

Labour & Co-operative Group Capital and Investment Strategy 2024/25 to 2033/34

Proposed Programme for 2024/25 – 2033/34

- Proposed Labour & Co-operative Group changes to the capital programme are set out in Section 5.3.
- The table below sets out the amended proposed programme by strategy and the split between the Firm Programme (£646.8m) and Pipeline Programme (£633.6m).

Strategy / Programme	Current Year 2023/24 £m	Proposed Firm Programme (2 years) £m	Proposed Pipeline* Programme £m	Total Programme £m
Pupil Places Plan	39.2	88.8	120.6	248.6
Major Infrastructure	80.0	355.1	278.9	714.0
Highways Asset Management Plan	56.0	93.4	119.2	268.6
Property Strategy	17.9	63.7	16.4	98.0
IT, Digital & Innovation Strategy	5.8	9.0	1.9	16.7
Passported Funding	8.4	9.0	4.4	21.8
Vehicles and Equipment	2.2	9.3	16.1	27.6
Total Estimated Capital Programme Expenditure	209.5	628.3	557.5	1,395.3
Earmarked Reserves	0.0	18.5	76.1	94.6
Total Estimated Capital Programme	209.5	646.8	633.6	1,489.9

- The Capital Programme is fully funded over the ten - year period. The table below sets out the resources expected to be used to deliver the capital programme.

Financing	Total Programme £m
Section 106 and Community Infrastructure Levy	208.0
Grants and contributions	814.2
Prudential Borrowing	272.3
Capital receipts	119.3
Revenue Contribution	36.9
Subtotal	1,450.7
Capital Reserves	39.2
Total Financing	1,489.9

Prudential Indicators for Capital Finance – Updated for Labour & Co-operative Group Amendments

Estimates of Capital Expenditure

4. The Council is required to make reasonable estimates of the total of capital expenditure (including earmarked reserves) that it plans to incur during 2024/25 and the following two financial years. Estimated capital expenditure and financing from 2024/25 to 2027/28 has been updated to reflect the Labour & Co-operative Group amendments to the capital programme.

Capital Programme Estimates	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Capital Expenditure	172.2	209.5	320.0	326.8	254.1	157.5
Financed by:						
Prudential Borrowing	41.7	72.4	82.4	50.4	47.8	18.3
Grants and Contributions	127.9	123.6	231.5	235.2	160.5	103.8
Capital Receipts	0	0	0	36.1	21.5	31.0
Revenue	2.6	13.5	5.7	5.1	3.5	4.4
Reserves	0	0	0	0	20.8	0.0
Total Capital Investment	172.2	209.5	320.0	326.8	254.1	157.5

The Capital Financing Requirement

5. Estimates of the end of year Capital Financing Requirement (CFR) for the Authority for the current and future years and the actual Capital Financing Requirement at 31 March 2023 that are recommended for approval are set out in the table below. Estimates for 2024/25 to 2027/28 for the CFR has been updated to reflect the Labour & Co-Operative Group amendments to the capital programme.

Year	Actual/Estimate	£m
2022/23	Actual	402.727
2023/24	Estimate	463.256
2024/25	Estimate	530.989
2025/26	Estimate	563.061
2026/27	Estimate	590.567
2027/28	Estimate	586.826

Affordability

The Ratio of Financing Costs to the Net Revenue Stream

6. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code. The ratio of financing costs to the net revenue stream is estimated to remain within 4-6% in each year after the Labour & Co-operative Group amendments to the programme are included.

Year	Actual/ Estimate	Financing Cost £m	Net Revenue Stream £m	Ratio %
2022/23	Actual	15.2	576.4	2.6
2023/24	Estimate	24.7	622.5	4.0
2024/25	Estimate	27.1	661.5	4.1
2025/26	Estimate	30.8	671.4	4.7
2026/27	Estimate	34.0	692.7	5.0