

MUNICIPAL YEAR 2016/2017 REPORT NO. 63

**MEETING TITLE AND DATE:**

Cabinet: 6<sup>th</sup> September  
2016

**REPORT OF:**

**Director of Finance, Resources &  
Customer Services**

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**Agenda – Part: 1**

**Item: 8**

**Subject:** Capital Programme Monitor  
First Quarter June 2016  
Budget Year 2016-17

**Wards:** All

**Key Decision No:** 4362

**Cabinet Member consulted:** Cllr Dino  
Lemonides

**1. EXECUTIVE SUMMARY**

The purpose of this report is to inform Members of the current position up to the end of June 2016 regarding the Council's Capital Programme (2016-20) taking into account the latest information for all capital schemes including the funding arrangements.

The report shows that the overall expenditure is projected to be £252.8m for the General Fund and £53.8m for the HRA for 2016/17.

The report:

- 1.1 Sets out the forecast capital programme for 2016-20
- 1.2 Confirms the carry forwards from 2015/16 into 2016-17
- 1.3 Notes forthcoming reports seeking authorisation for inclusion in the Capital Programme

**2. RECOMMENDATIONS**

It is recommended that:

- 2.1 Cabinet agrees the revised Capital Programme totalling £307m for 2016/17 and notes the full four year programme as per Appendix A and indicative programme in Appendix B.

### 3. BACKGROUND

The Council's Capital Programme is continually reviewed and monitoring reports are submitted to Cabinet on a quarterly basis.

The Council continually strives to maximise external grants and contributions, attracting new revenue streams to fund projects wherever possible and minimising the need to borrow.

This is the first quarterly report on the 2016/17 capital budget and four year Capital Programme 2016-20 as approved by Council in February 2016.

### 4. 2016/17 CAPITAL PROGRAMME BUDGET

The full Capital programme is contained within Appendix A and is a four year programme with the budgets shown inclusive of carry forwards from 2015/16 where there was reported project slippage.

The capital budget for the current financial year 2016/17 is summarised in Table 1 below.

<b>TABLE 1 – Current Year Capital Programme</b>	<b>2016/17 Budget as approved by Council £'000</b>	<b>Carry Forward from Previous Year £'000</b>	<b>Revised Budget £'000</b>
Environment & Regeneration	111,805	10,218	122,023
Finance, Resources and Customer Services	32,873	2,777	35,650
Health, Housing and Adult Social Care	31,694	9,799	41,493
Schools and Children's Services	50,498	3,190	53,688
<b>Total General Fund Expenditure</b>	<b>226,870</b>	<b>25,984</b>	<b>252,854</b>
Housing Revenue Account	46,297	7,482	53,779
<b>Total Capital Expenditure</b>	<b>273,167</b>	<b>33,466</b>	<b>306,633</b>

#### **Approved Budget**

Councillors approved the four year budget including 2016-17 in February 2016 and the budgets above are as reported at this time.

#### **Carry Forwards from previous years**

These budget changes represent the net effect of reprofiling the prior year 2015/16 capital programme into or from 2016-17 to reflect a change in the delivery of the timing of projects, often to maximise the use of external resources and keep Council borrowing minimised. These will remain unchanged now for the financial year.

## **Other changes will be reported from Q2 onwards**

### **Slippage to/from future years**

These are changes regarding the forecast timing of the expenditure from the approved programme between financial years with no reported increase or decrease in budget requirement. Unless otherwise reported below these movements have minimal impact on the overall delivery of the project. Where service delivery may be impacted these will be reported quarterly to members.

### **Additions to the Programme**

Additions to the programme will arise between quarterly monitoring reports with appropriate levels of authorisation obtained as required by the democratic process. Once approved these project budgets are reflected in the additions column and the financial impact built in to the Medium term financial plan where required.

### **Proposed Reductions**

These are removal of budgets from the programme due to either an underspend in a completed project, the adjustment of a project budget to reflect a loss of funding or to remove the project from the programme entirely.

## **5. FORTHCOMING PROJECTS**

There are a number of significant projects on the horizon for which reports are currently being drawn up, which will be requesting additions to the capital programme. Each report will detail the project requirements and service delivery assumptions on the basis of which financial implications will set out the cost to the Council. These projects will be included in future capital monitoring reports

## **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The quarterly capital monitoring is part of this review process. If required, measures will be put in place to address risks identified through the monitoring process and to contain expenditure within approved budgets

### **6.2 Legal Implications**

The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers

with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

### **6.3 Property Implications**

All of the property implications are included within the main report.

