

MUNICIPAL YEAR 2015/16 REPORT NO. 25

MEETING TITLE AND DATE:

Cabinet 22nd July 2015

REPORT OF:

Director of Finance, Resources &
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AGENDA - PART

1

ITEM: 7

SUBJECT – Capital Outturn 2014/15

Cabinet Member consulted:

Councillor Andrew Stafford

1. EXECUTIVE SUMMARY.

- 1.1** The purpose of this report is to inform Members of the capital investment undertaken in 2014/15, and the way in which it has been funded. The report also includes the outturn position for the Prudential Indicators.
- 1.2** The report shows that in 2014/15 the Council's capital expenditure amounted to £129.8m compared with the latest programme of £161.6m. The resulting favourable variance of £31.8m is comprised of £1.9m Housing projects and £29.9m of General Fund projects. This is mainly due to re-profiling of schemes where the resources will be carried forward to 2015/16 including £11.7m in respect of Meridian Water for the purchase of land in early April.
- 1.3** Details of the service achievements and an analysis of the variations are contained in the report and Appendix 1.

2. RECOMMENDATIONS.

- 2.1** That the achievements and improved outcomes resulting from the Council's investments in capital projects are noted.
- 2.2** That the funding of the Council's capital expenditure for 2014/15 as set out in this report be agreed (paragraph 5.3).
- 2.3** That the outturn for the Council's prudential indicators be noted (section 6).

3. BACKGROUND

- 3.1** The Council's Capital Programme for 2014/15 to 2016/17 was agreed by Council on February 2014. The Capital Programme has been monitored on a quarterly basis and quarterly reports have been considered by Cabinet in September 2014, November 2014 and March 2015. This outturn report represents the 4th quarterly monitoring report for 2014/15 and a summary for the year.

4. PRINCIPAL ACHIEVEMENTS AND OUTCOMES

- 4.1** Overall the Council spent £129.8m on capital projects in 2014/15 compared with the latest programme of £161.6m. The principal achievements resulting from capital investment in 2014/15 are summarised below.

4.2 SCHOOLS AND CHILDREN'S SERVICES

In 2014/15 the main priority was again to ensure sufficient accommodation was planned and/or secured to meet the continuing and further increasing demand for primary school places. The Infant Free School Meals (IFSM) initiative required significant input from officers to identify schools requiring building works to improve kitchens.

As in 2013/14 significant capital funding was prioritised for basic need projects with DfE funding, such as the Targeted Basic Need grant, being used to reduce the call on general resources and the Council's borrowing requirements. In addition funding for condition issues was identified for outstanding condition issues at schools

The principal objectives and achievements were as follows:

1. To ensure the supply of sufficient primary school places through the implementation of the Authority's Strategy.
 - The completion of a number of schemes under the Primary Phase 1 of the School Expansion Programme, namely Highfield, Chesterfield, and George Spicer primary schools plus primary accommodation at Edmonton County Bury Street Campus to create an all-through school. Additionally the main works at Worcesters and Grange Park were completed but there will be follow on packages delivered in 2015/16.
 - The next phase is now advanced with construction activity in progress at Garfield, Prince of Wales and Bowes Edmonton primary sites.
 - Following the site purchase for a new Secondary Tuition Centre to replace the existing centre, the design has been completed and submitted for planning consent.
2. To develop a strategy to increase secondary school provision and if necessary respond to the raising of the age of participation.
 - Discussions on procuring additional sites to deliver the remainder of phase two to provide required additional primary and secondary school places are proceeding.
3. To ensure that school accommodation is of high quality and fit for purpose to improved educational attainment for all children and young people.
 - Significant investment in school buildings and services to facilitate improved attainment.
4. To support services for children with complex and special educational needs.
 - Investment in additional accommodation to increase the places in the special educational needs sector, particularly in the Autistic spectrum.

5. The Government's IFSM initiative requires that every child in reception, year 1 and year 2 in state-funded schools will receive a free school lunch from September 2014.
 - To deliver the IFSM initiative a number of schools were identified as requiring reorganisation, additional staff and improved catering equipment. SCS identified a further eight schools which, either through available space or poor building condition, would not be able to fully meet the new requirement of IFSM. Three kitchen improvement works at Bowes, Hazelbury Infants and Worcestors were completed by September 2014. Interim arrangements were implemented at the remaining five schools.
6. Maximise external and Government funding to support school building improvement.
 - SCS offices successfully applied to the Department for Education (DfE) for £813k additional capital to deliver the IFSM kitchen improvement works.

The DfE announced an invitation for Authorities to bid for additional funding for major works to schools under the Priority Schools Building Programme (PSBP). SCS officers submitted six school bids, Broomfield, West Lea, Walker, Durants, Brimsdown and Eldon for significant refurbishment or rebuilding. On the 9 February 2015 the DfE announced Enfield was successful with four of the school bids, Walker, Durants, Brimsdown and Eldon. The scope of the projects and funding has not yet been announced but will be reported when known.

4.3 ENVIRONMENT AND STREET SCENE

The principle achievements and outcomes of the 2014/15 Capital programme are considered below. The delivery of the programme was broadly in-line with agreed timescales and objectives.

Highway Services

There have been some slippages due to the delivery of the schemes through the London Highways Alliance Contract, although target lengths for road and pavement renewal have still been achieved.

