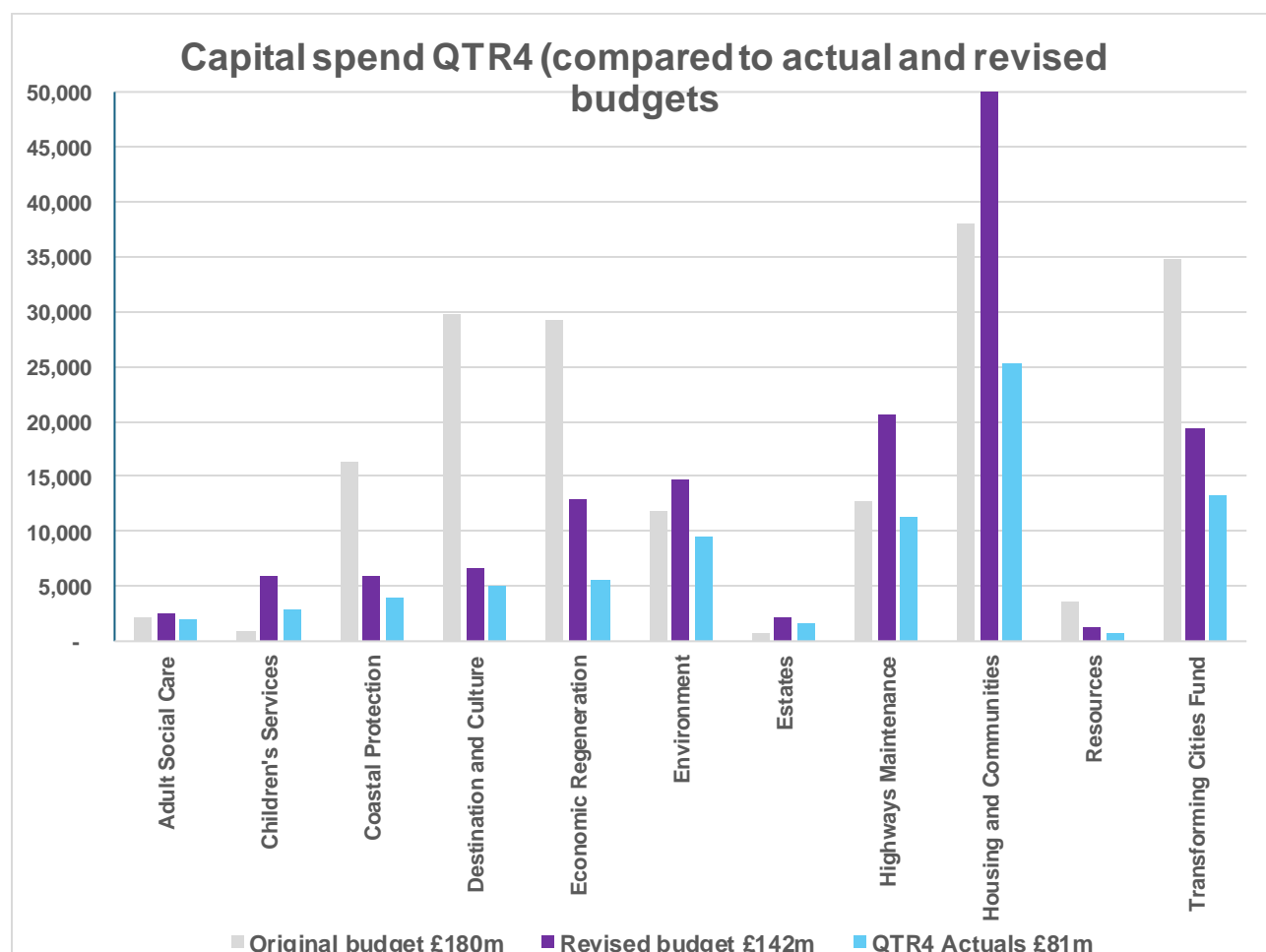


## 2023/24 Capital Outturn

### Capital budget monitoring

1. This appendix covers the council's budgeted capital investment programme (CIP) for general fund capital expenditure only. Housing revenue account (HRA) related capital spend is included separately in Appendix D.
2. The capital investment programme includes only approved capital schemes that are supported by robust business cases. It does not include pipeline projects that are awaiting business case development and subsequent approval. It also excludes capital funding that, whilst approved, has not yet been allocated to capital projects.
3. In February 2023 Council approved a general fund capital investment programme budget of £180 million for 2023/24. This budget evolved, to include new schemes, slippage from 2022/23 and the effect of reprofiling expenditure forward into future years. These all received appropriate approval in line with BCP financial regulations and led to a revised capital programme by quarter 4 of £142 million. The chart below reflects final spend against this revised programme.
4. As at 31 March 2024, £81 million (57%) of the revised full year capital budget had been spent.
5. Figure 1 below summarises capital spend by directorate.



6. The legacy of Covid-19 and Brexit cost increases continued to be an issue during 2023/24 impacting on delivery of the capital programme as did the relatively high cost of borrowing.

### **Capital programme financing 2023/24**

7. Figure 2 below summarises the capital funding sources applied to 2023/24 capital spend:

	2023/24 £'000
<b>Government grant</b>	<b>45,540</b>
<b>Third party receipts</b>	<b>1,607</b>
<b>S106 &amp; Community Infrastructure Levy</b>	<b>2,723</b>
<b>External Funding</b>	<b>49,870</b>
<b>General fund reserves</b>	<b>1,943</b>
<b>Futures Fund</b>	<b>540</b>
<b>Prudential borrowing</b>	<b>29,078</b>
<b>BCP funding</b>	<b>31,561</b>
<b>Capital investment programme funding</b>	<b>81,431</b>

8. External sources funded 61% of 2023/24 capital expenditure. This included government grants, third party receipts, s106 developer contributions and community infrastructure levy (CIL). Most of the remaining capital expenditure was funded from prudential borrowing.
9. The use of BCP reserves to fund capital spend is restricted to expenditure for which no other sources of capital funding can be identified. Examples include feasibility studies for potential future capital projects and earmarked reserves built up in partnership with third parties.

## **Capital budget virements and acceptance of capital grants**

10. In accordance with the council's financial regulations the following rules associated with capital virements, and acceptance of grants apply (after advice from the Chief Finance Officer):

- Acceptance of grants greater than £100,000 and up to £1 million require Cabinet approval
- Virements over £1 million require prior Council approval.
- Virements over £500,000 and up to £1 million require prior Cabinet approval.
- Corporate Directors can approve virements over £100,000 up to £500,000.
- Service Directors can approve virements up to £100,000.

11. The following capital virement to accept new grant requires Cabinet approval:

**Directorate:      Operations**

**Purpose:            Accept £0.157 million grant from Sport England**

The Sport England Swimming Pool Support Fund grant will be used to install Photo Voltaic (PV) Panels at Two Riversmeet Leisure Centre.