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# **The Mayor of London's Capital Spending Plan 2021-22**

February 2021

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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 2021-22 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. In 2021-22 the proposed capital spending for the OPDC is zero.
- 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 15 December 2020 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 2021. 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 (Ministry of Housing Communities and Local Government), the London Assembly and functional bodies before 28 February.

## 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:
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**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 2021-22 to 2024-25:

- tackling London’s housing crisis, using the GLA’s housing grant from the Government of £4.8 billion to support delivery starts of 116,000 affordable homes by 2023, an additional 35,000 affordable homes starts by 2026 and a range of other housing programmes;
- transforming and consolidating the Metropolitan Police Service’s (MPS) estate by investing £864 million on transformation activities including: £387.6 million on developing the estate; £192.4 million on the Counter Terrorism Operations Centre; £83.7 million on transforming investigations and prosecution and £115.1 million on optimising contact and response (including Command and Control);
- investing £83.4 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;
- capital investment by TfL of £14.7 billion, including Elizabeth line trains and enabling works totalling £1.628 billion, £0.412 billion for line extensions, £3.402 billion for line upgrades and £4.293 billion of renewals to ensure the continued safe operation of the transport network; and
- spending of around £787 million by the LLDC including £512 million for East Bank, the educational and cultural offer in Stratford, Stadium capital costs of £28 million including for spend-to-save investments and ongoing lifecycle works and Section 106 obligations and other necessary infrastructure to deliver housing developments of £100 million.

1.7 The table overleaf sets out the Mayor’s statutory capital spending plan for 2021-22, as it is required to be presented under section 122 of the GLA Act, which totals just under £5.6 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 1999.

**Table 1 – Final Statutory Capital Spending Plan 2021-22**

<b>Section</b>		<b>GLA</b>	<b>MOPAC</b>	<b>LFC</b>	<b>TfL</b>	<b>LLDC</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
	Total external capital grants	0.0	56.3	0.0	1,820.2	92.6
	Opening balance of capital receipts	0.0	0.0	0.0	0.0	0.0
	Total capital receipts during the year	0.0	81.2	50.8	290.9	93.1
<b>A</b>	<b>Total capital grants/ receipts</b>	<b>0.0</b>	<b>137.5</b>	<b>50.8</b>	<b>2,111.1</b>	<b>185.7</b>
	Minimum s.120(1) grant	0.0	0.0	0.0	0.0	0.0
	Total borrowings during the year	833.4	244.2	6.8	0.0	41.7
	Total credit arrangements during the year	0.0	0.0	0.0	0.0	0.0
<b>B</b>	<b>Total borrowings and credit arrangements</b>	<b>833.4</b>	<b>244.2</b>	<b>6.8</b>	<b>0.0</b>	<b>41.7</b>
	Total capital expenditure anticipated during the year	2,080.7	385.1	57.6	2,821.5	227.4
	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
<b>C</b>	<b>Total capital spending for the year</b>	<b>2,080.7</b>	<b>385.1</b>	<b>57.6</b>	<b>2,821.5</b>	<b>227.4</b>
	Funding: capital grants and contributions	1,137.1	56.3	0.0	1,820.2	92.6
	Funding: capital receipts/reserves	2.0	81.2	50.8	201.3	93.1
	Funding: borrowings and credit arrangements	833.4	244.2	6.8	0.0	41.7
	Funding: revenue contributions	108.2	3.4	0.0	800.0	0.0
<b>D</b>	<b>Total funding</b>	<b>2,080.7</b>	<b>385.1</b>	<b>57.6</b>	<b>2,821.5</b>	<b>227.4</b>

N.B. Estimates of capital receipts are those made by functional bodies. The capital spending plan for the OPDC is zero.

- 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 2024-25. Overall the GLA Group will be investing around £1.3 billion more in 2021-22 than in 2020-21.
- 1.10 The programme for 2021-22 is £5,572.3 million which declines to £4,444.7 million in 2022-23, largely as a result of the expected tailing off of expenditure on Crossrail. Total forecast capital spending from 2020-21 to 2024-25 is £24.4 billion of which £14.7 billion relates to TfL for investment in London's transport infrastructure and £7.1 billion to GLA mostly for housing.

