



London Borough of Enfield

Report Title	2024/25 to 2033/34 Capital programme budget amendments & updates to the 2023/24 and 2024/25 flexible use of capital receipts.
Report to:	Council
Date of Meeting:	Council 18 th September 2024
Cabinet Member:	Cllr Tim Leaver
Executive Director	Fay Hammond - Executive Director of Resources
Report Authors:	Olu Ayodele – Head of Capital & Treasury
Ward(s) affected:	ALL
Classification:	Part I Public

Purpose of Report

1. The purpose of the report is to update Council on the changes to the 10-year capital programme since approval of the programme on the 22 February 2024 (KD5502). The report is also providing an update on the outturn position regarding the Council's utilisation of capital receipts under Flexible Use of Capital Receipts (FUCR) Legislation, as well as an update of the planned usage of capital receipts during 2024/25.

Recommendations

1. As recommended by June Cabinet, in the Capital Programme 2023/24 Outturn report (KD5744), Council is asked to approve:
 - a. The carry forward of £35.4m unspent capital budget at 2023/24 outturn into the 2024/25 capital programme (Appendix B).
 - b. £1.8m of growth, funded by borrowing to the 2024/25 capital programme (Appendix C).
2. As recommended by September Cabinet, in the 2024/25 Capital Monitoring report, Council is asked to approve
 - a. Additional borrowing funded growth of £2.2m (Appendix G)
 - b. A revised 2024/25 capital budget of £357.3m (Appendix F)
 - c. £5.2m of growth to the Pipeline programme (Appendix J)
3. As recommended by September Cabinet, in the 2023/24 Revenue Outturn report, Council is asked to approve
 - a. The use of an additional £4.95m to fund revenue expenditure, using the Flexible Use of Capital Receipts (FUoCR), bringing the total value of expenditure funded by Capital receipts to £7.13m in 2023/24 as detailed in the revised schedule of projects in Appendix K.
4. As recommended by September Cabinet, in the Quarter 1 2024/25 Revenue Forecast update, Council is asked to approve
 - a. The increase in the use of 2024/25 Flexible use of Capital Receipts (FUoCR) from £1m to £10m as detailed in Appendix L

Background and Options

2. This report seeks Council approval of the changes to the Capital programme that have happened since the approval of the 2024/25 – 2033/34 Capital programme original budget in February (KD5502). These changes include those arising at 2023/24 capital outturn, already approved by June Cabinet (KD5744) as well as other changes to the programme since then, which have all been subject to individual relevant governance.
3. This report covers all changes included in the 2023/24 capital outturn report that was presented to June Cabinet and scheduled for approval at June Council. However, that meeting was cancelled.
4. This report also seeks approval for the actual Flexible use of Capital Receipts (FUoCR) for 2023/24 and changes to the planned use in 2024/25.
5. Council approved the use of £2.2m capital receipts to fund revenue expenditure, as part of the Budget Report 2023/24 and Medium-Term Financial Plan 2023/24 to

2027/28 (KD5484). The actual amount utilised during 2023/24 was £7.13m, representing an increase of £4.93m. Appendix H provides further information.

6. As part of the 2024/25 Budget report and Medium-Term Financial Plan 2024/25 to 2028/29 (KD5683) presented to Council in February 2024, Capital receipts of £1m were approved to fund revenue transformation projects. Since then, as part of 2023/24 outturn and review of the Council's current revenue budget position, £10m is required. Appendix I provides further details.

2023/24 Budget Carry forwards

7. Council approved a carry forward of £36.5m as part of the 10 Year Capital Programme 2024/25-2033/34 report (KD5502) approved in February 24. Approval is requested for a further £35.4m arising from 2023/24 outturn. Appendix A provides further details.

Reprofiling

8. As part of 2023/24 outturn, and reviewing Capital programme deliverables, budgets have been updated. Appendix E details the changes.