The planned maintenance of carriageways and footways was undertaken in accordance with the principles set out in the Highway Maintenance Plan. The planned maintenance priorities ensure the most cost effective treatment at the right time for whole life asset management and improved customer satisfaction. Enfield's Capital Programme therefore forms an essential part of maintaining its highway assets in order to reduce the effects of ongoing deterioration of the overall network.

Enfield Council's target was to resurface or reconstruct 18km of Non-Principal Road carriageways during 2014/15. By the end of March 2015, 20.86 km of carriageways had been resurfaced. This includes approximately 3.1km of carriageway recycling saving approximately 245 tonnes of CO2. 4.8km of Principal Roads have also been resurfaced, which were funded by Transport for London. In addition, Enfield received additional government funding of £0.566k, via TFL, as a result of the wet winter, which allowed for a further 1.5km of classified roads to be resurfaced. The Department for Transport also allocated a further £350k, for potholes/carriageway works as part of a national

initiative and this has been spent on resurfacing a further 1.5km of carriageways comprising of 'partial schemes'.

10km of footways have been renewed through the Footway Replacement Capital Programme against an initial target of 9km for 2014/15.

The Council has planted 452 new highway trees by removing deteriorating tree stock and replacing with young healthy trees. In addition, the Council has undertaken a programme of greening gateways and strategic routes in order to reduce the harshness of the urban environment. This has involved planting a further 112 trees.

Improvement works to the steps and drainage at Smeaton Road Bridge have been completed; however the replacement of the bridge deck surfacing has been deferred until 2015/16 to reduce the risk of wet weather disrupting night works. The Firs Farm Sustainable Urban Drainage Systems scheme phase 1 has been completed. Mollison Avenue highway drainage improvement works and Brimsdown ditch improvements have also been completed, with the Environment Agency contributing 75% of the cost of the Brimsdown Ditch works. Work to rebuild a small retaining wall alongside a footpath in the vicinity of Bincote Road is continuing.

Trimming and dimming technology has now been introduced throughout the Borough, together with a centralised monitoring system thereby enabling the PFI service provider to provide flexibility on the brightness level and operating times of streetlights. This will achieve long term savings in energy usage and a reduction in costs. This project is now substantially complete, with a few outstanding old-style lighting units remaining, which cannot accept the new technology. Options are currently being investigated to use LED lamps in these locations.

Traffic & Transportation - Transport for London Funded (TFL)

The Council submitted its Local Implementation Plan Annual Progress Report to the Mayor of London via TFL. The report set out a range of schemes to help deliver both the Mayor's Transport Strategy and the Council's own priorities, including extending the Greenway network and a range of road safety initiatives, which were formulated following consultation with both the public and key stakeholders. The Local Implementation Programme directly contributes to the Council's priorities: for example the bus stop accessibility programme enables people with impaired mobility to access the bus network and promoting cycling provides residents with a cost effective and healthy alternative to public transport and car use.

As per the agreed 14/15 Local Implementation Plan; Enfield Council's LIP allocation from TFL was £5.9m (Capital Allocation of £4.6m & Revenue Allocation of £1.3m).

This allocation was utilised to deliver a range of traffic improvement and road safety schemes, including walking and cycling routes, bus route accessibility and reliability, corridor improvements, traffic sign reviews, air quality, smoothing traffic and climate change mitigations, smarter travel (cycling and walking initiatives), station access and various other traffic and transport initiatives. TFL had also allocated £1.7m for Principal Road Renewal across

the Borough (for further info see paragraph three of the Highways Services section above).

The programme of works or measures set out above represent vital investment in the improvement and renewal of the transport infrastructure, particularly supporting regeneration and environmental enhancements with clear beneficial impact on climate change, improved public health, particularly those that seek to promote active travel and reduce harmful emissions.

Environmental Protection

The Council's Alleygating programme is successful in tackling fly tipping, other opportunistic crime, rear entry burglary and anti-social behaviour. The Alleygating schemes demonstrate Enfield's commitment to dealing with crime and antisocial behaviour in a highly practical and visual way. In 2014/15 Enfield Council installed over 40 alleygates, which enhance community safety and provides a cleaner and safer environment for Enfield residents, by reducing crime or fear of crime, fly tipping and other anti-social behaviours.

Community Safety

The Enfield Public Safety Centre (EPSC) office is owned and managed by Enfield Council. The centre is responsible for monitoring all council owned community safety cameras in public places including those on housing estates and internal building CCTV cameras for other Enfield Council's Services. The centre also carries out traffic enforcement on behalf of Transport for London helping to reduce congestion, keeps bus lanes open and enforces local breaches in parking and traffic legislation. The centre also supports the Metropolitan Police and an officer is based on site to collect & analyse any vital evidence footage, as well as responding to new incidents.

The CCTV Camera Replacement Programme and the three year CCTV expansion programme (2012/13 to 2014/15) progressed to plan and on budget. CCTV cameras were installed or replaced at various locations; enabling increased coverage of Enfield and providing essential assistance to the Metropolitan Police for incident management and evidence production. The public safety cameras have a positive impact on improving safety, deterring criminals and reducing anti-social behaviour.

