

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2443

Title: GLA Group Capital Spending Plan for 2019-20

Executive Summary:

The Mayor is required under sections 122 and 123 of the Greater London Authority Act 1999 (the "GLA Act") to prepare a capital spending plan for the following financial year for the five functional bodies; these are the London Fire Commissioner (LFC); the Mayor's Office for Policing and Crime (MOPAC); the London Legacy Development Corporation (LLDC); Transport for London (TfL); and the Old Oak and Park Royal Development Corporation (OPDC). The Mayor is also required under the GLA Act to send the plan for the forthcoming financial year to the Secretary of State for Housing, Communities and Local Government, London Assembly and the functional bodies before 28 February. For completeness the capital spending plan for the core Greater London Authority is also included within this approval so that the proposed expenditure for the entire GLA Group – as it will be constituted in 2019-20 – is presented in one place.

The draft capital spending plan for 2019-20 was issued for consultation on 20 December 2018 alongside the Mayor's consultation budget. Revised versions of the capital spending plan were presented in the Mayor's draft and final draft consolidated budgets for 2019-20 which were considered by the Assembly on 24 January and 25 February respectively.

A copy of the final capital spending plan for 2019-20 will be placed on the GLA website at:
www.london.gov.uk/budget

Decision:

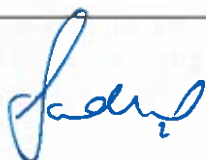
The Mayor is requested to approve the Capital Spending Plan for 2019-20 for the GLA Group and to note that the approved plan will be sent to the Secretary of State for Housing, Communities and Local Government, the London Assembly and each functional body before 28 February 2019.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

26/2/19

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor is required to prepare a capital spending plan for the subsequent financial year for the functional bodies and to send it to the Secretary of State (for Housing, Communities and Local Government) and the Assembly before 28 February in line with section 123 of the GLA Act. This report seeks the Mayor's formal approval for the final capital spending plan for 2019-20.

2. Objectives and expected outcomes

- 2.1 The draft capital spending plan for 2019-20 was issued for consultation on 20 December 2018 alongside the Mayor's consultation budget. Responses to the consultation budget were received from the Budget and Performance Committee of the London Assembly, representatives from three London boroughs, four business representative bodies and members of the public. The Mayor has noted all the comments from respondents to the consultation and considered them before finalising his budget and capital spending plan for 2019-20.
- 2.2 The capital spending plan figures in the final draft consolidated budget considered by the Assembly at its plenary meeting on 25 February included revised capital expenditure figures for the GLA and MOPAC. The final capital spending plan for 2019-20 proposed for approval is unchanged from the version considered by the Assembly on 25 February.
- 2.3 The borrowing limits and statutory prudential indicators for 2019-20 which the Mayor is required to set for the GLA and functional bodies - in order to illustrate that their proposed capital plans are prudent, affordable and represent value for money – and the new GLA Group capital strategy will be submitted for approval by the Mayor before the end of March 2019.
- 2.4 A copy of the final capital spending plan for 2019-20 will be placed on the GLA website at: www.london.gov.uk/budget

3. Equality comments

- 3.1 As public bodies, the GLA and the functional bodies must comply with section 149 of the Equality Act 2010, which provides for the "public sector equality duty". This duty requires each public body to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic and those who do not. The relevant protected characteristics covered by section 149 are: age; disability; gender reassignment; pregnancy and maternity; race; sex; religion or belief; and sexual orientation. Observance of the duty may involve, in particular, removing or minimising any disadvantage suffered by those who share a relevant protected characteristic, taking steps to meet the needs of such people and encouraging them to participate in public life or in any other activity where their participation is disproportionately low, including tackling prejudice and promoting understanding. In limited circumstances this may involve treating people with a protected characteristic more favourably than those without the characteristic.
- 3.2 The duty has applied to the formulation and approval of the GLA's and functional bodies' individual budgets and capital spending plans. Part 3 to the final draft budget provided detailed advice on the equalities implications of the Mayor's final draft budget relevant to their proposed capital spending plans.

- 3.3 How the GLA Group capital spending plan for 2019-20 will impact on specific persons who share a protected characteristic will be dependent on the specific decisions of the GLA and the functional bodies in regard to their individual capital programmes. In exercising their functions, including when making policy and spending decisions, the bodies are required to comply with the public sector equality duty. Compliance is necessarily iterative and on-going. It includes carrying out a process to identify and actively consider potential detrimental impacts (if any) that may arise for individual protected groups and what mitigations (if any) could be implemented to address them at a level proportionate to the decision being taken. The GLA and functional bodies will continue to carry out this process at a budget and capital spending plan level, and in the implementation of their individual strategies, policies, programmes, projects and expenditure.

