

Treasury and Capital Management Group
20th October 2026

Report by: Head of Finance

Lead Cllr: Cllr J E Harvey
Executive Councillor for Finance and
Resources



Wards
ALL wards

Open / Exempt
Open

Key Decision?
No

2026/27 Capital Projects Update – April to August 2026

Executive Summary:

This report provides an update on the Council's Capital Programme in 2026/27 based on the April to August 2026 expenditure. It summarises current spend against the approved programme, highlights key risks and issues, and demonstrates progress across the programme.

Effective management of the Capital Programme is critical to delivering the Council's strategic priorities, including regeneration, infrastructure improvement, service resilience and asset sustainability. It also ensures the cost of the programme to the council's finances and risks in the programme are being managed appropriately. The report supports strategic financial planning by:

- Ensuring major strategic projects are appropriately assessed for reprofiling or removal from the programme.
- Highlighting risks that could impact the Medium-Term Financial Strategy (MTFS), particularly cash-flow, borrowing and revenue implications,
- Providing transparency and assurance over capital governance, forecasting and delivery.

Key messages are:

Work is underway on the majority of the projects in particular the Leisure and Parks schemes including Hinchingsbrooke Country Park, Huntingdon Health and Sports Hub and the already completed AquaPark. In Housing and Regeneration projects are continuing from previous years in particular the large scheme at the Priory Centre in St Neots. Planning works and feasibility studies are currently dominating in IT, Environmental Services and Property and Facilities. Budget

managers continue to work with Finance Business Partners, to keep up to date with forecasts and requirements to make amendments to budgets, to seek approvals where these are necessary and ultimately to provide regular financial updates on projects.

Cabinet has previously approved an amendment to the One Leisure St Ives Outdoor Pitch project funding, and also approved the use of the Cambridgeshire Horizons reserve for projects including at the Priory Centre St Neots, which has closed a budget deficit.

No significant risks have been identified other than those already mitigated by Cabinet approvals as noted in the paragraph above. Due to the size of the projects the Huntingdon Health and Sports Hub and the Priory Centre St Neots are being closely monitored by senior management.

At a programme level –

Additional expenditure of £8.6m is forecast across the programme; against which additional funding of £9.1m is forecast - representing an advantageous overall position.

Included in the £8.6m of additional expenditure are forecast underspends totalling £0.7m have also been identified including £0.5m on Property and Facilities projects.

Project specific changes include –

£4.8m on CIL projects, funded from the CIL reserve.

£4.0m on Market Town schemes and the Priory Centre, funded from grants and reserves.

£0.3m on Hinchbrooke Country Park enhancements – Funding of the overspend will be met from savings with the Leisure budget and/or earmarked reserves.

£0.2m on Disabled Facilities Grants (DFGs) funded from additional grant received in-year..

Following TCMG in July, as part of the Q1 Finance report, Cabinet approved alternative expenditure and funding arrangements relating to the One Leisure St Ives Outdoor Pitch which are now reflected in the updated programme.

Recommendations

- 1.1 To review and comment on the expenditure for April to August 2026 and the forecast against budget.
- 1.2 To review and comment on the current progress and status of projects.
- 1.3 To consider and make recommendations if required, in the attached Appendix 1 Capital Projects Update and in conjunction with other reports submitted.
 - Make a recommendation of funding of £19,000 from borrowing for the Replacement Income Management System.

Key Corporate Plan Priorities

Delivering good quality, high value for money services with good control and compliance with statutory obligations.