In 2014/15 the Council placed 3 ANPR (Automated Number Plate Reading) cameras at strategic trunk routes around the borough, and placed 21 new community safety cameras in Enfield Town, Upper Edmonton, Cockfosters and Southgate Green areas as part of the agreed expansion programme. Also, seven new cameras covering the main routes into the Brimsdown Business estate and six traffic enforcement cameras near schools to deter dangerous parking practices have been installed. In addition, CCTV which is already established at town centres and civic buildings and car parks has been efficiently linked up with the EPSC system to provide more seamless coverage and reduce the opportunity for crime. The final phase of CCTV in the capital programme is being installed in Bush Hill Park, Winchmore Hill and Grange Ward areas and due completion in June 2015.

The CCTV system has been recognised as one of the best in London by receiving seven awards from the Metropolitan Police in 2015, and the service is working in partnerships to increase income generation by providing services

for other clients. The service has incorporated resilience measures to enable them to increase the range of services provided in the future and will continue to work with industrial and commercial areas in order to support regeneration proposals for the borough

Pymmes Park Lake Improvements

Pymmes Park Lake has been suffering from pollution linked to pipe misconnections in this area, which have allowed pollutants and waste into the lake. This pollution is impacting on the lake environment and the use of this area by local residents. The project has started and is planned to be completed in 2015/16.

Parks

Forty Hall Park Landscaping Project

Heritage Lottery Fund (HLF) awarded Enfield Council a grant of £1.8m, to restore the grounds of Forty Hall to its 17th & 18th century splendour. Works are practically completed (only minor snagging is outstanding); the project has now entered the 1 year Defect Liability Period which will end in November 2015 following which final payment will be made.

Warrener's Cottage refurbishment

The Cottage has been voluntarily surrendered from the Capel Manor Farm lease by Capel Manor College and has now been returned to LBE. The refurbishment works (to facilitate volunteer use) is complete.

Parks Play Equipment, Parks Fencing and Parks Footway

Significant works have been completed in Durants Park; Bush Hill Park, Grovelands Park, Wilbury Way and Ladysmith Road. Play equipment has been replaced in four parks and further items are currently under procurement. Delays experienced delivering footway works were due to the change in highway term contractor has caused the footway programme to slip; this should be rectified by spring/summer 2015. Fencing work is currently ahead of schedule with a major projects beginning January 2015. We are currently in the process of procuring a replacement play equipment contract; in the interim reactive works on the sites with the highest risks are being completed under competitive tender.

The Council also obtained S106 funding for the construction of Aldersbrook Avenue Recreation (Play Equipment) and a Town Park Water Feature. Aldersbrook Recreation Ground feasibility and consultations have been completed and the project is planned to be completed in 2015/16. The Town Park boating lake rejuvenation capital project is complete.

Vehicle Replacement Programme

8 Street Cleansing sweepers were purchased, enabling the Council to deliver cleaner streets, footpaths and to implement winter gritting of footways using existing grit spreading trailers. The new multipurpose sweepers also provide for improved weed spraying and increased productivity across the borough and the compact sweepers are to target residential area road channel and general pavement cleaning.

Building Improvements Capital Programme (BIP)

The Councils Repairs and Maintenance fund aims to ensure corporate buildings and their surroundings are fit for purpose. Properties are maintained via three main work streams, reactive, cyclical (PPM) and planned. Planned maintenance work is mainly identified via condition and other surveys. Properties are surveyed to assess their condition and the noted deficiencies are listed and ranked according to set criteria. Items of work are then grouped together, where beneficial to do so, and prioritised into a planned maintenance programme.

The 2014/15 Building Improvements was utilised to carry out various refurbishment and remedial works to corporate buildings, ensuring they are fit for purpose and providing a safe, healthy environment for staff and visitors. In addition, some external structural repairs, tree and resurfacing projects were also undertaken across various Council parks and car parks. For example, Ponders End Youth Centre has had various repairs undertaken, and the first phase of roof renewal at Rose Taylor Day Centre was undertaken. Pressure on the programme continues as it is asked to cover a wider remit.

The BIP programme also includes the Civic Centre Refurbishment.

Disability Access Programme (DDA)

Local Authorities have a duty under the Equalities Act 2010 to make reasonable adjustments to their buildings to eliminate discrimination. In compliance with the Act; approval was granted and works carried out to agreed timescale with users at Wheatsheaf Hall, Park Avenue Mental Health Resource Centre. Further individual projects are currently being assessed for inclusion within the 2015/16 programme.

The REFIT Programme

The REFIT programme has been developed and promoted by the Mayor of London and the Greater London Authority (GLA) in order to assist public bodies in London to reduce energy consumption. The project aims to deliver energy savings through the installation of various Energy Conservation Measures.

Due to the current cost of energy and the likelihood of further increases in the future, Enfield Council undertook energy efficiency measures to its' corporate buildings and schools; the project was partly funded by an interest free loan from Salix, which funded the Schools costs of the energy conservation measures, as at the end of 2013/14, 95% of the work was completed, which included the replacement of the Civic Centre Chiller and energy conservation measures across various schools, Civic Centre and Charles Babbage House. The remaining 5% of the work was completed in 2014/15.

The Electric Quarter

Work progressed on delivery of the Electric Quarter, with the acquisition of freehold interests in 188 and 198 High Street in April and May 2014 respectively. Heads of Terms for land forming part of the former Middlesex University Campus has been agreed, and the acquisition will be concluded April/May 2015. Negotiations continue with remaining landowners, with a view

to seeking voluntary acquisition of remaining land interests, in the first instance.

