

REPORT TO COUNCIL

Date of Meeting: 2 September 2025

Report of: Strategic Director of Corporate Resources & s151 Officer

Title: 2025/26 General Fund Capital Monitoring Statement – Quarter 1

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To report the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

The report seeks Member approval to amend the annual capital programme in order to reflect the reported variations.

2. Recommendations:

2.1 It is recommended that Council approve:

- (1) The overall financial position for the 2025/26 annual capital programme.
- (2) The further funding requests to the Council's annual capital programme for 2025/26.

3. Reasons for the recommendation:

3.1. Local authorities are required to estimate the total of capital expenditure that it plans to incur during the financial year when it sets the prudential indicators for capital expenditure. This shows that its asset management and capital investment strategies are affordable, prudent and sustainable.

Capital expenditure is a significant source of risk and uncertainty since cost variations, delays and changing specifications are often features of large and complex capital projects.

In order to manage the risks associated with capital programming the annual capital programme is updated every three months to reflect any cost variations, slippage or acceleration of projects.

4. What are the resource implications including non financial resources

4.1 The financial resources required are set out in the body of this report.

5. Section 151 Officer comments:

5.1 The additional request for funding is unavoidable in order to allow the continuation of service at the two principal multi storey car parks in the City Centre. It is anticipated that they will be funded by capital receipts.

6. What are the legal aspects?

6.1 Monitoring of capital expenditure is required in order to comply with the provisions of the Local Government Act 2003.

6.2 The requirements imposed on the Council by the Act are set out in section 3 of the report.

7. Monitoring Officer's comments:

7.1 The Monitoring Officer has no additional comments.

8. Report details:

8.1. REVISIONS TO THE CAPITAL PROGRAMME

The 2025/26 Capital Programme, including commitments brought forward from 2024/25, was last reported to Council on 10 June 2025. Since that meeting the following changes have been made that have increased the programme:

Description	£	Approval/Funding
Revised Capital Programme, as reported to Council 10 June 2025	45,228,920	
Matford Centre Solar PV	58,000	Approved by Council 10 June 2025 – Agenda Item 13.
Strata Business Plan	452,760	
Financial Management System	46,000	
Decarbonisation – Riverside Leisure Centre	4,395,290	
Disabled Facilities Grant	146,200	
Paris Street Car Park	75,000	Approved by Council 10 June 2025 – Agenda Item 17.
Revised Capital Programme	50,402,170	

8.2. PERFORMANCE

The revised capital programme for the current financial year is £50.402 million. There are some schemes where the timing of the spend is uncertain, these schemes have a budget of £13.831 million, of the remaining £36.571 million budget the spend during the first

three months of the year was £0.524 million, which equates to 1.43% of the revised programme. This compares with £1.541 (6.36%) that was spent in the first three months of 2024/25.

The current programme is detailed in Appendix 1. For the schemes where the timing of the spend is within the control of the Council the Appendix shows a total forecast spend for 2025/26 of £34.634 million with £0.687 million of the programme potentially being deferred to 2026/27 and beyond.

Appendix 2 shows the approved budgets for 2026/27 with the proposed 2025/26 budget to be carried forward to 2026/27 and beyond for Council to consider for approval.

8.3. AVAILABLE CAPITAL RESOURCES

The available capital resources for the General Fund for 2025/26 are £25.993 million. An estimated spend of £48.376 million is required of which £27.406 million will be funded from borrowing with £5.022 million capital receipts carried forward to 2026/27.

Appendix 3 sets out the forecast use of the resources available for the General Fund and the likely amounts of borrowing that will be necessary to fund the capital programme over the next three years.