**Table 2 – Summary of Capital Spending Plans from 2020-21 to 2024-25**

<b>Summary of the capital plan 2020-21 to 2024-25</b>	<b>2020-21 Forecast £m</b>	<b>2021-22 Plan £m</b>	<b>2022-23 Plan £m</b>	<b>2023-24 Plan £m</b>	<b>2024-25 Plan £m</b>	<b>5 year Total £m</b>
GLA	1,679.7	2,080.7	1,344.7	928.2	1,080.7	7,114.0
MOPAC	333.9	385.1	340.3	304.3	239.4	1,603.0
LFC	32.8	57.6	25.8	15.7	20.4	152.3
TfL	2,080.1	2,821.5	2,519.1	3,478.4	3,837.1	14,736.2
LLDC	171.5	227.4	214.8	137.8	35.8	787.3
<b>Total capital expenditure</b>	<b>4,298.0</b>	<b>5,572.3</b>	<b>4,444.7</b>	<b>4,864.4</b>	<b>5,213.4</b>	<b>24,392.8</b>

- 1.11 As required by the CIPFA Prudential Code and Treasury Management Code the GLA and each functional body are required to publish a capital strategy. This is intended to give a high-level overview of how capital expenditure, capital financing and treasury management activity contributes to the provision of services, along with an overview of how associated risk is managed and what the implications might be for future financial sustainability. A summary of each body's proposed capital strategy is set out in Appendix A. They will each publish their own more detailed capital strategies separately.
- 1.12 The Mayor will also approve the borrowing limits and prudential indicators for 2021-22 for each functional body strategy as part of a separate Mayoral Decision in March 2021. 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.

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## 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 £1.603 billion can be summarised, as follows:
- £739 million on core capital essential asset maintenance activities including: £119.9 million on property lifecycle works; £125.4 million on fleet; £312.7 million on the core costs of IT equipment including for frontline officers, and £177.6 million in National Counter Terrorism Policing Headquarters (NCTPHQ) (fully funded from grant) investments; and
  - £864 million on development and modernisation to ensure the MPS is modern and fit-for-purpose for the 21<sup>st</sup> century. Activities include £387.6 million on developing the estate; £192.4 million on the Counter Terrorism Operations Centre; £83.7 million on transforming investigations and prosecution and £115.1 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**

<b>MOPAC</b>	<b>Forecast Outturn</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<i>Expenditure</i>					
PSD - Lifecycle work	12.6	15.5	17.9	31.5	42.4
Fleet	31.2	22.7	23.8	25.1	22.6
Digital Policing	32.7	82.1	102.3	56.5	39.2
CTPHQ	24.9	46.9	43.9	40.8	21.2
Optimising Contact and Response	55.4	43.8	10.0	6.0	0.0
Transforming Investigation and Prosecution	38.8	30.9	11.7	2.3	0.0
Strengthening Armed Policing	0.4	3.1	21.2	0.0	0.0
Operational Support Services	0.0	6.8	6.8	0.0	0.0
Fortress and EBACS -P7 (residual projects)	3.6	0.0	0.0	0.0	0.0
Local Investigation Capability - P16	0.5	0.0	0.0	0.0	0.0
Learning and Professionalism Transformation	1.5	1.2	0.0	0.0	0.0
Information Futures	3.7	5.9	2.7	0.0	0.0
PSD- Property Forward Works	43.2	22.4	22.7	23.1	81.0
PSD- Transforming the MPS Estate	82.1	103.8	77.3	108.0	16.0
Met Operations	3.3	0.0	0.0	0.0	0.0
Transformation - long term estimate	0.0	0.0	0.0	11.0	17.0
<b>Total Expenditure</b>	<b>333.9</b>	<b>385.1</b>	<b>340.3</b>	<b>304.3</b>	<b>239.4</b>
<i>Funding</i>					
Capital grants and receipts	70.0	88.0	48.2	47.4	67.7
CTPHQ and Fleet funded	34.7	53.0	49.8	48.3	27.1
Borrowing	229.2	244.1	242.3	208.6	144.6
<b>Total funding</b>	<b>333.9</b>	<b>385.1</b>	<b>340.3</b>	<b>304.3</b>	<b>239.4</b>