Growth

9. There has been total additions of £39.8m to the Capital programme, since Council approved the 2024/25 capital programme budget in February 2024, as detailed in Appendix C. This consists of
 - a. £24.7m moved from the Pipeline programme to the approved capital programme
 - b. £15.1m new growth, of which £5.1m is funded from borrowing

Pipeline programme

10. The Pipeline programme was introduced as part of the 2024/25 capital strategy. It is an indication of potential future additions to the capital programme, which includes new projects in early stages of development. The associated budgets are high level indicative estimates.
11. Prior to approval a business case is required to demonstrate that adding the project to the approved programme will not result in an unfunded revenue budget pressure or negatively impact the capital programme key affordability prudential indicator. The indicator measures the % of Net Revenue Budget (NRB) used to fund debt financing costs. The annual target is 10%, with an upper limit of 12%. As at Quarter 1 2024/25 Q1, the forecast outturn indicator for 31 March 2025 is 8.7%.
12. The report includes growth of £5.2m, including £2.0m of borrowing funded contingency for small projects, amendments to indicative Pipeline programme budgets and £2.5m for Leisure centres. Appendix G details changes to the Pipeline programme since approval of the 2024/25 ten-year programme in February 2024.

Flexible Use of Capital Receipts

13. With effect from 2016/17 the Government provided a general capitalisation directive to all Councils, enabling them to utilise new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. This arrangement has been extended in subsequent Local Government Finance Settlements most recently in the 2022/23 settlement, with the flexibility under which local authorities can fund transformative revenue costs from capital receipts extended for a further three years.
14. In respect of 2023/24 projects, the Council approved the planned use of Flexible Capital Receipts (FCRs) as part of the budget setting paper on the 23 February 2023 meeting (KD 5484). Originally £2.201m of spend on projects was planned to be funded by FCRs. A review of the proposed projects was undertaken mid. 2023/24 with a number of initiatives removed from the list because they are no longer proceeding, can be funded from other sources, or are no longer deemed to be qualifying expenditure. In addition, new expenditure planned in respect of activity to dispose of certain land and property assets which is proposed, was added to the list. The revised total of projects planned to be funded through FCRs as reported in the Quarter 3 2023/24 Revenue Forecast update and in the Budget Report 2023/34 both reported to Cabinet in February 2024, was at £2.18m.
15. Since Quarter 3, a further review has been undertaken given the financial pressures on the Council and potential drawdown on already limited reserves. The table in Appendix H, sets out the revised strategy at outturn. The change in strategy now totalling £7.13m, is predominantly the decision to fund statutory redundancy and pension strain costs incurred in 2023/24, that resulted from the delivery of the savings programme set out in the 2023/24 Medium Term Financial Strategy. A number of other changes were planned to be funded from the Invest to Save reserve. By swapping out the funding to Flexible Use of Capital Receipts, the Council can protect its earmarked useable reserves balances.
16. In respect of 2024/25, the risk reserve balance alone will not cover the adverse forecast outturn. The Council was planning to use £1.00m of capital receipts to fund transformation projects in 2024/25 (as approved by Council in February 2024 Budget report KD5683).
17. Since setting the budget, a further review has been undertaken given the financial pressures on the council and potential drawdown on already limited reserves. The table in Appendix I sets out the revised strategy proposed for 2024/25. The change in strategy now totalling £10m, includes the decision to continue to fund statutory redundancy and pension strain costs expected in 2024/25. It also includes capacity to deliver a digital transformation portfolio of £4m and creates an Invest to Save fund of £2m. Appendix I provides further details.

Financial implications

18. Financial implications are contained throughout this report.

Legal implications

19. The Council has duties within an existing legal framework to arrange for the proper administration of its financial affairs. The recommendations in this report will support the Council in meeting its statutory obligations.
20. Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure and the use of capital receipts to support revenue expenditure is not permitted by the regulations.
21. The Secretary of State for Communities and Local Government issued guidance in March 2016 under section 15 (1) (a) of the 2003 Act, giving local authorities greater freedoms as to how capital receipts can be used to finance expenditure. This allows for the following expenditure to be treated as capital, “expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”
22. The guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy with the initial strategy being effective from 1st April 2016 with future Strategies included within future Annual Budget documents. This report complies with this requirement.

Equalities implications

23. There are no equalities implications.

Environmental and Climate Change implications

24. The ten-year programme continues to demonstrate ongoing investment in these areas in line with the Council’s strategic priorities.

Public Health implications

25. There are no direct public health implications arising in this report.

Property implications

26. The ten-year programme includes proposed investment in the civic estate and schools. This report also makes clear the links to and reliance on the Council’s asset disposals policy to generate future capital receipts to further reduce the Council’s borrowing requirement.

