

Commercial and Investment

Finance and Performance Report – August 2018

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
Amber	Income and Expenditure	Balanced year end position	Red	2.1 – 2.4
Green	Capital Programme	Remain within overall resources	Green	3.2

2. INCOME AND EXPENDITURE

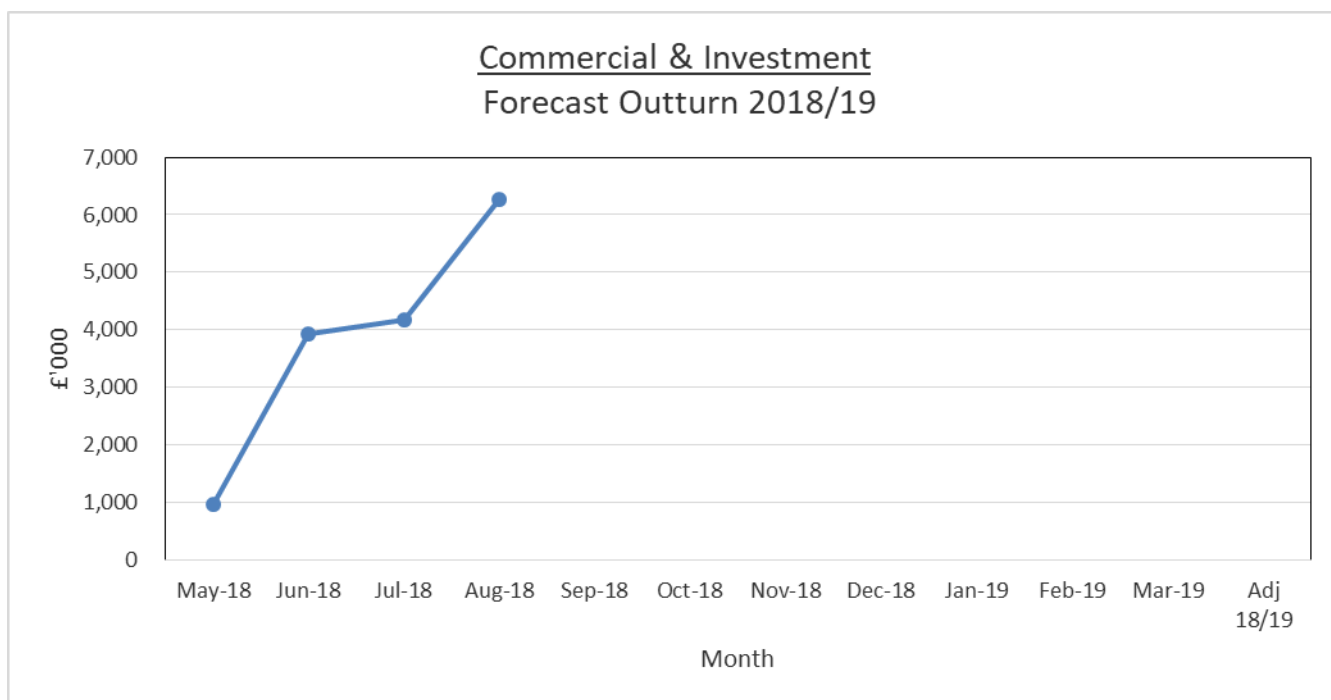
2.1 Overall Position

To ensure financial information is presented in a consistent way to all Committees a standardised format has now been applied to the summary tables and service level budgetary control reports included in each F&PR. The same format is also applied to the Integrated Resources and Performance Report (IRPR) presented to General Purposes Committee (GPC). The data shown provides the key information required to assess the financial position of the service and provide comparison to the previous month.

Outturn Variance (July) £000	Directorate	Budget £000	Actual £000	Outturn Variance (Aug) £000	Outturn Variance (Aug) %
2,950	Commercial Activity	-9,446	316	4,700	49.8%
-24	Property Services	6,037	2,367	-36	-0.6%
0	Strategic Assets	-4,098	-1,005	-54	1.3%
1,237	Traded Services to Schools and Parents	-1,200	1,310	1,653	137.8%
4,163	Total	-8,707	2,988	6,264	71.9%

The service level budgetary control report for Commercial and Investment for August 2018 can be found in [C&I appendix 1](#).