4. Other considerations

Consultation Responses

- 4.1 As set out above, the Mayor consulted on the 2019-20 budget - including the capital spending plan - with the London Assembly, London boroughs, the Corporation of London and other key stakeholders between 20 December 2018 and 14 January 2019. The consultation was placed on the GLA's website and sent to the bodies and key stakeholders mentioned above.
- 4.2 The Mayor has considered the comments from respondents to the consultation including the London Assembly Budget and Performance Committee before finalising his capital spending plan for 2019-20.

Risks

- 4.3 There are no further implications for risk management as these have been addressed as part of the budgetary process.

5. Financial comments

- 5.1 These are highlighted so far as they are relevant in the capital spending plan for 2019-20.

6. Legal comments

- 6.1 The Mayor is required, under section 122 of the GLA Act, each financial year to prepare a capital spending plan (the Plan) for each functional body of the GLA Group which must be published before 28 February. Section 122 sets out the required contents of Sections A to D of the Plan in terms of estimates of receipts, borrowing and expenditure, and this appears in Table 1 of the Plan.
- 6.2 In preparing the Plan the Mayor may take into account such factors as appear to him to be appropriate and the other matters listed in section 124 of the GLA Act. These are: (1) the minimum amount of grant which the GLA is to pay to the body for the year under section 120 of the GLA Act; (2) the amounts to be transferred to the body under section 32(5) of the Local Government Act 2003 (Mayor's power to transfer expenditure grant).
- 6.3 In particular the Mayor may take account of: (a) the capital spending plans for such financial years which have ended as he may determine; and (b) the amounts of each functional body's total capital spending specified in section C of each of those plans which have been met as follows: the amount met out of capital grants made to the body; the amount met out of grants under section 31 of the Local Government Act 2003 (expenditure grant) made to the body; the amount met out of the body's capital receipts; the amount met by borrowing or entering into or varying credit arrangements; and the amount met by making a charge to a revenue account.

- 6.4 It is noted above that the Mayor fulfilled the requirement to consult the Assembly and each functional body by 15 January 2019. The Mayor was required to, and it is noted above that he did, have regard to their comments (if any) before determining the final Plan. The final capital spending plan for the forthcoming financial year must be approved before 28 February, when copies must be sent to the Secretary of State, the Assembly and functional bodies, and a copy must be kept at City Hall for inspection by the public for the next 6 years.

7. Planned delivery approach and next steps

Activity	Timeline
In accordance with the GLA Act the capital spending plan for 2019-20 will be sent to the Secretary of State for Housing, Communities and Local Government, London Assembly and the functional bodies before 28 February.	27 February 2019

Appendices and supporting papers:

Appendix: The Mayor of London's Capital Spending Plan for 2019-20

The following documents were referred to in the preparation of the final capital spending plan for 2019-20:

- Section 9 and Appendices A to F of the Mayor of London's Consultation Budget for 2019-20 published on 20 December 2018.
- Section 9 and Appendices A to F of the Mayor of London's Draft Consolidated Budget for 2019-20 considered by the London Assembly on 24 January 2019.
- Section 9 and Appendices A to F of the Mayor of London's Final Draft Consolidated Budget 2019-20: Explanation of Final Draft Proposals considered by the London Assembly on 25 February 2019.
- 2019-20 budget submissions for GLA, MOPAC, LFC, TfL, LLDC and OPDC.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Martin Mitchell has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Martin Clarke has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal. The proposal originates from Finance.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 26 February 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Bellamy

Date

26.2.19

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Bellamy

Date

26/2/2019.

The Mayor of London's Capital Spending Plan 2019-20

February 2019

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February 2019**

Published by
Greater London Authority
City Hall
The Queen's Walk
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London SE1 2AA
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Background

- 1.1. The Mayor is required, under section 122 of the Greater London Authority (GLA) Act 1999 (the 'GLA Act'), each financial year to prepare a capital spending plan for each functional body of the GLA Group which for 2019-20 will be: the Mayor's Office for Policing and Crime (MOPAC); the London Fire Commissioner (LFC), Transport for London (TfL); the London Legacy Development Corporation (LLDC); and the Old Oak and Park Royal Development Corporation (OPDC). The capital spending plans for the core Greater London Authority's expenditure are also included within this final plan so that the proposed capital expenditure for the entire GLA Group is presented in one place.
- 1.2. The statutory procedure under section 123 of the GLA Act requires the Mayor to send a copy of the draft plan to the London Assembly and each of the functional bodies before 15 January each year, inviting them to submit written comments to him within 21 days. The draft capital spending plan was included in section 9 of the Mayor's consultation document on his draft consolidated budget which was issued on 20 December 2019 and the statutory consultation requirement was met as part of that process. Before approving this final capital spending plan, the Mayor considers any comments submitted as part of the budget consultation process and makes such revisions as he sees fit, having had regard to the responses made.
- 1.3. An updated version of the capital spending plan for the GLA Group was included in the Mayor's final draft consolidated document presented to the London Assembly on 25 February. The final draft consolidated budget was approved without amendment by the Assembly.
- 1.4. The capital spending plan has to be sent to the Secretary of State (DCLG) before 28 February and copies sent to the Assembly and the functional bodies.