Appendices

1. Appendix A: summary proposed changes to original budget 2024/25
2. Appendix B: proposed carry forward of unspent 2023/24 budget at outturn
3. Appendix C: proposed growth to original budget 2024/25
4. Appendix D: proposed reductions to original budget 2024/25
5. Appendix E: proposed reprofiling of 2024/25 budget to 2025/26
6. Appendix F: summary of changes to 2024/25 Capital budget
7. Appendix G: Q1 growth to 2024/25 capital programme
8. Appendix H: summary revised 10-year capital programme
9. Appendix I: proposed changes to original 2024/25 capital Pipeline programme
10. Appendix J: Flexible use of capital receipts in 2023/24 – revised list
11. Appendix K: Flexible use of capital receipts in 2024/25

Background Papers

The following documents have been relied on in the preparation of this report:

2023/24 Capital programme Outturn report (KD5744)

2024/25 Q1 Capital monitoring report (Non-Key)

10-year capital programme 2024/25-2033/34(KD5502)

Budget Report 2023/24 and Medium-Term Financial Plan 2023/24 to 2027/28 (KD5484)

Budget Report 2024/25 Medium Term Financial Plan (MTFP) 2024/25 to 2028/29 (KD5683)

Appendix A: summary proposed changes to original budget 2024/25 (capital programme 2023/24 outturn report (KD5744))

	Original Budget (Feb 24)	c/fwd. Unspent Budget (from 23/24)	growth	reduction	Reprofile (to 25/26)	Revised Budget
		appendix B	appendix C	appendix D	appendix E	
	£m	£m	£m	£m	£m	£m
Education	20.7	(0.4)	6.9	(1.3)	(6.1)	19.7
Children & Family Services	0.4	0.3				0.7
Mental Health Hub	0.0	0.1	2.6		(2.2)	0.5
DFG Private Home Adaptations	2.8					2.8
People	23.9	0.0	9.5	(1.3)	(8.4)	23.8
Digital Services (current approved)	5.5					5.5
Property & Economy	2.2		0.4	(0.1)	(0.1)	2.4
Resources	7.7	0.0	0.4	(0.1)	(0.1)	7.9
Environment & Street Scene	6.7	0.2	1.0	(0.1)		7.8
Leisure, Parks & Culture	2.0	0.6	0.8			3.4
Journeys & Places	11.9	0.2	0.7	(0.1)		12.7
Environment & Communities	20.6	1.0	2.5	(0.2)	0.0	23.9
Meridian Water	120.4	22.6	0.5	0.0	(21.8)	121.7
Energetik	11.7					11.7
Housing Gateway Ltd	29.4	0.1		(2.1)		27.4
Companies	41.1	0.1	0.0	(2.1)	0.0	39.1
General Fund	213.7	23.8	12.8	(3.7)	(30.3)	216.4
Housing Revenue Account	101.7	11.6	0.0	0.0	0.0	113.3
capital expenditure	315.5	35.4	12.8	(3.7)	(30.3)	329.7

Appendix B: proposed carry forward of unspent 2023/24 budget at outturn (capital programme 2023/24 outturn report (KD5744))

	proposed c/fwd	funding	purpose of carry forward request
	£m		
build the change	0.04	borrowing	retention and minor works already committed
extensions to foster carers' homes	0.05	borrowing	final 2 projects – scheme now closed
Enfield children's homes	0.25	borrowing	refurbishment & remodelling of children's homes
vehicle replacement programme	0.17	borrowing	orders placed for vehicle replacement
parks & playgrounds equipment	0.12	borrowing	remaining playground installations (potential use of s106 contributions)
Meridian Water (non HIF)	7.58	borrowing	programme delays resulting in deferred work
total funded from borrowing	15.7		estimated annual MRP & interest is £66k
education	(0.41)	DFE capital grant	accelerated delivery of 2025/26 programme
family hubs	0.03	capital grant	completion of Craig Park and Ponders End hubs
mental health & wellbeing hub	0.14	DOH capital grant	business case approved
Sloeman's Farm natural burial ground	0.05	capital receipts	consultation and regulatory costs to proceed to planning stage
refurbishment of tennis courts	0.07	LTA capital grant	to complete programme (includes £20.6k borrowing)
flood alleviation	0.36	EA and other grants	completion of planned flood alleviation works
journeys & places	0.22	various capital grants	completion of planned programme
Meridian Water HIF	7.58	HIF grant	delay in contract award for HIF funded works
Housing Gateway Ltd	0.09	LAHF grant	acquisition of additional properties
total funded from capital grants	8.1		
General Fund	23.8		
Housing Revenue Account	11.56	HRA	unspent budget funded from HRA
Housing Revenue Account	11.6		
proposed c/fwd. of 23/24 unspent budget at outturn	35.4		