The Council's approved Delivery Partner Lovell is in the process of preparing a detailed planning application for the whole scheme and it is anticipated that a revised planning application will be submitted summer 2015. £981k will be re-profiled into 2015/16 to fund remaining acquisitions.

Ponders End South Street

Gateway scheme "Two Brewers" memorial was completed in September 2014.

Outer London Fund 2

In addition to partially supporting land assembly for the Electric Quarter, works to refurbish and extend the ground floor of the Enfield Business Centre were completed in September 2014, creating a multi-purpose, spacious state of the art business hub.

In addition to the "Two Brewers" memorial, two additional gateway public realm projects "Albany Gateway" and public realm outside the Enfield Business Centre were also completed in September 2014, with the intention to increase footfall and provide a quality public realm in north east Enfield.

New Southgate

Works to deliver "Take the High Road" were substantially completed by the end of March 2015. Works to improve the public realm along the High Road by the parade of shops completed in May 2014. Improvements to the Millennium Green open space were completed in January 2015, providing a nature trail, community art, information boards, seating and signage. Completion of the final stage of works started in March 2015, with replacement of fencing along the High Road.

Meridian Water

Land Assembly

The Council completed the acquisition of circa 9 hectares of land at Meridian Water from the National Grid on 2nd April 2015. The 14/15 capital programme allocation was utilised to fund this in April 2015. These sites can collectively provide approximately 1,500 new homes at Meridian Water. Significant work has progressed in conjunction with the Environment Agency to establish a comprehensive remediation strategy for the sites, in advance of residential development.

Angel Road Station

The Council has made great advances co-ordinating the delivery of key infrastructure. Network Rail has approved funding to provide an additional third track increasing rail provision to Meridian Water to 4 trains an hour from 2018 and in March 2015 Cabinet approved a funding package to enable a new Meridian Water station to be constructed by 2018.

Meridian Boulevard

Plans for a new Meridian Boulevard are underway with development of a detailed scheme for phases 1 and 2 in progress. Initial works to construct phase 1 are due to start in 2015.

Angel Gardens

Angel Gardens (Rays Road), phase 1 works to create an Activity Zone, including an outdoor gym, innovative “container play” and parkour free running course were completed in March 2015.

Edmonton Green

Detailed feasibility to commercially redevelop the railway arches as part of ‘Greening the Green’ project have been progressed, in conjunction with the mini Holland (Cycle Enfield) delivery programme. The total project depends on funding from partners i.e. network rail and GLA, hence the slippage into 2015-16.

Heritage & Design

The Crescent: The repair and enhancement of this prominent listed Georgian terrace in Edmonton is well advanced. The Council led works to the private properties have been substantially completed. A total of thirteen leaseholder properties out of a total of twenty five freeholder / long leaseholder properties have benefitted from the Council’s investment in the regeneration of the area through these grant aided works. The project has provided each of these properties with:

- A new dwarf boundary wall topped with railings and gate, in most cases with intercom access control;
- Railings dividing the front gardens;
- Topsoil and turf to front garden and paths where these were needed;
- Repair and redecoration of front façade;
- Hard standing at rear for bins and cars, with lockable bollards;
- Timber fence and gate to rear garden; and
- Restoration of lost architectural features where needed.

Bounces Lane at the rear has been upgraded and refuse storage and collection now takes place from the rear removing the need for bin stores at front of the building. The remaining 12 properties are owned by Newlon Housing Trust, which is currently undertaking complimentary restoration and enhancement works of its properties.

Outline designs have been prepared for the reinstatement of the Monmouth Road Open space (which was used as a contractor’s compound for the duration of the building works) and its enhancement as a pocket park. The pocket park proposals will be subject to public consultation shortly.

Work is underway, in partnership with Newlon, on a project exit strategy (Phase II works) that looks at how the improvements can be protected and further enhanced. Officers are investigating whether options (such as Ally Gating and CCTV) might be possible, to further assist in combatting fly tipping in Bounces Lane at the rear, as well as investigating options for more integrated management arrangements for the terrace. Delivery of some elements of the Phase II exit strategy works commenced in 2014/15 (brought

forward from 2015/16). Availability of materials and contractors has impacted on the completion and invoicing for these works.

Broomfield House: The Council has been supporting and facilitating the Broomfield House Trust and Friends of Broomfield Park in a community led proposal for the restoration of Broomfield House as a heritage and learning centre, through a Heritage Lottery Fund bid. The Council's bid to the HLF (for £4.175m) was not supported by the HLF Board of Trustees. Trustees were concerned about the scale of the restoration required; the level of grant requested and long term viability.

Since this time, the Council has been continuing to support the Trust and Friends in evolving their proposals, in an attempt to address the HLF's concerns and pave the way for a future more successful proposal. The Council have appointed consultants (Donald Insall and Associates) to prepare a Conservation Management Plan and Options Appraisal, as necessary work to move towards a successful HLF funding bid. The Conservation Management Plan will provide a strategic plan, which is needed to give a framework to investment, essential for Lottery funding purposes.

Garden Enfield

The Garden Enfield project continues to thrive, with five acres of organic vegetable production at Forty Hall Farm, 22 primary schools now growing with the provision of equipment and training, and 16 community growing projects receiving grant funding to start a community project.

