

CABINET – 16 June 2026

CAPITAL OUTTURN REPORT 2025/26

Report by Deputy Chief Executive (Section 151 Officer)

Recommendation

1. **The Cabinet is RECOMMENDED to:**
 - a) Note performance against the Capital Programme for 2025/26.
 - b) Note the Capital Programme Provisional Outturn Summary for 2025/26

Annex 1a: Strategy Programmes Expenditure

Annex 1b: Capital Financing

Annex 1c: Strategy / Programme Level Reporting during the year

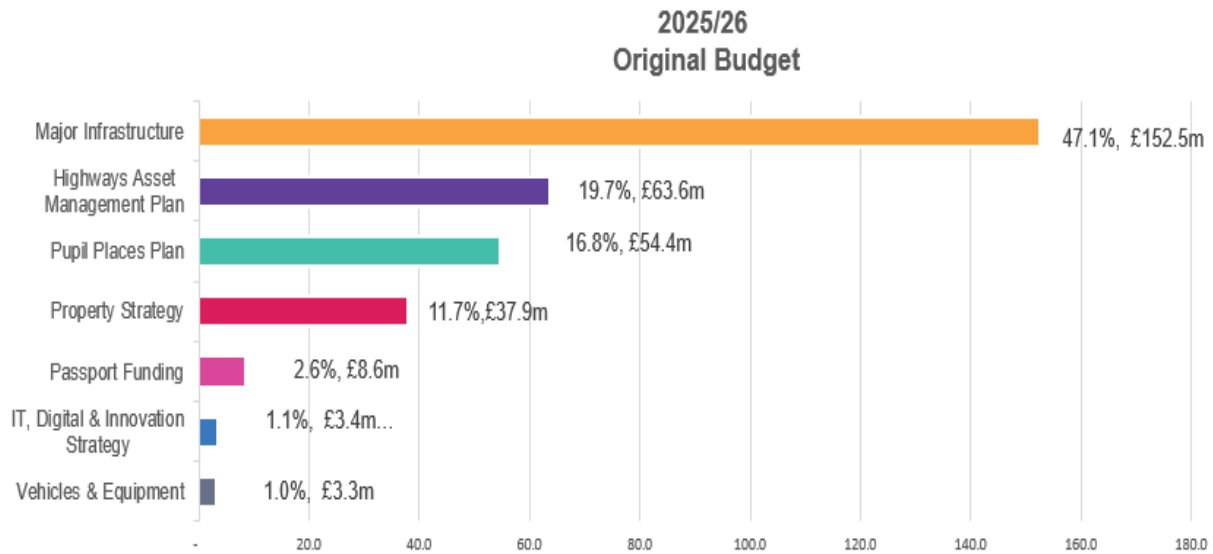
Executive Summary

2. The ten-year Capital Programme sets out the agreed capital investment to deliver the priorities identified in the council's Capital and Investment Strategy. This report updates on the performance against the programme shown in the latest monitoring report for 2025/26 and also compares back to the capital programme agreed by Council in February 2025. The expenditure and funding for the financial year set out in the report will be incorporated into the Council's Statement of Accounts for 2025/26.
3. The capital programme is updated throughout the year to reflect the latest delivery profiles and cost estimates for each programme. The last update was based on the January 2026 monitoring position and agreed by Cabinet in March 2026. Planned capital spend for 2025/26 totalled £323.7m. Actual capital programme expenditure by 31 March 2026 was £231.3m. The variation between the latest programme and the actual expenditure is -£36.2m (-14%). This spend is now expected to take place in 2026/27.
4. The expenditure was funded by £143.5m of capital grants and other external contributions, £46.2m of developer contributions and Community Infrastructure Levy, £2.9m of revenue contributions, and £38.7m of prudential borrowing.