Appendix C: proposed growth in 2024/25 programme (capital programme 2023/24 outturn report (KD5744))

	growth	funding	Details
	£m		
vehicle replacement programme	1.0	Borrowing	Pending Council approval of borrowing
electric quarter – CPOs	0.4	Borrowing	Pending Council approval of borrowing
Meridian Water	0.5	Borrowing	Pending Council approval of borrowing
<u>Borrowing growth pending Council approval</u>	1.8		
Education	6.9	DfE grants	Grant funded growth to schools programme
mental health & wellbeing hub	2.6	DoH grants	Business case approved KD 5590
Southgate leisure centre	0.8	S106 & CIL	EMT approved 29 April 2024
journeys & places	0.7	Capital grants	Growth approved KD 5724
Non-borrowing funded growth	11.0		
proposed growth in 2024/25 budget (outturn report KD 5744)	12.8		

Appendix D: proposed reductions in 2024/25 programme (capital programme 2023/24 outturn report (KD5744))

	reductions	funding	Details
	£m		
Education	(1.3)	DFE capital grants	Reductions to Highfield School windows and De Bohun Nursery grant funded budget estimates
People	(1.3)		
traffic & transportation	(0.1)	GLA capital grants	Reductions to original grant funded estimates (KD 5724)
journeys & places	(0.1)	Capital grants	Reductions to original grant funded estimates (KD 5724)
corporate condition programme – decarbonisation	(0.1)	Borrowing	Adjustment to budget estimate for spend accrued for in 2023/24
Environment & Communities	(0.3)		
Housing Gateway Ltd	(2.1)	Borrowing	
Companies	(2.1)		
General Fund	(3.7)		
Housing Revenue Account	0.0		
proposed reductions in 2024/25 budget (outturn report KD 5744)	(3.7)		

Appendix E: proposed reprofiling of 2024/25 budget to 2025/26 (capital programme 2023/24 outturn report (KD5744))

	reprofile to 2025/26 £m	funding	Details
Mental health & wellbeing hub	(2.2)	DoH capital grants	Revised profile of spend
Education	(6.1)	DFE capital grants	Revised profile of planned schools capital programme grant funded budgets
People	(8.4)		
corporate condition programme	(0.1)	borrowing	approved reprofiling of condition programme budgets (KD 5709)
Environment & Communities	(0.1)		
Meridian Water HIF	(7.6)	HIF grant	
Meridian One	(14.2)	Borrowing	
Meridian Water	(21.8)		
proposed reprofiling of 2024/25 budget to 2025/26 (outturn report KD 5744)	(30.3)		

Appendix F: Summary of changes to 2024/25 capital budget (Q1 capital programme monitoring report)

	Revised budget in outturn report (KD5744)	Additional growth (Q1 report)	September budget
		appendix G	
	£m	£m	£m
Education	19.7		19.7
children & family services	0.7		0.7
adult social care	3.3		3.3
People	23.8	0.0	23.8
John Wilkes House (temporary accommodation)	0.0	0.6	0.6
Housing	0.0	0.6	0.6
digital services	5.5		5.5
Resources	5.5	0.0	5.5
environment & street scene	7.8		7.8
leisure, parks & culture	3.4	1.9	5.3
journeys & places	12.7		12.7
property & economy	2.4	0.5	3.0
Environment & Communities	26.3	2.4	28.7
Meridian Water	121.7	0.0	121.7
Energetik	11.7		11.7
Housing Gateway Ltd	27.4	2.1	29.5
Companies	39.1	2.1	41.2
General Fund	216.4	5.	221.5
Housing Revenue Account	113.3	5	135.8
capital expenditure	329.7	27.6	357.3