Capital Spending Plan

- 1.5. The prescribed format of the capital spending plan and its contents are set out in section 122 of the GLA Act 1999, as amended by the Local Government Act 2003. The plan is to be in four sections, which the Act describes in some detail. The four parts can be categorised as follows:

Section A – a statement of the resources each functional body will have for capital expenditure by virtue of capital grants and capital receipts.

Section B – a statement of the resources each functional body will have for capital expenditure by virtue of borrowing.

Section C – a statement for each functional body of total expenditure for capital purposes that the Mayor expects the body to incur and the total amounts which the Mayor expects to be treated as borrowing in the year because of section 8(2) of the Local Government Act 2003.

Section D – a breakdown of this total capital spending showing how much the Mayor expects the body to meet out of capital grants, its capital receipts, amounts to be met from borrowing and how much out of revenue.

- 1.6. Set out below is a summary of the key deliverables in the Mayor's capital spending plan over the period from 2019-20 to 2022-23:
- Tackling London's housing crisis, using the GLA's housing grant of £5.8 billion to support delivery starts of 116,000 affordable homes by 2022 and a range of other housing programmes;
 - Providing an additional contribution to Crossrail of £1.400 billion through the GLA of which £335 million is expected to be paid in 2018-19 and £905 million in 2019-20 and £160 million in 2020-21 financed by borrowing with a £100 million direct contribution from business rate supplement revenues;
 - Transforming and consolidating the Metropolitan Police Services's estate by investing £767.4 million, £529.6 million on major programmes to replace outdated and maintain core IT infrastructure and spending £129.3 million on fleet replacement;
 - Investing £139 million by 2023 for the maintenance and replacement of the London Fire Commissioner's buildings, fleet and IT assets and some limited sustainability works and new developments, such as the new training centre;
 - New capital investment by TfL of £3.562 billion including Elizabeth line trains and enabling works totalling £2.996 billion, £0.702 billion for line extensions, £2.304 billion for line upgrades and £2.746 billion of renewals to ensure the continued safe operation of the transport network;
 - Spending of around £721 million by the LLDC including £438 million for East Bank, the educational and cultural offer in Stratford, Stadium costs of £125 million to close out the transformation programme and Section 106 obligations and other necessary infrastructure to deliver housing developments of £158 million; and
 - Investing £409 million to kick-start the development of London's largest opportunity area at Old Oak Common and Park Royal, on the assumption that the OPDC's Housing Infrastructure Fund (HIF) bid is successful.
- 1.7. The table overleaf sets out the Mayor's statutory capital spending plan for 2019-20 which totals £6.2 billion. This includes the spending plans for the GLA for completeness although they are not required to be included under section 122 of the GLA Act.
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Table 1 – Final Statutory Capital Spending Plan 2019-20

Section		GLA	MOPAC	LFC	TfL	LLDC	OPDC
		£m	£m	£m	£m	£m	£m
	Total external capital grants	1,507.0	54.4	0.0	1,633.2	17.6	55.0
	Opening balance of capital receipts	233.2	0.0	30.0	0.0	0.0	0.0
	Total capital receipts during the year	34.9	69.4	42.2	309.2	91.4	0.0
A	Total capital grants/ receipts	1,775.1	123.8	72.2	1,924.4	109.0	55.0
	Minimum s.120(1) grant	0.0	0.0	0.0	0.0	0.0	0.0
	Total borrowings during the year	1,269.8	264.3	0.0	800.0	43.0	0.0
	Total credit arrangements during the year	0.0	0.0	0.0	0.0	0.0	0.0
B	Total borrowings and credit arrangements	1,269.8	264.3	0.0	800.0	43.0	0.0
	Total capital expenditure anticipated during the year	2,419.0	388.0	40.0	3,168.6	152.0	55.0
	Total amounts which may be treated as borrowing in the year because of section 8(2) of the Local Government Act 2003	0.0	0.0	0.0	0.0	0.0	0.0
C	Total capital spending for the year	2,419.0	388.0	40.0	3,168.6	152.0	55.0
	Funding: capital grants and contributions	966.3	54.4	0.0	1,633.2	56.9	55.0
	Funding: capital receipts/reserves	226.7	69.4	40.0	735.4	52.1	0.0
	Funding: borrowings and credit arrangements	1,124.8	264.3	0.0	800.0	43.0	0.0
	Funding: revenue contributions	101.3	0.0	0.0	0.0	0.0	0.0
D	Total funding	2,419.0	388.0	40.0	3,168.6	152.0	55.0