The Forty Hall Farm market continues to supply Budgens supermarket, Baskervilles Café, Forty Hall Café and wholefood shops. With the opening of a new farm shop at the farm, produce is also being sold direct to the public. A sustainable growing project is now underway at Forty Hall Farm, and will provide visitors with growing projects with ideas for water and energy saving techniques.

The Enfield Veg Co. has grown its client base from 30 customers last year to over 60 customers receiving deliveries at five drop off points in the Borough. Potential for larger scale growing is now in final stages of feasibility.

Organiclea have been commissioned to deliver the Farm Start project in Enfield, and work is now underway to set up first pilot plots for entry level growers to have a chance to grow commercially.

Building on the success of the education programme will see a further 33 primary schools start to grow food at school, as well as securing training for secondary school students.

Lee Valley Heat Network (LVHN)

The final development stage for LVHN was completed in March 2015, six months earlier than expected. The main investment decision in LVHN is scheduled for Cabinet later in the year. There will be two recommendations to the main investment decision which is to bring forward and draw down £0.8m mobilisation costs from the LVHN total cost envelope, the size of which will be confirmed by the recently appointed LVHN cost consultants and the cost of borrowing to funded corporately, until LVHN has its own income with which to pay interest.

The overall cost envelope remains unchanged for LVHN Phase 1, with the project now being rolled out faster than planned, including detailed plans for future connections and network expansion. LVHN is on track to meet the £2.11 million forecast spend by September 2015.

The spend profile for 14/15 was slipped due to a number of factors, which include: the LVHN project team's consultancy time over the next few months to ensure the heat network is fully operational and ready for its first 40 customers in September and the delay in the North London Waste Authority Heat Supply Agreement and associated legal costs.

4.4 CORPORATE

On-going Capital investment in Leisure Centres

The Leisure Centre Capital Development programme is reaching its conclusion with retentions and a few minor snagging issues to be settled in 2015/16. Otherwise the Leisure Centre programme has been completed as originally planned.

CCTV installation for Forty Hall; and Car Park Lighting

To increase security it was agreed to add CCTV surveillance of this area to the London Borough of Enfield system. It was also agreed that car park lighting was required once the extensive works to the grounds at Forty Hall have been completed. Capital budget remaining from the original HLF project was transferred to the CCTV scheme with agreement from English Heritage. The Car Park lighting scheme commenced in 2014/15.

Palmers Green Library

The major refurbishment on the library began in August 2014, after work had already been undertaken to split the services between Southgate Town Hall and Palmers Green Library. This followed the sale of the Town Hall for residential development. The annexe has been demolished, including the existing Children's Library and work has started on the redevelopment of the Town Hall site. The Library is on schedule to re-open in Autumn 2015.

Enfield Residents Priority Fund (ERPF)

The ERPF budget for 2014/15 represented awarded but unspent project funding for the previous three years. £0.5m spend in year delivered restored community cricket ground facilities, support to refurbish a community used scout facility, several green gyms and enhanced park facilities, regeneration of open spaces and two road safety schemes to facilitate traffic calming. The remaining unspent funds, for projects that will complete in 2015/16, were carried forward

Bury Street West Redevelopment (Former Depot Site)

2014/15 was the first year of this project to develop the Council owned former depot site for affordable housing purposes. The project set up costs have not been fully spent in year and have been carried forward to continue with this key project in the new year.

4.5 HEALTH AND ADULT SOCIAL CARE

Health & Adult Social Care

Replace New Options Day Centre for Learning Difficulties clients

The relocation of New Options Learning Disabilities Day services previously based at the Claverings Estate. The new facility for New Options was built on the former College Farm site, adjacent to Albany Park. The building opened in January 2015 and is now occupied by the service. There is a 12 month defect period and some snagging items to resolve. The final account will be agreed and settled in January 2016, which will include a final payment to the contractor.

Re-provision of Adult Social Care facilities on the Elizabeth House site

The commissioning and procurement of a 70 bed dual registered care provision facility on the Elizabeth House site. Progress continues on the site for a dual registered care provision facility. Architects have developed detailed designs for the building, and planning permission has been granted. Our selected building contractor (Morgan Sindall) is currently procuring sub-contractor packages of services. An increase in the price of the scheme is expected and will be submitted to Cabinet for decision.

Ordnance Unity Centre

Practical Completion was awarded in November 2014 on the Ordnance Unity Centre. The library, hall and GP surgery are now open and the dentist is due to open shortly when NHS England finalise the contract with the community dentist provider. It is still anticipated that there will be some costs in 2015/16 to meet the requirements of the users of the building and address outstanding snagging items. The intention is to process the final account in November 2015, at which point a further payment may need to be made to the contractor depending on the outcome of the Extension of Time claims.

4.6 HOUSING: NON-HRA

Private Sector Housing

Private Sector Housing completed 235 Disabled Facilities Grants adaptations in 2014/15, totalling £1.607m. These Grants are to adapt privately owned property so that Enfield service users are able to remain safely and independently in their own homes.

Private Sector Housing completed 22 Discretionary Grants (for Small Works Assistance, Decent Homes Grants and Safe Homes Grants) to private residents. This has helped those that are elderly, vulnerable or on benefits to carry out necessary repairs to their properties which otherwise would leave them living in property that would not meet the Decent Homes Standard.