Further analysis of the results can be found in [C&I appendix 2](#).



2.2 Significant Issues – Commercial and Investment

At the end of August 2018, Commercial and Investment is forecast to overspend by £6.3m in 2018/19. This represents an increase of £2.1m from the previous forecast, mainly due to an increase in the expected underachievement on Commercial Activity.

Commercial Activity

Commercial Investments is forecasting an overspend of £3.1m at year end, which is an increase of £0.7m from the previous forecast. Although there has now been a commercial acquisition of £38m the expected income in the remainder of the year has been recalculated. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. In due course it is anticipated that this budget will deliver to target once sufficient financially appealing opportunities have been secured.

Housing Investment is forecasting an overspend of £1.5m at year end, which is an increase of £1m from the previous forecast. Expectations of interest receivable continue to be remodelled and reprofiled based on loans advanced. Loan values are constrained by the value of property at disposal (dependent on planning) alongside ensuring the Council has sufficient collateral as lender.

Traded Services

Traded Services to Schools and Parents is forecasting an overspend of £250k, which is an increase of £250k from the previous forecast. This is due to only part of an additional £500k income target being expected to be achieved in 2018/19. Work is being undertaken to improve the position for future financial years and mitigating actions will be sought in-year to offset the under-recovery.

Cambridgeshire Catering & Cleaning Services are forecasting an overspend of £1.266m in 2018/19, which is an increase of £166k from the previous forecast. This is due to an increase in the expected shortfall against income targets for the year.

2.3 Additional Income and Grant Budgeted this Period (De minimis reporting limit = £30,000)

No new items were recorded during August 2018.

A full list of additional grant income for Commercial and Investment can be found in [C&I appendix 3](#).

2.4 Virements and Transfers to / from Reserves (including Operational Savings Reserve) (De minimis reporting limit = £30,000)

The following virements have been made this month to reflect changes in responsibilities.

	£000	Notes
County Offices	-50	Rent income budget for Grand Arcade Shop transferred from Libraries.
Non material virements (+/- £30k)	0	

A full list of virements made in the year to date for Commercial and Investments can be found in [C&I appendix 4](#).

