
The Mayor of London's Capital Spending Plan 2023-24

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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 2023-24 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 16 December 2022 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 23 February 2023. The final draft consolidated budget was approved without amendment by the Assembly.
- 1.4. The capital spending plan for the forthcoming financial year has to be sent to the Secretary of State (Department for Levelling-Up, Housing and Communities) before 27 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 or other financing mechanisms.

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 2023-24 to 2026-27:

- tackling London's housing crisis, using the GLA's housing grant of £6.9 billion to allow 116,000 affordable homes starts within London by 2023 and an additional 165,000 affordable homes starts by 2026
- transforming and consolidating the Metropolitan Police Service's (MPS) estate by investing £939.8 million on core capital essential asset enhancement and replacement activities including: £246.6 million on property lifecycle works; £160.1 million on fleet; £270.8 million on the core costs of IT equipment including for frontline officers, £35.3 million on covert and forensics activity and £227.1 million in National Counter Terrorism Policing Headquarters (NCTPHQ) investments
- investing £162.6 million by 2027 for the maintenance and replacement of the London Fire Commissioner's buildings, fleet and IT assets and some limited sustainability works and new developments
- capital investment by TfL of £2,293.2 million over the five-year plan including £840.7 million investment on trains, line extensions and upgrades as well as enabling works. £725 million of renewals to ensure the continued safe operation of the transport network and £191 million for the ULEZ expansion and healthy streets programme
- spending of around £599.4 million by the LLDC including £301 million for construction and completion of the East Bank educational and cultural district in the Queen Elizabeth Olympic Park, £170 million of section 106 infrastructure works, planning, design and other costs to deliver housing developments, including required equity to invest in Stratford Waterfront and Bridgewater and Pudding Mill Lane residential development joint ventures and other necessary infrastructure to deliver housing developments.
- Expenditure of £6.3 million by OPDC as it gears up for a more delivery-focussed stage, working to acquire early delivery sites through the Mayor's Land Fund investment.

1.7. The table overleaf sets out the Mayor's statutory capital spending plan for 2023-24 which totals £4.4 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.

1.8. The GLA's Final Draft CSP, and authorised and operating borrowing limits, are set out overleaf.

Table 1 – Final Statutory Capital Spending Plan 2023-24

Section		GLA	MOPAC	LFC	TfL	LLDC	OPDC
		£m	£m	£m	£m	£m	£m
	Total external capital grants	374.3	69.9	0.0	1,098.1	53.3	0.0
	Opening balance of capital receipts	1,473.5	0.0	0.0	0.0	0.0	0.0
	Total capital receipts during the year	0.0	56.1	0.0	249.8	142.7	0.0
A	Total capital grants/ receipts	1,847.9	126.0	0.0	1,347.9	196.0	0.0
	Minimum s.120(1) grant	0.0	0.0	0.0	0.0	0.0	0.0
	Total borrowings during the year	42.0	196.1	46.6	125.0	0.0	6.3
	Total credit arrangements during the year	0.0	0.0	0.0	0.0	0.0	0.0
B	Total borrowings, credit arrangements or temporary use of cash balances	42.0	196.1	46.6	125.0	0.0	6.3
	Total capital expenditure anticipated during the year	1,525.8	360.8	46.6	2,293.2	195.2	6.3
	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	1,525.8	360.8	46.6	2,293.2	195.2	6.3
	Funding: capital grants and contributions	1,419.8	69.9	0.0	959.6	68.8	0.0
	Funding: capital receipts/reserves	0.0	56.1	0.0	249.8	127.2	0.0
	Financing: borrowings and credit arrangements	42.0	196.1	46.6	125.0	-0.8	6.3
	Funding: revenue contributions	64.1	38.7	0.0	958.8	0.0	0.0
D	Total funding and financing	1,525.8	360.8	46.6	2,293.2	195.2	6.3

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

- 1.9. 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.
- 1.10. Set out overleaf is a summary of the Mayor's Capital Plan to 2026-27. Overall the GLA Group will be investing around £161.8 million less in 2023-24 than the forecasted spend for 2022-23.