## **7. KEY RISKS**

All of the key risks relating to the first quarter are included within the main report.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 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.

### **8.2 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.

### **8.3 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.

## **9. PERFORMANCE MANAGEMENT IMPLICATIONS**

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

## **10. HEALTH AND SAFETY IMPLICATIONS**

Not applicable to this Report.

## **11. PUBLIC HEALTH IMPLICATIONS**

None specific to this Report

## **Background Papers**

None

APPENDIX A 4 Year Programme:		Capital Programme Budget				
APPROVED PROGRAMME	Carry forward Previous YEAR £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total 16-17 to 19-20 £'000 £'000
<b>Environment &amp; Regeneration</b>						
Transport for London funding:						
Major Schemes		3,178				3,178
Cycle Enfield		17,563	9,281	543		27,387
2015/16						0
Highways & Street scene:	2,321					0
Programme		7,646				7,646
Corridor Improvements Hertford Rd		1,619				1,619
Environmental Protection	22					0
Community Safety	187	160				160
Waste & Recycling	363	466				466
Parks	1,437	1,490	1,053			2,543
Vehicle Replacement Programme	48	4,358	343	4,620	588	9,909
Parking						0
Building Improvement Programme (BIP)	223	1,455				1,455
Civic Centre (BIP)		2,770	1,934			4,704
Disability Access Programme	112	200				200
<b>Regeneration:</b>						
Meridian Water	-1831	60,290	37,070	28,190	18,370	143,920
Meridian Water Hinterland		1,680	1,230	400		3,310
Ponders End	666	6,080	2,430	3,500		12,010
Electric Quarter	4,242					0
New Southgate			500	500		1,000
Edmonton Green			2,000	2,000		4,000
Enfield Town			1,000	1,000		2,000
Angel Edmonton	71					0
Market Gardening	-48	2,169	1,500			3,669
Lea Valley Heat Network	1979					0
Broomfield House	52	180				180
The Crescent Edmonton	290					0
Business & Economic Development/Regeneration	84	501				501
<b>REGENERATION &amp; ENVIRONMENT TOTAL</b>	10,218	111,805	58,341	40,753	18,958	229,857

Appendix A (continued) 4 Year Programme:		Capital Programme Budget				
<b>APPROVED PROGRAMME</b>	Carry forward Previous YEAR £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total 16-17 to 19-20 £'000 £'000
<b>Corporate Schemes:</b>						
IT Work Plan	-732	11,575				11,575
Joint Service Centre	55					0
Southgate Town Hall & Library Enabling Works						0
Bury Street Depot Redevelopment	113	15,848	15,208			31,056
Enfield 2017	1,991	2,150				2,150
Residents Priority Fund						0
Community Libraries		800				800
Edmonton Green Library		2,500	1,250			3,750
Palmers Green & Enfield Library						0
Leisure	1,217					0
Culture	133					0
<b>FRCS / CE TOTAL</b>	<b>2,777</b>	<b>32,873</b>	<b>16,458</b>	<b>0</b>	<b>0</b>	<b>49,331</b>
<b>Health, Housing &amp; Adult Social Care</b>						
Housing						
Disabled Facilities Grant (£1.156m grant funded)	289	1,156				1,156
Sub Regional Housing Grants	90	100				100
Housing Assistance Grants	180	1,318				1,318
Housing Gateway	226	20,000	20,000	20,000		60,000
Affordable Housing	5066	2,100				2,100
Adult Social Care	3948					0
Residential and Social Care Provision Elizabeth House		6,574				6,574
New Options						0
Mental Health and Wellbeing Centre		446	342	684		1,472
<b>HHASC TOTAL</b>	<b>9,799</b>	<b>31,694</b>	<b>20,342</b>	<b>20,684</b>	<b>0</b>	<b>72,720</b>

