

London Borough of Enfield

Cabinet

8 February 2023

Subject: Capital Programme Monitor Month 8 (November) 2022/23

Cabinet Member: Councillor Tim Leaver, Finance & Procurement

Executive Director: Fay Hammond, Executive Director Resources

Key Decision: KD5500

Purpose of Report

1. The purpose of this report is to update Members on the forecast capital spend for 2022/23. It considers actual spend incurred up to Month 8 (21 November) and latest spend projections from budget holders.
2. The report sets out the estimated capital spending, the proposed arrangements for funding and the revenue budget relating to capital financing costs and Minimum Revenue Provision. The detail of the Housing Revenue Account (HRA) capital spend is reported separately, with a single summary line included in this report.

Proposal(s)

3. It is recommended that Cabinet notes
 - a. The 2022/23 forecast spend of £262.7m against a budget of £486.4m, which is a forecast variance to budget of 54% across the programme. This reflects strategic and fiscally responsible decisions taken by the Council to manage delivery of and to ensure continued value for money of its capital programme in response to inflationary pressures, increases in the cost of borrowing and current market conditions, as described in this report.
 - b. Actual spend of £88.5m (excluding salaries which are to be processed in December) has been incurred to date. Unspent forecast budget at year end will no longer be automatically carried forward into 2023/24.

Reason for Proposal(s)

4. A strong financial management framework, including Member overview and scrutiny of the capital programme, is an essential part of delivering the Council's priorities and statutory duties. This is particularly important in the current macro-economic environment of rising interest rates and inflation and pressures on revenue budgets.

Executive Summary

5. The delivery of the 2022/23 capital programme is impacted by global external factors including the aftermath of the Covid19 pandemic, disruption of global

supply chains and more recently soaring inflation and the economic impact of the war in Ukraine. Consumer Price Index (CPI) inflation increased to 11.1% in October from 10.1% in September and is forecast to increase further before reducing in later years. Overall construction inflation is significantly higher.

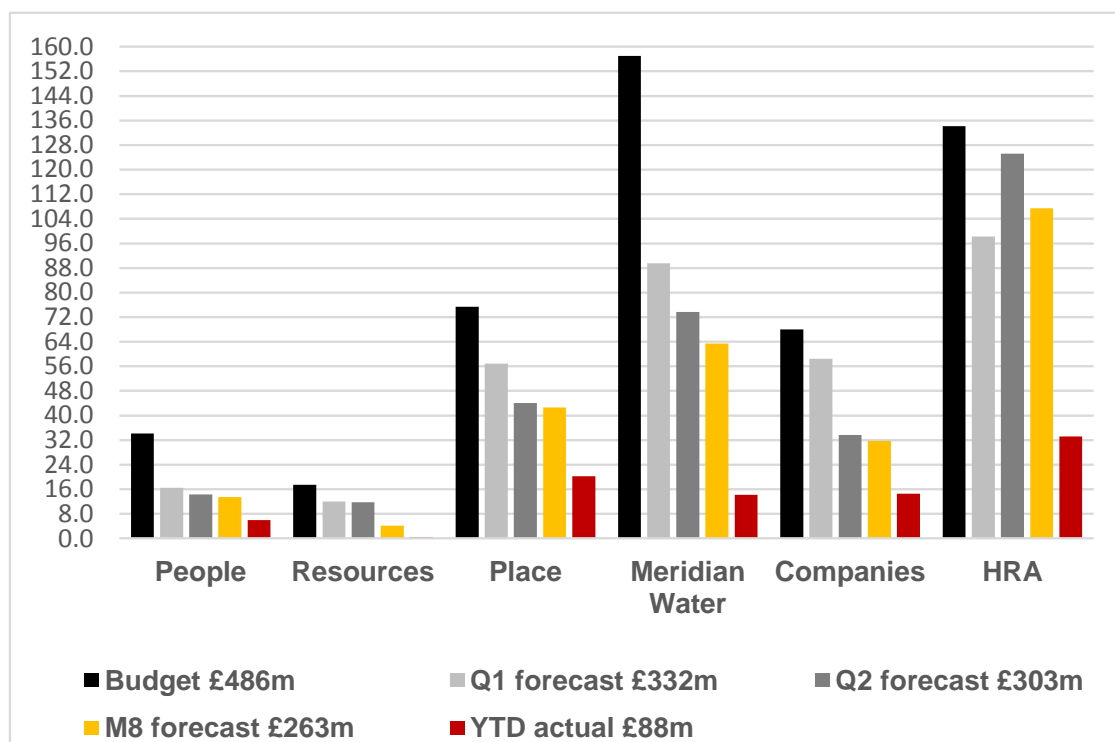
6. This means that all business cases for projects relying on borrowing are being refreshed to ensure that they continue to be affordable and demonstrate value for money.
7. The approved capital programme budget for 2022/23 was £486.4m (as approved by Council as part of the 2021/22 outturn report). Subsequent growth of £7.9m is included in the programme (summarised in table 3). Capital budget of (£48.0) has been removed from the programme (summarised in table 4).
8. As a result, Month 8 (November) forecast full year outturn is now £262.7m, compared with approved budget of £486.4m (a variance of £223.7m). This consists of £231.0m for the General Fund (excluding companies), £107.4m for the Housing Revenue Account (HRA) and £31.7m loan drawdown for Enfield Companies as shown in table 1.
9. These adjustments mean the Council is forecast to borrow £104.1m less than budgeted in 2022/23. This will help mitigate the impact of recent increases in interest rates on the cost of council borrowing in 2022/23 (2.5% assumed in budget, increased to 5% at Q2).
10. The capital schemes with largest variances to budget are:
 - a. Meridian Water – (£93.5m)
 - b. Housing Gateway Ltd – (£34.2m) variance to loan drawdown
 - c. HRA – (£26.8m)
 - d. Property & Economy – (£23.3m)
 - e. Education – (£20.5m)