- 1.11. The programme for 2023-24 is £4,428 million which declines to £4,301 million in 2024-25, largely as a result of the tailing off of MOPAC expenditure on optimising contact and response as well as reduced expenditure on East Bank as development nears completion, offset by increased expenditure on the affordable homes programmes.

Table 2 – Summary of Capital Spending Plans from 2022-23 to 2026-27

Summary of the capital plan 2022-23 to 2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	5 year
	Forecast	Plan	Plan	Plan	Plan	Total
	£m	£m	£m	£m	£m	£m
GLA	2,119.1	1,525.8	1,590.0	1,706.2	1,122.1	8,063.2
MOPAC	321.8	360.8	276.3	233.2	210.9	1,403.0
LFC	23.2	46.6	28.8	42.4	21.6	162.6
TfL	1,850.2	2,293.2	2,322.2	2,462.3	2,553.2	11,481.1
LLDC	275.4	195.2	48.2	30.1	50.5	599.4
OPDC	0.0	6.3	35.1	0.0	0.0	41.4
Total capital expenditure	4,589.8	4,427.9	4,300.5	4,474.2	3,958.2	21,750.7

- 1.12. The Mayor will also approve the borrowing limits and prudential indicators for 2023-24 for each functional body as part of a separate Mayoral Decision in March 2023. The limits and indicators agreed will have regard to the capital spending plans set out in this document.
- 1.13. 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 plan of £1.403 billion over the period 2022-23 to 2026-27, can be summarised, as follows:
- £939.8 million on core capital essential asset enhancement and replacement activities including: £246.6 million on property lifecycle works; £160.1 million on fleet; £270.8 million on the core costs of IT equipment including for frontline officers, £35.3 million on covert and forensics activity and £227.1 million in National Counter Terrorism Policing Headquarters (NCTPHQ) investments (fully funded from grant)
 - £463.2 million on development and modernisation to ensure the MPS is modern and fit for purpose for the 21st century. Activities include £159.2 million on transforming the workplace; £103.8 million on Counter Terrorism Operations Centre; £49.7 million on transforming investigations and prosecution and £103.9 million on optimising contact and response (including Command and Control).
- 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 Spending Plan

MOPAC	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
PSD - Forward Works and BAU	39.7	82.0	35.6	42.3	47.0
Fleet	27.1	37.9	28.9	38.4	27.8
Digital Policing	53.2	55.7	56.1	56.9	48.8
CTPHQ	56.4	56.4	55.7	27.7	31.0
Met Operations - Covert and Forensics	5.3	12.2	7.3	5.4	5.1
Optimising Contact and Response	47.0	49.5	4.7	2.7	0.0
Transforming Investigation and Prosecution	34.7	10.3	4.7	0.0	0.0
Operational Support Services - Learning and Professionalism Transformation	0.4	0.5	0.0	0.0	0.0
TD Flexible Service Portfolio	1.0	0.5	0.0	0.0	0.0
PSD- Central Estates Programme	10.3	3.8	0.0	0.0	0.0
PSD- Transforming the Workplace	35.3	17.3	32.7	10.9	7.7
Transformation - long term estimate	11.4	34.7	50.7	38.9	23.6
	0.0	0.0	0.0	10.0	20.0
Total Expenditure	321.8	360.8	276.3	233.2	210.9
<i>Funding</i>					
Capital Grants & Third Party Contributions	68.3	69.9	61.0	34.7	39.6
Revenue Contributions	60.6	38.7	23.3	12.3	3.3
Capital Receipts	103.4	56.1	3.2	51.6	35.7
Borrowing	89.5	196.1	188.7	134.6	132.3
Total funding	321.8	360.8	276.3	233.2	210.9

2.4. The MOPAC capital financing costs in its approved revenue budget are set out in the table below.

Table 4 – MOPAC Capital Financing Costs

Capital financing costs	2023-24 £m	2024-25 £m	2025-26 £m
Minimum revenue provision for debt repayment	69.1	77.1	91.0
External interest	34.9	45.0	50.4
Total	104.0	122.1	141.4

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. LFC's detailed five-year CSP of £162.6 million over 2022-27 allows for improvement and replacement of the Commissioner's buildings, fleet and IT assets and some limited sustainability works and new developments.
- 3.3. Table 5 below summarises the current proposed capital programme and spending plans against likely funding sources including affordable borrowing levels.

