

MUNICIPAL YEAR 2019/2020 REPORT NO. 72A

MEETING TITLE AND DATE:

Cabinet - 11th September

Council - 18th September

REPORT OF:

Executive Director of Resources

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| | |
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| Agenda – Part: 1 | Item: 9 |
| Subject: Capital Programme Monitor First Quarter (June) 2019 | |
| Wards: All Key Decision No: 4943 | |
| Cabinet Member consulted: | |

1. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to inform Members of the current position up to the end of June 2019 regarding the Council's Capital Programme (2019/20 to 2022/23) considering the latest information for all capital schemes including the funding arrangements.
- 1.2 The report shows that the overall expenditure for the approved programme is projected to be £144m for the General Fund, £117m for HRA and £24m for Enfield Companies for 2019/20.
- 1.3 The report sets out the estimated capital spending plans for 2019/20 to 2022/23 including the proposed arrangements for funding and confirms that the revenue capital financing costs for the approved 2019/20 to 2022/23 programme are provided for in the budget.

2 RECOMMENDATIONS

Council as to be recommended by Cabinet at their meeting on 11 September 2019:

- 2.1 Notes the additions to the Capital Programme set out in Table 3 in paragraph 4.9. and approves the addition of the following to the approved Capital Programme:
 - i. Reardon Court and,
 - ii. Corporate Capital Condition Programme (CCCP)
- 2.2 Notes the proposed reductions set out in Table 4 in paragraph 4.11.
- 2.3 Notes the £156m Housing Infrastructure Fund (HIF) award.
- 2.4 Agrees the revised four-year approved programme totalling £562m as set out in Appendix A.

3. BACKGROUND

- 3.1 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 income streams to fund projects wherever possible and minimising the need to borrow.
- 3.2 This is the first report on the Capital Strategy (2019/20) and Four-Year Capital Programme (2019/20 to 2022/23) as approved by Council on the 27th February 2019. This is reporting the position at the end of the first quarter.

4. 2019/20 CAPITAL PROGRAMME BUDGET

- 4.1 The full capital programme is detailed in Appendix A and is a four-year programme with the budgets shown inclusive of carry forwards from 2018/19.
- 4.2 The approved capital budget for the current financial year 2019/20 is summarised in Table 1 below and this provides the latest position reflecting updated project expenditure profiles as advised by programme managers.

Table 1 Current Year Capital Programme

| | *2019/20 Revised Budget | Reprofil- ing | Growth | Proposed Reduc- tions | Forecast 2019/20 | Actuals as at end of June | Spend against Q1 Forecast |
|--|--------------------------------|----------------------|----------------|------------------------------|-------------------------|----------------------------------|----------------------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | % |
| Resources | 12,405 | 24 | 0 | 0 | 12,429 | (465) | -3.74% |
| People | 30,733 | (38,711) | 24,974 | 0 | 16,996 | 1,404 | 8.26% |
| Place | 67,916 | (4,346) | 20,706 | (2,685) | 81,591 | 4,154 | 5.09% |
| Place - Meridian Water | (1,234) | 0 | 34,381 | 0 | 33,147 | (59) | -0.18% |
| General Fund exc. Companies | 109,820 | (43,034) | 80,062 | (2,685) | 144,163 | 5,034 | 3.49% |
| Energetik | 6,036 | (2,121) | 0 | 0 | 3,915 | 0 | 0.00% |
| Housing Gateway Ltd | 40,000 | (19,721) | 0 | 0 | 20,279 | 0 | 0.00% |
| Total General Fund inc. Companies | 155,856 | (64,876) | 80,062 | (2,685) | 168,357 | 5,034 | 2.99% |
| Place - HRA | 72,376 | 0 | 44,338 | 0 | 116,714 | 10,267 | 8.80% |
| Total Capital Programme | 228,232 | (64,876) | 124,399 | (2,685) | 285,071 | 15,301 | 5.37% |

**Includes carry forwards from 2018/19*

Note on Actuals: negative figures are due to outstanding creditors as at Q1.

4.3 Carry Forwards from Previous Years

4.4 Carry forwards within the revised budget represent the net effect of reprofiling the prior year 2018/19 approved budgets into or from 2019/20 to reflect a change in the delivery of the timing of projects.

4.5 Reprofiling

4.6 These are changes regarding the forecast timing of 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, this will be reported quarterly to members.