Background

11. On 24th Feb 2022, Council approved the 2022/23 capital programme and noted the 2023/24 - 2031/32 10 Year Programme (KD5353), which included the Housing Revenue Account (HRA) budgets.
12. The Council's capital programme is regularly reviewed, and monitoring reports are submitted to Cabinet on a quarterly basis. In addition, the Capital Finance Board maintains a strategic overview of the financial management of the capital programme and provides an additional level of scrutiny for the major projects. The Council continually strives to maximise external grants and contributions and attract new income streams to fund projects wherever possible and minimise the need to borrow.
13. This is the final capital budget monitoring report of 2022/23. It is based on the forecast full year outturn as at Month 8 (November). Month 8 (M8) full year forecast outturns are based on programme managers' estimation of actual spend during 2022/23. In making these assessments, programme managers are asked to consider the extent of actual spend incurred and committed to date.

Capital programme monitoring - overview

14. This report focusses on how the actual programme delivery compares to what was forecast to be delivered in the 2022/23 capital budget of £486.4m. It includes an update on project status and emerging risks for key projects within the capital programme.
15. Month 8 (M8) full year forecast spend is £262.7m (was £302.8m at Q2). This is a result of detailed review of capital budget estimates by budget holders in December. This review was informed by actual spend invoiced to Month 8 and an understanding of the value of outstanding commitments placed. Significant changes to Q2 forecast outturn include:
 - a. Net £10.3m change on Meridian Water - includes budget reduction of £14.9m quantified in period 8 (as explained in table 4 of this report),
 - b. Net £17.8m change in HRA (as detailed in separate HRA report KD5501) and
 - c. Net £7.6m on IT investment – request to carry forward further £7.6m budget into later years.
16. Any unspent budget at year end will no longer be automatically carried forward into 2023/24
17. Figure 1 below provides a visual summary of the capital budget, forecast outturn and actual spend (to 30 November) by directorate. Actual spend of £88.6m excludes salaries and overhead recharges from revenue to capital.



18. Table 1 and table 2 below summarise the original budget and forecast outturn capital spend and financing for 2022/23. Details on project status, outcomes and emerging risks and issues for major schemes are provided in later sections of this report.

Table 1 – Month 8 (November) capital programme forecast full year spend

Capital budget by directorate	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	budget variance £m	forecast to budget %
Resources	17.5	11.7	4.1	(13.3)	24%
People	34.4	14.5	13.5	(20.9)	39%
Place	75.4	44.0	42.6	(32.8)	56%
Meridian Water	157.0	73.7	63.5	(93.5)	40%
General fund (excluding companies)	284.2	144.0	123.6	(160.6)	43%
HRA	134.2	125.1	107.4	(26.8)	80%
HRA	134.2	125.1	107.4	(26.8)	80%
Capital programme (excluding companies)	418.4	269.1	231.1	(187.3)	55%
Energetik	21.7	21.6	19.7	(2.0)	91%
Housing Gateway Ltd	46.3	12.0	12.0	(34.2)	26%
Companies	68.0	33.6	31.7	(36.2)	47%
Total capital programme	486.4	302.8	262.7	(223.7)	54%

Table 2 – Month 8 (November) capital programme forecast full year funding

Capital funding	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	budget variance £m	forecast to budget %
Borrowing	254.7	169.1	150.6	(104.1)	59%
Capital grants	172.9	79.2	56.3	(116.6)	33%
Usable capital receipts	26.4	28.5	29.1	2.7	110%
HRA: earmarked reserves	21.6	12.8	13.4	(8.2)	62%
HRA: Major repairs allowance	8.0	11.3	11.3	3.3	141%
S106 & CIL	2.3	1.9	2.0	(0.3)	87%
Revenue contributions	0.5	0.0	0.1	(0.4)	20%
Total capital funding	486.4	302.8	262.7	(223.7)	54%

Capital budget adjustments

19. Actual programme delivery against the 2022/23 capital budget has changed to reflect growth and reductions during the year as well as proposed reprofiling of capital budgets no longer required to support programme delivery in 2022/23.