N.B. Estimates of capital receipts are those made by functional bodies

- 1.8. Although the statutory capital spending plan has to be approved by the Mayor, each body is responsible for preparing and approving its own detailed capital spending programme. The following sections provide a breakdown of the five functional bodies' proposed programmes along with those of the core GLA.
- 1.9. Set out overleaf is a summary of the Mayor's Capital Plan to 2022-23. Overall the GLA Group will be investing around £1 billion more in 2019-20 than in 2018-19. This reflects the impact of the GLA's planned additional contribution towards Crossrail construction costs and further investment in the Metropolitan Police Services's transformation programme.

- 1.10. The programme for 2019-20 is £6,222.6 million which declines to £4,162.2 million in 2020-21 as a result of the expected tailing off of expenditure on Crossrail. The programme for 2021-22 and 2022-23 is broadly the same in total as in 2020-21.

Table 2 – Summary of Capital Spending Plans from 2018-19 to 2022-23

Summary of the capital plan 2018-19 to 2022-23	2018-19 Forecast £m	2019-20 Plan £m	2020-21 Plan £m	2021-22 Plan £m	2022-23 Plan £m	5 year total £m
GLA	1,528.6	2,419.0	1,443.7	1,364.7	1,960.9	8,717.0
MOPAC	232.9	388.0	301.0	340.0	255.5	1,517.4
LFC	14.0	40.0	37.8	25.1	22.0	138.9
TfL	3,302.4	3,168.6	2,051.2	1,881.2	1,905.8	12,309.2
LLDC	105.4	152.0	234.5	179.2	49.5	720.6
OPDC	0.0	55.0	94.0	133.0	127.0	409.0
Total capital expenditure	5,183.3	6,222.6	4,162.2	3,923.2	4,320.8	23,812.1

- 1.11. The Mayor will also approve the borrowing limits and prudential indicators for 2019-20 for each functional body and his GLA Group capital strategy as part of separate Mayoral Decisions in March 2019. The limits and indicators agreed will have regard to the capital spending plans set out in this document.
- 1.12. Please note that some of the tables in this capital spending plan may not sum exactly due to rounding.

Mayor's Office for Policing and Crime

- 2.1 The Mayor's Office for Policing and Crime (MOPAC) works on behalf of Londoners to hold the Metropolitan Police Service (MPS) to account and improve the provision of criminal justice services across the capital.
- 2.2 MOPAC's detailed five-year capital spending plan, after over-programming, of £1.517 billion can be summarised, as follows:
- Transformation and consolidation of the Met's estate of £767.4 million;
 - Major programmes that replace outdated and maintain core IT infrastructure of £529.6 million;
 - Hosting the National Counter Terrorism Policing Headquarters (NCTPHQ), which is grant-funded, of £134.7 million; and
 - Fleet replacement of £129.3 million.
- 2.3 Table 3 overleaf summarises the current proposed capital programme and spending plans against likely funding sources including affordable borrowing levels.
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Table 3 – MOPAC Capital Expenditure Plan

Final capital plan	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Property forward works	12.2	15.0	24.9	13.5	25.0
IT core infrastructure and replacement	38.3	43.8	28.3	28.3	23.0
Fleet	28.0	38.2	22.2	20.9	20.0
National Counter Terrorism Policing HQ	37.0	31.7	21.2	20.4	24.4
Improving Public Access and First Contact	2.1	3.9	2.1	7.0	5.5
Optimising Response	6.7	15.4	34.3	38.8	47.7
Strengthening Local Policing	2.3	0.0	0.0	0.0	0.0
Transforming Investigation and Prosecution	29.1	60.9	36.3	13.9	12.6
Strengthening Armed Policing	0.0	0.0	0.0	0.0	0.0
Smarter Working	2.4	5.5	0.4	0.0	0.0
Workforce Futures	0.0	1.0	1.0	1.0	0.0
Information Futures	0.1	9.6	8.0	9.2	11.4
Transforming the MPS Estate	84.7	250.5	205.7	115.3	20.6
Subtotal	242.9	475.4	384.2	268.3	190.1
Over-programming/headroom	-10.0	-87.4	-83.2	71.6	65.4
Total expenditure	232.9	388.0	301.0	340.0	255.5
<i>Funding</i>					
Capital Receipts	6.0	69.4	172.0	86.9	46.2
Capital grants and other contributions	61.6	54.4	44.3	49.3	54.1
Borrowing	110.2	264.3	84.7	203.8	155.2
Revenue Contributions	55.0	0.0	0.0	0.0	0.0
Total funding	232.9	388.0	301.0	340.0	255.5