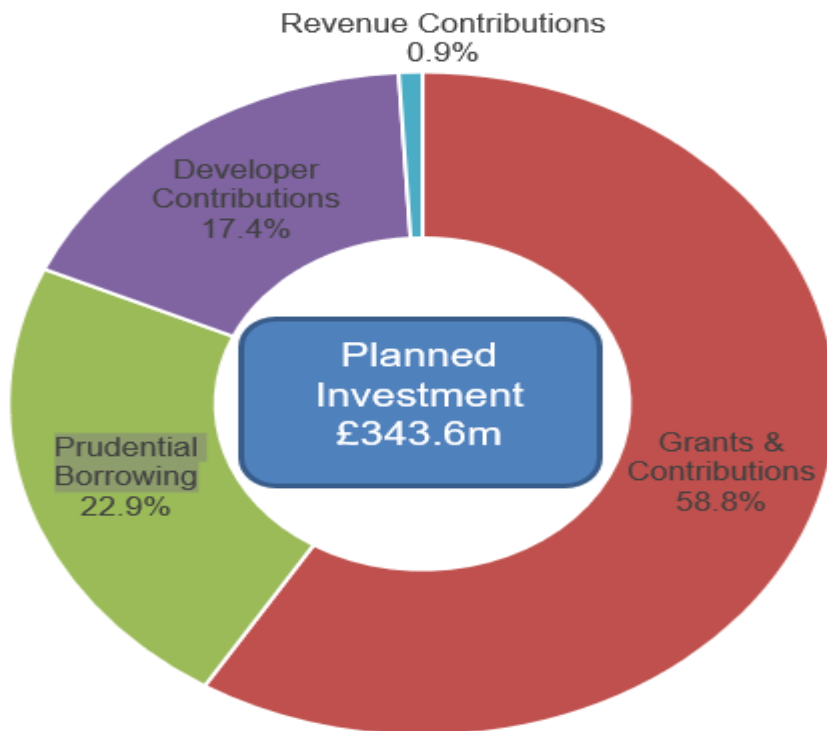
Introduction

5. Capital expenditure is defined as spending that creates an asset for the council (e.g. buildings, vehicles and equipment), and spending which meets the definition in regulations specified under the Local Government Act 2003 which includes spend on non-current assets that are not owned by the Council such as academy schools and the award of capital grants and funding agreements.

6. The council's ten-year capital programme sets out the agreed capital investment to deliver the priorities identified in the Capital and Investment Strategy. This is agreed annually by Council alongside the revenue budget and Medium-Term Financial Strategy.
7. The programme is structured as follows:
 - **Pupil Place Plan:** including basic need (new schools and expansion), maintenance, health and safety and improvements,
 - **Major Infrastructure:** including Growth Deal Infrastructure programme,
 - **Highways and structural maintenance:** including street lighting, and bridges,
 - **Property Strategy:** including health & safety, maintenance, improvements and the Investment Strategy,
 - **IT, Digital & Innovation Strategy:** including broadband, software and equipment,
 - **Passported Funds:** including Disabled Facilities Grant and Devolved Schools Capital,
 - **Vehicles and Equipment:** including fire and rescue vehicles and equipment,
8. Each strand of the programme is underpinned by supporting strategies which set out the need for capital investment and the contribution of that planned investment towards the council's priorities. These include:
 - Pupil Place Plan and Special Educational Needs and Disability (SEND) Sufficiency Plan
 - Local Transport & Connectivity Plan
 - Highways Asset Management Plan
 - Property & Assets
 - Household Waste Recycling
 - Libraries & Heritage
 - Climate Action Framework
 - IT & Digital
9. The original capital programme for 2025/26 was agreed by Council in February 2025 as part of the Capital and Investment Strategy. This sets out anticipated spend of £323.7m plus a further £19.9m from earmarked reserves. This included £54.5m (17% of the overall programme) for the provision of additional school places and new schools, and £216.1m (67% of the overall programme) planned expenditure on major infrastructure projects, including large road improvement schemes, and road maintenance. Funding required to deliver the IT & Digital Strategy was £3.4m and spend on the Property Strategy of £37.8m. The chart below shows the planned spend and the proportion of the overall programme by programme area based on the original budget plans for 2025/26.



10. Planned investment of £343.6m was expected to be funded from £202.1m grants and contributions (58.8% of the planned investment), £59.9m developer contributions (17.4%), prudential borrowing of £78.4m (22.9%) and revenue contributions of £3.2m (0.9%).



11. The capital programme is updated four times each year to reflect the latest forecast profile of expenditure. The latest updated programme was agreed by Cabinet in March 2026 and set out anticipated investment of £267.5m in 2025/26.

12. Annex 1a shows actual expenditure for 2025/26 by strategy area compared to both the original budget and latest budget.

Performance Summary 2025/26

13. A summary of actual expenditure compared to the latest capital programme update is set out in the table below and Annex 1a.

Strategy Programmes	Jan' 2026 Capital Monitoring (Cabinet March 2026) £m	Actual Capital Expenditure 2025/26 £m	Variation to Latest Capital Programme £m	Variation to Latest Capital Programme %
Pupil Places Plan	50,419	42,296	-8,123	-16
Major Infrastructure	108,502	94,504	-13,998	-13
Highways Asset Management Plan	62,590	55,922	-6,668	-11
Property Strategy	24,690	20,234	-4,456	-18
IT, Digital & Innovation Strategy	7,599	5,393	-2,206	-29
Passport Funding	10,693	10,236	-457	-4
Vehicles & Equipment	3,032	2,697	-335	-11
Total Strategy Programmes Expenditure	267,525	231,282	-36,243	-14

14. Actual capital programme expenditure for 2025/26 was £231.3m compared with £231.0m in 2024/25 and £175.9m in 2023/24.

Pupil Places Plan

15. Actual expenditure on pupil places was £42.3m in 2025/26. This is £8.1m lower than forecast in the report to Cabinet in March 2026. The Pupil Place Plan includes 3 main programmes:

- School Expansions (Basic Need) - these are usually school expansion projects that are funded by central government grant and/or Section 106 developer funding to ensure there are enough school places for children within Oxfordshire.
- New Schools (Growth Portfolio) – these are usually new school projects within large housing sites allocated in local plans that are funded from contributions sought from developers via a Section 106 agreement towards the costs of providing community and social infrastructure.
- Schools Annual Programmes – this includes the School Structural Maintenance Programme (SSMP) which addresses the highest condition-based priorities within the school estate enhancing the school stock condition and reducing the backlog maintenance, and the School Access

Programme which ensure that mainstream buildings are accessible for pupils with Special Educational Needs and Disabilities.