20. During the year, the capital programme budget of £486.4m has been adjusted for £7.9m growth (table 3), reductions in budgets of (£47.2m) (table 4) and requests to carry forward budget (subject to Council approval in February 2023) of (£184.4m).
21. **Growth in the capital programme £7.9m**
22. Table 3 summarises growth in the capital programme. Of this £5.8m is grant funded (new grant funded projects and confirmation of in-year grant/s106 allocations) and £2.2m growth is funded from additional borrowing.

Table 3 – growth in the capital programme

	£m	Description
Genotin Road	1.3	KD4567/KD5464 - correction to programme
Strategic property acquisition	0.9	KD5271 – acquisition of property adjacent to council owned land
Total borrowing funded growth	2.2	
Bush Hill Park School	0.2	KD5443 – kitchen rebuild (grant funded)
Eversley Primary School	0.3	boiler replacement (grant)
Digital Infrastructure	0.2	KD5456 – ducting and fibre network (grant funded)
Enfield to Broxbourne Cycle route	2.2	KD5424 - New project (grant funded)
DFG Housing adaptations	0.3	DFG confirmation – increase budget (grant funded)
TfL Traffic & Transportation	0.4	TfL confirmation of in-year grant
Watercourses	0.7	Grant / s106 In-year grant / s106 confirmed
Flood alleviation	0.4	Grant / s106 In-year grant / s106 confirmed
TfL Healthy Streets	1.0	Bowes, Fox QN, new schemes TFL grant
Waste & Recycling collections	0.1	KD4810 – funded capital receipt in 22/23. Further 10 years £0.1m annual budget funded from prudential borrowing
Total grant / other funded growth	5.8	
Total growth in programme	7.9	

23. **Reductions in the capital programme (£47.2m)**
24. The Council has reviewed its capital programme in response to difficulties posed by current market conditions and recent increases in borrowing costs. This has resulted in the removal of £47.2m budget from the 2022/23 capital programme, of which £38.0m was planned to be funded from borrowing. Grant funded reductions are adjustments to indicative grant funding estimates assumed at budget setting.

Table 4 – reductions in the capital programme

	£m	Description
Meridian Water	(14.9)	Reduced consultancy and staff spend, Meridian Four RIBA stage 3 and 4 works no longer progressing
Land investment	(7.5)	scheme no longer progressing
Build the Change	(6.9)	Programme revision – works restricted to Children’s & Families Services hub and phase 1b works at the Civic Centre
Corporate property investment programme	(3.1)	Programme reprioritised - works restricted to essential health & safety works and smaller projects
Vehicle replacement programme	(2.2)	Supply chain issues resulting in increased lead in times. Rolling annual budget in future years
Corporate condition programme	(1.5)	Programme prioritised and removal of indicative budget envelope
Tottenham Park cemetery	(0.5)	Scheme on hold
Empty properties	(0.4)	EMT review -removal of indicative budget
Extensions to foster carers’ homes	(0.3)	lower than expected programme uptake
Journey & Places – Angel Edmonton	(0.3)	EMT review - removal of indicative budget
Town centre regeneration	(0.2)	reduced project scope
Electric Quarter – SBSS	(0.2)	reduced spend to minimum pending revised business case
Broomfield tennis courts	(0.2)	project complete
Total borrowing funded reductions	(38.0)	
Schools maintenance	(1.3)	Schemes completed – funded from grant
Journey & Places – TfL	(6.9)	Removal of indicative budget
Traffic & Transportation – TfL	(0.9)	Removal of indicative and b/fwd budgets from 21/22
Alley Gating	(0.1)	Service to be reduced in scope and funded from revenue budget
Total grant & other funded reduction	(9.2)	
Total reductions in programme	(47.2)	

25. Approvals to spend capital budgets

26. The Council’s financial regulations require all projects to obtain approval to spend (i.e. a detailed review of the business case). This is separate to Council approval of the overall budget envelope. Approval to spend must be secured in advance of spend being incurred. By Month 8, all 2022/23 capital budgets had received formal approval to spend.

27. Financial risks

28. Cost Inflation has been rising steadily over the last year. The Bank of England is expecting inflation to rise to around 13% by the end of the calendar year with energy and fuel prices contributing half of that amount. Consumer Price Index (CPI) currently stands at 11.1%, which is significantly above the Government's 2% target rate. Since early 2021, the UK construction sector has seen high inflation in materials and build costs, alongside materials and labour shortages affecting site activity. This is the combined effect of COVID working practices, supply chain disruption, and new immigration and trading requirements.
29. These factors have already had a direct impact on the Council's current capital programme. For example, the Meridian Water and Montagu financial models are being updated, and Meridian Water and Build the Change programme budgets have been significantly reduced to ensure they continue to represent value for money. The HRA is also considering alternative approaches for the delivery of new homes.
30. Where projects have been paused there is a risk that the Council continues to incur project overheads, which may have to be charged to revenue budgets or managed within existing budgets.
31. There is inherent risk that, where projects are descoped or revised in response to escalating costs, approved outcomes are not achieved to the same extent as planned.
32. As well as ensuring that grant conditions are complied with, there is an underlying risk of grant being withheld or clawed back should outcomes not be achieved. For example, to date Meridian Water has claimed £22.2m of HIF grant funding, which is linked to achievement of milestones and housing output. There are similar risks in relation to Salix funded works in the programme. Salix grant funding can only be applied to eligible spend committed in advance of 30 June 2022.
33. Delays in capital programme delivery will also potentially impact on delivery of revenue income currently assumed within the Medium Term Financial Plan (MTFP).
34. At £150.6m, around 59% of the in-year capital programme is expected to be funded from prudential borrowing. The Council must ensure sufficient annual revenue provision is made for the repayment of this debt (including interest) during this period of volatility. On 3 November 2022 the Bank of England increased its base rate to 3.0% (for context it was 0.1% in March 2020), with the next review on 15 December 2022. Corresponding increases in gilt yields have also resulted in a rise in Public Works Lending Board (PWLB) borrowing rates. There is considerable volatility in interest rates, which have an acute impact on the revenue financing costs of borrowing undertaken to deliver the capital programme.
35. This risk also extends to the cost of refinancing historic debt taken out as historic loans mature.
36. There is a need to ensure clear oversight of budget spend is maintained by all budget holders – in particular where works are delivered by other service areas on behalf of budget holders.