4.7 Table 2 summarises the budget reprofiling in Q1, with explanations below the table for the significant items.

Table 2 Budget Reprofiling

| Programme | 2019/20 £'000 | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | Funding Source |
|---------------------------------------|------------------|------------------|------------------|------------------|---|
| IT Investment | 24 | (24) | 0 | 0 | General Resources |
| RESOURCES | 24 | (24) | 0 | 0 | |
| Extra Care Housing: Reardon Court | (9,831) | 1,658 | 1,658 | 6,515 | External Grant (GLA) & General Resources |
| Schools' Future Programme | (26,880) | 14,324 | 9,977 | 2,578 | External Grant (ESFA) |
| Mental Health and Wellbeing Centre | (2,000) | 2,000 | 0 | 0 | External Grant (BCF) |
| PEOPLE | (38,711) | 17,982 | 11,636 | 9,093 | |
| Electric Quarter | (4,746) | 4,746 | 0 | 0 | General Resources |
| Vehicle Replacement Programme | 400 | (400) | 0 | 0 | Earmarked Reserves |
| PLACE | (4,346) | 4,346 | 0 | 0 | |
| Energetik | (2,121) | 2,121 | 0 | 0 | Borrowing Funded by Deferred Capital Receipts |
| Housing Gateway Ltd | (19,721) | 19,721 | 0 | 0 | Borrowing Funded by Deferred Capital Receipts |
| COMPANIES | (21,842) | 21,842 | 0 | 0 | |
| TOTAL Budget Reprofiling | (64,876) | 44,147 | 11,636 | 9,093 | |

- i. Extra Care Housing: Reardon Court - Following the increased capital funding and contribution from the GLA, the budget has been reprofiled to reflect timetable of planned development as set out in report KD4898.
- ii. Schools Future Programme - Following the latest Maintenance Grant allocations, the Schools' capital programme has been reprofiled to reflect the updated plan as set out in The Updated School Condition and Fire Safety Programme 2018/19 to 2020/21 (KD4755) Report. The report outlines a proposed programme for 2019/20 and 2020/21 which has been formulated to address the most urgent condition items. Projects have

been prioritised for inclusion in the Programme based mainly on technical information from condition surveys.

- iii. Mental Health and Wellbeing Centre - Currently in the process of locating a building for the Centre. £500k remains assigned for 2019/20 to facilitate any potential work they may be required in preparing the building.
- iv. Electric Quarter and Ponders End - £2.9m reprofiled to 2020/21 for Library Fit costs on Electric Quarter Project Delivery. £1.8m reprofiled for potential interest holders claims.
- v. Vehicle Replacement Programme - £400k has been brought forward to 2019/20 for parks and cemeteries equipment replacements.
- vi. Energetik - The impact of prior year delays regarding pipe connection between Electric Quarter and Alma, resulting in other activities being reprofiled
- vii. Housing Gateway - Deferred loan requirements as a result of the slowdown experienced in the acquisition of 110 properties planned for 2018/19.

4.8 Growth

4.9 There are several additions to the 2019/20 Approved Capital Programme which are summarised in Table 3. These are newly approved schemes and additions to existing programmes since the approval of the Capital Strategy (2019/20) and Four-Year Capital Programme (2019/20 to 2022/23) on 27th February 2019.

Table 3 Additional Items

| Programme | 2019/20 £'000 | Future Years £'000 | Total Growth £'000 | Funding Sources | Notes |
|---|--------------------------|-----------------------------------|-----------------------------------|---|----------------------------------|
| Community Safety | 300 | 0 | 300 | General Borrowing | KD4744 |
| Schools' Future Programme | 14,658 | 0 | 14,658 | External Grants (ESFA) | KD4755 |
| Extra Care Housing: Reardon Court | 10,016 | 0 | 10,016 | External Grants (GLA) & General Borrowing | KD4898; pending Council approval |
| PEOPLE | 24,974 | 0 | 24,974 | | |
| Broomfield House | 180 | 0 | 180 | General Borrowing | Operational Decision |
| Corporate Property Investment Programme | 800 | 1,100 | 1,900 | General Borrowing | KD4792 |
| Flood Alleviation | 319 | 0 | 319 | External Grants (EA and others) | KD4795 |