16. Projects in the school expansions and new school programmes are either delivered directly by the Council, delivered by a housing developer or by a third party (usually an Academy Trust or Diocese) via a funding agreement. Regardless of how they are delivered, each project brings benefits to residents living in Oxfordshire by improving the quality and facilities at existing schools; providing additional pupil places allowing greater parental choice and ensuring that housing developments have the infrastructure necessary for them to become thriving communities.
17. The School Expansion Programme invested £10.1m on projects in design and construction during 2025/26. Expansion projects at 5 schools started in 2025/26, of which 2 were completed within the year and the other 3 will complete in the first half of 2026/27, creating an additional 300 places.

Schemes completed in 2025/26 include:

- Langtree Secondary School, Woodcote (Refurbishment of 3 science labs and external dining canopy)
- Orchard Meadow Primary School, Oxford (Foundation Stage Accommodation)

Schemes currently in construction which are due to be completed in 2026/27 creating 300 additional places are:

- Woodgreen Secondary School, Witney (150 additional pupil places)
- Marlborough CE Secondary School, Woodstock (150 additional pupil places)
- Fir Tree Junior School, Wallingford (expand from Junior to Primary)

18. There are several projects in the pre-construction phase and it is anticipated that some of these will commence construction in 2026/27.

(Initial place estimate between 30-50 pupil places)

- Botley Primary School, Oxford
- Edith Moorhouse Primary School, Carterton
- Sandhills Primary School, Oxford
- The Blake CE Primary School, Witney
- St Mary's CE Primary School, Chipping Norton
- The Warriner Secondary School, Bloxham

- Heyford Park School (150 additional pupil places)
- Faringdon Community College (replacement of temporary accommodation)
- Mabel Prichard Special School, Oxford (23 additional SEND places)
- Grove CE Primary School (105 additional pupil places)
- Mill Lane Chinnor (Replacement Temporary Classrooms)

- St Josephs, Thame (new nursery 30 places)
19. The New School Programme invested £24.5m during 2025/26. Projects currently in construction which are due to be completed in 2026/27 include:
- St Nicholas, Wallingford (315 new pupils + nursery)
 - Didcot Valley Park Primary School (630 place new Primary + Nursery)

Two further schools are being delivered by the Education and Skills Funding Agency (ESFA) and financial contributions towards the schools are included within the capital programme:

- Artemis Academy: SEND Free School, Faringdon (118 additional SEND pupil places),
 - Grove Airfield – Secondary phase of a new all-through School (600 additional pupil places),
20. In addition, there are 6 new school projects in the pre-construction phase:
- Great Western Park SEND School, Didcot (120 additional SEND places)
 - Upper Heyford Primary School (315 place new primary + 65 place nursery)
 - Grove Airfield Primary No. 2 (420 plus Nursery)
 - Valley Park SEND School, Didcot (120 places)
 - Woodeaton Manor SEND School – relocation (34 additional places)
 - Brize Meadow Primary School (70 additional places)
21. Schools Annual Programmes invested £6.9m, delivering projects mainly through the Schools Structural Maintenance Programme. 26 projects were completed during the year and a further 9 projects are on site. A new programme of works in excess of £2.3m for 2026/27 has been identified and consists of 27 projects.
22. Projects were delivered via the School Access Programme which ensure that mainstream buildings are accessible for pupils with Special Educational Needs and Disabilities. In total, accessibility improvements were made to 11 primary schools and seven secondary schools enabling disabled pupils to attend their preferred school.

Major Infrastructure

23. Spend on schemes with the Major Infrastructure Programme was £94.5m. The programme is divided into various sub-programme areas as shown in the table below.

Major Infrastructure	Latest Monitoring	Actual	Variation
	£'000	£'000	£'000
Housing Infrastructure Fund 1 (HIF1)	40,900	31,979	-8,921
Housing Infrastructure Fund 2 (HIF2) & A40	21,900	19,360	-2,540
A423 Improvement Programme	450	426	-24
Active Travel & Mobility Hubs	2,800	2,044	-756
Bicester & Banbury Locality	11,275	11,370	+95
Oxford Locality	4,271	4,682	+411
South & Vale Locality	14,300	14,055	-245
Major Infrastructure Sub-total	95,896	83,915	-11,981
Place Shaping	7,822	7,526	-296
Transport Policy	4,784	3,067	-1,717
Other Programmes	0	-4	-4
Major Infrastructure –Total	108,502	94,504	-13,998

24. The overall programme spent £94.5m. This is £14m less than the latest budget forecast of £108.5m.

HIF1 Programme

25. The HIF1 programme spent £32.0m, -£8.9m less than the latest budget, with a number of risks causing delays in 2025/26, highlighted in the last capital monitoring report, being realised.

- **Clifton Hampden Bypass** (Stage 3 Delivery) - the start date of the construction phase has been rescheduled and is now planned for 2026/27. Enabling works have begun.
- **Culham River Crossing** (Stage 2 Design) – extended enabling works have started and the start date of the construction phase, is planned for later in 2026/27.
- **Didcot Science Bridge** (Stage 3 Delivery) – enabling works have started but major land costs have been rescheduled into 2026/27.