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

**Table 4 – MOPAC Capital Financing Costs**

<b>Capital financing costs</b>	<b>2021-22</b>	<b>2022-23</b>
	<b>£m</b>	<b>£m</b>
Minimum revenue provision for debt repayment	63.4	79.2
External interest	32.1	36.9
<b>MOPAC Total</b>	<b>95.5</b>	<b>116.1</b>

## 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 detailed five-year CSP of £152.3 million over 2020-25 allows for maintenance and replacement of the Commissioner's building, fleet and IT assets and some limited sustainability works and new developments, such as the new training centre.
- 3.3 The main elements of LFC's capital plan for the next two years of around £83.4 million are:
- programmed replacement of the brigade's fleet of £18.6 million;
  - investment into LFC's estate, including energy efficiency works, of £55.5 million;
  - other investment of £9.3 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 Spending Plan**

LFC	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
<i>Expenditure</i>					
IT projects	2.1	3.8	2.9	1.7	2.5
Major refurbishments	1.7	3.9	3.5	3.4	4.1
New developments	1.6	14.1	9.7	1.3	1.6
Minor works	4.3	5.2	4.0	5.4	4.1
Sustainability works	2.3	4.1	2.9	2.4	4.2
Appliance Bay doors	1.0	1.0	0.4	0.4	0.5
Fire Brigade fleet re-procurement	19.7	17.3	1.3	0.0	3.4
Operational Equipment	0.0	8.2	0.0	0.0	0.0
Other Property Projects	0.1	0.0	1.1	1.1	0.0
<b>Total expenditure</b>	<b>32.8</b>	<b>57.6</b>	<b>25.8</b>	<b>15.7</b>	<b>20.4</b>
<i>Funding</i>					
Capital receipts	1.5	50.8	23.0	0.0	0.0
Capital grants	1.9	0.0	0.0	0.0	0.0
Borrowing	29.4	6.8	2.8	15.7	20.4
<b>Total funding</b>	<b>32.8</b>	<b>57.6</b>	<b>25.8</b>	<b>15.7</b>	<b>20.4</b>

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

**Table 6 – LFC Capital Financing Costs**

Capital financing costs	2021-22	2022-23
	£m	£m
Provision for repayment of debt	5.8	5.8
External interest	2.6	2.4
<b>LFC Total</b>	<b>8.4</b>	<b>8.2</b>