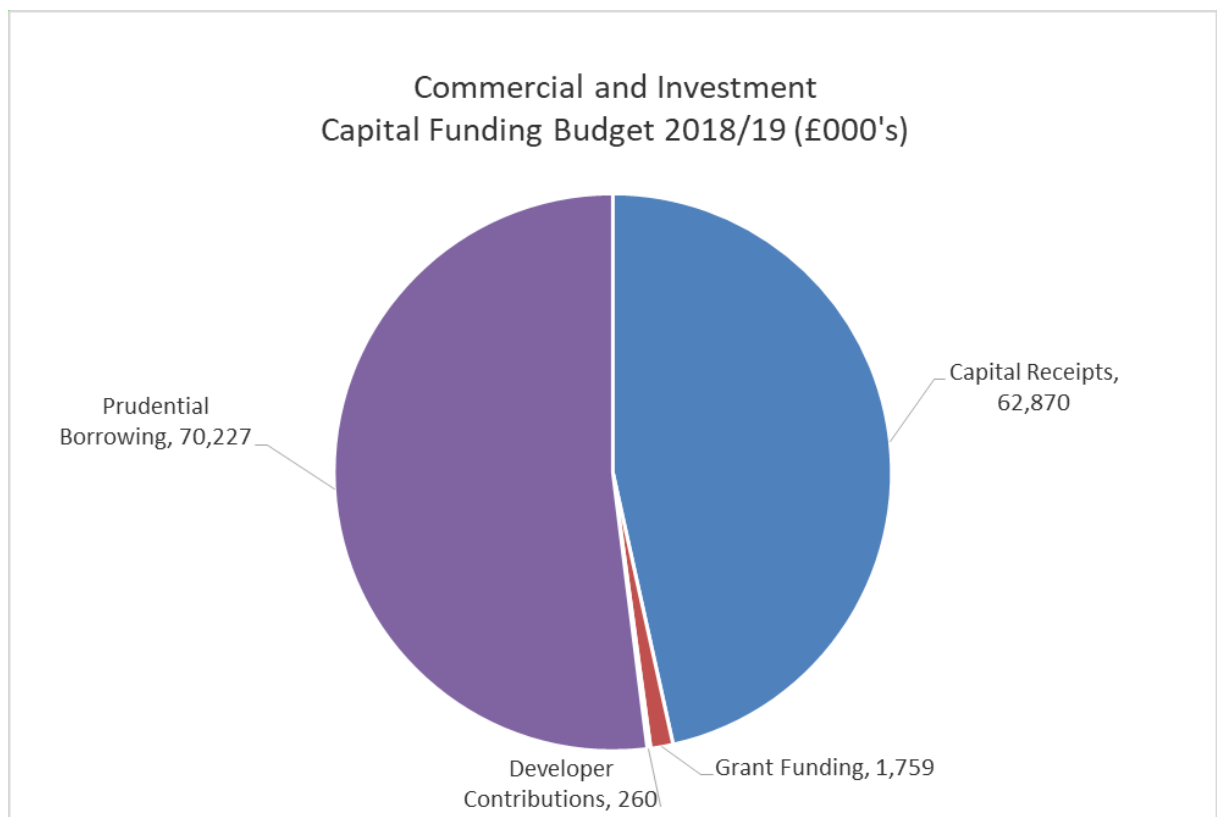
3. **BALANCE SHEET**

3.1 **Reserves**

The Commercial and Investment reserves contain various earmarked reserves and funds held for specific purposes, and capital reserves. The schedule of these reserves can be found in [C&I appendix 5](#).

3.2 **Capital Expenditure and Funding**

Commercial and Investment Committee has a capital budget of £135m in 2018/19, which is funded by the following capital resources:



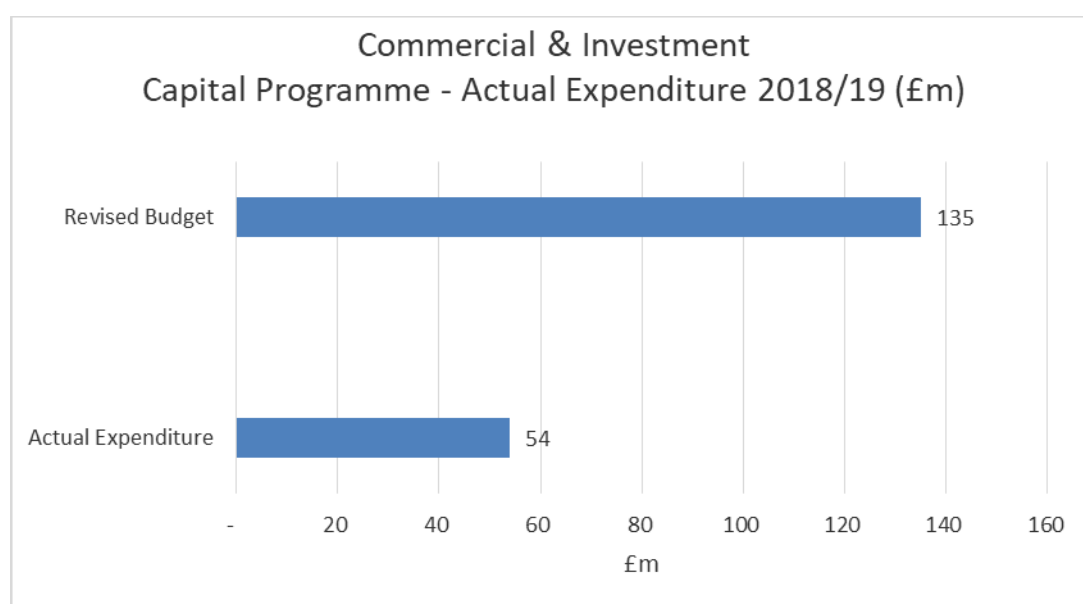
Variations Budget

A summary of the use of capital programme variations budget is shown below. As forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

Service	Capital Programme Variations Budget £000	Forecast Variance - Outturn (August) £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Revised Forecast Variance - Outturn (Feb) £000
C&I	-33,963	-36,000	-33,963	100%	-2,037

Expenditure

Commercial and Investment Committee has expenditure of £54m to date on the Capital Programme, against a revised budget of £135m:



An in-year variance of £36m is predicted, which exceeds the Capital Programme Variations budget of £34m. Therefore there is a forecast underspend of £2m on the capital programme for 2018/19. Total scheme variances of £147k underspent are expected over the lifetime of the schemes.