Report Author(s)

Sandra Beard - Head of Finance Sandra.Beard@huntingdonshire.gov.uk

Oliver Colbert - Financial and Treasury Accountant Oliver.Colbert@huntingdonshire.gov.uk

1. PURPOSE OF THE REPORT

- 1.1** To report on the delivery of the 2026/27 capital programme, including actual spend, underspends, and reasons for variance from the approved budget.
- 1.2** To highlight schemes that are complete, cancelled, or no longer required and recommend removal of associated budgets to improve capital affordability and reduce borrowing.
- 1.3** To draw attention to material overspends, outline their causes, and flag the need to agree appropriate funding solutions and approvals
- 1.4** To identify risks arising from programme slippage, capacity constraints, forecasting inaccuracies and the potential impact on the MTFS.
- 1.5** To provide a clear evidence base to support decisions on budget removal, carry-forwards, governance improvements and future prioritisation of capital schemes

2. BACKGROUND & CONTEXT

- 2.2** The current budget is £34.631m following additional year-end rephasing of £5.757m and a £0.583m reduction relating to the updated One Leisure St Ives Outdoor Pitch project.
- 2.3** The detailed analysis of the 2026/27 projects and financial details is attached at Appendix 1 Capital Projects Update 2026/27 from April to August 2026.

3. FINANCIAL PERFORMANCE

3.1 Capital Projects Update

The current gross budget is £34.631m, the actual expenditure for the period April to August 2026 is £4.681m, though the profile of actual expenditure is not a reliable predictor of likely full year expenditure. The forecast expenditure for the year 2026/27 is £43.196m (overspend of £8.6m).

Against this additional funding of £9.1m is also forecast, including additional use of the CIL reserve for CIL projects, and for the Market Town and Priory Centre schemes additional funding from St Neots Town Council, use of the Cambridgeshire Horizons fund reserve if required, and additional grant income of £0.4m for DFG expenditure.

This results in a net positive position, with funding available being sufficient to offset the overspend identified.

Of the remaining schemes (other than CIL projects and Housing and Regeneration) there is a net underspend of £0.3m.

3.2 Directorate Level Commentary

Commentary on all forecast variances;

Chief Digital and Information Officer – Overspend of £5,000 – Additional expenditure to complete work on the Income Management System, and an underspend on Mobile Device Refresh. Other projects on budget.

Environmental Services – Underspend of £64,000 – A small overspend on the CCTV Generator as a result of additional feasibility studies and site works. There is an in-year underspend on Additional Waste and Food Rounds because of the lead time for the commercial food waste vehicle.

Community Services – Overspend of £190,000 – Additional expenditure as a result of clearing the backlog of Disabled Facilities Grant cases. Additional grant income of £383,000 is now expected, which almost offsets the additional expenditure.

Parks, Countryside and Climate – Overspend of £320,000 – Additional expenditure on investments being made in Hinchingsbrooke Country Park, and also the Godmanchester Recreation Grant, which will be funded from the Leisure Facilities Reserve. In addition, there is a small saving on Hinchingsbrooke Café refurbishment.

Housing and Regeneration – Additional expenditure of £4,088,000 on Priory Centre and Market Towns schemes to deliver additional works. Additional funding for these schemes is via grant and contributions income from CIL and St Neots Town Council. Cabinet has approved the proposed use of Cambridgeshire Horizons funding for the Priory Centre, following support from TCMG. Also, additional expenditure of £46,000 on Civil Parking Enforcement street lining contractor due to increased complexity scope of works.

Leisure and Health – Underspend of £176,000 as a result of savings on One Leisure St Ives Facility Improvements, and an underspend on the Ten Pin Bowling Refurbishment. This is offset by additional expenditure on the One Leisure St Neots and St Ives Fitness Equipment and Refresh (£25,000), One Leisure Sawtry Plant Reinstall (£7,000) and One Leisure Roof Mounted Solar (£7,000). Cabinet has approved alternative funding and delivery arrangements for the St Ives Outdoor Pitch, resulting in additional expenditure of £217,000 (less expenditure £583,000, less grant received £800,000).

Planning (CIL) – Additional funded expenditure of £4,770,000 – This additional expenditure is funded from the Community Infrastructure Levy reserve.