| | | | | | |
|---|----------------|---------------|----------------|---|--|
| LED Street Lighting | 1,918 | 4,457 | 6,375 | <i>External Grant (SALIX) & General Borrowing</i> | <i>KD4863</i> |
| Corporate Capital Condition Programme (prev. BIP) | 1,500 | 0 | 1,500 | <i>General Borrowing</i> | <i>KD4853; pending Council approval</i> |
| Highways & Street Scene | 6,450 | 0 | 6,450 | <i>General Borrowing</i> | <i>KD4821</i> |
| Waste & Recycling | 1,197 | 455 | 1,652 | <i>Capital Receipts</i> | <i>KD4810</i> |
| Transport for London | 8,342 | 0 | 8,342 | <i>External Grant (TFL)</i> | <i>KD4905-based on total TFL allocations</i> |
| Meridian Water | 34,381 | 0 | 34,381 | <i>General Borrowing</i> | <i>KD4469</i> |
| PLACE | 55,088 | 6,012 | 61,100 | | |
| Major Works | 0 | 8,872 | 8,872 | <i>Revenue Contribution & Earmarked Reserves</i> | <i>KD4741</i> |
| Minor Works | 6,350 | 600 | 6,950 | <i>Earmarked Reserves</i> | <i>KD4741</i> |
| Estate Renewals | 37,988 | 78,622 | 116,610 | <i>Capital Receipts, External & Revenue Contributions</i> | <i>KD4741</i> |
| HRA | 44,338 | 88,094 | 132,432 | | |
| TOTAL Growth | 124,399 | 94,106 | 218,505 | | |

4.10 Proposed Reductions

4.11 Table 4 details the removal of budgets from the Capital Programme.

Table 4 Reductions

| Programme | 2019/20 £'000 | 2020/21 £'000 | Total Reductions £'000 |
|-------------------------|--------------------------|--------------------------|-----------------------------------|
| Ponders End | (2,685) | (1,569) | (4,254) |
| PLACE | (2,685) | (1,569) | (4,254) |
| TOTAL Reductions | (2,685) | (1,569) | (4,254) |

4.12 The Ponders End Opportunity Sites (Ponders End Phase-2) are mainly focussed around accelerating housing delivery. The new organisation structure reflects that this work no longer sits with Neighbourhood Regeneration and has been transferred to Housing and Regeneration. Housing and Regeneration are

currently reviewing the Ponders End Opportunity Sites and will take any suitable sites forward as part of the Housing Pipeline Programme.

4.13 The project is progressing on site and any further phases will be housing based delivery. Therefore, previous allocations for further phases/acquisitions from the property capital budget has been removed.

4.14 Financing General Fund Capital Expenditure

Table 5 General Fund Capital Expenditure Financing

| | 2019/20 | | 2020/21 | 2021/22 | 2022/23 | Total Funding £'000 |
|---|----------------|---------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| | General Fund | Companies | General Fund inc. Companies | General Fund inc. Companies | General Fund inc. Companies | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Capital Grants & External Contributions | 33,320 | | 19,183 | 9,977 | 2,578 | 65,058 |
| Revenue Contributions | 759 | | 0 | 0 | 0 | 759 |
| Capital Receipts | 1,629 | | 0 | 0 | 0 | 1,629 |
| Earmarked & Reserves | 411 | | 1,860 | 0 | 0 | 2,271 |
| Borrowing Funded by Deferred Capital Receipts | 33,147 | 24,194 | 33,399 | 0 | 0 | 90,740 |
| General Borrowing | 74,897 | | 27,400 | 12,420 | 6,515 | 121,232 |
| Total Funding | 144,163 | 24,194 | 81,842 | 22,397 | 9,093 | 281,689 |
| 2019/20 Total | 168,357 | | | | | |

4.15 2019/20 Forecast and Projected Outputs

4.16 Resources

4.17 IT Investment (£11.876m) - The Council's ICT and Transformation Capital Programme aims to improve the customer experience of individuals, businesses, and employees through enabling a digital workforce and operating seamlessly through its systems. These are some of the expected deliverables for 2019/20:

- i. Infrastructure Programme which is building an onsite datacentre to increase the council's self-reliance and flexibility in how it manages the performance of key business applications (such as Northgate Housing and Lagan). In addition, it is moving some key applications such as SAP, Skype for Business and IPO from the SunGard data centre to Microsoft Azure which is a more secure environment.
- ii. Replacement of the current customer platform; there will be an initial soft market test and a comprehensive procurement exercise to receive,

evaluate and select the most economically advantageous tender for Council.