2.4 The financing costs in the revenue budget are set out in the table below.

Table 4 – MOPAC Capital Financing Costs

Capital financing costs	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
Provision for repayment of debt	32.9	47.9	51.6	59.6
External interest	25.9	29.7	33.7	38.5
MOPAC Total	58.9	77.6	85.4	98.1

London Fire Commissioner

- 3.1 The London Fire Commissioner is responsible for fire and rescue services in London and it supports the London boroughs and the Corporation of London in their emergency planning roles.
- 3.2 The Mayor proposes that LFC's capital plan should increase by £26 million from the current spend forecast of £14 million in 2018-19 to £40 million in 2019-20. The capital plan for 2020-21 is £37.8 million; reducing to £25.1 million in 2021-22 and decreasing further to £22 million in 2022-23.
- 3.3 The main elements of LFC's capital plan for the next two years of around £80 million are:
- programmed replacement of the brigade's fleet of £39 million;
 - investment into LFC's estate, including energy efficiency works, of £19.9 million;
 - a new training centre for the delivery of high rise training of £15.5 million;
 - a new distribution centre and protected equipment facility of £3.5 million; and
 - other investment of £5 million in a range of operational improvements, including security and Information and Communications Technology projects and actions following the Grenfell Tower fire.
- 3.4 Table 5 overleaf summarises the current proposed capital programme and spending plans against likely funding sources including affordable borrowing levels.
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Table 5 - LFC Capital Expenditure Plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
<i>Expenditure</i>					
IT projects	1.3	5.5	3.8	2.6	4.7
Refurbishment of fire stations	0.0	0.7	0.0	0.3	1.5
New/Replacement fire stations	0.0	0.1	2.6	4.7	2.7
Other property projects	0.0	2.9	0.9	0.0	0.0
Sustainability projects	0.4	2.5	1.6	0.2	1.8
Minor improvements programme	2.6	3.9	4.5	3.4	3.1
Fire Brigade fleet re-procurement	9.6	24.2	22.6	7.6	2.3
New Training Centre	0.1	0.2	1.8	6.3	5.9
Total expenditure	14.0	40.0	37.8	25.1	22.0
<i>Funding</i>					
Capital Receipts	1.9	40.0	44.3	15.0	12.0
Retained Business Rates	11.8	0.0	-11.8	0.0	0.0
Capital Grants	0.3	0.0	0.0	0.0	0.0
Borrowing	0.0	0.0	3.2	10.1	10.0
Other	0.0	0.0	2.1	0.0	0.0
Total funding	14.0	40.0	37.8	25.1	22.0

3.5 The financing costs in the revenue budget are shown in the table below.

Table 6 – LFC Capital Financing Costs

Capital financing costs	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
External interest	9.8	11.3	12.4	12.4
LFC Total	9.8	11.3	12.4	12.4