Appendix G: additional approved growth to 2024/25 capital budget (Q1 capital programme monitoring report)

	growth	funding	Details
	£m		
Housing Revenue Account temporary accommodation programme (HRA)	22.5	Borrowing and grant	Pending Cabinet approval
John Wilkes House (temporary accommodation GF)	0.6	borrowing & grant	Business case approved KD 5747
Southbury leisure centre	1.9	Borrowing and £0.2m s106	£2.4m business case approved including £0.5m borrowing <u>virement</u> from other areas of capital programme and £0.7m growth KD 5774
Claverings service relocation	0.5	Cap receipts	EMT approved 10 June 2024 via ROD (less than £0.5m)
approved additional growth (Q1)	25.5		
civic centre – D block refurbishment	0.1	Borrowing	Pending Council approval of borrowing
HGL	2.1	Borrowing	Pending Council approval (Reinstatement of outturn reduction (in line with HGL report))
proposed additional growth (Q1)	2.2		
Additional proposed growth to 2024/25 budget in Q1 report	27.7		

Appendix H: summary revised 10-year capital programme

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	10-year total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
corporate condition programme	2.0	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	20.1
Environment & Communities	28.8	27.5	12.0	11.3	12.5	11.7	11.7	10.7	10.7	10.7	147.3
Meridian Water non-HIF	41.4	40.1	19.0	13.7	23.9	11.3	11.5	7.3	7.8	7.2	183.2
Meridian Water HIF	80.3	75.8									156.1
Meridian Water	121.7	115.9	19.0	13.7	23.9	11.3	11.5	7.3	7.8	7.2	339.3
Energetik	11.7										11.7
Housing Gateway Ltd	29.5	19.1	11.7								60.3
Companies	41.2	19.1	11.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	72.0
General Fund	221.5	188.7	57.5	34.5	46.0	32.5	32.7	27.4	28.0	25.5	694.2
Housing Revenue Account	135.9	108.2	119.8	122.6	118.1	63.1	91.3	57.1	68.1	49.9	934.2
capital programme	357.3	296.9	177.3	157.2	164.1	95.5	124.0	84.6	96.1	75.4	1,628

Appendix I: proposed changes to original 2024/25 capital Pipeline programme

	Original 24/25	Trf. to approved Prog. 24/25	Trf .to approved 25/26	Proposed growth	Proposed reductions	Revised 2024/25	Comments on proposed changes
	£m	£m	£m	£m	£m	£m	
digital services programme	2.0					2.0	Pipeline budget will be updated as part of ongoing programme review, the results of which will be reflected in future monitoring reports
migration to Cloud and infrastructure rationalisation	1.2					1.2	
Resources	3.2	0.0	0.0	0.0	0.0	3.2	
rural estate	1.0					1.0	Indicative investment – will be updated once results of condition surveys are known
secondary behaviour support	1.2					1.2	Pending business case
corporate condition programme	0.7				(0.7)	0.0	No longer required – planned 24/25 programme funded from approved £2.0m budget
Bowes Green and Edmonton Green Quieter Neighbourhoods	1.6			0.3		1.9	Project is for installation of traffic cameras. Estimated costs £1.9m - £1.6m borrowing (to be repaid over 5 years from camera enforcement income) and £0.3m grant. Business case to be approved
highways trees removal and replacement	0.2					0.2	Will be added to programme as funding is confirmed (assumed £80k Forestry Commission grant and £70k borrowing)
parks and play infrastructure	0.5					0.5	Business need and business case to be prepared – no capital budget approved in main programme for parks and play infrastructure
Southbury leisure centre	1.2	(1.2)				0.0	£2.4m business case approved (including £0.5m contingency virement from other areas of capital programme and proposed £0.7m growth)
Edmonton leisure centre	0.0			2.5		2.5	£2.5m borrowing subject to business case and agreed investment mechanism (direct investment v loan)