- iii. A new case management system (Eclipse) for Adult Social Care and the 'My Life' web-based resource for information, advice and services.
- iv. Capita AIM project through implementation of SCP, implementation of IT to support direct debits, e-billing, SMS and email messaging and VAT improvements.
- v. LiquidLogic Children's Portal and Delegation Portal; LiquidLogic Finance Integration; requirements and planning for a new EHCP system, delivery of a Synergy/SAP interface for SEN and planning for an Educational psychologist case management system.

4.18 **People**

4.19 Reardon Court (£1.318m)- Professional and technical costs are expected to be incurred for the procurement of main contract works. The cost of demolishing existing Reardon Court buildings will also be charged in 2019/20.

4.20 Education (£14.878m) - The most urgent schools' capital projects undertaken in 2019/20 include the following:

- i. Finishing works to the Autistic Provision at Minchenden and Broomfield,
- ii. Progression to the building of Russett House School,
- iii. Refurbishment of the existing KS2 building and external areas to facilitate an autistic unit at Garfield School. As well as moving and rebuilding the Caretaker's house,
- iv. Phase-A to West Lea begins with an extension to the assembly hall,
- v. Heating and electrical works to Eldon School.

4.21 Furthermore, many of Enfield Schools will also be undertaking fire safety and evacuation works. Also included in the forecasted spend for the Schools' Capital Programme are professional fees, retention and potential costs for contractors' claims.

4.22 **Place**

4.23 LED Street Lighting (£1.918m) - The PFI Service Provider will undertake the designs for the new LED units throughout autumn, place orders with the supplier and start the installation programme of the LED lighting units in February/March 2020.

4.24 Highways & Street Scene (£6.992m) – Schemes are progressing on site to deliver approximately 10km of carriageway resurfacing and approximately 6km of footway renewals in accordance with the approved programme for 2019/20, and approximately 1,800 individual highway defects, such as potholes and paving trips, are being repaired each month in accordance with our highway maintenance plan. The deck joints have been replaced at Conduit Lane bridge and other bridge maintenance schemes are on programme. Several flood management schemes are progressing in

accordance with the approved report, with the official opening of the Broomfield Park Wetlands Project on 14th August. The tree planting programme is scheduled for the winter period in accordance with normal planting practices.

4.25 Waste & Recycling (£1.434m) - The key deliverables are listed as follows:

- i. The purchase and delivery of kitchen caddy, kerbside caddy and liners,
- ii. Dry recycling bin exchange and replacements,
- iii. The collection of garden bins that do not subscribe to service,
- iv. Garden bin exchange and replacements,
- v. And compost bins giveaway.

4.26 TFL: Local Implementation Plans (£2.356m) - The following are included in 2019/20 plans for Enfield:

- i. Delivery of Quieter Neighbourhoods and Quietway with the current programme including routes through Haselbury neighbourhood, several Quieter Neighbourhood areas and school streets / neighbourhood connectors.
- ii. Road Safety Schemes which include the improvements of 11 school crossings and completion of Ponders End safety and walking scheme.
- iii. Cycle Enfield Supporting Measures- delivery of Cycle Enfield Wayfinding strategy, installation of at least 15 bike hangars and 50 Sheffield stands.
- iv. Programme, Project and Scheme Development- areas of interest include Healthy Streets and controlled parking zones including in the Bowes Road area.

4.27 Also included in the programme are Highway Interventions, Air Quality and Road Safety Schemes.

4.28 TFL: Cycle Enfield (£6.060m)- The following are included in 2019/20 plans for Enfield:

- i. Substantial construction of A1010 North from Ponders End to Freezy Water.
- ii. Completion of A1010 South from Edmonton Green to Ponders End.
- iii. Feasibility and design for this route connecting Enfield Town centre with the regeneration at Ponders End railway station.
- iv. Development of design and delivery of a series of mini hubs at several railway stations in the Borough.

4.29 Meridian Water (£33.147m) - In 2019/20 the Meridian Water project is expected to spend £33m to continue the work on regenerating the site. During the year £4.7m of land acquisitions are expected which will enable infrastructure works to go ahead to unlock the site for the development of homes. Further works on the Willoughby Lane site will begin to allow an additional 600 homes to be developed on the site. Approximately £7m will be spent on acquiring land, relocating the pressure reduction station and remediating the Willoughby Lane site to allow it to be fully developed.