The value of actual capital receipts received in the quarter in respect of the General Fund are:

	General Fund £
Balance as at 1 April 2025	0
New Receipts	155,000
Balance as at 30 June 2025	155,000

8.4. EXPENDITURE VARIANCES

The main variances and issues concerning expenditure are as follows:

Scheme	Variance £
Parks Anti-Intrusion Measures	£40,000
Bonhay Road/Andlaw House Footpath	(£40,000)
Officer Responsible: Head of Service – Operations The Bonhay Road/Andlaw House Footpath scheme will underspend this year to compensate for an overspend on the Parks Anti-Intrusion Measures project.	
Farm Hill Retaining Walls (23 no.)	(£17,038)
Countess Wear Retaining Wall Rebuild	£17,038
Officer Responsible: Head of Service – Operations The Farm Hill scheme will underspend this year to compensate for an overspend on the Countess Wear Retaining Wall project.	
BLRF - Exeter Canal Basin	(£589,400)
BLRF - Belle Isle	(£661,870)
Officer Responsible: Head of Service – Commercial Assets Despite feasibility work undertaken by the Council neither of the developments at Belle Isle or Exeter Canal Basin were able to come forward for residential development in the short term as required by the grant conditions as set out within the Brownfield Land Release Fund (BLRF). Therefore, these budgets which amount to £1.251 million will not be spent.	

8.5. SCHEMES TO BE DEFERRED TO 2026/27 AND BEYOND

Schemes which have been identified as being wholly or partly deferred to 2026/27 and beyond are:

Scheme	Budget to be Deferred £
Bowling Green Marshes Coastal Defence Scheme	109,190
District Street Lightning	373,070
Bromhams Farm Playing Fields	32,570
Landfill Gas Extraction Systems	25,350
ECC Bridge Repair Programme	146,360
<p>Officer Responsible: Engineering & Assets Manager</p> <p>Following an unsuccessful procurement exercise for the Bowling Green Marshes Coastal Defence Scheme an alternative approach has been selected which has required scoping and redesigning the project before procurement can commence and will increase the programme time into the next financial year.</p> <p>Delivery of works for the District Street Lighting project remain in Devon County Council's control with the project not expected to be completed this year.</p> <p>Works are progressing for the Bromhams Farm Playing Fields project with the deferral reflecting the longer contract duration agreed at tender stage to cover ongoing establishment maintenance.</p> <p>The landfill gas extraction project is expected to progress during the year but previous delays due to the need for wintertime monitoring of boreholes is likely to defer some of the works into the next financial year.</p> <p>Resourcing and operational delivery constraints have reduced capacity or extended project timelines for the delivery of the bridge programme resulting in fewer works planned in this financial year.</p>	

Scheme	Budget to be Deferred £
St Nicholas Priory Roof	88,120
<p>Officer Responsible: City Surveyor</p> <p>Regarding the St Nicholas Priory project, Historic England have asked that the funding bid needs to be resubmitted for a patch and repair as opposed to a complete replacement. A new bid will be submitted by the end of June 2026.</p>	

8.6 FURTHER FUNDING REQUESTS

Replacing Payment Equipment (John Lewis and Guildhall car parks) (£210,000)

Funding is required to enable the replacement of payment machines (both card and cashless payment methods), barriers and associated equipment at the Guildhall and John Lewis car parks (together with their ongoing maintenance/servicing via a fixed

term linked contract with the provider). Given the age, obsolescence and reliability of the current equipment, this is considered a matter of increasing urgency. The installation works are expected to cause minimal disruption and are forecast to be completed by the end of November 2025.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 The Capital Programme contributes to all of the key purposes, as set out in the Corporate Plan.

10. What risks are there and how can they be reduced?

10.1 Areas of budgetary risk are highlighted to committee as part of the quarterly budget monitoring updates.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impact on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the impact of each scheme is considered prior to approval. Any significant deviation from this will be noted within the body of this report.

12. Carbon Footprint (Environmental) Implications:

12.1 We are working towards the Council's commitment to carbon neutral by 2030. The impact of each scheme is considered prior to approval.

13. Are there any other options?

13.1 There are no other options.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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