Under part funding from the GLA 2012-2015 Empty Homes Programme, Private Sector Housing have been able to offer Renovation Grants to owners of empty properties. During 2014-15, 13 empty properties were provided with assistance with 10 of these empty properties falling under the new Keeping

House Scheme, which is aimed at assisting elderly empty property owners living in care. In all cases the grants were provided with the condition that the house was leased for 5-years to a tenant nominated by the Council thereby assisting with the demand for long term temporary accommodation.

Affordable Housing Programme

In March 2015, the Development Team provided £200k grant funding to Newlon Housing Trust to part fund completion of a specialist learning and development facility. The Council will have 100% referral rights to the units. Anticipated completion scheduled for September 2015.

Additional expenditure totalling £66k was incurred carrying out refurbishment works to 171 South Street. A further £3k was spent carrying out a feasibility study on the viability of bringing back into use the former caretakers lodge in Bell Lane.

Housing Gateway

The Council budgeted for £21m to provide new homes in 2014/15 to help alleviate temporary accommodation budget pressures. This was delivered by the Council's wholly owned company Housing Gateway Ltd. The target number of homes to be provided was met and the unspent monies carried forward to 2015/16 to continue to address the increasing budget pressures in this area.

4.7 HOUSING- HRA

In 2014/15 the final revised budget for HRA Works to Stock was £31.07m. The actual expenditure was as follows; £25.31m was spent on works to improve Enfield's Housing Stock, £0.93m was used to fund Grants To Vacate (enabling tenants to move, freeing up properties to be re-let) and £0.024m was spent on Community Halls, giving a total spend of £26.3m. The resource balance of £4.8m was fully committed in 2014/15 and will be spent in 2015/16. The Decent Homes grant allocation of £14.606m for 2014/15 was fully utilised.

The expenditure for works to stock in 2014/15 included:

- £19.48m (including £14.606m of GLA Decent Homes Grant) was spent on making 1,272 properties decent. This delivered 728 kitchens, 636 bathrooms, 155 boilers, 1,553 windows, 802 doors, 557 rewires and 1,451 roof coverings;
- £6.70m was spent on Landlord Obligation Works, including £0.294m on the Lifts Replacement Programme, £0.933m on Adaptations, £0.366m on Fire Precautions, £0.956m on Water Safety works, £0.635m on Estate Improvements and £0.099m on the Boiler Replacement Programme.

Enfield Homes received its ALMO two-star status from the Housing & Communities Agency (HCA) in 2009/10, and was awarded an initial £64.5m for the first three years of its Decent Homes Programme. A further allocation of grant funding amounting to £44.606m has been awarded for the period 2012/13 to 2014/15.

Responsibility for the Decent Homes is now with the Greater London Authority (GLA), with Decent Homes funding having become a grant since 2012/13,

paid quarterly in arrears, against an agreed profile of quarterly targets for expenditure and homes made decent

Actual funding for the Decent Homes Programme received so far is as follows:

1. 2009/10 - £14.5m HCA Approval
2. 2010/11 - £34.0m HCA Approval
3. 2011/12 - £14.0m HCA Approval
4. 2012/13 - £18.0m GLA Decent Homes Grant Allocation
5. 2013/14 - £12.0m GLA Decent Homes Grant Allocation
6. 2014/15 - £16.6m GLA Decent Homes Grant Allocation

The total Decent Homes funding received to 31 March 2015 is £109.1m. The funding programme is now complete, but Decent Homes works will continue for a number of years.

5. FINANCIAL OVERVIEW

- 5.1 The table below shows the capital expenditure incurred in 2014/15 compared to the updated programme. The re-profiling of original capital budgets throughout the year will impact on the 2015/16 total budget:

Capital Expenditure 2014/15	2014/15 Budget £000's	2014/15 Outturn £000's	Variance £000's	(Under) / overspend £000's	Re- profiling £000's
General Fund					
Schools & Children's Services	31,795	29,079	(2,716)	(52)	(2,664)
Environment	21,079	17,674	(3,405)	(307)	(3,098)
Regeneration	20,711	7,231	(13,480)	0	(13,480)
Health & Adult Social Care	2,097	1,929	(168)	0	(168)
Community Housing	23,831	17,871	(5,960)	9	(5,969)
Corporate	12,722	8,573	(4,149)	18	(4,167)
Sub-total	112,235	82,357	(29,878)	(332)	(29,546)
Schools Devolved Funding	6,956	6,956	0	0	0
Total General Fund	119,191	89,313	(29,878)	(332)	(29,546)
Housing Revenue Account	42,409	40,532	(1,877)	5,003 ¹	(6,880)
Total Capital Expenditure	161,600	129,845	(31,755)	4,671	(36,426)

¹ The 'overspend' arises from the application of specific HRA resources to maximise overall funding. This applies particularly to Right to Buy receipts which might be lost if not used in accordance with Government regulations.

The principal outturn variances are shown below with the programme variances shown in more detail in **Appendix 1**. The achievements and outcomes of individual schemes and programmes are set out in the report above.