- 4.30 Planning for infrastructure works across the Meridian Water site is expected to cost £2.2m in the coming year. The Council has very recently received the very positive announcement on Housing Infrastructure Fund, the £156m bid was successful. This will enable the required planning to be in place to allow works will be begin at the earliest point.
- 4.31 There will be nearly £3m spent in the year on the Meanwhile project with Building Bloqs, which involves refurbishing the VOSA building, a Council asset, for Building Bloqs to occupy. Grants will be paid to Building Bloqs to support the capital investment in equipment and machinery for the business.
- 4.32 The project will continue with securing the site and preventing unwanted occupation and vandalism, marketing sites for meanwhile use, clearing land of refuse and community engagement. Other expenditure on the project includes sitewide planning and design, staffing and commercial advisors.
- 4.33 Corporate Capital Condition Programme (CCCP) (£2.174m)- Cyclical improvement works continue to be carried out across various council dwellings. In 2019/20, this will include:
- i. continuation of replacing the agricultural shed at Beech Barn Farm,
 - ii. sprinkler installation to the basement of Millfield House,
 - iii. Demolition of structures deemed to be at the state of disrepair,
 - iv. works required by the Disability Discrimination Act (DDA) to allow better access at the Civic Centre,
 - v. Fire Precaution and Health & Safety works across various sites.
- 4.34 Corporate Property Investment Programme (CPIP) (£0.800m) - This new programme starts with the initial stages of relocating the Integrated Learning Disabilities Services from St. Andrews Court to Enfield Highway Carnegie Building. This will involve consultations, planning and designing; with works on site due to start towards February 2020. Other works within CPIP for 2019/20 include:
- i. improvements to the public area at John Wilkes House,
 - ii. the relocation of Southgate Library,
 - iii. civic centre toilet refurbishments,
 - iv. and pre-construction services for 'Build the Change'.
- 4.35 Electric Quarter (£3.424m) - The key deliverables are listed as follows:
- i. Commencement of Phase-B to deliver 106 units by 2021,
 - ii. Demolition of existing structures within Phase-B,
 - iii. Granting of Phase B Lease to Lovell,
 - iv. Construction underway with ground and enabling works and above ground build,
 - v. Delivery of 22 three- and four-bedroom houses by 31 March 2020,
 - vi. Temporary library relocated into Swan Annex,
 - vii. And Qube Meanwhile facility relocated into Eagle House Car Park.

4.36 Genotin Road (£12.249m) - Construction and development costs, including associated consultants' fees.

4.37 Montagu Industrial Estate (£11.446m) – The planning application has been submitted. A separate report is due to go to Cabinet in October where the overall project delivery and budgets will be reviewed. An update will be provided in Q2.

4.38 **Companies**

4.39 Energetik - The company's plan for 2019/20 is leveraged on several key activities/major works. These include:

- i. Diverting the trunk sewer on the EcoPark which runs under the proposed leased site of the energy centre.
- ii. Extending a district heating pipe from the Alma Estate to Ponders End High Street.
- iii. Extending the Electric Quarter primary heat network and installing a heat exchanger substation for Phase-B of Electric Quarter.
- iv. Build a mobile prefabricated boiler plantroom (1000kwh).
- v. Undertake site investigation works at the EcoPark near the proposed leased site of the energy centre.

4.40 Housing Gateway - Deliver demonstrably, good quality housing solutions for residents through a variety of products suitable for residents on low to median income levels. Deliver increased housing supply to the Council with at least an additional 50 units in 2019/20.

5 HOUSING REVENUE ACCOUNT

5.1 Table 6 summarises the 3-year programme, with sections 5.1 and 5.2 highlighting key projected outputs.

Table 6 HRA Capital Programme

| PROGRAMME | 2019/20 | 2020/21 | 2021/22 | TOTAL |
|--|---------|---------|---------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Major Works | 7,410 | 23,817 | 22,066 | 53,294 |
| Major Works: Borough Wide Decent Homes | 9,000 | 0 | 0 | 9,000 |
| Major Works: Cambridge Road West | 4,575 | 0 | 0 | 4,575 |
| Major Works: New Southgate | 2,198 | 0 | 0 | 2,198 |
| Major Works: Upper Edmonton | 4,135 | 0 | 0 | 4,135 |
| Major Works: Waltham Cross | 1,500 | 0 | 0 | 1,500 |
| Minor Works | 1,920 | 900 | 900 | 3,720 |
| Minor Works: Aids & Adaptations | 750 | 750 | 750 | 2,250 |
| Minor Works: Fire Precaution | 6,550 | 200 | 200 | 6,950 |
| Minor Works: Health & Safety | 2,210 | 0 | 0 | 2,210 |
| Minor Works: Structural Repairs | 800 | 50 | 50 | 900 |