Transport for London

- 4.1 Transport for London (TfL) is responsible for the planning, delivery and day-to-day operation of the capital's public transport system, including London's buses, Underground and Overground, the Docklands Light Railway (DLR), Tramlink and London River Services. It is also responsible for managing the Congestion Charge, maintaining London's main roads and traffic lights, regulating taxis, making London's transport more accessible and promoting walking and cycling initiatives.
- 4.2 The Mayor approved capital spend for TfL in 2019-20 is £3,168.6 million, including £1,196 million on delivering the Crossrail programme.
- 4.3 TfL's five-year CSP of £12.309 billion to 2022-23 can be summarised, as follows:
- New capital investments of £3.562 billion;
 - Crossrail, including Elizabeth line trains and enabling works of £2.996 billion;
 - Renewals to ensure the continued safe operation of the transport network of £2.746 billion;
 - Line upgrades, including the Piccadilly line upgrade of £2.304 billion; and
 - Line extensions of £0.702 billion.
- 4.4 The level of transport investment suggested above reflects the Mayor's and TfL's assessment of future needs as set out in the Mayor's Transport Strategy. TfL will continue to develop potential funding packages for a number of major schemes, including Crossrail 2, the Bakerloo line extension and a potential DLR extension to Thamesmead.
- 4.5 TfL's capital spending is financed from six main sources:
- fares and ticket income;
 - charges under the Congestion Charging Scheme;
 - secondary revenue (such as advertising and property rentals);
 - third party funding for specific projects, such as the GLA's contributions (financed by a business rate supplement and a Mayoral Community Infrastructure levy) for Crossrail;
 - retained business rates; and
 - prudential borrowing and related financing (including bond issuances)
- 4.6 Table 7 below summarises the current proposed capital programme and spending plans against likely funding sources including affordable borrowing levels
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Table 7: TfL – Final capital plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Crossrail contributions	1,403.0	1,196.0	0.0	0.0	0.0
Elizabeth line trains and enabling works	329.1	67.9	0.0	0.0	0.0
Line extensions	165.3	242.5	177.3	116.5	0.0
Line upgrades	419.9	448.5	440.3	455.6	540.1
London Underground enhancements	161.5	156.2	137.1	104.7	60.1
Buses enhancements	13.7	13.8	0.4	0.0	0.0
Streets enhancements	122.7	206.2	324.5	325.5	353.7
Rail enhancements	30.8	28.3	0.4	3.0	1.0
Other surface operations enhancements	29.5	29.6	52.3	32.7	0.5
Corporate projects enhancements	201.6	323.5	342.9	189.9	315.5
Renewals	425.3	456.1	576.0	653.3	634.9
Total capital expenditure	3,302.4	3,168.6	2,051.2	1,881.2	1,905.8
Capital receipts	719.7	211.2	299.1	53.0	206.7
Retained business rates	677.5	452.3	799.6	930.2	1,050.8
Grants to support capital expenditure	210.2	274.9	119.8	11.8	15.0
Borrowing	820.0	800.0	580.0	500.0	500.0
Crossrail funding sources – non-OSD	777.7	906.0	5.0	5.0	4.0
Crossrail funding sources – OSD	221.5	97.9	14.8	79.7	47.1
Revenue contributions	0.0	0.0	0.0	607.0	779.6
Working capital and reserves movements	-124.2	426.3	232.9	-305.5	-697.4
Total funding	3,302.4	3,168.6	2,051.2	1,881.2	1,905.8

Abbreviations: OSD – Over Station Development

Rail and Underground

- 4.7 Capital projects directly managed by Rail and London Underground are shown in the tables below:

Table 8: TfL – London Underground final capital plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Four Lines Modernisation	383.4	283.2	202.1	127.5	2.9
Deep Tube upgrade programme	44.1	87.0	165.0	256.0	422.0
Northern line Extension	174.9	213.4	126.6	92.0	0.0
Major station upgrades	121.8	96.9	84.8	75.4	13.2
World Class Capacity	20.5	33.5	12.5	9.7	9.7
London Underground Other	52.6	73.3	111.1	89.8	90.1
London Underground renewals and enhancements	253.7	292.4	303.6	329.4	371.4
Total expenditure	1,051.0	1,079.7	1,005.7	979.8	909.3

Table 9: TfL – Rail final capital plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Dockland Light Railway rolling stock	3.2	66.8	88.5	91.1	105.5
London Overground	42.6	30.5	7.1	7.9	5.0
Trams	17.6	14.9	7.4	9.2	8.9
Barking Riverside extension	-9.6	29.0	50.7	24.5	0.0
Other Rail	8.3	25.7	23.8	32.2	47.2
Total expenditure	62.1	166.9	177.5	164.9	166.6

Surface Transport

4.8 Capital projects directly managed by Surface Transport are shown in the table below:

Table 10: TfL – Surface Transport final capital plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Buses	26.2	25.5	25.7	46.4	44.9
Streets	161.4	254.8	405.6	445.9	456.4
Other Surface	69.2	51.5	82.6	48.0	7.2
Total expenditure	256.8	331.8	513.9	540.3	508.5

Corporate Directorates

4.9 Capital projects directly managed by Corporate Directorates within TfL are shown in the table below, net and gross of Crossrail.

Table 11: TfL – Corporate final capital plan

Final capital plan	Forecast Outturn	Budget	Plan	Plan	Plan
	2018-19	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m	£m
Customer Experience	72.4	106.9	111.9	23.8	23.6
Commercial Development projects	126.9	210.9	209.6	123.9	243.0
Other Corporate investment	0.7	8.5	32.6	48.5	54.8
Corporate expenditure excluding Crossrail	200.0	326.3	354.1	196.2	321.4
Crossrail construction	1,403.4	1,196.0	0.0	0.0	0.0
Elizabeth line rolling stock & depots	329.1	67.9	0.0	0.0	0.0
Corporate expenditure including Crossrail	1,932.5	1,590.2	354.1	196.2	321.4

TfL Capital Financing

4.10 The financing costs in the revenue budget in respect of capital expenditure are shown in the table below.

Table 7 - Capital Financing Costs of TfL's Capital Plan

Capital financing costs	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
Provision for repayment of debt	26.3	26.3	26.3	26.8
External interest	485.2	513.7	551.4	598.8
TfL Total	511.5	540.0	577.7	625.6