Capital Outturn 2014/15 Main Budget Variations	Re- profiling £'000	(Under) / overspend £'000
<u>Main variations</u>		
• Meridian Water	(11,726)	
• Temporary Accommodation (Housing Gateway)	(5,333)	
• Schools & Children's Services	(2,668)	(52)
• Palmers Green Library Refurbishment	(2,342)	
• Housing Revenue Account	(6,880)	5,003
• Parks	(1,544)	
• Other Regeneration Schemes	(1,266)	
• Building Improvements (including Civic Centre)	(626)	(344)
• Highways & Street Scene	(826)	(1)
• Housing Assistance	(636)	9
• Ordnance Unity Centre	(588)	
• Bury Street West Redevelopment	(540)	
• Other minor variances	(1,451)	56
2014/15 Capital Outturn Variance	(36,426)	4,671

The Quarter 1 monitor in the new financial year will include details of re-profiling from 2014/15. The latest 2015/16 programme, including re-profiling, will be reviewed as part of the budget process to ensure all schemes are affordable with the Medium Term Financial Plan and meet corporate priorities.

5.2 The capital spend was financed as set out in the following table:

Source of Funding	£m
Borrowing	25.9
Borrowing to be met by Housing Gateway Ltd	15.7
Capital Grants and Contributions	48.6
Capital Receipts	16.1
Direct Revenue Contributions	12.9
Major Repairs Allowance	10.6
Total funding required to finance capital expenditure	129.8

Prudential borrowing is funded from within the overall Council budget under the prudential code framework.

6. PRUDENTIAL INDICATORS

6.1 In setting the budget for 2014/15, the Council also set certain prudential indicators to monitor the affordability and prudence of its capital programme. The outturn position for these indicators is reported below.

6.2 The table below shows the capital expenditure for the year split between the Housing Revenue Account and General Fund services. The indicator is shown compared with the most recent previously reported position on Quarter 3

report. The reasons for the variations between the original programme and the December monitor have been reported to Cabinet through the year as part of the regular monitoring process. The reasons for the variations to the outturn have been discussed in detail above.

Prudential Indicators

Capital Expenditure	Prudential² Indicator	Outturn 2014/15
	£'000	£'000
General Fund (including Devolved Schools)	121,056	89,313
Housing Revenue Account	42,409	40,532
Total	163,465	129,845

- 6.3 The Capital Financing Requirement reflects the Council's underlying need to borrow to fund its capital programme. It has been necessary to make a number of technical adjustments to the Capital Financing Requirement indicator as a result of PFI assets and associated liabilities being recognised on the Council's balance sheet. Also the loan to Housing Gateway Ltd to provide affordable housing is also included in the CFR. The movement between the outturn and the last reported position is generally as a result of the net re-profiling of capital schemes into future years and the use of additional revenue resources to fund the capital programme.

Capital Financing Requirement	Prudential² Indicator	Outturn
	£'000	£'000
General Fund	322,753	295,425
Housing Revenue Account	157,728	157,728
Total	480,481	453,153

- 6.4 The external debt shows the authority's borrowing position compared with the authorised maximum limit and operational limit approved by Council. The authority is well within these limits which provide the scope to take advantage of low cost borrowing opportunities if they arise and are advantageous to the Council.

External Debt 2014/15	Authorised Borrowing Limit £m	Operational Borrowing Limit £m	Outturn £m
Prudential Indicator	577	500	313

Further information is included in the Treasury Management Outturn Report also on this Cabinet meeting agenda.

² Quarter 3 2014/15 capital monitoring position

7 REASONS FOR RECOMMENDATIONS

To inform members of the final position on capital expenditure and financing for the year and to note the prudential indicators.

8 COMMENTS OF THE DIRECTOR OF FINANCE RESOURCES & CUSTOMER SERVICES

8.1 Financial implications

These are contained in the body of the report.

8.2 Legal Implications

Under the Local Government Act 2003 the Council has a duty to report on its capital expenditure and financing arrangements. This report assists in the discharge of that duty.

8.3 Property Implications

These are implicit within this report.

9 KEY RISKS

- 9.1** The Capital programme is monitored on a quarterly basis to cabinet and any variations are reported when identified. There are risks involved in the delivery of projects on time particularly where large amounts of re-profiling have been identified in the report. These projects will be closely monitored in the new financial year to ensure there is no loss in service delivery.

10. IMPACT ON COUNCIL PRIORITIES

10.1 Fairness for All

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

10.2 Growth and Sustainability

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

10.3 Strong Communities

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

11. EQUALITIES IMPACT IMPLICATIONS

- 11.1** The Council is committed to Fairness for all to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.
- 11.2** Financial monitoring and reporting is important in ensuring resources are used to deliver equitable services to all members of the community.

12 PERFORMANCE MANAGEMENT IMPLICATIONS

The report provides clear evidence of sound financial management and use of resources.

13 PUBLIC HEALTH IMPLICATIONS

The capital programme includes schemes that support the Council objectives to improve the health of local residents and service users.