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## 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 2021-22 is £2,821.5 million, including £662.1 million on delivering the Crossrail programme.
- 4.3 TfL's five-year CSP of £14.736 billion to 2024-25 can be summarised ranked from highest expenditure to lowest, as follows:
- renewals of £4.293 billion;
  - line upgrades of £3.402 billion;
  - streets, buses and other surface expenditure of £2.131 billion;
  - other corporate expenditure, including on rail, of £1.777 billion;
  - Crossrail, including Elizabeth line trains and enabling works of £1.628 billion;
  - expenditure on London underground of £1.212 billion; and
  - line extensions of £0.412 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).
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4.6 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	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
<i>Expenditure</i>					
Crossrail construction programme	800.5	651.4	114.0	13.0	0.0
Elizabeth line trains and enabling works	38.1	10.7	0.0	0.0	0.0
Line extensions	150.9	102.1	6.0	72.1	80.4
Line upgrades	266.1	478.0	610.3	932.8	1,114.7
London Underground enhancements	113.1	151.4	151.9	385.5	409.8
Buses enhancements	9.3	22.7	32.0	122.4	157.6
Streets enhancements	132.6	195.2	176.5	234.4	234.2
Rail enhancements	24.9	23.8	52.4	53.5	54.5
Other surface operations enhancements	49.2	70.5	44.4	244.6	288.0
Corporate projects enhancements	129.1	311.1	459.3	302.0	365.9
Renewals	366.3	804.6	872.3	1,118.1	1,132.0
<b>Total capital expenditure</b>	<b>2,080.1</b>	<b>2,821.5</b>	<b>2,519.1</b>	<b>3,478.4</b>	<b>3,837.1</b>
<i>Funding</i>					
Capital receipts	110.4	290.9	320.1	199.0	248.0
Retained business rates	910.0	930.2	950.8	1,071.8	1,093.3
Grants to support capital expenditure	128.2	125.0	134.0	1,289.5	1,563.8
Borrowing	1,352.0	0.0	0.0	0.0	0.0
Crossrail funding sources - non-OSD	70.4	765.0	69.0	0.0	0.0
Revenue contributions	-1,217.3	800.0	1,106.2	918.1	932.0
Working capital and reserves movements	726.4	-89.6	-61.0	0.0	0.0
<b>Total funding</b>	<b>2,080.1</b>	<b>2,821.5</b>	<b>2,519.1</b>	<b>3,478.4</b>	<b>3,837.1</b>

Abbreviations: OSD - Over Station Development

## Rail and Underground

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

**Table 8 - London Underground capital plan**

London Underground	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
Four Lines Modernisation	111.8	168.6	119.1	0.0	0.0
Deep Tube upgrade programme	101.5	195.7	335.1	0.0	0.0
Northern line Extension	109.8	68.9	0.0	0.0	0.0
Major station upgrades	75.3	106.2	60.0	0.0	0.0
World Class Capacity	10.8	9.7	14.5	0.0	0.0
LU Other	20.7	45.2	74.0	109.3	112.5
LU renewals and enhancements	225.3	516.7	477.7	1,874.5	2,076.5
<b>Total expenditure</b>	<b>655.2</b>	<b>1,111.0</b>	<b>1,080.4</b>	<b>1,983.8</b>	<b>2,189.0</b>

**Table 9 – TfL Rail capital plan**

TfL Rail	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
DLR rolling stock	46.9	122.0	155.1	0.0	0.0
London Overground	13.9	23.0	60.6	42.8	39.6
Trams	17.4	15.8	11.0	17.1	15.8
Barking Riverside extension	41.1	33.3	6.0	0.0	0.0
Other Rail	34.4	39.3	49.5	81.2	93.0
<b>Total expenditure</b>	<b>153.7</b>	<b>233.4</b>	<b>282.2</b>	<b>141.1</b>	<b>148.4</b>

## Surface Transport

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

**Table 10 - TfL Surface Transport capital plan**

TfL Surface transport	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
Buses	17.8	49.7	57.2	150.2	184.5
Streets	186.7	292.4	373.7	441.2	441.2
Other Surface	69.8	107.4	45.9	302.7	312.2
<b>Total expenditure</b>	<b>274.3</b>	<b>449.5</b>	<b>476.8</b>	<b>894.1</b>	<b>937.9</b>

**Corporate Directorates**

4.9 Capital projects directly managed by Corporate Directorates within TfL are shown in the table below, net and gross of Crossrail. The Crossrail expenditure reflects the expected timing of expenditure on the project rather than when the associated funding is received.