HIF2 & A40

26. Overall, the combined programme spent £19.4m, -£2.5m less than the latest budget. This mainly relates to the Access to Witney (Shores Green) scheme where utility works payments were phased over the months of March and April 2026. The current status of the projects in the programme is:-

- Stage 2 Design – Eynsham to Wolvercote
- Stage 3 Delivery – Access to Witney, Dukes Cut
- Stage 4 Close Out – Phase 1 Oxford North and Phase 2 Science Transit

Countywide programme

27. The Countywide programme spent £30.1m, £0.3m more than the latest budget. This is due mainly to increased spend in the Cherwell Street and A34 Lodge Hill Slips projects offset by reduced spend in Benson Relief Road, A4130 Steventon Lights and Banbury Road improvements projects. There was increased spend in the Oxford Zero Emission Zone and Oxford Traffic Filters projects, primarily linked to prolongation costs associated with the delay resulting from the closure of the Botley Road.
28. The current status of the projects in the programme are:-
- Stage 1 Feasibility – Oxford Zero Emissions Zone (wider)
 - Stage 2 Design – Bicester Strategic Link Road, Kennington Improvement Programme, Didcot Northern Perimeter Road, Watlington Relief Road, East Oxford Active Neighbourhood, Oxford Traffic Filters, Oxpens to Osney Mead Bridge
 - Stage 3 Delivery – Cherwell Street, Banbury Road Improvements, Steventon Lights, Benson Relief Road, M40 J10 Padbury Roundabout, Tramway Road, Wantage Eastern Link Road, Access to Headington, Active Travel 2 City, Botley Road Mitigation, Riverside Routes, A4185 Iffley Road (Safer Roads), A4165 Banbury Road (Safer Roads), Woodstock Road Corridor

Other programmes

29. The Active Travel & Mobility Hubs programmes spent £2.0m, which is -£0.8m less than the latest budget. This is due mainly to Benson Lane project, which will progress in 2026/27. All but the Witney High Street project, which is in Stage 3 Delivery, are currently at Stage 2 Design.

Major Infrastructure – Place Shaping

30. The programme spent £7.5m, which is £0.3m less than the latest budget. Most of the programme expenditure is part payment of £6.5m (£10m total contribution) towards the Oxford Railway Station Development, funded through the previous Enterprise Oxfordshire (previously OxLEP) City Deal Programme.

Transport Policy

31. The programme spent £3.1, which is £1.7m less than the latest budget, due to a delay in the final claim for the electric buses, as part Zero Emission Bus Regional Area programme, which had been planned for March 2026. All buses and infrastructure have been delivered with the final tranche was rolled out in December 2024.

Highways Asset Management Plan (HAMP)

32. The expectation is that the HAMP will enable the council to maintain the 4,656km of network that it is responsible for, in as close as possible to a 'steady state' within the funding available.
33. The total HAMP spend for this year was £55.9m, which is -£6.6m less than the latest budget. The programme is divided into sub-programme areas as shown in the table below:

Highways Asset Management Plan	Latest Monitoring	Actual	Variation
	£'000	£'000	£'000
Structural Maintenance Annual Programme	44,800	43,594	-1,206
Improvement Programme	2,830	2,356	-474
Major Schemes & Other Programmes	5,950	5,148	-802
Network Management Programme	8,210	4,477	-3,733
Other	800	347	-453
Highways Asset Management Plan – Total	62,590	55,922	-6,668

34. The planned and delivered activities for the main programmes are shown below:

Project	Planned Schemes	Delivered Schemes	Progress Update
Surface Treatments (schemes)	138	140	Schemes to restore the condition or prolonging the life of existing carriageways. Surface Dressing and Micro-Asphalt programme completed. Pre-patching SD programme currently underway
Carriageways (schemes)	9	8	Surfacing/reconstruction/strengthening of roads. One scheme left to deliver towards the end of the year.
Structural Highways Improvements (schemes)	59	38	Surface inlay and minor patching schemes across the county. Slight delay in this programme due to schemes changing from patching to full surfacing
Footways (schemes)	76	60	Repair/construction of footways and cycleways. Footway slurry programme completed with some footway reconstruction schemes left to deliver.
Drainage (schemes)	37	20	Repair/renewal of existing drainage infrastructure and provision of new infrastructure to resolve known drainage issues. Delay in this programme due to extended investigation works
Bridges (schemes)	13	6	Strengthening/replacement/imposition of management measures on weak structures. Delay in commencing schemes on site due to

Project	Planned Schemes	Delivered Schemes	Progress Update
			extended design works required, intention is to reprofile into future years.
Electrical	1,800 2,700	824 2,867	Additional LED Replacement units being installed this year. Column Replacement
20mph Speed limit (schemes)	9	5	The last remaining schemes of this programme, following consultations that have taken place, have either been implemented by year end as planned or are expected to be delivered during 2026/27.
Section 42 contributions (schemes)	45	45	Programme delivered by Oxford City Council and covering all the unclassified roads and footways within the city. All schemes delivered.