An underspend of £36m is forecast on Commercial Investments in 2018/19. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. The commercial acquisitions strategy is under review, taking account of latest government guidance. It is advantageous to the

Council to coincide commercial investments with capital receipts, which are predominantly related to land values for sites transferred to This Land.

Funding

Commercial and Investment Committee has capital funding of £135m in 2018/19.

Outline Business Cases for Smart Energy Grids for Trumpington and Babraham Park and Ride sites were approved by Commercial and Investment Committee in May, including support for £150k to develop the proposals. Now the proposals have been developed further, C&I Committee is asked to recommend that GPC approves additional capital expenditure of £84k in 2018/19, funded by prudential borrowing (the remainder of the budget for 2019/20 onwards will be approved as part of the business planning process).

C&I Committee is asked to recommend that GPC approves the £-41.1m rephasing of the Housing Schemes budget. Following a review of the loans in the Housing model, a change in the funding profile for Housing Schemes is required to reflect the timing of investment.

The C&I capital programme variations budget for 2018/19 has not previously included the Housing Schemes, but in light of the above change in funding profile the C&I capital variations budget has now been revised to include this, resulting in a -£17.2m budget change. The revised C&I capital variations budget has also now been split between prudential borrowing and capital receipts in proportion to the associated funding sources of the C&I schemes. C&I Committee is asked to recommend to GPC the approval of £-17.2m revised phasing of funding relating to changes in the capital programme variations budget.

A detailed explanation of the position for Commercial and Investment Committee can be found in [C&I appendix 6](#).

4. PERFORMANCE

- 4.1** Performance data for Commercial and Investment Committee is not currently available as performance indicators have not yet been set for the committee; work to review all indicators is still ongoing. As the committee starts to undertake commercial investment, relevant indicators will be developed in conjunction with the committee and subsequently exceptions will be reported against these.

C&I APPENDIX 1 – Commercial and Investment Budgetary Control Report

The variances to the end of August 2018 for Commercial and Investment are as follows:

Forecast Outturn Variance (July)		Budget 2018/19	Actual August 2018	Forecast Outturn Variance	
£000's		£000's	£000's	£000's	%
Commercial Activity					
2,450	Commercial Investments	-5,100	425	3,150	62%
500	Cambridge Housing and Investment Company	-4,346	-109	1,550	36%
2,950	Commercial Activity Total	-9,446	316	4,700	50%
Property Services					
0	Building Maintenance	1,093	677	0	0%
-24	County Offices	4,096	1,350	-24	-1%
0	Property Services	645	292	0	0%
0	Property Compliance	203	48	-12	-6%
-24	Property Services Total	6,037	2,367	-36	-1%
Strategic Assets					
0	County Farms	-4,905	-619	0	0%
0	Strategic Assets	807	-386	-54	-7%
0	Strategic Assets Total	-4,098	-1,005	-54	1%
Traded Services to Schools and Parents					
0	Traded Services to Schools and Parents	-408	42	250	61%
0	ICT Service (Education)	-200	13	0	0%
0	Professional Development Centres	-71	-46	0	0%
0	Cambridgeshire Music	5	552	0	0%
137	Outdoor Education (includes Grafham Water)	-77	285	137	178%
1,100	Cambridgeshire Catering & Cleaning Services	-449	464	1,266	282%
1,237	Traded Services Total	-1,200	1,310	1,653	138%
4,163	Total	-8,707	2,988	6,264	72%

C&I APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000, whichever is greater.