| | | | | |
|--------------------------------|----------------|---------------|---------------|----------------|
| Estate Renewals | 19,904 | 65,395 | 38,198 | 123,497 |
| Estate Renewals: Alma Towers | 26,192 | 3,492 | 4,078 | 33,763 |
| Estate Renewals: Ladderswood | 360 | 2,401 | 0 | 2,761 |
| Estate Renewals: New Avenue | 5,358 | 333 | 301 | 5,992 |
| Estate Renewals: Small Sites 1 | 4,895 | 0 | 0 | 4,895 |
| Estate Renewals: Small Sites 2 | 18,957 | 0 | 0 | 18,957 |
| Total HRA | 116,714 | 97,339 | 66,543 | 280,596 |

5.2 Major and Minor Works

- i. Borough Wide Decent Homes Programme - This includes core decent homes catch up works in Council properties including kitchens, bathrooms, rewires, heating and insulation works. These works will improve levels of decent homes compliance. Tenders have been received for these works and are now in the evaluation stages. It is anticipated that c. 7,000 homes will receive these decent homes works over the next 5 years.
- ii. Upper Edmonton Externals - These major works consist of both external works and communal area works to 21 blocks within the borough. These works are due to start in October 2019 and include renewal and roof repairs, window renewals and balcony works.
- iii. Waltham Cross Houses - This scheme consists of decent homes works to 71 street properties. The works include roofing, window, kitchen and bathroom renewals and rewiring. The contracts have been let and the contractors will be on site by the end of July 2019.
- iv. New Southgate Externals - These major works consist of both external works and communal area works to 24 blocks within the borough. These works are due to finish at the end of the financial year and included pitched and flat roof covering replacement, window and door replacements and upgraded door entry systems.
- v. Fire improvement works- Bliss, Purcell and Walbrook have all had their cladding removed and we are in the process of determining and procuring contractors to undertake the replacement and associated works.
- vi. Other Projects- Smaller projects within the programme include lift replacements, health and safety works, aids and adaptations and boiler replacements.

5.3 Estate Renewals & Development

5.4 The Estate Renewal budgets have been re-profiled to reflect the accurate position for all projects. The main movements in the projects are due to the following:

- i. Alma - The Alma leaseholder buybacks budget has been reprofiled to reflect the revised buyback programme. Phase-1 will see the completion of 97 affordable HRA units in July 2019.
- ii. New Avenue - The construction of Phase 1 has made good progress, with 127 units being delivered by early 2020. There are 18 leaseholders left to

buyback on the estate and its anticipated that these will complete in 2019/20.

- iii. Ladderswood - Phase 1 consists of 23 affordable units and 17 private units which were handed over during October 2017. These properties are being managed by One Housing and are now all in occupation. Phases 2 and 3 are progressing well. Utility and ground works have been completed to form the basement car park. These phases will deliver 114 private units, 21 affordable homes, 85 bed hotel and 6 commercial units by September 2019. Costs to the HRA for this project include staffing and tenant decants.
- iv. Small Sites - The construction of the 6 remaining sites has progressed well, completion of all 94 units in this project is expected to December 2019. Additional budget was agreed in January 2019 to complete and finish construction works.

5.5 HRA Capital Financing

- 5.6 The Council was successful in securing £18.1m of GLA grant for the next 3 years as part of the Building Council Homes for Londoners scheme. The programme is made up of several small site schemes and is expected to deliver 150 new homes within the Borough.
- 5.7 The RTB receipts programme will fund development schemes, acquiring land and properties and funding Registered Providers to assist in developing sites or acquiring properties. As the HRA debt cap has been lifted it has enabled Enfield to match fund receipts and build in growth within the HRA. This programme is expected to deliver 675 additional affordable homes.
- 5.8 The HRA development strategy (agreed at February 2019 Cabinet) will use our RTB receipts, GLA Grant and additional HRA headroom borrowing (c. £132m) to fund the housing programme in the next 3 years.