35. The Structural Maintenance Annual Programme spent £43.6m, -£1.2m less than the latest budget. This is the result of an increase in spend, due to the completion of more surface treatment schemes than originally planned and an increase in the scheduled maintenance element of the structural improvements programme. These increases were offset by underspends in all other annual programmes.
36. The Annual Improvement Programme spent £2.3m, which is -£0.5m less than the latest budget, due mainly to underspends in the Vision Zero programme.
37. Major Schemes & Other Programmes spent £5.1m, which is -£0.8m less than the latest budget. This is partially due to a reduced spend in the Street Lighting LED replacement programme, due to the reduced number of LED replacement units being installed.
38. The Highway Network Management Programme spent £4.5m, which is -£3.7m less than the latest budget. This is due mainly to underspends in the Countywide Traffic Signals, Traffic Signal programme, Bus Stop installation and Upgrades and Vehicle Improvement Fund projects (grants to transport providers). The latter is due to the realisation of the late finalisation of grant payments, the risk of which was reported in the last capital monitoring report. Many of the traffic signals sites were in a design phase during 2025/26 and the delivery of these sites will take place in 2026/27.

Property Strategy

39. Total capital expenditure in 2025/26 was £20.2m, £4.5m lower than the latest monitoring report.

Estate Decarbonisation Programme

40. The council's property accounts for approximately 35% of the emissions within the 2030 target (based on 2023/24 data). While there is a long-term plan for

decarbonisation of the UK electricity grid, this reflects the Government's commitment to net zero by 2050.

41. As such the council's strategic approach to reaching the decarbonisation targets is to stop fossil fuelled activities within the council's properties, which is predominantly heating, via the electrification of these components.
42. This programme supports both the key objectives within the Climate Action Framework and Carbon Management Plan, but also the Property Strategy.
43. Work has completed or is nearing completion on 23 sites included in the 2024/25 decarbonisation programme, with heat turned on at all of these. The remaining four sites are now expected to complete in 2026/27 due to the timing of electricity grid upgrades, subcontractor insolvency or delays caused by other programmes of work. All eligible grant has been claimed for, and additional works were completed with remaining Salix funding (nine sites). The budget is £9.5m in total and includes £2.6m of Public Sector Decarbonisation Scheme funding.
44. For the 2025/26 decarbonisation programme, design work has started on all suitable sites. Construction works have been completed on 4 sites, 3 sites have been paused due to operational reorganisation and discussions with the government grant funder, the remainder are either into contract with works scheduled during 2026/27 or due to go out to tender shortly. The total value is £10.4m, including £0.4m of Public Sector Decarbonisation Scheme funding).
45. The combined expenditure over the two programmes in 2025/26 was £5.7m with a cumulative spend to date of £8.3m.

Office Rationalisation & Co-location

46. The planned spend for 2025/26 has been re-profiled into 2026/27 in line with the timeline for the County Hall relocation.

Children's Homes Programme

47. The Council incurred £3.5m of expenditure in 2025/26 (£10m cumulative spend) against the £10.450m programme for the delivery of four new children's homes (providing 12 additional beds) within Oxfordshire. One of the homes is open and registered, and two others are ready to be registered with Ofsted. The fourth home is structurally complete; however, registration cannot take place until the planning process for the change of use has been approved. This approval has been delayed due to actions required to mitigate the environmental impact of the build.

Speedwell House Redevelopment

48. Reflecting the revised Speedwell House redevelopment, the Council incurred expenditure of £0.8m in 2025/26. The overall budget for the scheme has been reduced to reflect the revised plans.

Warm Homes: Local Grant Capital Retrofit Programme

49. The capital retrofit programme, Warm Homes: Local Grant, was expected to install approximately 130 energy efficiency measures across at least 60 low-income properties with poor energy performance in 2025/26. The programme completed 86 properties, more than the baseline target as a result of additional funding. The total value of the baseline award from the Department for Energy Security & Net Zero was £3.75m for a 3-year programme running between 2025/26 to 2027/28 but has now been increased to over £4m.

School Energy Loans

50. The council has allocated over £1.8m between 2023/24 and 2026/27 as loan financing available to maintained schools to install retrofit measures (LED lighting, solar photovoltaics and battery storage). Because of the need for schools to schedule work largely in school holidays, in-year expenditure was £0.1m this financial year. For 2026/27, the programme has a strong and growing pipeline, with around 18 schools currently engaged. Based on schemes in development, it is anticipated that approximately £0.6m of energy efficiency improvement work will be delivered by maintained schools in 2026/27.

Specialist Supported Living Accommodation Programme

51. This programme will deliver much-needed, bespoke, and high-quality specialist supported housing in Oxfordshire for adults who may currently be in hospital or secure units. It marks a vital step forward in improving quality of life and long-term outcomes by enabling people to live more independently within their communities. The initiative is designed to ensure accommodation is provided in a way that is both financially sustainable and socially impactful. In the absence of private sector investment in these essential services, council-led intervention is crucial. Without it, individuals would remain in inappropriate or high-cost settings that do not support autonomy or integration.
52. Actual expenditure in 2025/26 was £1.8m. This will be funded from the £5.9m funding for residential accommodation approved in February 2025.