2022/23 Capital programme – status, risks, outcomes and variances

37. The following paragraphs provide explanations for variances and a description of forecast outcomes from larger programmes.

38. Resources

Table 5 – Resources Month 8 (November) forecast full year spend

	2022/23 Budget £m	Month 8 forecast £m	Variance to budget £m
IT Investment	17.1	3.7	(13.3)
Libraries	0.1	0.1	0.0
Community Hubs	0.3	0.3	0.0
Resources	17.5	4.1	(13.3)

Programme status and expected outcomes

39. The 2022/23 programme of work continues to complete delivery of new digital infrastructure and application replacement to deliver the council's digital strategy of ensuring technology delivers for the customer – by improving internet connection and ensuring that customers can self-serve using modern systems. Key projects being delivered include the enhancement of council's new website and portal, continuing to upgrade its network, replacement of recruitment and asset management systems and rationalising its communication systems.

Month 8 (November) forecast variance to budget

40. As referenced in Q2 capital budget monitoring report, planned spend in 22/23 has been reprofiled to reflect challenges with delivery. These range from supply chain issues with delivering hardware through to resourcing challenges in the recruitment market, where demand exceeds supply. Since Q2, a further review of the portfolio has been undertaken (as requested by the Council's Executive Management Team) to both re-prioritise what the programme will deliver and to reassess delivery timescales (portfolio report KD5573). As a result some programmes are no longer expected to commence delivery this financial year.

41. People

Table 6 – People Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 forecast £m	Variance to budget £m
Schools Maintenance	13.7	4.8	(8.8)
Strategic Schools Places Programme	19.9	8.2	(11.7)
Children & Families	0.8	0.5	(0.3)
People	34.4	13.3	(20.9)

Programme status and expected outcomes

42. Strategic school expansion programme – the programme is funded from a combination of DfE Basic Need Grant and High Needs Capital Grant. Aylands School rebuild (to provide additional 70 SEND school places) is expected to complete in February. Winchmore 6th form building project is in the process of being retendered because of inflationary cost increases (capital budget proposed to be reprofiled to 2023/24). MUGA works at the school are expected to complete by July 2023. Minchenden Autistic Provision works have completed within budget. The budget underspend will be used to fund works at Highfield Primary School. Swan Centre remodelling works are in detailed design phase, with pre-tender report expected late November.
43. Schools maintenance programme - This programme is entirely funded from DfE school condition grant and consists of various schemes across the school estate. De Bohun Primary - phases 1 & 2 are now complete and are in defects liability stage, with remaining work planned to be completed this financial year. Enfield County works are at various stages of procurement / construction process. Bush Hill Park School kitchen - £1.1m overall budget approved. Works have started and are due to complete in May. £0.5m of the overall £1.1m approved budget is expected to be spent this year.
44. Mental Health & Wellbeing – site options have been proposed and preferred site identified. Around £10k has so far been spent on feasibility works, funded from Better Care Fund revenue grant allocation.
45. Children & Families – New Youth Bus has been procured and became operational in November, to better engage with young people in the most socially deprived wards. £0.2m spend forecast on community safety CCTV investment. Extensions to foster carers' homes – one property has received planning permission.

Month 8 (November) forecast variance to budget

46. The main reason for the underspend is the re-alignment of the schools' capital programme budgets in line with revised delivery timescales. This is a response to market (inflationary) pressures and supply chain issues. £19.7m capital is proposed to be reprofiled into later years, including £8.0m of schools programme grant funded contingency.
47. Extensions to foster carers' homes in year budget is reduced by £0.3m, which reflects lower than anticipated take up of the programme.
48. **Place**
49. The Council approved £75.4m capital spend in 2022/23 within the Place directorate. Month 8 projection of full year spend is £42.7m (57% of approved budget).