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
Commercial Investments	-5,100	3,150	62%
<p>Commercial Investments is forecasting an overspend of £3.1m at year end. Although there has now been a commercial acquisition of £38m the expected income in the remainder of the year has been recalculated. The Council considers investment opportunities as they arise and has not been successful on all occasions, investments are made when the yield is in line with the Council's acquisitions strategy. In due course it is anticipated that this budget will deliver to target once sufficient financially appealing opportunities have been secured.</p>			
Housing Investment (This Land Company)	-4,346	1,550	36%
<p>A pressure of £1.5m is reported on Housing budgets. Expectations of interest receivable continue to be remodelled and reprofiled based on loans advanced and anticipated during the year. Loan values are constrained by the value of property at disposal (dependent on planning) alongside ensuring the Council has sufficient collateral as lender.</p>			
County Offices	4,096	-24	-1%
<p>County Offices budgets are forecast to underspend by £24k at year-end 2018/19. This is mainly due to the following favourable variances which were first reported during the last financial year:</p> <ul style="list-style-type: none"> • £240k surplus following a reassessment of historic business rates liabilities for children's centres. • £350k saving due to the reduction in rates liability for Shire Hall, £114k of which has been applied to meet the £200k savings target set for Property Services in Business Planning. • £65k saving due to The Meadows, St Ives having been vacated; this is based on the annual budget of £115k less £10k running costs and an estimate of £40k for dilapidations. <p>However, these are largely off-set against the follow overspends:</p> <ul style="list-style-type: none"> • There is a predicted £32k shortfall in 2018/19 against the planned savings from the Children's Centre Review, due to delays in vacating the premises; it is anticipated that this shortfall will be mitigated by staff vacancies within P&C Committee. • £400k dilapidation costs for the Cambridgeshire Catering and Cleaning Services cook freeze unit. 			

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
• £150k pressure due to new security systems required in County Offices.			
Traded Services to Schools and Parents	-408	250	61%
An overspend of £250k is being reported against Traded Services to Schools and Parents. This is due to only part of an additional £500k income target being expected to be achieved in 2018/19. Work is being undertaken to improve the position for future financial years and mitigating actions will be sought in-year to offset the under-recovery.			
Outdoor Education	-77	137	178%
Outdoor Education is currently reporting a £137k overspend. This is a combination of an anticipated £30k under-recovery of income at Stibbington and an ongoing structural pressure of £107k at Grafham Water.			
The Grafham Water budget includes an internal loan of £95k in 2018/19 relating to building and improvement works carried out a number of years ago. Although prices have been increased for all user groups and the centre is running at high capacity, the centre is currently unable to generate sufficient income to cover the additional costs of the loan as well as a targeted £42k over-recovery.			
The pressures at both centres are being addressed as part of the ongoing Outdoor Centres Outcome Focussed Review, and in-year mitigations are being sought.			
Cambridgeshire Catering & Cleaning Services	-449	1,266	282%
As previously reported, Cambridgeshire Cleaning and Catering Services is to close during 2018/19, following a decision in 2017/18 based on the long term decline in prospects for the service and an increasing cost base driven by rising salaries. As the service winds down, approximately 33% of SLAs are phased to end in August 2018, with the remainder ending in October 2018. This pressure therefore represents the non-delivery of a full-year service as well as one-off costs related to closing the service. There is potential for this figure to increase as the one-off costs of closure are further refined and temporary 'diseconomies of scale' come to fruition.			

C&I APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which was not built into base budgets.

Grant	Awarding Body	Expected Amount £000	Reported
Grants as per Business Plan		783	
One Public Estate	Cabinet Office	515	May 18
Total Grants 2018/19		1,298	

C&I APPENDIX 4 – Virements and Budget Reconciliation

	£000	Reported
Budget as per Business Plan	-8,188	
Transfer of Traded Services salary and recharge budgets to C&I	-74	May 18
Transfer of P&C ICT SLA budget to Director of Education from Head of Traded Services	-134	May 18
Transfer of ESPO dividend budget from LGSS Managed to C&I	-200	May 18
Transfer balance of Cleaning Contract saving from C&I to Corporate Services.	-26	May 18
Transfer Cleaning Contract saving from C&I to Corporate Services budgets.	-36	June 18
Rent income budget for Grand Arcade Shop transferred from Libraries.	-50	August 18
Current Budget 2018/19	-8,707	