**Table 11 - TfL Corporate final capital plan**

TfL Corporate	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
Customer Experience	93.1	142.8	174.9	138.4	172.7
Commercial Development projects	67.1	192.4	334.5	199.0	248.1
Other Corporate investment	-1.9	30.3	56.3	109.0	141.0
<b>Corporate expenditure excluding Crossrail</b>	<b>158.3</b>	<b>365.5</b>	<b>565.7</b>	<b>446.4</b>	<b>561.8</b>
Crossrail construction	800.5	651.4	114.0	13.0	0.0
Elizabeth line rolling stock & depots	38.1	10.7	0.0	0.0	0.0
<b>Corporate expenditure including Crossrail</b>	<b>996.9</b>	<b>1,027.6</b>	<b>679.7</b>	<b>459.4</b>	<b>561.8</b>



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## TfL Capital Financing

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

**Table 12 – TfL Capital Financing Costs**

<b>Capital financing costs</b>	<b>2021-22</b>	<b>2022-23</b>
	<b>£m</b>	<b>£m</b>
Provision for repayment of debt	56.1	56.1
External interest	541.7	537.6
<b>TfL Total</b>	<b>597.8</b>	<b>593.7</b>

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## 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 CSP of £787.3 million to 2024-25, can be summarised, as follows:
- construction and completion of the East Bank educational and cultural district in the Queen Elizabeth Olympic Park, including required equity to invest in the Stratford Waterfront residential development joint venture of £512 million;
  - repayable loans to BBC/UAL towards the cost of their East Bank buildings of £76 million;
  - section 106 infrastructure works and planning and design costs to deliver housing developments of £100 million; and
  - stadium, park and venue lifecycle and improvement projects, including to the stadium's current seating system, of £48 million.
- 5.4 The LLDC's Capital Plan to 2024-25, is set out in Table 13 overleaf.
-

**Table 13 - LLDC Capital Spending Plan**

LLDC capital plan	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
<i>Expenditure</i>					
East Bank	89.0	178.4	167.5	62.3	14.3
Development	24.5	8.8	20.5	28.7	17.1
Stadium	15.9	3.5	2.9	2.9	3.0
Park and Venues	9.4	3.0	3.9	2.3	1.4
Regeneration	0.6	0.2	0.3	0.2	0.2
Finance, Commercial and Corporate Services	3.1	2.0	1.7	1.7	1.5
Corporation Tax and Contingency	11.2	8.5	0.9	0.7	1.7
BBC/UAL loan*	0.0	22.9	17.1	39.0	-3.4
Other	17.6	0.0	0.0	0.0	0.0
<b>Total expenditure</b>	<b>171.3</b>	<b>227.3</b>	<b>214.8</b>	<b>137.8</b>	<b>35.8</b>
<i>Funding</i>					
Capital receipts	10.9	48.2	11.6	10.5	13.9
Capital grants and third-party contributions	67.3	45.9	38.8	55.3	7.9
Borrowing	17.3	41.6	106.2	23.1	14.0
GLA grant	75.8	91.6	58.2	48.9	0.0
<b>Total funding</b>	<b>171.3</b>	<b>227.3</b>	<b>214.8</b>	<b>137.8</b>	<b>35.8</b>

\*Cash timing adjustments for BBC and UAL (University of the Arts London) loans

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

**Table 14 - LLDC Capital financing costs**

Capital financing costs	2021-22	2022-23
	£m	£m
Provision for repayment of debt	11.8	14.0
<b>LLDC Total</b>	<b>11.8</b>	<b>14.0</b>

## Greater London Authority

- 6.1 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.
- 6.2 The key elements of the GLA's 2021-22 capital plan are as follows:
- housing expenditure of £4.432 billion which is principally to continue delivering 116,000 affordable homes starts within London by 2023 and an additional 35,000 affordable homes starts by 2026;
  - the balance of the GLA's additional contribution to Crossrail of £0.866 billion over the 2020-2023 period, of which £0.825 billion relates to the additional agreement announced on 30 November 2020;
  - regeneration expenditure of £0.923 billion which includes the Building Safety 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; and
  - other capital expenditure of around £0.893 billion principally for the Northern Line Extension and the LLDC for East Bank.
- 6.3 The table overleaf summarises the GLA's capital spending plan from 2021-22 to 2024-25.
-