London Legacy Development Corporation

- 5.1 The London Legacy Development Corporation ('the Legacy Corporation') is responsible for promoting and delivering physical, social, economic and environmental regeneration in the Queen Elizabeth Olympic Park and surrounding area. In particular, the Legacy Corporation aims to maximise the legacy of the Olympic and Paralympic Games, by securing high-quality sustainable development and investment, ensuring the long-term success of the facilities and assets within its direct control and supporting and promoting the aim of increased social mobility in surrounding communities.
- 5.2 Since the London 2012 Olympic and Paralympic Games, the Legacy Corporation has been working to transform the Park and venues from their Olympic to their legacy configuration. The Copper Box Arena, Timber Lodge, Aquatics Centre, ArcelorMittal Orbit and the re-modelled Park opened in 2014. Residents began moving into the first phase of the Chobham Manor residential development in 2015-16. The Stadium opened permanently in summer 2016 as a new home for West Ham United, and as a host to UK Athletics and an events location (following a successful temporary re-opening for a series of events in summer 2015, including Rugby World Cup matches). A slide was added to the ArcelorMittal Orbit which opened in June 2016.
- 5.3 LLDC's detailed five-year CSP of £721 million to 2022-23, can be summarised, as follows:
- East Bank, the educational and cultural offer in Stratford of £438 million;
 - Stadium costs of £125 million to close out the transformation programme; and
 - Section 106 obligations and other necessary infrastructure to deliver housing developments of £158 million.
- 5.4 The LLDC's Capital Plan to 2022-23, is set out in Table 13 overleaf.
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Table 13: LLDC Final capital spending plan

Final capital plan	Forecast Outturn 2018-19 £m	Budget 2019-20 £m	Plan 2020-21 £m	Plan 2021-22 £m	Plan 2022-23 £m
<i>Expenditure</i>					
East Bank	30.6	83.3	186.6	128.7	8.3
Development	31.3	15.8	10.0	26.2	13.1
Stadium	27.3	29.3	28.8	19.2	19.9
Park and Venues	5.4	7.9	1.7	1.6	3.2
Regeneration	0.4	0.7	0.6	0.3	0.3
Finance, Commercial and Corporate Services	1.9	2.5	1.9	1.7	1.7
Corporation Tax and Contingency	8.5	4.6	4.9	1.5	3.0
Other	0.0	7.9	0.0	0.0	0.0
Total expenditure	105.4	152.0	234.5	179.2	49.5
<i>Funding</i>					
Capital Receipts	0.2	52.1	38.1	39.4	48.9
GLA Grant	3.2	17.6	25.8	83.5	6.2
East Bank	55.3	39.3	82.5	40.0	10.9
Other	0.3	0.0	0.0	0.0	0.0
Borrowing	46.4	43.0	88.1	16.3	-16.5
Total funding	105.4	152.0	234.5	179.2	49.5

5.5 LLDC's planned capital financing costs are summarised below.

Table 14: LLDC – Capital financing costs

Capital financing costs	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
External interest	11.8	13.8	15.4	15.4
LLDC Total	11.8	13.8	15.4	15.4

Old Oak and Park Royal Development Corporation

- 6.1 The Mayoral Development Corporation (MDC) for the Old Oak Common and Park Royal area came into operation on 1 April 2015. The new High Speed 2 (HS2), Crossrail and Great Western Mainline stations at Old Oak Common will provide the impetus for a once in a lifetime regeneration opportunity in that part of West London. The OPDC, utilising its planning and regeneration powers, will ensure that all these benefits are captured and maximised to deliver much needed jobs and homes in London.
- 6.2 OPDC's five-year spending plan of £409 million is to kick-start the development of London's largest opportunity area, on the assumption that the Housing Infrastructure Fund (HIF) bid is approved.
- 6.3 The OPDC's capital spending plan is summarised in the table below.

Table 15: OPDC – final capital spending plan

Final capital plan	Forecast Outturn 2018-19 £m	Budget 2019-20 £m	Plan 2020-21 £m	Plan 2021-22 £m	Plan 2022-23 £m
<i>Expenditure</i>					
Land Assembly	0.0	27.0	76.0	75.0	6.0
Street Structure	0.0	0.0	2.0	38.0	83.0
Energy and Utilities	0.0	2.0	10.0	6.0	13.0
Telecommunications	0.0	0.0	0.0	0.0	0.0
Social Infrastructure	0.0	0.0	0.0	0.0	2.0
Offsite Highways	0.0	0.0	0.0	1.0	7.0
Other	0.0	1.0	6.0	13.0	16.0
Land - Acquisition of Freehold	0.0	25.0	0.0	0.0	0.0
Total expenditure	0.0	55.0	94.0	133.0	127.0
<i>Funding</i>					
Capital grants and contributions	0.0	55.0	94.0	133.0	127.0
Total funding	0.0	55.0	94.0	133.0	127.0

- 6.4 OPDC's planned capital financing costs are summarised below – these are zero as at present as it has no plans to borrow.