Table 5 - LFC Capital Spending Plan

LFC	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
<i>Expenditure</i>					
IT projects	4.6	11.3	11.5	3.4	3.2
Major refurbishments	2.7	0.1	5.1	26.3	13.6
New developments	0.7	0.2	0.8	4.1	1.1
Minor works	5.7	7.6	3.8	2.4	0.9
Sustainability works	1.1	9.6	4.2	1.3	0.0
Appliance Bay doors	0.2	1.0	0.5	0.8	0.0
Fire Brigade fleet re-procurement	8.1	6.4	2.9	4.1	2.8
Operational Equipment	0.1	8.1	0.0	0.0	0.0
Communications	0.0	2.3	0.0	0.0	0.0
Total expenditure	23.2	46.6	28.8	42.4	21.6
<i>Funding</i>					
Capital receipts	9.6	0.0	12.3	0.0	0.0
Capital grants	0.0	0.0	0.0	0.0	0.0
Borrowing	13.6	46.6	16.5	42.4	21.6
Total funding	23.2	46.6	28.8	42.4	21.6

- 3.4. The LFC's capital financing costs in its approved revenue budget are shown in the table below.

Table 6 – LFC Capital Financing Costs

Capital financing costs	2023-24 £m	2024-25 £m	2025-26 £m
Provision for repayment of debt	8.7	12.9	14.1
External interest	3.0	4.3	4.5
Total	11.7	17.2	18.6

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. TFL's 2023-24 Budget has moved away from a 'Managed Decline' scenario, although funding available is still limited. Transport Trading Limited Properties was set up as a new stand-alone entity during the 2022-23 year.
- 4.3. Total capital expenditure for 2023-24 will be £2,293.2 million including the Crossrail construction programme. The key investment areas in 2023-24 include:
- ULEZ expansion - £82.5 million
 - Crossrail construction programme - £47.6 million
 - Modernisation of Circle, District, Hammersmith and City and Metropolitan lines - £101.6 million
 - Major Station Upgrades including Elephant and Castle - £18.8 million
 - Healthy Streets - £108.5 million (£150 million on average across 2023-24 including operating expenditure)
 - Piccadilly line rolling stock - £431.3 million
 - DLR fleet replacement - £260.2 million
 - Transport Trading Limited Properties - £229 million
 - Renewals – £725 million.
- 4.4. TfL's capital spending is financed from seven main sources:
- government grant as a consequence of the August Funding Settlement including assumed amounts beyond March 2024 for rolling stock and signalling replacement
 - fares and ticket income
 - charges under the road user charging schemes (Congestion Charge, LEZ and ULEZ)
 - secondary revenue (such as advertising and property rentals)
 - third party funding for specific projects (including grants provided by the GLA)
 - revenue resource from the capital grant funding through the business rates devolution; and
 - prudential borrowing and related financing (including bond issuances).
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4.5. Table 7 below summarises the current proposed capital programme and spending plans against likely funding sources including affordable borrowing levels

Table 7 – TfL Capital Spending Plan

TfL	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
Crossrail construction programme	246.8	47.6	0.0	0.0	0.0
Rolling stock and signalling replacement	472.0	804.9	1,002.9	1,091.3	1,100.5
Enhancements	359.6	486.8	348.5	258.5	249.3
Transport Trading Limited Properties	136.8	228.9	195.8	262.5	323.4
Renewals	635.0	725.0	775.0	850.0	880.0
Total capital expenditure	1,850.2	2,293.2	2,322.2	2,462.3	2,553.2
Capital receipts	133.3	249.8	80.5	156.3	177.4
Capital Grants & Third Party Contributions	81.0	886.6	618.1	698.0	708.5
Borrowing	0.0	125.0	370.0	495.0	495.0
Crossrail contributions from GLA/DfT	312.0	73.0	0.0	0.0	0.0
Revenue contributions	1,323.9	958.800	1,253.600	1,113.000	1,172.3
Total funding	1,850.2	2,293.2	2,322.2	2,462.3	2,553.2