**Table 15 - GLA Capital Spending Plan**

Draft capital plan	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
<i>Expenditure</i>					
Affordable Homes Programme (2016-23)	386.6	300.0	674.0	633.0	757.7
Affordable Homes Programme (2021-26)	0.0	10.0	10.0	10.0	200.0
Cladding – Social sector	87.4	26.7	0.0	0.0	0.0
Cladding – Private sector	55.0	50.0	45.0	0.0	0.0
Housing Zone loans	63.8	0.0	0.0	0.0	0.0
Housing Zone grants	110.8	25.5	0.0	40.4	29.8
Care and Support Specialised Housing	31.1	2.4	0.0	0.0	0.0
Community Housing Fund	5.0	12.0	13.0	0.0	0.0
Move-On	18.7	11.2	2.1	0.0	0.0
Land and Property programme (GLAP)	22.2	2.0	9.0	15.0	0.0
Land & Property Programme (Beam Park Station)	6.8	0.0	0.0	0.0	0.0
Marginal Viability Fund	35.0	38.9	8.4	0.0	0.0
GLAP Land Fund	158.4	0.0	62.5	0.0	0.0
MHLG Land Fund	230.8	0.0	97.1	39.1	1.5
Enterprise Zone – Royal Docks	3.3	17.9	22.1	25.1	20.8
Further Education Capital	17.0	18.0	11.8	5.3	1.0
Skills for Londoners	13.6	15.1	24.9	11.1	20.0
Good Growth Fund	12.2	10.8	10.6	9.4	0.0
Building Safety Fund	18.0	532.0	100.0	50.0	0.0
Getting Building Fund	11.1	11.1	0.0	0.0	0.0
Elephant & Castle	12.5	12.5	0.0	0.0	0.0
Northern Line Extension	136.0	14.0	0.0	0.0	22.4
Crossrail	41.0	760.0	65.0	0.0	0.0
LLDC Loan Funding	17.3	41.5	101.1	12.5	0.3
UCL Cultural and Education District	55.0	30.0	0.0	0.0	0.0
LLDC East Bank and Direct Grant Funding	75.8	91.6	58.2	48.9	0.0
LLDC Joint venture transfer to GLAP	0.0	0.0	5.1	10.6	13.7
Other Projects (< £10m p.a.)	55.3	47.5	24.8	17.8	13.5
<b>Total expenditure</b>	<b>1,679.7</b>	<b>2,080.7</b>	<b>1,344.7</b>	<b>928.2</b>	<b>1,080.7</b>

Draft capital plan (continued)	Forecast	Budget	Plan	Plan	Plan
	Outturn				
	2020-21	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m	£m
<i>Funding</i>					
Borrowing	194.3	833.4	188.2	37.6	39.0
Capital grants and third-party contributions	1,184.1	1,137.1	1,038.1	808.5	1,014.8
Capital receipts	187.4	2.0	76.6	25.6	13.7
Revenue contributions	113.9	108.2	41.8	56.5	13.2
<b>Total funding</b>	<b>1,679.7</b>	<b>2,080.7</b>	<b>1,344.7</b>	<b>928.2</b>	<b>1,080.7</b>

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

**Table 16 – GLA Capital financing costs**

Capital financing costs	2021-22	2022-23
	£m	£m
Provision for repayment of debt	340.5	347.0
External interest	170.0	170.0
<b>GLA: Mayor Total</b>	<b>510.5</b>	<b>517.0</b>

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## 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 2020-21 which is set out in sections 1 to 6 of this document and then an indicative high-level capital plan for a further fifteen years.

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 £8.7 billion every year from 2025-26 onwards. Just under 95 per cent of this spending need arises from housing and transport.