Table 7 HRA Capital Programme Financing

| HRA | Grants & External Contributions | Revenue Contributions | Capital Receipts | Earmarked Reserves | Borrowing | TOTAL |
|-----------------|---------------------------------|-----------------------|------------------|--------------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Major Works | | 4,578 | | 80,453 | | 85,031 |
| Minor Works | | | | 5,700 | | 5,700 |
| Estate Renewals | 10,608 | 12,880 | 18,877 | | 147,500 | 189,865 |
| | 10,608 | 17,458 | 18,877 | 86,153 | 147,500 | 280,596 |

6 ALTERNATIVE OPTIONS CONSIDERED

6.1 No alternative options were considered.

7 REASONS FOR RECOMMENDATIONS

7.1 To update the programme for carry forwards from 2018/19 along with amendments to the Programme for additions and deletions since Council approval in February and also to inform members of the current forecast position at the end of the first quarter of the financial year. Additionally to bring to the attention of members the significant award of £156m of HIF grant.

8 COMMENTS FROM OTHER DEPARTMENTS

8.1 Financial Implications

8.2 As the Section 151 Officer, the Executive 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.

8.3 Legal Implications

8.4 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.”

8.5 Property Implications

8.6 This report has been written in consultation with Property Services and therefore any relevant implications are included within the body of the report. Capital investment in the Council’s property assets to ensure compliance and support income growth is supported by the Council’s Strategic Asset Management Plan. Any type of property transactions related to this report will follow the Council’s usual processes, complying with the Property Procedure Rules and being in line with the Strategic Asset Management Plan and Corporate Landlord Policy.

9 KEY RISKS

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

10 IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

a. Good homes in well-connected neighbourhoods

The Capital Programme is designed to address the deliver the Councils priorities and all projects are considered in the context of these priorities.

b. Sustain strong and healthy communities

The Capital Programme is designed to address the deliver the Councils priorities and all projects are considered in the context of these priorities.

c. Build our local economy to create a thriving place

The Capital Programme is designed to address the deliver the Councils priorities and all projects are considered in the context of these priorities.

11 EQUALITIES IMPACT IMPLICATIONS

11.1 Not applicable to this report.

12 PERFORMANCE AND DATA IMPLICATIONS

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

13 HEALTH AND SAFETY IMPLICATIONS

13.1 Not applicable to this report

14 HUMAN RESOURCES IMPLICATIONS

14.1 Not applicable to this report.

15 PUBLIC HEALTH IMPLICATIONS

15.1 The underlying schemes which this report refers, all contribute to the overall public health objectives of the borough

16 BACKGROUND PAPERS

None.

APPENDIX A – Approved Capital Programme (Detailed)