Background Papers

None

APPENDIX 1

CAPITAL OUTTURN 2014/15

Department/Scheme	2014/15 Budget £000	2014/15 Outturn £000	Variance £000	(Under) / Overspend £000	Re-profiling £000
REGENERATION & ENVIRONMENT					
Environment:					
Transport for London funding:					
Corridors, Neighbourhoods & Supporting Measures	1,577	1,582	5	5	0
Principal Road Renewal	1,744	1,735	(9)	(9)	0
Local Transport Funding	0	0	0	0	0
Major Schemes	250	252	2	2	0
Mini-Holland	700	701	1	1	0
2012/13 Highways & Streetscene	52	38	(14)	0	(14)
2013/14 Highways & streetscene	34	25	(9)	0	(9)
2014/15 Highways & streetscene	8,884	8,067	(817)	0	(817)
Environmental Protection	143	127	(16)	0	(16)
Community Safety	1,336	1,279	(57)	(1)	(56)
Waste & Recycling	15	(1)	(16)	(1)	(15)
Parks	3,136	1,592	(1,544)	0	(1,544)
Vehicle Replacement Programme	420	420	0	0	0
Depot	36	37	1	1	0
Parking	5	0	(5)	(5)	0
Building Improvement Programme	1,504	1,043	(461)	(344)	(117)
Civic Centre (BIP)	806	296	(510)	0	(510)
Sustainability	68	163	95	95	0
Disability Access Programme	369	318	(51)	(51)	0
Regeneration:					
Ponders End	755	567	(188)	0	(188)
Electric Quarter	1,987	1,006	(981)	0	(981)
New Southgate	100	61	(39)	0	(39)
Meridian Water	16,119	4,392	(11,727)	0	(11,727)
Edmonton Projects	70	12	(58)	0	(58)
Shires Estate - REACT Dysons Road	20	0	(20)	0	(20)
Garden Enfield	249	201	(48)	0	(48)
Lea Valley Heat Network	1,155	764	(391)	0	(391)
Enfield Highway	0	0	0	0	0
Regeneration - conservation / design	20	7	(13)	0	(13)
The Crescent - Edmonton - Phase 2	236	221	(15)	0	(15)
REGENERATION & ENVIRONMENT TOTAL EXPENDITURE	41,790	24,905	(16,885)	(307)	(16,578)
CORPORATE SCHEMES					
IT Work Plan	198	191	(7)	(1)	(6)
Ordnance Unity Centre	4,271	3,683	(588)	0	(588)
Southgate Town Hall & Library	235	149	(86)	0	(86)
Enabling Works	861	422	(439)	0	(439)
Residents Priority Fund	60	60	0	0	0
High Speed Printers	1,457	1,444	(13)	0	(13)
Enfield 2017	700	160	(540)	0	(540)
Bury Street	14	14	0	0	0
Libraries	4,154	1,813	(2,341)	0	(2,341)
Palmer's Green Library	472	486	14	19	(5)
Refurbishment	300	151	(149)	0	(149)
Leisure					
Culture					
CORPORATE SCHEMES TOTAL EXPENDITURE	12,722	8,573	(4,149)	18	(4,167)

Department/Scheme	2014/15 Budget £000	2014/15 Outturn £000	Variance £000	(Under) / Overspend £000	Re-profiling £000
HEALTH, HOUSING AND ADULT SOCIAL CARE					
Housing					
Disabled Facilities Grant	1,766	1,607	(159)	0	(159)
Sub Regional Housing Grants	414	256	(158)	7	(165)
Housing Assistance Grants	357	70	(287)	0	(287)
Housing Gateway	21,000	15,667	(5,333)	0	(5,333)
Affordable Housing	294	271	(23)	2	(25)
Adult Social Care			0		
Residential and Social Care	703	671	(32)	0	(32)
Provision - Elizabeth House					
New Options	1,394	1,258	(136)	0	(136)
HEALTH, HOUSING AND ADULT SOCIAL CARE TOTAL EXPENDITURE	25,928	19,800	(6,128)	9	(6,137)
SCHOOLS & CHILDREN'S SERVICES					
Schools Access Initiative	172	0	(172)	(58)	(114)
Target Capital - Special Needs	413	424	11	(13)	24
Devolved Schools Capital	6,956	6,956	0	0	0
Children's Centres	393	116	(277)	24	(301)
Targeted Capital - School Meals Programme	845	747	(98)	1	(99)
Schools Condition Funding	1,266	1,179	(87)	0	(87)
City Learning Centres	7	8	1	1	0
Basic Need - Primary School Places	3,675	2,541	(1,134)	23	(1,157)
Primary Expansion Plan Phase 1	12,993	11,881	(1,112)	0	(1,112)
Primary Expansion Plan Phase 2 - Grange School	9,503	10,225	722	0	722
Primary Expansion Plan Phase 2	1,148	883	(265)	(29)	(236)
Primary Schools	17	17	0	0	0
Secondary Schools	249	116	(133)	(4)	(129)
Fire Precaution Works	514	439	(75)	2	(77)
Non School Schemes	600	503	(97)	1	(98)
SCHOOLS & CHILDREN'S SERVICES TOTAL EXPENDITURE	38,751	36,035	(2,716)	(52)	(2,664)
TOTAL GENERAL FUND PROGRAMME	119,191	89,313	(29,878)	(332)	(29,546)
HOUSING REVENUE ACCOUNT					
Decent Homes	3,056	2,611	(445)	273	(718)
General Work	26,991	22,700	(4,291)	433	(4,724)
Community Halls	24	24	0	0	0
Grants to vacate	1,000	930	(70)	(70)	0
Estate Renewals	11,338	14,267	2,929	4,367	(1,438)
HOUSING REVENUE ACCOUNT	42,409	40,532	(1,877)	5,003	(6,880)
TOTAL CAPITAL PROGRAMME	161,600	129,845	(31,755)	4,671	(36,426)