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## Capital strategy

### High level spending need for years 6 to 20

Outturn prices	Years	Years	Years	Total
	6-10	11-15	16-20	Years 6-20
	2025-26 to 2029-30	2030-31 to 2034-35	2035-36 to 2039-40	2025-26 to 2039-40
	£m	£m	£m	£m
<b>GLA: Mayor</b>				
Housing	17,887.3	13,500.0	13,500.0	44,887.3
Regeneration	356.4	261.3	147.1	764.8
Environment	197.8	185.8	185.0	568.6
Other	157.6	164.9	177.8	500.3
<b>Subtotal GLA</b>	<b>18,599.1</b>	<b>14,112.0</b>	<b>14,009.9</b>	<b>46,721.0</b>
<b>MOPAC</b>				
Transformation	616.8	602.4	641.3	1,860.5
Maintenance	227.7	170.0	170.0	567.7
<b>Subtotal MOPAC</b>	<b>844.5</b>	<b>772.4</b>	<b>811.3</b>	<b>2,428.2</b>
<b>LFC</b>				
Estate, ICT and fleet maintenance	264.4	193.4	144.9	602.7
<b>Subtotal LFC</b>	<b>264.4</b>	<b>193.4</b>	<b>144.9</b>	<b>602.7</b>
<b>TfL</b>				
Crossrail 2	0.0	0.0	12,968.6	12,968.6
Line extensions	1,098.8	983.5	3,592.3	5,674.6
Line upgrades	6,848.5	7,691.3	4,887.8	19,427.6
Enhancements	7,820.3	8,775.8	6,081.6	22,677.7
Renewals	5,848.5	6,476.5	7,740.6	20,065.6
<b>Subtotal TfL</b>	<b>21,616.1</b>	<b>23,927.1</b>	<b>35,270.9</b>	<b>80,814.1</b>
<b>LLDC</b>				
Construction, infrastructure and lifecycle	101.1	34.1	-1.2	134.0
<b>Subtotal LLDC</b>	<b>101.1</b>	<b>34.1</b>	<b>-1.2</b>	<b>134.0</b>
<b>TOTAL GLA GROUP</b>	<b>41,425.2</b>	<b>39,039.0</b>	<b>50,235.8</b>	<b>130,700.0</b>

The table below illustrates how the GLA and each functional body's total spending need over years 5 to 20 against the likely level of capital resources available and illustrates the scale of likely shortfall. This is subject to many assumptions which will be reflected in each body's individual detailed capital strategy but illustrates 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.



## Capital strategy

### Total Spending Need Years 6 to 20 Compared to Forecast Level of Capital Resources

Outturn prices	Years	Years	Years	Total
	6-10	11-15	16-20	Years 6-20
	2025-26 to 2029-30	2030-31 to 2034-35	2035-36 to 2039-40	2025-26 to 2039-40
	£m	£m	£m	£m
<b>GLA: Mayor</b>				
Spending need	18,599.1	14,112.0	14,009.9	46,721.0
Likely funding	6,127.7	3,775.3	3,502.1	13,405.1
<b>Subtotal GLA shortfall</b>	<b>12,471.4</b>	<b>10,336.7</b>	<b>10,507.8</b>	<b>33,315.9</b>
<b>MOPAC</b>				
Spending need	844.5	772.4	811.3	2,428.2
Likely funding	409.0	319.3	438.6	1,166.9
<b>Subtotal MOPAC shortfall</b>	<b>435.5</b>	<b>453.1</b>	<b>372.7</b>	<b>1,261.3</b>
<b>LFC</b>				
Spending need	264.4	193.4	144.9	602.7
Likely funding	48.0	37.0	37.0	122.0
<b>Subtotal LFC shortfall</b>	<b>216.4</b>	<b>156.4</b>	<b>107.9</b>	<b>480.7</b>
<b>TfL</b>				
Spending need	21,616.1	23,927.1	35,270.9	80,814.1
Likely funding	16,723.6	13,859.4	23,044.1	53,627.1
<b>Subtotal TfL shortfall</b>	<b>4,892.5</b>	<b>10,067.7</b>	<b>12,226.8</b>	<b>27,187.0</b>
<b>LLDC</b>				
Spending need	101.1	34.1	-1.2	134.0
Likely funding	101.1	34.1	-1.2	134.0
<b>Subtotal LLDC shortfall</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total GLA Group shortfall</b>	<b>18,015.8</b>	<b>21,013.9</b>	<b>23,215.2</b>	<b>62,244.9</b>

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