside	103	103	0	0
	1,008	1,008	0	0
Operations and Neighbourhoods				
Engineering Services	15,123	13,145	0	0
Environmental Services	2,612	2,612	0	0
Transport	292	170	0	0
Stronger Communities	16	16	0	0
Children's				
Education	27,460	27,460	6,348	0
Children's	445	449	0	0
Finance & IT				
Digital Tameside	425	256	0	0
Population Health				
Active Tameside	881	881	0	0
Adults				
Adults	2,664	2,566	0	0
Total	68,234	66,131	6,954	0

Services are forecasting to have spent £66.131m on capital investment in 2021/22, which is £2.103m less than the current capital budget for the year.

Re-profiled budgets are shown on the following page.

Programme Summary- After Re-profiling

TOTAL APPROVED CAPITAL PROGRAMME- JUNE 2021				
	2021/22 Budget (Approved) £000	2021/22 Projected Outturn £000	2022/23 Budget (Approved) £000	2023/24 Budget (Approved) £000
Growth				
Investment & Development	14,705	14,765	606	0
Corporate Landlord	2,500	2,700	0	0
Estates	103	103	0	0
Vision Tameside	1,008	1,008	0	0
Operations and Neighbourhoods				
Engineering Services	15,123	13,145	0	0
Environmental Services	2,612	2,612	0	0
Transport	127	170	165	0
Stronger Communities	16	16	0	0
Children's				
Education	27,460	27,460	6,348	0
Children's	445	449	0	0
Finance & IT				
Digital Tameside	425	256	0	0
Population Health				
Active Tameside	881	881	0	0
Adults				
Adults	2,566	2,566	98	0
Total	67,971	66,131	7,217	0

After re-profiling the total approved capital programme for 21/22 will be £67.971 and 22/23 will be £7.217 .The approved programme does not include any previously earmarked schemes which have not been subject to Executive Cabinet approval.

As reported in the 2020/21 Capital Reports, approval will be sought for the following earmarked scheme in coming months:

- £0.499m Statutory Compliance (Corporate Landlord)

If approval is given by Executive Cabinet, it is expected that this scheme will fall into the 21/22 financial year.

Financing from Capital Receipts and Reserves

The current anticipated level of capital receipts of £15.4m is based on the disposal of surplus assets approved by Executive Cabinet in September 2020. The current approved capital investment programme requires a minimum of £15.985m of capital receipts or reserves.

Any additional priority earmarked schemes that are approved by Executive Cabinet will increase the amount of corporate funding needed for the capital programme.

Forecast Corporate Funding:

Capital Reserves	£8,908
Anticipated Capital Receipts	£15,410
Total	£24,318

Corporate Funding committed to approved schemes:

2021/22 approved programme	£15,192
2022-23 approved programme	£294
Statutory Compliance earmarked pot	£499
Total	£15,985
Balance of forecast funding available	£8,333

Earmarked schemes previously included on the capital programme (and not reflected in the figures above) exceeded £40m. With the exception of Statutory Compliance, all earmarked schemes have now been removed from the programme whilst a review and refresh of the Capital Investment proposals is undertaken.

Budgeted Financing for Future Years Approved Schemes

Budgeted Financing for 2022/23	Grants and Contributions	Revenue Contributions	Prudential Borrowing	Reserves & Receipts	Total
	£000	£000	£000	£000	£000
Growth					-
Investment and Development	0	312	0	294	606
Corporate Landlord	0	0	0	0	0
Vision Tameside	0	0	0	0	0
Estates	0	0	0	0	0
Operations and Neighbourhoods					
Engineers	0	0	0	0	0
Environmental Services	0	0	0	0	0
Transport	0	0	0	0	0
Stronger Communities	0	0	0	0	0
Children					
Education	6,348	0	0	0	6,348
Children	0	0	0	0	0
Finance					
Digital Tameside	0	0	0	0	0
Population Health					
Active Tameside	0	0	0	0	0
Adults					
Adults	0	0	0	0	0
Total	6,348	312	0	294	6,954

Programme Changes & Summary

Changes to the Capital Programme	2021/22	2022/23	2023/24	Total
	£000	£000	£000	£000
Opening 2021/22 Approved Capital Programme	43,668	606	0	44,195
2020/21 Re-profiling to 21/22	4,091			4,091
Changes per Exec Decision 14 April 2021				
- Public Sector Decarbonisation (New Budget, Grant Funding)	2,239			2,239
Other Changes				
- Engineers Tameside Public Realm (Retrospective Funding switch, Grant Funded)	(624)			(624)
- Engineers 21/22 Highways Maintenance Grant (New Budget, Grant Funding. Approved GMCA 25/06/21. Executive Cabinet 28 July 21)	2,415			2,415
- Statutory Compliance Budget Correction	(79)			
- Adults Disabled Facilities 21/22 Grant (New Budget, Grant Funding Executive Cabinet 28 July 21)	1,359			1,359
- Education Devolved Formula Capital Grant (New Budget, Grant Funding)	337			337
- Education Basic Need Grant (New Budget, Grant Funding)	12,232	6,348		12,232
- Education School Condition Allocation Grant (New Budget, Grant Funding)	1,328			1,328
- Education High Needs Provision Grant (New Budget, Grant Funding)	1,223			1,223
- Adults Occupational Therapist - Equipment Review (New Budget, Grant Funding, Executive Cabinet 28 July 21)	46			46
Period 3 Fully Approved Capital Programme	68,234	606	0	68,841