Appendix I: proposed changes to original 2024/25 capital Pipeline programme

	Original 24/25	Trf. to approved Prog. 24/25	Trf .to approved 25/26	Proposed growth	Proposed reductions	Revised 2024/25	Comments on proposed changes
	£m	£m	£m	£m	£m	£m	
carriageways & bridges	0.0			0.4		0.4	Grant funded work to be added to the programme as funding is confirmed
schools related flood alleviation	0.7					0.7	Grant and s106 funded schemes to be added to the programme as funding is confirmed
watercourses	0.8					0.8	Grant and s106 funded schemes to be added to the programme as funding is confirmed
Environment & Communities	7.9	(1.2)	0.0	3.2	(0.7)	9.2	
children & families invest to save	2.0					2.0	Project to be scoped
mental health and wellbeing centre	3.0	(0.4)	(2.2)		(0.4)	0.0	Business case approved
SEND Portcullis Lodge	1.8		(1.8)			0.0	Grant funded schemes – moved to 25/26 and 26/27 in schools' capital programme (KD 5706)
SEND Addison House	2.0		(2.0)			0.0	
SEND Eldon STC	0.2		(0.2)			0.0	
People	9.0	(0.4)	(6.2)	0.0	(0.4)	2.0	
Homelessness prevention	5.0				(5.0)	0.0	Incorporated in temporary accommodation below
Temporary accommodation	30.0	(23.1)				6.9	£0.6m business case approved for John Wilkes House (GF) and £22.6m proposed move into HRA capital programme (HRA period 3 forecast outturn report 2024-25)
Housing	35.0	(23.1)	0.0	0.0	(5.0)	6.9	
Energetik T3 MEEF	2.2					2.2	Subject to approval of business plan
Companies	2.2	0.0	0.0	0.0	0.0	2.2	
Contingency	0.0			2.0		2.0	Borrowing funded contingency for small projects and changes in cost estimates

Appendix I: proposed changes to original 2024/25 capital Pipeline programme

	Original 24/25	Trf. to approved Prog. 24/25	Trf .to approved 25/26	Proposed growth	Proposed reductions	Revised 2024/25	Comments on proposed changes
	£m	£m	£m	£m	£m	£m	
Contingency	0.0	0.0	0.0	2.0	0.0	2.0	
	57.3	(24.7)	(6.2)	5.2	(6.1)	25.5	

Appendix J: Flexible use of capital receipts in 2023/24 – revised list

Service Area	Original Plan £m	Final Plan £m	Planned savings and demand reductions
Transformation	0.90	0.87	Portfolio of programmes delivering corporate, and customer facing change across the organisation to reduce demand failure, improve customer experience, cost prevention and create efficiencies through improved processes and enhanced technology. Individual programmes may have specific MTFP savings targets. Cost prevention projects & programmes are designed to reduce demand prior to incurring costs.
Digital Services	0.60	0.91	To develop business cases for new projects as part of the Portfolio's pipeline. This will include reducing the cost of laptops and devices; procurement savings; application rationalisation; reduction in mobile phone usage and costs. Including the delivery costs of the pilot of the 365 co-pilot transformation project
Property	0.49	0.89	Various external fees directly attributable to, and essential for, the disposal of property assets to deliver capital receipts. Gross capital receipts forecast to total £65m over the five-year period 2023-29. There will no ongoing costs associated with each property asset disposal upon completion of each sale. There will also be reduced MRP and interest charges if the receipts are used to repay borrowing. In addition, the revenue costs associated with the recent Civic Centre moves (initially funded by Invest to Save reserve) now form part of the new strategy. The moves have freed up space in B Block South which will result in reduced energy costs for 2023/4.
Income & Debt	0.19	0.06	Analyse Local Business Rate growth project. Aim of the project is to increase Business Rate Income through identifying missing hereditaments within the borough and establishing new working partnerships across the Council to ensure maximisation of the tax base in future years.
Redundancy and pension strain	0	3.71	Statutory Redundancy and pension strain costs related with the delivery of the 2023/24 savings programme as set out in the Council's Medium Term Financial Plan for 2023/24.
Council Tax Support	0	0.02	The cost of consultation and implementation costs incurred in 2023/24 associated with the Council Tax Support changes to be made in 2024/24 and agreed at Council in February 2024.
Children's & Families	0	0.32	Due to difficulties in recruiting social workers, the service has created a project to implement a different approach to traditional strategies and looks to encourage take up of opportunities to join our team from overseas.