Table 7 – Place Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 forecast £m	Variance to budget £m
Environment & Operations	28.4	20.3	(8.6)
Property & Economy	44.1	20.2	(23.3)
Housing & Regeneration	2.9	2.2	(0.8)
Place	75.4	42.7	(32.7)

50. Environment and Operations**Programme status and expected outcomes**

51. Highways & Street Scene - The £8.9m forecast programme has been impacted by cost inflationary pressures, which has resulted in some planned schemes being pushed to later years. To date around 12.87km of carriageways have either been resurfaced or subject to surface treatment. Some planned resurfacing has been delayed to later years because of cost inflation. To the end of October 10,051 planned defects works have been completed. This compares with full year target of 18,000 repairs. Cost increases may require some schemes in the carriageway and footway programmes to be re-profiled into 2023/24. Various footway renewal schemes have been completed and the programme is ongoing. Inflationary pressures have seen schedule of rates increase by up to 19%. As at Month 8 £3.7m spend has been incurred (excluding capitalised salaries expected to be processed in December), and commitments of £3.3m are outstanding (some of these will not be fulfilled until 2023/24).
52. Grant funded growth of £0.2m is included within Highways & Street Scene for the delivery of up to 7km of new ducting and fibre network in the east of the borough. This will improve the availability of high-quality broadband and fibre to Council premises. The project is funded from £1.0m Local London grant. Of this, £0.2m is expected to be spent this financial year.
53. Journey & Places – The Journey & Places programme receives external grant funding from a range of sources, which must be spent in accordance with grant conditions. The forecast 2022/23 capital programme has been adjusted for TfL grant awarded in late September and is now £5.6m. Of this budget, £2.2m has been spent to date, with further commitments of £1.1m outstanding. In line with funding conditions, TfL funded budget is expected to be fully utilised in 2022/23. The overall programme is on track for successful delivery this financial year, delivering a range of challenging projects. Two major projects (Ponders End High Street and North Middlesex Hospital active travel route) are due for completion in Q3. Enfield Town to Broxbourne walking & cycling route benefits from £2.3m funding from National Highways – £1.1m of this is expected to be spent next year, subject to confirmation from grant provider. Additional investment in the delivery of 10 School Streets (funded from TfL grant, s106 contributions and borrowing) are on course to be completed by March 23. The 2022/23 Journey & Places programme is funded £4.7m grants, CIL and s106 contributions, £0.1m revenue grant and £0.8m borrowing (predominantly for school streets).

54. Vehicle Replacement Programme - £2.2m forecast spend this financial year, of which £1.7m has been spent to date. A further £0.6m of orders have been placed. Because of significant lead in times, some of these orders will be fulfilled in 2023/24. The Council continues to evaluate outright purchase v hire / lease option in advance of placing an order for each vehicle. 96 vehicles were due to be replaced in 2022/23. Of these 63 have been replaced, with orders placed for a further 12. The remaining 21 vehicles have not been ordered yet due to lack of availability with manufacturers.
55. Flood Alleviation – A £2.0m flood alleviation programme (including £1.2m watercourses) is forecast for delivery in 2022/23. Watercourses projects include investment in Durants Park, Oakthorpe School, Oakwood Park, New River Loop, Wilbury, Boundary Park and various other smaller schemes. The overall watercourses programme benefits from significant levels of external grant funding, s106 and CIL third party contributions, with £0.5m of borrowing. £0.5m spend to date on watercourses, with a further £0.5m committed at Period 8. Full year forecast includes £0.8m for flood alleviation works on Turkey Brooks, Haslebury Neighbourhood Improvements works (which are substantially complete) and the Enfield Chase Restoration Project. Works are well underway at these locations (£0.4m of full year forecast spent to date). Enfield Chase tree planting is expected to be undertaken in the tree planting season over the winter.
56. Cemeteries and natural burial ground - £0.7m programme. The build phase of the Edmonton Cemetery project is now complete and consists of 144 mausolea, 200 vaulted chambers, and 144 cremation niches, providing capacity for 544 burials. Landscaping works are completed as are repairs to the skate park. £0.6m full year forecast spend on Edmonton Cemetery, of which £0.1m residual unspent at Period 8. The scheme is expected to be delivered within approved funding. £0.1m full year forecast spend on design for natural burial ground at Sloemans Farm.
57. Waste operations - £0.4m full year forecast spend including £0.3m to expand MoT facility in the workshop and to install infrastructure for electric vehicles. Works commenced in the second half of this year and are expected to complete by the end of the financial year. No spend has been committed to date on the potential expansion of the trade waste service, which is still at early planning stage and will require a full financial viability assessment.

Month 8 (November) forecast variance to budget

58. The main reasons for the (£8.6m) forecast underspend to budget are
 - a. Net (£5.5m) adjustments to the Journey & Places and Traffic & Transportation programmes, in line with TfL and National Highways funding confirmations.
 - b. (£2.2m) reduction in vehicle replacement programme and requested carry forward of (£1.1m) budget to 2023/24 because of significant additional lead in times for the purchase of vehicles.
 - c. (£0.5m) requested carry forward of expansion of trade waste services budget, subject to completion of viable business case.