Appendix A (continued) 4 Year Programme:		Capital Programme Budget				
<b>APPROVED PROGRAMME</b>	Carry forward Previous YEAR £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total 16-17 to 19-20 £'000 £'000
<b>Schools &amp; Children's Services</b>						
Schools Access Initiative	100	330				330
Target Capital Special Needs	546	6,814	2,598			9,412
Children's Centres	701					0
Targeted Capital School Meals Programme	132	3,509	2,872			6,381
Schools Condition Funding	837	13,041	5,300			18,341
Basic Need Primary School Places	823					0
Primary Expansion Plan Phase 1	-4,667					0
Primary Expansion Phase 2 Grange School						0
Primary Expansion Phase 2 Garfield School		1,875				1,875
Primary Expansion Phase 2 Chase Farm		6,621			1,843	8,464
Primary Expansion Plan Phase 2	4,435	5,065	14,190	7,409		26,664
Minchenden School (Upper Autism)		6,560				6,560
Secondary Schools	93					0
Fire Precaution Works	140	576	200			776
Non School Schemes	50	107				107
Programme before Devolved Funding	3,190	44,498	25,160	7,409	1,843	78,910
Devolved Schools Capital Schemes		6,000	6,000	6,000	6,000	24,000
<b>SCS TOTAL</b>	<b>3,190</b>	<b>50,498</b>	<b>31,160</b>	<b>13,409</b>	<b>7,843</b>	<b>102,910</b>
<b>TOTAL GENERAL FUND</b>	<b>25,984</b>	<b>226,870</b>	<b>126,301</b>	<b>74,846</b>	<b>26,801</b>	<b>454,818</b>
<b>Housing Revenue Account</b>						
Major Works	6,139	31,052	33,500	42,567	30,217	137,336
Estate Renewals	1,043	14,245	17,449	17,479	13,835	63,008
Grants to vacate	300	1,000				1,000
<b>HRA TOTAL</b>	<b>7,482</b>	<b>46,297</b>	<b>50,949</b>	<b>60,046</b>	<b>44,052</b>	<b>201,344</b>
<b>APPROVED CAPITAL PROGRAMME</b>	<b>33,466</b>	<b>273,167</b>	<b>177,250</b>	<b>134,892</b>	<b>70,853</b>	<b>656,162</b>

<b>Appendix B 4 Year Programme:</b>	<b>Capital Programme Budget</b>				
<b>INDICATIVE PROGRAMME</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Environment &amp; Regeneration</b>					
TFL					
Future Years		3,178	3,178	3,178	<b>9,534</b>
<b>Highways &amp; Street scene:</b>		7,450	8,450	8,450	<b>24,350</b>
Corridor Improvements Hertford Rd					<b>0</b>
Waste & Recycling		18			<b>18</b>
Building Improvement Programme (BIP)		1,500	1,500	1,500	<b>4,500</b>
Disability Access Programme		200	200	200	<b>600</b>
Regeneration:					<b>0</b>
Lea Valley Heat Network		23,172			<b>23,172</b>
<b>REGENERATION &amp; ENVIRONMENT</b>		<b>35,518</b>	<b>13,328</b>	<b>13,328</b>	<b>62,174</b>
<b>Health, Housing &amp; Adult Social Care</b>					
Housing					
Disabled Facilities Grant (£1.156m grant funded)	844	2,000	2,000	2,000	<b>6,844</b>
Housing Assistance Grants		818	818	818	<b>2,454</b>
Affordable Housing	2,529	2,100	2,100	2,100	<b>8,829</b>
Adult Social Care					<b>0</b>
Welfare Adaptations	100	100	100	100	<b>400</b>
<b>HHASC TOTAL</b>	<b>3,473</b>	<b>5,018</b>	<b>5,018</b>	<b>5,018</b>	<b>18,527</b>
<b>Schools &amp; Children's Services</b>					
Schools Access Initiative		250	250	250	<b>750</b>
School Expansion Plan (Phase 2 PEP)			13,000	13,000	<b>26,000</b>
Schools Condition Funding		2,850	4,483	4,483	<b>11,816</b>
Fire Precaution Works		267	500	500	<b>1,267</b>
<b>SCS TOTAL</b>	<b>0</b>	<b>3,367</b>	<b>18,233</b>	<b>18,233</b>	<b>39,833</b>
<b>GENERAL FUND INDICATIVE</b>	<b>3,473</b>	<b>43,903</b>	<b>36,579</b>	<b>36,579</b>	<b>120,534</b>
<b>TOTAL INDICATIVE PROGRAMME</b>	<b>3,473</b>	<b>43,903</b>	<b>36,579</b>	<b>36,579</b>	<b>120,534</b>