IT, Digital & Innovation Strategy

53. Total capital expenditure on ICT schemes in 2025/26 was £5.4m compared to the previous forecast of £7.6m set out in the March 2026 report. The majority of the underspend was on the 5G Innovation Region Programme.
54. The digital infrastructure programme (to deliver the outcomes of the ITID Strategy) incurred expenditure of £4.4m. The following projects were completed in 2025/26:
- Data Centre Hardware – replacement of ageing data centre equipment and transfer to a new site, to ensure ongoing stable and secure infrastructure to run Council services.

- Reimagining the intranet – a new employee engagement platform was successfully implemented.
- Social care and public health dashboards – multiple dashboards created to inform and enable data led decisions in these areas.
- Public Services Telephone Network Withdrawal – made significant progress to reduce risks and impacts of the withdrawal of the copper telephony network, especially addressing telecare devices used by social care clients.
- End User and network equipment – continued investment in planned regular refresh of hardware so that staff are able to work effectively from multiple locations with secure access and performant devices.

55. IT are working on a number of projects which will continue into 2026/27. These include:

- Public Services Telephone Network Withdrawal – complete work with suppliers to reduce risks and impacts of the withdrawal of the copper telephony network
- End User and network equipment – continued investment in planned regular refresh of hardware so that staff are able to work effectively from multiple locations with secure access and performant devices.
- Cloud migration – move systems from data centre to cloud hosted alternative. This reduces reliance on data centre hardware and improves resilience.
- Cyber security – a programme of investment in systems, services and processes to ensure data and system are protected from malicious attacks.

Broadband

56. The costs associated with the 5G Innovation Region (5GIR) programme are met by grant funding from the Department for Science, Innovation and Technology to increase adoption of 5G connectivity. The programme is a regional partnership, known as England's Connected Heartland (ECH) which comprises local bodies from Berkshire, Buckinghamshire, Bedfordshire and Cambridgeshire with Oxfordshire as the lead authority. The ECH will develop joint opportunities with the wireless telecoms supply chain and create an Advanced Wireless ecosystem. The project is deploying two physical 5G infrastructure builds: the Science & Innovation Campus Project at Harwell and the East West Railway Project on the track between Bicester and Bletchley.
57. The 5GIR programme spent £0.5m, which is -£2.5m less than the latest budget. Technical complexities on both projects requiring design changes and delays to legal agreements for wayleaves have delayed the project implementations. The remaining budget has moved into the 2026/27 financial year. The grant sponsor (DSIT) provided £0.540m of additional grant funding in the 2025/26 financial year to further support the projects.
58. A further £0.5m was spent on the Digital Places project. The Digital Places project is providing detailed evidence of mobile coverage across the County to

help the Digital and Smart Infrastructure team engage with operators, communities and planning teams to discuss possible solutions and identify funding sources.

Passported Funding

59. Disabled Facilities Grant of £8.8m was passed to the City and District Councils in accordance with the Better Care Fund grant determination. Households are eligible to apply for the grant for home adaptations if a child or adult in the household has a disability. Types of adaptations funded by the grant include stairlifts, level access showers, ground floor extensions designed around a person's needs and kitchens designed for a wheelchair user.
60. Schools Devolved Formula Capital expenditure was £1.2m for the year. This is grant funded by the Department of Education and through local contributions, donations and fund-raising activities. School capital balances have decreased by £0.2m to £1.4m as at 31 March 2026. This is expected as at the end of 2022/23 schools received additional capital funding of approximately 120% of their original allocation and when schools convert to academy status any capital balance is transferred to the Academy.

Vehicles and Equipment

61. At year end, certain vehicles and equipment programmes used by the Fire & Rescue Service and in-house Fleet Management Service have been added to the Council's asset register. The value of Fire & Rescue Service vehicles and equipment purchased in 2025/26 was £1.3m and was funded from revenue contributions built into the budget. The balance held in the Vehicles and Equipment Reserve for the future purchase of vehicles is £2.3m.
62. For the Fleet Management Service, a further £0.3m of expenditure was incurred to purchase 14 vehicles (minibuses, vans and cars). Of these all were full EV electric.

Comparison with Original Financial Plans (agreed in February 2025)

63. The capital programme and monitoring report is submitted to Cabinet four times during the financial year. The table in Annex 1c compares the original budget for 2025/26 to actual expenditure for each programme area at each update.
64. The original budget plan for 2025/26 agreed by Council in February 2025 was £323.7m. Changes to plans set out in reports during the financial year reduced the expected outturn position to £267.5m in the report to Cabinet in March 2026. Actual expenditure for 2025/26 was £231.3m, £92.4m lower than originally forecasted. This represents delivery of 71% (72% in 2024/25) on the original financial plan for the year.