- d. Grant funded growth of £0.2m for new scheme to install fibre ducting
- e. (£0.5m) removal of Tottenham Park cemetery budget
- f. £1.4m growth in flood alleviation budgets, funded from £0.9m additional external grant, s106 and CIL and £0.5m borrowing for watercourses

59. **Property & Economy**

Programme status and expected outcomes

- 60. Build the change £7.5m full year forecast includes investment at Children's & Family Services Hub at Thomas Hardy house (now complete) and additional investment in Phase 1b at the Civic Centre. The overall programme budget is reduced to £7.5m in 2022/23 and £19.0m for future years. Work is ongoing to accurately profile future years spend.
 - a. Civic Centre – phase 1b to complete works for business area and new Members' offices.
 - b. Children's & Family Services hub – (Thomas Hardy House) works completed in December 2022, with all in-year capital budget utilised.
- 61. Montagu Industrial estate. £0.9m forecast full year spend for site acquisitions, with anticipated spend in Q4.
- 62. Corporate Property Investment Programme – programme has been prioritised. Residual £0.5m forecast 2022/23 spend is earmarked to surveys, security works, essential health & safety works and smaller projects across the estate.
- 63. Corporate Property Condition Programme – £3.5m full year forecast at Period 8. Planned works include car park works (including ANPR, and infrastructure and install of EV points), upgrade works to accessible toilets in parks across the Borough, works to support the Public Sector Decarbonisation Scheme (PSDS) project at various corporate properties, and essential health & safety works across multiple buildings.
- 64. Genotin Road - The building is complete and operational with final payments to be made this financial year, expected to be around £0.5m.
- 65. Electric Quarter – The Council continues to forecast £0.5m of CPO payments by the end of the year. The need for potential additional capital budget in 2023/24 for claims awaiting settlement agreement will be reviewed as part of development of the new 10 year capital programme. Ponders End library works substantially complete. Secondary Behavioural Support Services (SBSS) relocation from John Wilkes House is at early design stage. Forecast spend reduced to £50k to cover design work only. A revised business case is required prior to progressing with the construction phase of the scheme, to be considered as part of development of new 10 year capital programme.
- 66. Energy Decarbonisation (RE:FIT) - £1.3m forecast spend for solar panels, heat pumps, windows and roof lights installed at 3 schools and some corporate buildings. The Council benefits from Salix grant funding to finance any eligible

spend incurred before 30 June 2022. Financial Services is working with the service unit to ensure all eligible spend is funded from Salix grant funding, to minimise the risk of repayment of unused grant and potential funding shortfall.

67. Dugdale Centre renovation works have completed, and the centre is open. £1.5m capital budget is currently approved. Additional capital budget may potentially be required, subject to final cost reports and identification of appropriate funding sources.
68. Town Centre Regeneration - forecast spend includes completion of Angel Edmonton works, including the Living Room Library, Affordable Workspace, School Street, and Public Realm. Budget for Town Centre Taskforce improvements has been reduced by £0.2m.

Month 8 (November) forecast variance to budget

69. Property & Economy is now forecasting full year spend of £20.2m (£43.6m budget). The primary reasons for the underspend this year are
 - a. the removal of £7.5m budget approved for the strategic acquisition of land no longer progressing. Separately budget of £0.9m was approved for different property acquisition.
 - b. reduction of £6.9m Build the Change budget
 - c. removal of £1.5m indicative budget envelope for Corporate Condition Programme
 - d. reduction of £0.2m Electric Quarter, reflecting suspension of works on Secondary Behavioural Support Services unit
 - e. reduction of £0.2m on Town Centre Taskforce budget
 - f. £5.7m budget for Montagu Industrial Estate is proposed to be carried forward to 2023/24 whilst financial modelling on programme costs is undertaken.

Housing & Regeneration (General Fund)

Programme status and expected outcomes

70. Month 8 full year forecast includes £2.0m home adaptations to enable residents to live safely and independently within their own homes for as long as possible. These works are funded from Disabled Facilities Grant, part of the Council's annual Better Care Fund grant allocation, approved by Cabinet in October 2022 – £1.0m of this forecast has been spent to date, with a further £0.7m adaptation work committed. The DFG will also fund the costs of staff employed to administer the scheme.
71. Full year forecast also includes £0.2m spend on grants to property owners to bring empty properties back into use, on condition that property owners agree to lease the property to the Council for use as temporary accommodation.

Month 8 (November) forecast variance to budget

72. The main reasons for the forecast underspend to budget are the reduction of the Empty Homes (Vacant Property review) budget by (£0.3m), as part of the ongoing Executive Management Team (EMT) in year capital programme review.
73. £0.3m increase in DFG adaptation budget to reflect grant funding confirmed as part of the 2022/23 Better Care Fund allocation (KD5462 October 2022). Of this (£0.7m) DFG grant funded budget has been carried forward into 2023/24, partly because of supply chain issues across the market, with equipment manufacturers experiencing significantly extended lead in times for products.
74. **Meridian Water**