Table 16: OPDC – Capital financing costs

Capital financing costs	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
External interest	0.0	0.0	0.0	0.0
OPDC Total	0.0	0.0	0.0	0.0

Greater London Authority

- 7.1 The GLA is a strategic authority with a London-wide role to design a better future for the capital. The Mayor of London sets a citywide vision of improvement, develops strategies, policies and investment programmes to realise the vision and provides funding and encouragement to help make it a reality. The London Assembly holds the Mayor to account by examining his decisions and actions to ensure he delivers on his promises to Londoners.
- 7.2 The key elements of the GLA's 2019-20 capital plan are as follows:
- Housing expenditure of £5.811 billion which is to principally allow 116,000 affordable homes starts within London by 2022 and also fund a range of other housing programmes;
 - The GLA's additional contribution to Crossrail of £1.400 billion of which £335 million is expected to be paid in 2018-19 and £905 million in 2019-20 and £160 million in 2020-21 financed by borrowing with a £100 million direct contribution from business rate supplement revenues;
 - Regeneration expenditure of £0.357 billion which includes the Further Education programme, Skills for Londoners, the Growing Places Fund and the Good Growth Fund; and
 - Other capital expenditure of around £1.149 billion principally for the Northern Line and to the LLDC for East Bank and for Cultural Programmes.
- 7.3 The table overleaf summarises the GLA's capital spending plan from 2019-20 to 2022-23.
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Table 17 - GLA Capital Spending Plan

Final capital plan	Forecast Outturn 2018-19 £m	Budget 2019-20 £m	Plan 2020-21 £m	Plan 2021-22 £m	Plan 2022-23 £m
Affordable Homes Programme	400.0	529.6	600.0	1,036.0	1,823.7
Housing Zone loans	105.5	106.3	0.0	0.0	0.0
Housing Zone grant	90.0	106.7	95.2	0.0	0.0
Care and Support Specialised Housing	31.0	24.0	24.2	0.0	0.0
Community Housing Fund	0.0	15.0	10.0	4.0	1.0
Move-on	0.0	6.3	6.3	34.4	0.0
GLAP Programme	6.5	30.3	13.1	5.0	5.0
Land Fund	63.8	125.5	0.0	0.0	0.0
Land Assembly	33.8	66.8	39.0	60.0	60.0
Accelerated Construction Fund	60.0	20.0	20.0	0.0	0.0
Small Sites Fund	40.0	60.0	26.0	0.0	0.0
Royal Docks Enterprise Zone Delivery Plan	2.6	20.7	44.4	37.7	50.1
London Housing Bank	27.0	0.0	0.0	0.0	0.0
UCL East Bank	0.0	15.0	55.0	30.0	0.0
Growing Places Fund	12.0	1.1	0.6	0.0	0.0
Further Education Capital	15.6	22.4	8.5	0.0	0.0
Skills for Londoners	6.2	47.0	24.0	9.7	0.0
Good Growth Fund	4.6	25.9	23.6	0.0	0.0
Northern Line Extension	188.0	200.0	120.0	0.0	0.0
Crossrail	335.0	905.0	160.0	0.0	0.0
LLDC Loan Funding	57.0	43.1	88.2	16.2	0.0
LLDC Joint Venture Trf to GLAP	0.0	2.2	2.2	4.5	12.9
LLDC East Bank & Direct Grant Funding	3.2	17.6	65.8	123.5	6.2
Other Projects (<£10m p.a.)	46.7	28.5	17.7	3.7	2.1
Total Expenditure	1,528.6	2,419.0	1,443.7	1,364.7	1,961.0
Capital Grants	721.7	966.3	962.7	1,194.1	1,900.4
Borrowing	655.5	1,124.8	304.3	14.1	31.2
Capital Receipts	70.3	158.0	17.4	15.1	26.7
Crossrail BRS direct contribution	0.0	100.0	0.0	0.0	0.0
Working Capital and Reserve Movements	80.6	68.7	158.8	141.4	0.0
Revenue Contributions	0.5	1.3	0.5	0.0	2.7
Total Funding	1,528.6	2,419.0	1,443.7	1,364.7	1,961.0

7.2 The GLA's financing costs are set out below.

Table 18 – GLA Capital financing costs

Capital financing costs	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
GLA: Mayor				
Provision for repayment of debt	14.9	12.8	11.8	11.8
External interest	167.2	177.4	169.0	161.0
GLA: Mayor Total	182.1	190.2	180.8	172.8

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