Rail and Underground

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

Table 8 - London Underground capital plan

London Underground	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
Four Lines Modernisation	120.0	108.5	79.4	24.7	0.0
Deep Tube upgrade programme	217.6	433.0	755.9	957.7	1,032.1
Northern line Extension	0.2	0.1	6.1	0.0	0.0
Major station upgrades	66.9	18.8	15.2	13.2	13.2
World Class Capacity	6.4	7.9	9.1	0.0	0.0
London Underground Other	22.2	25.7	19.7	23.4	16.6
London Underground renewals	354.0	409.4	387.2	474.7	518.2
Total expenditure	787.3	1,003.4	1,272.6	1,493.7	1,580.1

Table 9 – TfL Rail capital plan

Rail	Forecast Outturn	Budget	Plan	Plan	Plan
	2022-23	2023-24	2024-25	2025-26	2026-27
	£m	£m	£m	£m	£m
DLR rolling stock	138.7	260.2	157.3	79.3	34.2
London Overground	11.9	45.6	38.1	12.4	10.1
Trams	18.3	16.5	18.9	48.0	52.6
Barking Riverside extension	1.1	0.7	0.3	0.0	0.0
Other Rail	32.6	36.5	43.3	57.4	61.2
Total expenditure	202.6	359.5	257.9	197.1	158.1

Surface Transport

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

Table 10 - TfL Surface Transport capital plan

Surface	Forecast Outturn	Budget	Plan	Plan	Plan
	2022-23	2023-24	2024-25	2025-26	2026-27
	£m	£m	£m	£m	£m
Buses	5.7	23.5	26.8	27.5	19.0
Streets	218.8	237.0	218.4	184.2	192.4
Other Surface	121.4	212.6	136.9	109.7	89.9
Total expenditure	345.9	473.1	382.1	321.4	301.3

Corporate Directorates

4.8. 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

Corporate	Forecast Outturn	Budget	Plan	Plan	Plan
	2022-23	2023-24	2024-25	2025-26	2026-27
	£m	£m	£m	£m	£m
Customer Experience	114.7	158.6	120.5	131.3	154.3
Commercial Development projects	136.8	228.9	195.8	262.5	323.4
Other Corporate investment	16.1	22.1	93.3	56.3	36.0
Corporate expenditure excluding Crossrail	267.6	409.6	409.6	450.1	513.7
Crossrail construction	246.8	47.6	0.0	0.0	0.0
Corporate expenditure including Crossrail	514.4	457.2	409.6	450.1	513.7

TfL Capital Financing

4.9. TfL’s financing costs included in its approved revenue budget in respect of capital expenditure are shown in the table below.

Table 12 – TfL Capital Financing Costs

Capital financing costs	2023-24 £m	2024-25 £m	2025-26 £m
Provision for repayment of debt	57.7	62.4	62.4
External interest	563.2	591.7	655.7
Total	620.9	654.1	718.1

London Legacy Development Corporation

- 5.1. The London Legacy Development Corporation ('the Legacy Corporation' or LLDC) is responsible for promoting and delivering physical, social, economic and environmental regeneration in the Queen Elizabeth Olympic Park (QEOP) 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 delivered the transformation of the Park and venues from their Olympic to their legacy configuration. The Corporation also works in partnership to bring forward regeneration schemes and housing to further the transformation of east London enabled by the London 2012 Games. Two such housing schemes are under contract and in progress, one at Chobham Manor and one at East Wick and Sweetwater. Further work includes delivering East Bank, a new cultural and education centre, new social and transport infrastructure, and working with the host boroughs and other partners to create economic opportunity and support local people and businesses, as they seek to access it.
- 5.3. LLDC's detailed five-year capital spending plan (CSP) of £599.4 million over 2022-27 can be summarised as follows:
- £301 million for construction and completion of the East Bank educational and cultural district in the Queen Elizabeth Olympic Park
 - £70 million of repayable loans to BBC/UAL towards the cost of their East Bank buildings
 - £170 million of section 106 infrastructure works, planning, design and other costs to deliver housing developments, including required equity to invest in Stratford Waterfront and Bridgewater and Pudding Mill Lane residential development joint ventures; and
 - £50 million for Stadium, Park and venue life-cycle and improvement projects, including for Stadium spend to save and energy efficiency projects.
- 5.4. The LLDC's Capital Plan to 2026-27, is set out in Table 13 overleaf.
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Table 13 - LLDC Capital Spending Plan