C&I APPENDIX 5 – Reserve Schedule

1. Commercial and Investment Reserves

Fund Description	Balance at 31 March 2018	Movements in 2018/19	Balance at 31 August 2018	Forecast Balance at 31 March 2019	Notes
	£'000	£'000	£'000	£'000	
<u>Equipment Reserves</u>					
The ICT Service (Education)	680	0	680	0	1
subtotal	680	0	680	0	
<u>Other Earmarked Funds</u>					
North Cambridge Academy site demolition costs	468	105	573	573	2
Cambs Music Reserve	84	0	84	84	3
subtotal	552	105	658	657	
<u>Capital Reserves</u>					
General Capital Receipts	0	28,925	28,925	0	4
subtotal	0	28,925	28,925	0	
TOTAL	1,232	28,820	27,588	657	

Notes

- 1 ICT Equipment Reserve will to be used to replace critical equipment in 2018-19
- 2 Rental income from Bellerbys buildings on the North Cambridge Academy site is being held to offset demolition costs when the lease expires in 2021.
- 3 Annual reserve agreed by GPC to develop and support the Cambridgeshire Music CREATE program which will look to create new purpose-built accommodation.
- 4 Capital Receipts received during 2018/19 will be used to fund the capital programme at year-end.

C&I APPENDIX 6 – Capital Expenditure

1. Capital Expenditure Summary 2018/19

Commercial & Investment Capital Programme 2018/19						TOTAL SCHEME	
Original 2018/19 Budget as per BP £000	Scheme	Revised Budget for 2018/19 £000	Actual Spend 2018/19 £000	Forecast Spend - Outturn £000	Outturn Variance 2018/19 £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
76,000	<u>Commercial Activity</u>	76,000	39,463	40,000	(36,000)	100,000	-
43,086	Commercial Investments	85,259	14,144	85,259	-	148,172	-
119,086	Housing Schemes	161,259	53,607	125,259	(36,000)	248,172	-
-	<u>Property Services</u>	184	116	184	-	345	-
600	Office Portfolio	1,471	93	1,471	-	6,290	-
550	Rationalisation	100	6	100	-	4,791	-
1,150	Building Maintenance	1,755	215	1,755	-	11,426	-
100	Shire Hall Campus	100	-	100	-	618	-
300	<u>Strategic Assets</u>	362	157	362	-	4,820	-
-	Local Plans	117	-	117	-	9,994	(87)
100	County Farms	100	-	100	-	5,198	-
1,919	Investment	1,919	-	1,919	-	1,950	-
-	Renewable Energy	-	-	-	-	16,606	-
3,330	Soham	3,330	-	3,330	-	3,645	(60)
-	MAC Joint Highways	54	-	54	-	11,393	-
-	Project	30	-	30	-	6,970	-
-	Community Hubs -	-	-	-	-	-	-
-	East Barnwell	-	-	-	-	-	-
-	Shire Hall Relocation	-	-	-	-	-	-
5,749	St Ives Smart Energy	6,012	157	6,012	-	61,194	(147)
53	Grid	53	-	53	-	-	-
(2,764)	Babraham Smart	(33,963)	-	-	33,963	(37,129)	-
123,274	Energy Grid	135,116	53,979	133,079	(2,037)	283,663	(147)
	Trumpington Smart						
	Energy Grid						
	Other Committed						
	Projects						
	TOTAL	135,116	53,979	133,079	(2,037)	283,663	(147)