Table 8 – Meridian Water Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 forecast £m	Variance to budget £m
Meridian One	21.2	18.9	(2.3)
Meridian Two	3.0	3.0	0.0
Meridian Three	0.4	0.1	(0.3)
Meridian Phase 2 Development	1.9	1.7	(0.2)
Meridian Four	12.2	0.9	(11.3)
Meridian Five	0.1	0.0	(0.1)
Meridian Seven	0.1	0.1	0.0
Meridian Eight	0.1	0.0	(0.1)
Meridian Nine	0.1	0.0	(0.1)
Meridian Ten	0.5	0.5	0.0
Meridian Eleven	0.0	0.1	0.1
Meridian Water Scheme-wide	35.7	24.2	(11.5)
Meridian Water HIF	81.7	14.1	(67.6)
Meridian Water	157.0	63.5	(93.5)

Programme status and expected outcomes

75. The following deliverables are forecast for 2022/23
- Continued progress on critical early works related to strategic infrastructure, to finalise the preliminary stage of the HIF works;
 - Continuing work on the governance required for HIF rail works to complete GRIP(Governance for Railway investment Projects) stages 3 & 4 (Option and Option selection);
 - Continued progress on the development of the affordable homes on Meridian One;
 - Meridian Two land enabling works;
 - Delivery of the skills academy
 - Demolition and refurbishment of F-block to bring the site into meanwhile use by December;

- g. Continued work on the master plan including vision document and infrastructure plan, meeting planning requirements, discharging conditions.

Month 8 (November) forecast variance to budget

76. Meridian Water scheme-wide

Due to the current budgetary pressures on the council and challenging scheme viability there has been a reduction in non - essential spend, reduced reliance on consultants as well as a reduction in staffing cost (ongoing staff vacancies) which has contributed to a scheme wide underspend.

77. Meridian One

The forecast has been adjusted for reduced payments to HRA as a result of programme delays to Meridian 1A. The variance in budget will be carried forward into 2023/24.

78. Meridian Water HIF

Due to significant budget pressure the construction start date has been delayed to early 2023, whilst additional funding is confirmed with DLUHC (decision expected March 2023). Variance in 2022/23 grant funded budget is proposed to be carried forward to later years.

79. Meridian Four

Meridian 4 continues to consider alternative delivery options following unprecedented cost inflation. Royal Institute of British Architects (RIBA) stage 3 and 4 works will no longer progress in 2022/23. Budget has been removed from the programme.

80. Companies

Table 9 – Companies Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 Forecast £m	Variance to budget £m
Energetik	21.7	19.7	(2.0)
Housing Gateway Ltd	46.3	12.0	(34.2)
Companies	68.0	31.7	(36.2)

Programme status and expected outcomes

81. **Energetik** has an approved budget of £21.7m, consisting of £21.0m Tranche 1, 2 and 3 loans, £450k GLA retrofit grant and £240k s106 contributions. The company is currently forecasting it will draw down £19.7m of this budget this year.

82. Activity will continue during 2022/23 in the following areas:
- Meridian Water energy centre build and plant installation (target completion May 23)
 - Continue with installation of phase 1 network to Meridian Water and inside the estate
 - Design of Meridian Water western extension and application for planning permission
 - Procurement of contractor for Meridian Water western extension Phase 2
 - Start build for Meridian Water northern extension sections A1 and A2
83. **Housing Gateway Ltd (HGL)** has an overall approved 2022/23 budget of £46.3m. This consists of £44.4m loans and £1.85m GLA Rough Sleepers Accommodation Programme (RSAP). At Q2 HGL forecasts to drawdown £10.2m in loans and to utilise the remaining GLA (RSAP) grant of £1.8m (total £6m RSAP grant funding, of which £4.2m was utilised in 2021/22).
84. The original budget for 2022/23 assumed the acquisition of 70 new properties. To date HGL has acquired 35 properties (20 RSAP part funded and 15 street properties), with a further 4 properties in the pipeline (2 RSAP homes and 2 street properties).
85. Planned acquisitions have been impacted by increases in interest rates throughout the year. As a result of the recent sharp increase in October 2022, HGL has taken the decision not to progress with further acquisitions other than those already in the pipeline. This position continues to be closely monitored.
86. Approved capital budget will also facilitate the delivery of a major works programme at Brickfield Housing and Greenway House consisting of the remediation of roofing defects at Greenway House and the replacement of fire doors and remediation of fire safety defects at Brickfield House and Greenway House as well as the extension of 27 leases on properties owned by HGL

Month 8 (November) forecast variance to budget

87. Energetik – £2.0m planned funding drawdown is no longer expected to be required in 2022/23 and is expected to be utilised in later years. The target completion date of May 2023 for the Energy Centre is still expected to be achieved.
88. HGL – £34.2m approved budget is no longer forecast to be drawn down this financial year, but instead be utilised between 2023/24 and 2026/27. This adjustment is fully funded from prudential borrowing.

Financing the capital programme

89. Appendix A and Appendix B set out the overall 2022/23 forecast capital spend and financing. Appendices C and D, show the individual forecast for borrowing and grants at programme level.

Borrowing

90. Council approved £254.7m new borrowing for 2022/23 to finance its capital programme. This borrowing forecast was revised to £169.1m in Q2 and further adjusted to £150.7m in Month 8 (net £104.0m revision in 2022/23 forecast in-year borrowing to budget).