| APPENDIX A - Approved Capital Programme | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | TOTAL |
|---|----------------|----------------|---------------|--------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| RESOURCES | | | | | |
| Commercial | | | | | |
| Forty Hall | 68 | 0 | 0 | 0 | 68 |
| Total Commercial | 68 | 0 | 0 | 0 | 68 |
| Customer Experience & Change | | | | | |
| IT Investment | 11,876 | 2 | 0 | 0 | 11,878 |
| Libraries | 485 | 0 | 0 | 0 | 485 |
| Total Customer Experience & Change | 12,361 | 2 | 0 | 0 | 12,363 |
| Total RESOURCES | 12,429 | 2 | 0 | 0 | 12,431 |
| PEOPLE | | | | | |
| Adult Social Care | | | | | |
| Extra Care Housing: Reardon Court | 1,318 | 6,999 | 12,420 | 6,515 | 27,252 |
| Mental Health and Wellbeing Centre | 500 | 2,000 | 0 | 0 | 2,500 |
| Total Adult Social Care | 1,818 | 8,999 | 12,420 | 6,515 | 29,752 |
| Education | | | | | |
| School Expansions | 9,435 | 0 | 0 | 0 | 9,435 |
| Schools Maintenance | 2,518 | 0 | 0 | 0 | 2,518 |
| Schools' Future Programme | 925 | 14,324 | 9,977 | 2,578 | 27,805 |
| Schools Devolved Capital | 2,000 | 0 | 0 | 0 | 2,000 |
| Total Education | 14,878 | 14,324 | 9,977 | 2,578 | 41,758 |
| Strategic Commissioning | | | | | |
| Community Safety | 300 | 0 | 0 | 0 | 300 |
| Total Strategic Commissioning | 300 | 0 | 0 | 0 | 300 |
| Total PEOPLE | 16,996 | 23,324 | 22,397 | 9,093 | 71,810 |
| PLACE | | | | | |
| Environment & Operations | | | | | |
| Alley Gating | 100 | 0 | 0 | 0 | 100 |
| Highways: | | | | | |
| Flood Alleviation | 553 | 0 | 0 | 0 | 553 |
| LED Street Lighting | 1,918 | 4,457 | 0 | 0 | 6,375 |
| Highways & Street Scene | 6,992 | 0 | 0 | 0 | 6,992 |
| Parks: | | | | | |
| Edmonton Cemetery | 1,327 | 0 | 0 | 0 | 1,327 |
| Southgate Cemetery | 1,116 | 0 | 0 | 0 | 1,116 |
| Play Areas | 41 | 0 | 0 | 0 | 41 |
| Tennis Courts Works | 292 | 0 | 0 | 0 | 292 |
| Waste, Recycling & Fleet: | | | | | |
| Waste & Recycling | 1,434 | 455 | 0 | 0 | 1,889 |
| Vehicle Replacement Programme | 411 | 1,860 | 0 | 0 | 2,270 |
| Traffic & Transportation: | | | | | |
| TFL: Local Implementation Plans | 2,356 | 0 | 0 | 0 | 2,356 |
| TFL: Cycle Enfield | 6,060 | 0 | 0 | 0 | 6,060 |
| TFL: Angel Walking | 720 | 0 | 0 | 0 | 720 |
| Total Environment & Operations | 23,321 | 6,772 | 0 | 0 | 29,373 |
| Meridian Water | | | | | |
| Meridian Water | 33,147 | 456 | 0 | 0 | 33,604 |
| Total Meridian Water | 33,147 | 456 | 0 | 0 | 33,604 |
| Property & Economy | | | | | |
| Broomfield House | 266 | 0 | 0 | 0 | 266 |
| Bury Street West Depot | 19,029 | 0 | 0 | 0 | 19,029 |
| Corporate Capital Condition Programme (prev. BIP) | 2,174 | 0 | 0 | 0 | 2,174 |
| Corporate Property Investment Programme | 800 | 1,100 | 0 | 0 | 1,900 |
| Edmonton Cemetery Chapel Conversion | 108 | 0 | 0 | 0 | 108 |
| Electric Quarter | 3,424 | 4,746 | 0 | 0 | 8,171 |
| Genotin Road (Metaswitch) | 12,249 | 12,500 | 0 | 0 | 24,749 |
| Montagu Industrial Estate | 11,446 | 0 | 0 | 0 | 11,446 |
| Town Centre Regeneration | 6,761 | 0 | 0 | 0 | 6,761 |
| Total Property & Economy | 56,257 | 18,346 | 0 | 0 | 74,603 |
| Housing & Regeneration | | | | | |
| Assessment Services: | | | | | |
| Housing Adaptations (DFG) | 2,001 | 0 | 0 | 0 | 2,001 |
| Housing Assistance | 12 | 0 | 0 | 0 | 12 |
| Total Assessment Services | 2,013 | 0 | 0 | 0 | 2,013 |
| Total PLACE exc. HRA | 114,738 | 25,574 | 0 | 0 | 140,312 |
| Total GENERAL FUND exc. COMPANIES | 144,163 | 48,899 | 22,397 | 9,093 | 224,553 |
| COMPANIES | | | | | |
| Energetik | 3,915 | 2,121 | 0 | 0 | 6,036 |
| Housing Gateway Ltd | 20,279 | 30,822 | 0 | 0 | 51,101 |
| Total COMPANIES | 24,194 | 32,943 | 0 | 0 | 57,137 |
| Total GENERAL FUND inc. COMPANIES | 168,357 | 81,842 | 22,397 | 9,093 | 281,689 |
| Housing Revenue Account: | | | | | |
| Major Works | 28,818 | 23,817 | 22,066 | 0 | 74,701 |
| Minor Works | 12,230 | 1,900 | 1,900 | 0 | 16,030 |
| Estate Renewals | 75,666 | 71,622 | 42,577 | 0 | 189,865 |
| Total HRA | 116,714 | 97,339 | 66,543 | 0 | 280,596 |
| Total PLACE inc. HRA | 231,452 | 122,914 | 66,543 | 0 | 420,909 |
| APPROVED CAPITAL PROGRAMME | 285,071 | 179,182 | 88,940 | 9,093 | 562,285 |