Prudential Indicators

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Operational Boundary for External Debt	220,710	151,160	(69,550)
Authorised Limit for External Debt	240,710	151,160	(89,550)

- The Authorised Limit for External Debt sets the maximum level of external borrowing on a gross basis (i.e. excluding investments) for the Council.
- The operational boundary for External Debt comprises the Council's existing debt plus the most likely estimate of capital expenditure/financing for the year. It excludes any projections for cash flow movements. Unlike the authorised limit breaches of the operational boundary (due to cash flow movements) are allowed during the year as long as they are not sustained over a period of time.
- These limits include provision for borrowing in advance of the Council's requirement for future capital expenditure. This may be carried out if it is thought to be financially advantageous to the Council.

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Upper Limit for fixed	199,373	62,134	(169,794)
Upper Limit for variable	66,458	(105,075)	(171,533)

- These limits are in respect of the Council's exposure to the effects of changes in interest rates.
- The limits reflect the net amounts of fixed/variable rate debt (i.e. fixed/variable loans less fixed/variable investments). These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Capital Financing Requirement	199,373	199,373	-

- The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for capital purposes, i.e. its borrowing requirement. The CFR is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.
- The CFR increases by the value of capital expenditure not immediately financed, (i.e. borrowing) and is reduced by the annual Minimum Revenue Provision for the repayment of debt.

Prudential Indicators

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Capital expenditure	68,819	4,568	(64,351)

- This is the estimate of the total capital expenditure to be incurred.

Gross borrowing and the capital financing requirement	CFR @ 31/03/20 + increase years 1,2,3	Gross borrowing	Amount within limit
	£000s	£000s	£000s
	199,373	151,160	(48,213)

- To ensure that medium term debt will only be for capital purposes, the Council will ensure that the gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement (CFR).

Maturity structure for borrowing 2020/21		
Fixed rate	Limit	Actual
Duration		
Under 12 months	0% to 15%	6.87%
12 months and within 24 months	0% to 15%	0.81%
24 months and within 5 years	0% to 30%	2.25%
5 years and within 10 years	0% to 40%	2.35%
10 years and above	50% to 100%	87.73%

- These limits set out the amount of fixed rate borrowing maturing in each period expressed as a percentage of total fixed rate borrowing. Future borrowing will normally be for periods in excess of 10 years, although if longer term interest rates become excessive, shorter term borrowing may be used. Given the low current long term interest rates, it is felt it is acceptable to have a long maturity debt profile.

Appendix 4A - Growth

Development & Investment Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Ashton Town Hall	198	0	14	198	0	0	198	0
Stalybridge HAZ	1,944	606	0	1,944	0	0	1,944	606
Ladysmith Cricket Club	40	0	0	40	0	0	40	0
Droylsden Library Relocation	1,544	0	356	1,544	0	0	1,544	0
Demolition of former Two Trees School	377	0	287	437	(60)	0	377	0
Denton Pool Demolition	242	0	168	242	0	0	242	0
Longlands Mill	21	0	0	21	0	0	21	0
Godley Garden Village	9,280	0	67	9,280	0	0	9,280	0
Hattersley Station Passenger Facilities	561	0	0	561	0	0	561	0
Ashton Old Baths - Phase 3	498	0	235	498	0	0	498	0
Total	14,705	606	1,128	14,765	(60)	0	14,705	606

Estates Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Mottram Showground (OPF)	103	0	0	103	0	0	103	0
Total	103	0	0	103	0	0	103	0

Appendix 4A - Growth

Corporate Landlord Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Public Sector Decarbonisation	2,239	0	32	2,284	(45)	0	2,239	0
Retrofit Basic Measures	261	0	0	261	0	0	261	0
Statutory Compliance	0	0	155	155	(155)	0	0	0
Total	2,500	0	187	2,700	(200)	0	2,500	0

Vision Tameside Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Tameside One Void Detection	1,008	0	341	1,008	0	0	1,008	0
Total	1,008	0	341	1,008	0	0	1,008	0

Appendix 4B - Operations & Neighbourhoods

Engineers Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
MCF, Walking , Cycling & Other	4,102	0	21	2,124	1,978	0	4,102	0
Tameside Public Realm	4,951	0	1	4951	0	0	4,951	0
Bridges, Structures & Inspections	525	0	11	525	0	0	525	0
Other Highways & Town Capital	365	0	10	365	0	0	365	0
Street Lighting	2,476	0	435	2476	0	0	2,476	0
Safer Roads grant fund	75	0	0	75	0	0	75	0
Principal Highways & Town Capital	(148)	0	0	(148)	0	0	(148)	0
Flood Prevention & Resilience	362	0	4	362	0	0	362	0
21-22 Highway Maintenance grant	2,415	0	116	2,415	0	0	2,415	0
Total	15,123	0	598	13,145	1,978	0	15,123	0