2. Reported Amendments – Capital Expenditure Budgets 2018/19

Capital Scheme	Original Budget 2018/19 £000	Revised Budget 2018/19 £000
Housing	43,086	85,259
<p>This reflects:</p> <ul style="list-style-type: none"> - the roll forward of £83m underspends from 2017/18 into 2018/19 - In the August 2018 report, C&I Committee is asked to recommend the approval of £-41.1m rephasing of the housing budget, to reflect the timing of investment. 		
Shire Hall Building Maintenance	550	100
<p>In July C&I Committee approved carry forward of £261k funding from 2017/18 into 2018/19, being required to support the general building maintenance programme. In addition to the carry forward of funds, C&I Committee was asked to approve the virement of £711k from Shire Hall Building Maintenance budget to the Countywide Building Maintenance budget, comprising the £261k roll forward, plus a further 450k of the 2018/19 budget. This decision was postponed to the September meeting of C&I Committee, where it was agreed.</p>		
Building Maintenance	600	1,471
<p>The budget comprises £160k carry forward from 2017/18 into 2018/19, funding a schedule of works to maintain County Office premises to compliance standards that will not interrupt delivery of Council services.</p> <p>In addition to the carry forward of funds, the September 2018 C&I Committee approved a virement of £711k from the Shire Hall Building Maintenance budget to the countywide Building Maintenance budget. This reflects where work is required as an outcome of the conditions surveys undertaken across the whole property portfolio.</p>		
County Farms Investment	300	362
<p>C&I Committee approved carry forward of £62k funding from 2017/18 into 2018/19, to fund ongoing planned works.</p>		
Renewable Energy - Soham	0	117
<p>The budget comprises the carry forward of £117k funding from 2017/18 into 2018/19 to fund the retention costs for the Solar Park, which are now due to be paid in 2018/19.</p>		

Capital Scheme	Original Budget 2018/19 £000	Revised Budget 2018/19 £000
Office Rationalisation	0	184
Carry forward of £184k funding from 2017/18 into 2018/19 was approved, for work on office rationalisation, moves and co-location projects - including Sawtry, Hill Rise, Shire Hall, Hereward Hall, Buttsgrove, Scott House/Stanton House and Meadows closure.		
Babraham Smart Energy Grid	0	54
An Outline Business Case for a Smart Energy Grid project for the Babraham Park and Ride site was approved by Commercial and Investment Committee in May, including support for £150k to develop the proposal. Now the proposal has been developed further, C&I Committee is asked to recommend that GPC approves additional capital expenditure of £54k in 2018/19 for the Babraham Smart Energy Grid, funded by prudential borrowing (the remainder of the budget for 2019/20 onwards will be approved as part of the business planning process).		
Trumpington Smart Energy Grid	0	30
An Outline Business Case for a Smart Energy Grid project for the Trumpington Park and Ride site was approved by Commercial and Investment Committee in May, including support for £150k to develop the proposal. Now the proposal has been developed further, C&I Committee is asked to recommend that GPC approves additional capital expenditure of £30k in 2018/19 for the Trumpington Smart Energy Grid, funded by prudential borrowing (the remainder of the budget for 2019/20 onwards will be approved as part of the business planning process).		
Capital Programme Variations Budget	-2,764	-33,963
<p>In June the Capital Programme Variations budgets were recalculated following the rephasing exercise to take account of budgets carried forward from 2017/18. The C&I Capital Programme Variations budget was adjusted by £-14m to £-16.7m. This has reduced the prudential borrowing requirement by £14m.</p> <p>The C&I capital programme variations budget for 2018/19 has not previously included the Housing Schemes, but in light of the above change in funding profile the C&I capital variations budget has now been revised to include this, resulting in a -£17.2m budget change. The revised C&I capital variations budget has now been split between prudential borrowing and capital receipts in proportion to the associated funding sources of the C&I schemes. C&I Committee is asked to recommend to GPC the approval of £-17.2m revised phasing of funding relating to changes in the capital programme variations budget.</p>		

3. Reported Amendments - Total Scheme Expenditure Budgets

Capital Scheme	Total Scheme Original Budget £000	Total Scheme Revised Budget £000
None reported.		

4. Reported Exceptions – Capital Expenditure 2018/19

Capital Scheme	Current Budget 2018/19 £000	Forecast Variance - Outturn £000
Commercial Investments	76,000	-36,000
<p>An underspend of £36m is forecast on Commercial Investments in 2018/19. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. The commercial acquisitions strategy is under review, taking account of latest government guidance. It is advantageous to the Council to coincide commercial investments with capital receipts, which are predominantly related to land values for sites transferred to This Land.</p>		

C&I APPENDIX 7 – Capital Funding

1. Capital Funding Summary 2018/19

Commercial and Investment Capital Programme 2018/19				
Original 2018/19 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2018/19 £000	Forecast Spend £000	Forecast Variance £000
78,833	Capital Receipts	62,870	42,833	(20,037)
1,759	Grant Funding	1,759	1,759	-
260	Developer Contributions	260	260	-
42,422	Prudential Borrowing	70,227	88,227	18,000
123,274	TOTAL	135,116	133,079	(2,037)