Draft capital plan	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
<i>Expenditure</i>					
East Bank	195.8	96.4	6.6	1.3	0.7
Development	18.9	37.1	38.4	26.8	48.4
Stadium	14.8	2.9	3.0	3.0	3.0
Park and Venues	12.6	5.6	1.7	1.9	1.7
Regeneration	0.6	0.2	0.2	0.0	0.0
Finance, Commercial and Corporate Services	2.5	2.2	1.4	0.4	0.2
Corporation Tax and Contingency	7.9	5.1	0.3	0.1	0.0
Adjustment for BBC/UAL loan	34.3	45.7	-3.4	-3.4	-3.5
Other	-12.0	0.0	0.0	0.0	0.0
Total expenditure	275.4	195.2	48.2	30.1	50.5
<i>Funding</i>					
Capital Receipts	13.9	78.2	15.1	16.8	12.8
Capital Grants & Third Party Contributions	54.6	68.8	3.1	0.2	0.0
Borrowing	98.2	-0.8	29.9	8.1	4.8
GLA Grant	108.7	49.0	0.1	5.0	32.9
Total funding	275.4	195.2	48.2	30.1	50.5

5.5. LLDC's planned capital financing costs included in its approved revenue budget are summarised below

Table 14 - LLDC Capital financing costs

Capital financing costs	2023-24 £m	2024-25 £m	2025-26 £m
Provision for repayment of debt	0.0	0.0	0.0
External interest	14.9	14.9	15.8
Total	14.9	14.9	15.8

5.6. As a mayoral development corporation, LLDC's business model assumes debt incurred in relation to capital expenditure will be repaid from post-development disposal proceeds. The Legacy Corporation's board ensures current borrowing levels remain prudent with regard to expected receipts.

Old Oak and Park Royal Development Corporation

- 6.1. The Old Oak and Park Royal Development Corporation (OPDC) is a Mayoral Development Corporation (MDC), established by the Mayor of London to secure the regeneration of the Old Oak Opportunity area, spanning land in three London boroughs – Ealing, Brent and Hammersmith & Fulham. The area includes Park Royal industrial estate, the Old Oak development area around the new High Speed 2 Old Oak Common Station and protected land at Wormwood Scrubs.
- 6.2. OPDC's Capital Strategy reflects a programme of land acquisition, infrastructure and enabling works to support the delivery of 1,100 homes by 2029, funded from a £50 million interest-free loan provided by the Mayor from the Department for Levelling Up, Housing and Communities (DLUHC) Land Fund. This represents the Corporation's first major investment in the OPDC area to both support delivery of the GLA's housing target and unlock the wider delivery of the Old Oak West Strategy.
- 6.3. In parallel with seeking funding from the DLUHC Land Fund, OPDC is working with Homes England (HE) to jointly develop an Outline Business Case to government setting out OPDC's delivery strategy for the consolidation of land owned by the Department for Transport (DfT), and controlled by Network Rail and HS2, into a single entity. As part of the development of the business case, OPDC and HE are also working closely with senior officials from DLUHC, the Infrastructure and Projects Authority (IPA), local government and DfT on options for delivery.
- 6.4. OPDC's Capital Plan to 2026-27 is set out in Table 15 below.

Table 15 – OPDC Capital Spending Plan

OPDC	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
<i>Expenditure</i>					
Land Fund	0.0	6.3	35.1	0.0	0.0
Total expenditure	0.0	6.3	35.1	0.0	0.0
<i>Funding</i>					
Borrowing	0.0	6.3	35.1	0.0	0.0
Total funding	0.0	6.3	35.1	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 2023-24 capital plan are as follows:
- housing expenditure of £6.9 billion which is principally to allow 116,000 affordable homes starts within London by 2023 and an additional 165,000 affordable homes starts by 2026
 - the GLA's additional contribution to Crossrail of £0.3 billion
 - regeneration expenditure of £0.4 billion which includes the Getting Building Fund, Further Education programme, Skills for Londoners, the Growing Places Fund and the Good Growth Fund, and Environment programmes, such as Warmer Homes and drinking fountains
 - other capital expenditure of around £0.5 billion principally for the LLDC towards East Bank.
- 7.3. The table overleaf summarises the GLA's capital spending plan from 2023-24 to 2026-27 and includes the 2022-23 forecast outturn for comparison.
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Table 16 - GLA Capital Spending Plan