65. The variations during the year were explained within the monitoring reports and can be summarised within the following areas. The variations for schemes within each programme are set out in detail in Annex 1c:

a) Pupil Places Plan: Reduction to original plan of £12.2m

The actual outturn position is £12.2m lower than the original plan. The projects and programmes that were significantly reprofiled were:

- **New Grove Secondary School (-£1.4m)** – the new school to create 600 pupil places is being delivered by the Education and Skills Funding Agency (ESFA) is now planned for completion in the Summer 2026 compared to the original forecast of February 2026.
- **Great Western Park SEN School (-£5.5m)** – The identified site for this project sits within the current footprint of an existing school. The land required for the new school would need to be transferred back to the Council. A consultation has been completed about the implementation of the new SEND School and the impact on the local area. Following the consultation, the land transfer is in progress with a new project timeline.
- **Heyford New Primary School (-£3.5m)** – due to prolonged planning issues for the selected school site and progress on the housing development the anticipated opening date has been pushed back.

b) Major Infrastructure: Reduction to original plan of £58.0m

The actual outturn position of £94.5m is £58.0m lower than the original plan. This is made up of a £44.0m difference between the original and latest plans and a further £14.0m difference between the outturn position and the latest plan. The programmes and projects which were significantly reprofiled were:

- **HIF1 Programme (-£16.9m)** – The August 2025 report explained that due to the finalisation of the detailed design phase and the start of the enabling works, planned for just before the end of 2025, the construction stages would need to be reprofiled into the new financial year. The programme, as a whole, was still planned to be delivered on time, though it meant that the in-year original budget would have to be reduced by £8.0m. Further extensions to the enabling work timeframe and the timings of key major land purchase, the latter specifically linked to the Didcot Science Bridge project has meant that a further £8.9m of previously forecasted spend for 2025/26 is now reprofiled to the new financial year.
- **Access to Witney (-£1.7m)** – due to the phasing of utility works payments over the months of March and April 2026.
- **A423 Kennington Bridge Improvements Programme (-£6.0m)** – The May 2025 report explained that following the receipt of revised cost estimates, which were at the time being reviewed, the construction phase

of the programme would be reprofiled into the new financial year, following the consideration of de-risking activities.

- **Active Travel Phase 3 Programme (-£7.4m)** – The August 2025 and subsequent reports set out that there were a series of programme delays which resulted in the construction phases of a number of key Active Travel projects into the new financial year. In total the original budget was reduced by £6.6m and a further £0.8m in year underspend at outturn against the latest budget is due mainly to a recently handed over project under review.
- **Tramway Rd, Banbury (-2.9m)** – due to programming delays the project is now planned to complete in 2026/27.
- **A34 Lodge Hill Slips (-£7.7m)** – Programme delays mean that the planned phases for the latter part of the year had to be re-profiled into 2026/27.
- **A4130 Steventon Lights (-£5.8m)** – In May 2025 it was reported that the construction stage of the project would be delayed and was partially reprofiled into the new financial year. In subsequent month reporting further reductions were reported totalling a £5.3m reduction to the original budget.
- **Watlington Relief Road (-£2.5m)** – In August 2025 it was reported that this scheme's construction phase would be delayed, pending the planning decision. The budgeted spend in 2025/26 was reduced again in October 2025, leading to a total reduction of £2.4m.
- **Placemaking Oxford Railway Station Development (-£3.5m)** – slippage due to the previously reported phasing of the contribution over two years.

c) Highways Asset Management Plan: Reduction to original plan of £7.7m

The actual outturn position of £55.9m is £7.7m lower than the original plan. This is made up of a £1.1m difference between the original and latest plans and a £6.6m reduction between the outturn position and the latest plan. The programmes and projects which were significantly reprofiled were:

- **Bridges Annual Programme (-£4.5m)** - due to extended detail design phases required for a number of structures, seven bridge schemes had to be reprofiled into 2026/27.

d) Property Strategy: Reduction to original plan of £17.6m

- **Speedwell House (-6.2m)** – in December 2025 it was reported that a change request was required on the redevelopment to reflect the reduced accommodation utilising the existing Speedwell House footprint. The

overall budget for the scheme has been reduced to reflect the revised plans.

- **Carterton Community Safety Centre (-£6.0m)** Because of the Fire Service countywide review and consideration of options on how to manage and operate the property portfolio going forwards this project is currently on hold.
- **Office Rationalisation & Co-location Programme (-£2.9m)** – the planned spend for 2025/26 has been re-profiled into 2026/27.

Capital Programme Financing

66. The table in Annex 1b summarises the financing of the 2025/26 capital programme and compares it to the financing planned in the original and latest capital programme.
67. Capital grants totalling £143.5m have been used to fund capital investment in 2025/26. These include the various funding streams to support the major infrastructure programme including £41.3m of Housing Infrastructure Funds towards the Didcot Garden Town and A40 programmes, a further £10m for the A34 Lodge Hill scheme and a further £13.1m grant from the remaining Growth Deal infrastructure programme. A total of £37m from various elements of the Integrated Transport Block has been utilised towards the annual Highway Structural Programme.
68. Capital funding for infrastructure works received from developer contributions totalled £44.5m in 2025/26. A total of £46.2m of developer contributions and Community Infrastructure Levy (CIL) funding was used in 2025/26 to finance various capital projects with the majority of this towards the delivery of the Pupil Places Plan programme. The balance of capital developer contributions towards infrastructure works held by the council as at 31 March 2026 is £237.1m. A total forecast of £145m of this funding (including secure funding) is built into the capital programme from 2026/27 onwards. The remainder will be used to support future schemes in line with the relevant agreements.
69. Un-ringfenced grant funding held in the Capital Grants Reserve increased by £1.4m during the year to £112.1m as at 31 March 2026. Within the total there is £36.2m SEN High Needs Capital Grant, £19.6m towards the A40 Oxford Science Programme, £19m Basic Need Grant and £10.9m on various Active Travel Grants.
70. The majority of un-ringfenced grants do not have conditions and are not time limited so can be used flexibly across the Capital Programme, however they are provided for specific purposes. Therefore, where available, other funding sources are used to fund capital expenditure before un-ringfenced grants. The balance of un-ringfenced grants is forecast to be spent over the ten-year capital programme period.