Property and Facilities – Underspend of £518,000 – In-year savings from commercial estates property enhancement schemes as work is likely not required in 2026/27, while feasibility studies are undertaken. Additional expenditure of £55,000 on retention fees for Fareham and Pathfinder House works.

3.3 Capital Funding

The capital programme is financed from a number of sources, the grants, contributions and capital receipts (proceeds from sale of assets) are analysed in the table below, including the movement from budget to forecast. There is a favourable movement in funding of £489,000.

	Original Budget 2026/27 £m	Current Budget 2026/27 £m	Forecast 2026/27 £m	Variance Current to Forecast £m
Gross Expenditure	29,208	34,631	43,196	8,565
Grants;				
DFG	1,400	1,400	1,783	383
Wheeled Bins	101	101	101	0
Outdoor Pitch	1,100	300	300	0
Stonehill Refurbishment	150	150	150	0
CIL Projects	4,293	4,834	9,604	4,770
Market Towns	2,892	4,506	8,397	3,891
St Ives Park	0	80	80	0
Hinchingbrooke CP	0	1,500	1,500	0
Godmanchester Recreation Ground	0	0	10	10
Capital Receipts	50	50	50	0
Total Contributions	9,986	12,921	21,975	9,054
Net Position - Borrowing¹	19,222	21,710	21,221	(489)

¹ Borrowing can be either external borrowing e.g. from the PWLB or internal borrowing, use of cash and other balances on the balance sheet.

3.4 Policy Implications

The process of bidding for capital budgets for 2027/28 and beyond is underway. This is being undertaken using the new process for reviewing and approval of capital project bids to ensure that resources are directed towards schemes that best support the delivery of corporate objectives. This includes the revised capital bid form that captures an increased amount of information and an evaluation (based on a list of assessment criteria including strategic alignment, financial viability and social impact) of the projects proposed outcomes. Capital governance procedures have also been revised and enhanced as part of this process.

3.5 Legal & Constitutional Implications

Effective budget monitoring is a requirement of the Council's constitution and financial regulations. It is a requirement of sound overall financial management, as well as a key component in identifying developing financial issues.

3.6 Community Impact

Impact on community will be outlined as appropriate within the project commentary.

3.7 Environment & Climate Change Implications

Note the impact from levels of expenditure in climate and environment related budgets, in particular in relation to the Parks service.

3.7 Equality & Diversity Implications

N/A

3.8 Implications on Resources

Resource implications will be outlined as appropriate within the project commentary. Any overspend, underspend or rephasing will impact on future years Minimum Revenue Provision (MRP) charge to revenue.

3.9 Health & Wellbeing

N/A

3.10 Local Government Reorganisation (LGR) Implications

This report will impact on LGR to the extent that any projects that are rephased into future years may become the responsibility of the future authority to complete. This depends on the timeline of LGR once this is confirmed.

4. RISK MANAGEMENT

Risk is managed by the individual service risk registers for each project. This report outlines any risk to corporate finances as a result of project delays, underspends or overspends within the project commentary.

Other general risks include:

Deliverability – The scale, complexity and variability of a large 2026/27 programme significantly increase delivery risk. Without further improvements to governance, monitoring and forecasting, there is a significant risk of continued slippage from 2026/27 into 2027/28.

Financial and Affordability Risk – Should delivery not progress as planned, and rephasing occurs, borrowing requirements and associated revenue costs could increase sharply within a single financial year rather than being profiled across several years. However, a prudent budget has been included in the MTFS for borrowing costs.

5. LIST OF APPENDICES

Appendix 1 – Capital Projects Update 2026/27 - from April to August 2026.

6. BACKGROUND PAPERS– LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Document List	Custodian	File Location
Transactional expenditure and income records held in the finance system	Finance Team	Finance shared drive
Budgets for expenditure and income held in the finance system	Finance Team	Finance shared drive
Spreadsheet containing the capital monitoring report table including budget, forecast, actual expenditure, and comments.	Finance Team	Finance shared drive