GLA: Mayor	Forecast Outturn 2022-23 £m	Budget 2023-24 £m	Plan 2024-25 £m	Plan 2025-26 £m	Plan 2026-27 £m
Affordable Homes Programme (2016-23)	942.1	157.3	220.2	86.0	33.2
Affordable Homes Programme (2021-26)	58.5	685.8	709.6	1,127.2	518.3
Building Safety Fund	263.2	372.0	421.0	400.0	400.0
Community Housing Fund	4.1	15.8	4.1	1.6	6.0
Good Growth Fund	13.6	9.4	0.0	0.0	0.0
Housing Zone loans	23.9	70.8	39.8	0.0	3.8
Marginal Viability Fund	12.6	18.2	0.0	0.0	0.0
MHLG Land Fund	29.5	44.7	91.1	37.8	67.2
Move-On	10.7	1.5	0.0	0.0	0.0
Rough Sleeping Accommodation Programme	37.5	0.0	0.0	0.0	0.0
Skills for Londoners	10.0	18.0	20.9	4.9	0.0
Crossrail	319.5	0.0	0.0	0.0	0.0
Elephant & Castle (Ticket Hall and Construction)	17.3	4.8	4.8	2.1	2.1
Enterprise Zone – Royal Docks	3.5	19.3	22.1	17.5	28.5
Northern Line Extension	7.5	0.0	0.0	0.0	0.0
LLDC East Bank and Direct Grant Funding	108.7	49.0	0.1	5.0	32.9
LLDC Joint ventures	3.1	23.5	7.9	11.1	22.0
LLDC Loan Funding	98.2	-0.8	30.0	8.0	4.8
UCL Cultural and Education District	85.0	0.0	0.0	0.0	0.0
Other Projects (< £10m p.a.)	70.6	36.6	18.4	5.1	3.3
Total expenditure	2,119.1	1,525.8	1,590.0	1,706.2	1,122.1
Borrowing	383.3	42.0	60.0	36.6	55.3
Capital grants and third-party contributions	1,519.5	1,419.8	1,527.3	1,662.6	1,030.6
Capital receipts	9.4	0.0	0.0	0.0	0.0
Revenue Contributions	206.9	64.1	2.7	7.0	36.2
Total funding	2,119.1	1,525.8	1,590.0	1,706.2	1,122.1

7.4. The GLA's capital financing costs in its approved revenue budget are set out below.

Table 17 – GLA Capital financing costs

Capital financing costs	2023-24 £m	2024-25 £m	2025-26 £m
Provision for repayment of debt	274.0	254.0	329.0
External interest	153.4	153.3	154.8
GLA: Mayor Total	427.4	407.3	483.8

Appendix A Capital Strategy

The Mayor is required to prepare a long-term capital strategy every year for each of the GLA's functional bodies. The intention of the Capital Strategy is to drive the Mayor's capital investment ambition, whilst ensuring the sustainable long-term delivery of services. The benefits of preparing a Capital Strategy are that it provides a clear framework for investment decisions, aligns capital plans to the Mayor's priorities and promotes transparency and accountability. The Mayor's strategy sets out a detailed Capital Spending Plan every year for the five years from 2022-23 which is set out in sections 1 to 7 of this document and then an indicative high-level capital plan for a further fifteen years.

The GLA's shortfall between its capital spending need and likely level of resource is on average over £4.7 billion per annum from 2027-28 onwards. This is before the inclusion of any currently unfunded and unadopted climate measures associated with achieving the Mayor's aim for net zero carbon emissions by 2030. The shortfall principally results from the level of affordable housing required to achieve the aim set out in the London Plan of half of all new homes built being genuinely affordable. In addition, the gap arises from the bold ambitions for London set out in the Mayor's London Environment Strategy and the assumption that there will be a continued need to invest in regeneration and skills at least at current levels, but presently there are no confirmed resources for such programmes.