Walking & Cycling Schemes- Hyde to Mottram – Projected Outturn Variation (£1.978m)

The capital programme had an approved budget of £1.9m for this scheme, fully funded by the Highways England grant. Highways England have requested that the scheme be paused. Costs incurred to date for scheme development have been claimed . A final invoice for works completed to 31 March 2021 is being finalised. The grant is now timed out. To continue with the scheme the grant conditions would need to be updated with a revised timetable for completion of the related works.

Walking & Cycling Schemes - MCF COVID – Projected Outturn Variation (£0.162m)

The value of the grant was £0.500m with a deadline for draw down of 31 March 2021. The funding timescales for bidding and delivering the schemes were extremely challenging. A final claim was submitted to Transport for Greater Manchester (TfGM) at the end of March 2021 for the value of £0.338m

Appendix 4B - Operations & Neighbourhoods

Transport Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Fleet Replacement 20/21 - 21 Vehicles	127	0	170	170	(43)	0	127	0
Gully Cleaning Vehicle	165	0	0	0	165	(165)	0	165
Total	292	0	170	170	122	(165)	127	165

Gully Cleaning Vehicle – Re-profiling (£0.165m)

An order has been raised for the purchase of an additional gully cleansing vehicle . The vehicle will not be delivered and paid for until the next financial year.

Appendix 4B - Operations & Neighbourhoods

Environmental Services Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Cemeteries and Crematoria	1,875	0	174	1,875	0	0	1,875	0
Childrens Playground Facilities	424	0	3	424	0	0	424	0
Greenspace	261	0	2	261	0	0	261	0
Fairlea, Denton & Greenside Lane, Droylsden	52	0	0	52	0	0	52	0
Total	2,612	0	178	2,612	0	0	2,612	0

Stronger Communities Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Libraries for 21st Century	16	0	0	16	0	0	16	0
Total	16	0	0	16	0	0	16	0

Appendix 4C - Education

Education Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Secondary Schools	6,326	0	33	6,459	-133	0	6,326	0
Primary Schools	5,898	0	928	5,890	8	0	5,898	0
School Minor Works	197	0	-2	189	8	0	197	0
Devolved Formula Capital	648	0	11	648	0	0	648	0
Unallocated Basic Need	11,177	6,348	0	11,044	133	0	11,177	6,348
Unallocated School Condition Grant	1,383	0	0	1,399	-16	0	1,383	0
Unallocated Health Pupil Capital	0	0	0	0	0	0	0	0
Unallocated Special Provision Capital	315	0	0	315	0	0	315	0
Unallocated Short Breaks	88	0	0	88	0	0	88	0
Unallocated 2yo Entitlement	155	0	0	155	0	0	155	0
Unallocated High Need Provision	1,223	0	0	1,223	0	0	1,223	0
Unallocated Developer Contribution	50	0	0	50	0	0	50	0
Total	27,460	6,348	970	27,460	0	0	27,460	6,348

Appendix 4C – Children’s Social Care

Children’s Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Childrens Assessment Centre	397	0	1	397	0	0	397	0
St Lawrence Road	48	0	21	52	(4)	0	48	0
Total	445	0	22	449	(4)	0	445	0

Appendix 4D - Finance & IT

Digital Tameside Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Digital by Design	20	0	0	20	0	0	20	0
Tameside Digital Infrastructure	61	0	10	61	0	0	61	0
Microsoft Office & Server licencing	344	0	8	175	169	0	344	0
Total	425	0	18	256	169	0	425	0

Appendix 4E – Population Health

Population Health Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Extension to Hyde Leisure Pool	881	0	636	838	43	0	881	0
New Aquatic Centre	0	0	43	43	(43)	0	0	0
Total	881	0	679	881	0	0	881	0

Appendix 4F - Adults

Adults Capital Programme							Re-profiled Budgets	
Capital Scheme	2021/22 Budget £000	Future Year Budgets £000	2021/22 Actual to Date £000	2021/22 Projected Outturn £000	2021/22 Projected Outturn Variation £000	Re-profiling to be approved £000	Re-profiled Budgets 2021/22 £000	Future Year Budgets £000
Disabled Facilities Grant	2,000	0	221	2,000	0	0	2,000	0
Occupational Therapist - Equipment Review	46	0	0	46	0	0	46	0
Housing Assistance	178	0	5	80	98	(98)	80	98
Moving With Dignity	190	0	42	190	0	0	190	0
Disability Assessment Centre	250	0	0	250	0	0	250	0
Total	2,664	0	269	2,566	98	(98)	2,566	98