Service Area	Original Plan £m	Final Plan £m	Planned savings and demand reductions
			In addition, the Joint Service for Disabled Children have implemented an invest to save scheme to create additional capacity to review 160 direct payment and care at home packages. The outcome of which has delivered in year financial savings for the service.
Adult Social Care (ASC)	0	0.15	<p>Two transformational projects in ASC are now included in the revised strategy: North Central London Sustainability & Transform Partnership – the partnership is hosted by a number of NHS organisations with the support of officials from the area’s local authorities. The organisations within the STP work together in collaboration to propose changes to the way services are delivered. Making them more effective and efficient.</p> <p>Areas covered (removal of duplicate service, creating provisions closer to home, improving mental health provisions etc).</p> <p>Reardon Court extra care facility – mobilisation and implementation costs associated with the creation of a new extra care facility on the existing Reardon Court site. The MTFP includes the delivery of £490k savings resulting from this project, principally from diverting from more expensive forms of care and there is a considerable evidence base for this, as well as the wider benefits of providing extra care.</p>
Leisure, Culture & Parks	0	0.06	Costs included are the consultation costs related to the delivery of the soil importation project at Holly Hill. This invest to save project is generating additional income for the Council which are included in the MTFP for future years.
Planning	0	0.14	This invest to save project creates additional capacity to manage Planning backlogs and therefore mitigate the risk of lost income, whilst also generating additional income for the service.
TOTAL	2.18	7.13	

Appendix K: Flexible use of capital receipts in 2024/25

Service Area	Original Plan £m	Revised Plan £'m	Planned savings and demand reductions
Property	1.000	1.042	Various external fees directly attributable to, and essential for, the disposal of property assets to deliver capital receipts. There will no ongoing costs associated with each property asset disposal upon completion of each sale. There will also be reduced MRP and interest charges if the receipts are used to repay borrowing. In addition, there are residual revenue costs associated with the Civic Centre moves (initially funded by Invest to Save reserve) that now form part of the new strategy. The moves freed up space in B Block South which will result in reduced energy costs for 2024/25.
Digital Services	0.000	4.236	<p>The digital investment programme covers four themes which collectively enable the Council to enhance its use of technology to deliver its corporate priorities.</p> <ul style="list-style-type: none"> • Transformation through technology, embracing and exploiting established and emerging technologies. • Modern infrastructure, that is reliable, resilient and responds to the changing needs of the Council. • Modern applications, that provide colleagues and residents with the tools they need to work effectively and efficiently. • Cyber-security, maintaining the Council's cyber-security in an increasingly hostile online environment. <p>Where a project in the investment programme will deliver future cost reductions, savings or cost avoidance, it will be funded from Flexible Use of Capital Receipts. £0.236m are residual costs from projects started in 2023/24 and up to £4m is set aside for the programmes described above.</p>
Future Invest to Save	0.000	2.000	£2m set aside to fund Invest to Save proposals being put forward in 2024/25 to generate savings to contribute to mitigating current year or future years budget gap.
Redundancy and pension strain	0.000	2.000	Statutory Redundancy and pension strain costs related with the delivery of the 2024/25 savings programme as set out in the Council's Medium Term Financial Plan for 2024/25.
Housing Benefit Subsidy loss team	0.000	0.550	In response to the forecast Housing Benefit Subsidy loss, the Council plans to Invest in a Council wide team including Housing Officers, Fraud Investigator, Financial Assessment Officers as one of the interventions to address this material financial issue, whilst utilising the existing Welfare Benefits Advise team to maximise benefits if they are not being claimed.

Planning Apprentices	0.000	0.111	This Invest to Save project creates additional capacity to manage Planning backlogs and therefore mitigate the risk of lost income, whilst also generating additional income for the service.
Consultation on Libraries Strategy	0.000	0.075	The Council is under a duty to provide a comprehensive and efficient library service. In light of the Council's funding pressures, the Council needs to consider whether the library service can be delivered in a more efficient way, while ensuring that it continues to meet people's needs and is comprehensive. This will require expenditure to carry out consultation with stakeholders about whether they use our library service and why, how they use the library service, their experience of our libraries, what they value and their suggestions on how we can deliver things differently / more efficiently in light of the Council's financial position and the need to make savings in the library budget.
Transformation	0.000	0.023	These are the residual cost of the Transformation team that were delivering a portfolio of programmes delivering corporate and customer facing change across the organisation to reduce demand failure, improve customer experience, cost prevention and create efficiencies through improved processes and enhanced technology. Individual programmes may have specific MTFP savings targets. Cost prevention projects & programmes are designed to reduce demand prior to incurring costs.
TOTAL	1.000	10.037	