The table overleaf summarises the GLA and each functional body's high-level capital spending need for the subsequent fifteen years. These estimates are based on many detailed assumptions, set out in the individual Capital Strategies for the GLA and functional bodies. However, it shows that on average over the fifteen-year period, the Mayor has a capital spending need on average of some £9.9 billion every year from 2027-28 onwards. Just under 98 per cent of this spending need arises from housing and transport.

Summary of Capital strategy for GLA Group for 2027-28 to 2041-42				
Outturn prices	Years 6 to 10 2027-28 to 2031- 32 £m	Years 11 to 15 2032-33 to 2036- 37 £m	Years 16 to 20 2037-38 to 2041- 42 £m	Total 6 to 20 2027-28 to 2041- 42 £m
Greater London Authority				
Housing	21,756.9	24,500.0	24,500.0	70,756.9
Regeneration	231.8	137.6	77.3	446.7
Environment	197.8	185.8	185.0	568.5
Other	158.1	167.6	178.0	503.7
Sub total GLA	22,344.6	24,990.9	24,940.3	72,275.8
MOPAC				
Transformation	268.8	277.2	275.8	821.7
Maintenance	642.7	595.9	619.6	1,858.2
Sub total MOPAC	911.4	873.1	895.4	2,679.9
LFC				
Estate ICT and fleet maintenance	179.6	200.3	123.8	503.7
Sub total LFC	179.6	200.3	123.8	503.7
TfL				
Rolling Stock and Signalling Replacement	4,700.0	7,300.0	6,200.0	18,200.0
Enhancements	5,000.0	7,600.0	11,100.0	23,700.0
Renewals	8,400.0	10,700.0	11,900.0	31,000.0
Transport Trading Limited Properties	700.0	100.0	100.0	900.0
Sub total TfL	18,800.0	25,700.0	29,300.0	73,800.0
LLDC				
Maintenance	104.3	88.0	1.6	193.9
Sub total LLDC	104.3	88.0	1.6	193.9
OPDC				
Infrastructure	8.6	0.0	0.0	8.6
Sub total OPDC	8.6	0.0	0.0	8.6
TOTAL GLA GROUP	42,348.5	51,852.3	55,261.1	149,461.9

The table overleaf shows the GLA and each functional body's total spending need over years five to twenty after allowing for the likely level of capital resources available and illustrates the scale of likely shortfall. Although this analysis is again subject to many assumptions set out in the individual Capital Strategy documents, it shows that the scale of capital need far outweighs the likely level of capital resources that under existing government policy the Mayor is likely to receive.

GLA Capital Spending Plan Shortfall from 2027-28 to 2041-42

Outturn prices	Years 6 to 10 2027-28 to 2031- 32 £m	Years 11 to 15 2032-33 to 2036- 37 £m	Years 16 to 20 2037-38 to 2041- 42 £m	Total 6 to 20 2027-28 to 2041- 42 £m
Greater London Authority				
Spending need	22,344.6	24,990.9	24,940.3	72,275.8
Likely funding	1,180.6	68.5	10.8	1,259.9
Sub total GLA shortfall	21,164.0	24,922.5	24,929.5	71,015.9
MOPAC				
Spending need	911.4	873.1	895.4	2,679.9
Likely funding	208.9	267.4	217.9	694.2
Sub total MOPAC shortfall	702.5	605.7	677.5	1,985.8
LFC				
Spending need	179.6	200.3	123.8	503.7
Likely funding	0.0	0.0	0.0	0.0
Sub total LFC shortfall	179.6	200.3	123.8	503.7
TfL				
Spending need	18,800.0	25,700.0	29,300.0	73,800.0
Likely funding	16,500.0	17,500.0	20,000.0	54,000.0
Sub total TfL shortfall	2,300.0	8,200.0	9,300.0	19,800.0
LLDC				
Spending need	104.3	88.0	1.6	193.9
Likely funding	104.3	88.0	1.6	193.9
Sub total LLDC shortfall	0.0	0.0	0.0	0.0
OPDC				
Spending need	8.6	0.0	0.0	8.6
Likely funding	8.6	0.0	0.0	8.6
Sub total OPDC shortfall	0.0	0.0	0.0	0.0
Total GLA Group shortfall	24,346.1	33,928.5	35,030.8	93,305.3