71. The balance of unapplied ringfenced capital grants held by the Council has remained the same at £18.4m as at 31 March 2026. The balance includes £9.8m of Community Infrastructure Levy funding received towards various projects and £3.7m towards the Local Electrical Vehicle Infrastructure programme.
72. The capital receipts and capital reserve balances are £40.4m and £87.6m respectively at 31 March 2026. The capital receipts and reserve balances are forecast to be spent over the ten-year capital programme period.

Risk Management

73. A range of factors will impact on the deliverability and cost of capital schemes. Where schemes are grant funded, there is a risk that slippage could impact on the availability of grant funding as it is not possible to complete the scheme by the funding deadline. Inflationary pressures may also mean that costs increase further by the point the scheme reaches the construction phase eroding the value of the grant funding so that is insufficient to meet the revised scheme costs.
74. These risks are managed through the council's capital governance process at both project and programme level and through the Strategic Capital and Commercial Board. Where necessary action is taken to adjust scheme deliverables and to use value engineering to maintain spend within the available funding.
75. The deadline for claiming grant funding for expenditure on the HIF1 and HIF2 schemes is 31 March 2028 and 31 December 2027, respectively. While there are other sources of funding that are expected to be used to support planned expenditure after each grant deadline any slippage in the grant funded elements would create an unfunded pressure. Progress is being monitored with updates provided through the capital governance process.

Sustainability Implications

76. The Climate Action Framework sets the council's commitment to tackling the climate emergency which is underpinned by the Council's priority to put action to address the climate emergency at the heart of our work.
77. This report includes updates on the decarbonisation of the council's assets as well as funding for improvements to energy efficiency in maintained school buildings

Staff Implications

78. There are no staffing implications arising directly from the report.

Equality & Inclusion Implications

79. There are no equality and inclusion implications arising directly from this report.

Financial Implications

80. The report sets out the position at the end of 2025/26 for the planned investment and available funding for the ten-year Capital programme.
81. The following risks are inherent within the funding of the capital programme:
- Certainty over the timing and value of future capital receipts and Section 106 Contributions.
 - Certainty over the receipt and security of future grant funding.
 - Ability to meet deadlines for the use of grant funding.
 - Ability to repay forward funding agreed as part of the budget process.
82. If capital receipts or section 106 contributions are not received within the planned timeframe it may be necessary for the Council to temporarily fund capital expenditure through prudential borrowing. The council has a prudential borrowing reserve to help manage the revenue impact of additional prudential borrowing.
83. Where additional funding is required to fund schemes on a permanent basis this will need to be addressed by reducing investment elsewhere within the programme (reprioritisation) or by permanently funding through prudential borrowing. This would require the identification of long-term revenue funding as the Prudential Borrowing is usually repaid over the life of the asset through the Minimum Revenue Provision.
84. Since the introduction of strengthened governance measures in 2022, there has been a clear and sustained commitment to continuous improvement across the Council's capital programme. A key element of this transformation has been the significant improvement in the transparency and accessibility of capital programme data. Through the integration of modern technology tools and digital reporting solutions, senior leaders are now provided with more timely, accurate, and comprehensive insights. This has materially strengthened oversight, enabling more robust challenge and supporting informed, evidence-based decision-making. This is further reinforced by the establishment of the Strategic Place Shaping and Investment Board, which plays a central role in providing strategic oversight of the Council's capital investment pipeline, ensuring alignment with corporate priorities, place-shaping ambitions, and long-term financial sustainability.

Continuous improvement remains a core principle, with ongoing enhancements to both governance processes and digital capabilities. Together, these developments will ensure a more mature, transparent and strategically aligned capital programme which is better equipped to respond to future challenges, whilst maintaining strong accountability and public value.

Comments checked by:

Kathy Wilcox, Head of Corporate Finance

Legal Implications

85. In year changes to the capital programme must be approved by Cabinet in accordance with the Council's Financial Regulations. In particular paragraph 5.1.1 at the fourth bullet point sets out that where the total estimated resource allocation is above £2,000,000, then Cabinet can agree its inclusion into the Capital Programme, via the periodic Capital Report to Cabinet, based on the recommendations by Strategic Capital Board and the Section 151 Officer.

Comments checked by: Anita Bradley, Director of Law & Governance & Monitoring Officer

LORNA BAXTER

Deputy Chief Executive (Section 151 Officer)

Contact Officers: Kathy Wilcox, Head of Corporate Finance
Natalie Crawford, Capital Programme Manager

June 2026