2. Reported Amendments – Capital Funding Budgets 2018/19

Capital Scheme	Original Budget 2018/19 £000	Revised Budget 2018/19 £000
Housing	43,086	85,259
<p>As reported above, this reflects the roll forward of £83m underspends from 2017/18 into 2018/19.</p> <p>In the August 2018 report, C&I Committee is asked to recommend the approval of £-41.1m rephasing of the housing budget, to reflect the timing of investment.</p>		
Shire Hall Campus	550	100
<p>As reported above, carry forward of £261k funding from 2017/18 into 2018/19, being required to support the general building maintenance programme. In addition to the carry forward of funds, Commercial and Investment Committee in September approved the virement of £711k from Shire Hall Campus to the Countywide Building Maintenance budget.</p>		
Building Maintenance	600	1,471

Capital Scheme	Original Budget 2018/19 £000	Revised Budget 2018/19 £000
As reported above, carry forward of £160k from 2017/18 into 2018/19, funding a schedule of works to maintain County Office premises to compliance standards that will not interrupt delivery of Council services. In addition to the carry forward of funds, Commercial and Investment Committee in September approved the virement of £711k from Shire Hall Campus to the Countywide Building Maintenance budget.		
County Farms Investment	300	362
As reported above, carry forward of £62k funding from 2017/18 into 2018/19, to fund ongoing planned works.		
Renewable Energy - Soham	0	117
As reported above, carry forward of £117k funding from 2017/18 into 2018/19 to fund the retention costs for the Solar Park, which are now due to be paid in 2018/19.		
Office Rationalisation	0	184
As reported above, carry forward of £184k funding from 2017/18 into 2018/19, for work on office rationalisation, moves and co-location projects.		
Babraham Smart Energy Grid	0	54
As reported above, additional capital expenditure of £54k in 2018/19 for the Babraham Smart Energy Grid, funded by prudential borrowing.		
Trumpington Smart Energy Grid	0	30
As reported above, additional capital expenditure of £30k in 2018/19 for the Trumpington Smart Energy grid, funded by prudential borrowing.		
Capital Programme Variations Budget	-2,764	-33,963
<p>As reported above, the C&I Capital Programme Variations budget for prudential borrowing was adjusted by £-14m to £-16.7m in relation to rephasing.</p> <p>The variations budget has also been revised to now include the housing schemes, resulting in a further -£17.2m budget change.</p> <p>Finally, the revised C&I capital variations budget has been split between prudential borrowing and capital receipts.</p>		

3. Reported Amendments - Total Scheme Funding Budgets

Capital Scheme	Total Scheme Original Budget £000	Total Scheme Revised Budget £000
None reported.		

4. Reported Exceptions – Capital Funding 2018/19

Capital Scheme	Current Budget 2018/19 £000	Forecast Variance - Outturn £000
Commercial Investments – Capital Receipts	76,000	-36,000
<p>An underspend of £36m is forecast on Commercial Investments in 2018/19. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. The commercial acquisitions strategy is under review, taking account of latest government guidance. It is advantageous to the Council to coincide commercial investments with capital receipts, which are predominantly related to land values for sites transferred to This Land.</p> <p>As this budget is funded by capital receipts, a -£36m variation is being reported against capital receipts.</p>		
Capital Programme Variations Budget – Capital Receipts	-15,963	15,963
<p>The revised C&I capital variations budget has also now been split between prudential borrowing and capital receipts in proportion to the associated funding sources of the C&I schemes. As such, because -£15,963k of the variations budget relates to capital receipts, £15,963k of the variations budget variance is being reported against capital receipts.</p>		
Capital Programme Variations Budget – Prudential Borrowing	-18,000	18,000
<p>As reported above, the revised C&I capital variations budget has also now been split between prudential borrowing and capital receipts. As such, because -£18,000k of the variations budget relates to prudential borrowing, £18,000k of the variations budget variance is being reported against prudential borrowing.</p>		