Table 10- Month 8 (November) forecast full year borrowing

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Resources	17.4	11.7	4.1	(13.3)
People	0.8	0.4	0.4	(0.3)
Place	56.9	31.9	31.2	(25.7)
Meridian Water	52.6	53.3	48.0	(4.7)
Companies	65.4	31.2	29.2	(36.2)
HRA	61.6	40.5	37.7	(23.9)
	254.7	169.1	150.6	(104.2)

91. The revision in in-year borrowing forecast reflects changes to forecast capital expenditure budgets and consist of (£80.3m) revision in general fund borrowing and (£23.9m) revision in HRA borrowing.

92. The main variances in general fund borrowing requirement are:

- a. Resources - requested carry forward of (£12.5m) IT investment budget to later years and removal of (£0.8m) budget in relation to corporate data lake
- b. People – removal of (£0.3m) borrowing for extensions to foster carers' homes
- c. Place - requested carry forward of (£6.2m) budget within the Place directorate into 2023/24 (includes Montagu and vehicle replacement programme). Borrowing funded budgets of (£22.9m) have been removed or reduced (detailed in table 4). There has been growth in borrowing funded budgets of £2.2m (as detailed in table 3) as well as changes to net borrowing requirements as a result of grant funding confirmations.
- d. Meridian Water – net reduction of (£4.7m), consisting of £22.7m adjustment for reduction in grant funding assumed at budget setting stage, (£14.9m) reduction in programme spend and (£12.4m) requested carry forward of borrowing to later years.

93. HRA borrowing - details available in the separate HRA report on the agenda KD5501.

94. Revenue impact of the borrowing in the capital programme

95. The 2022/23 revenue financing cost of borrowing consists of interest costs and Minimum Revenue Provision (i.e. annual provision for repaying debt principal) (MRP). The Council makes annual provision for MRP in accordance with its

approved MRP policy (approved February 2022 as part of the Treasury Management Strategy KD5355) for capital expenditure that has been financed from borrowing. MRP is chargeable the year after the respective asset has become operational. The annual charge equates to the amount borrowed to finance capital expenditure spread over the life of the asset. It follows that any changes in overall borrowing need in 2022/23 will not directly impact on MRP level in 2022/23 but will instead impact on MRP projections from 2023/24 onwards.

96. Changes in the level of 2022/23 borrowing required will however impact on interest costs this financial year. At budget setting (February 2022) the Council budgeted for interest on in-year borrowing to finance the capital programme and refinance maturing debt at 2.5%, however actual rates at Period 8 are 5% due to recent interest rate rises.

Grants

97. The Council forecasts utilising £56.3m government grant funding to deliver its 2022/23 capital programme. The variance of (£116.6m) to budgeted grant utilisation (as detailed in the table below) reflects changes in planned spend in budgets, as described in the respective departmental sections above, as well as adjustment to Meridian Water grant funding assumed at budget setting stage.
98. Subject to grant conditions and relevant Council approvals, all unspent capital grant will be reprofiled to future years at year end.

Table 11 – Month 8 (November) forecast full year grant utilisation

	2022/23 Budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
People	33.5	14.0	13.0	(20.5)
Place	12.5	10.4	9.5	(3.0)
Meridian Water	104.4	19.4	14.1	(90.3)
Companies	2.3	2.2	2.3	(0.0)
HRA	20.2	33.2	17.3	(2.8)
	172.9	79.2	56.3	(116.6)

99. HRA – details of changes in capital grants forecast to be utilised this financial year is provided in the separate HRA report on the agenda KD5501.

Capital receipts

100. The Council expects to use £2.7m more capital receipts than originally budgeted to fund forecast 2022/23 capital expenditure. Changes in HRA planned utilisation reflect planned increase in the use of Right to Buy receipts.

Table 12 – Month 8 (November) forecast full year capital receipts utilisation

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Waste & Recycling	0.0	0.1	0.1	0.1
Montagu Industrial	3.6	0.0	(3.6)	(3.6)
Meridian One	0.0	1.0	1.4	1.4
HRA	22.8	27.4	27.6	4.8
	26.4	28.5	29.1	2.7

101. Montagu Industrial Estate – a review of the financial model is in progress, which will support negotiations with the Council’s joint venture partner. A capital receipt is expected from GBN (waste recycling operator) in 2023/24, assuming successful relocation of waste recycling operator.

102. Meridian One £1.4m capital receipt has been received this year and will be applied as financing for the Meridian Water capital programme spend.

103. HRA - details available in the separate HRA report on the agenda KD5501. HRA capital receipts include use of around £12m Right to Buy receipts already received.

Section 106 / CIL

104. Table 14 below summarises s106 and Community Infrastructure Levy (CIL) utilisation currently assumed in the 2022/23 capital programme. This is broken down into £0.9m s106 contributions and £1.0m CIL.

Table 13: Month 8 (November) forecast full year s106 and CIL utilisation

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Energetik	0.2	0.2	0.2	0.0
Libraries	0.1	0.1	0.1	0.0
Healthy Streets	1.0	0.6	0.4	(0.6)
Highways & St Scene	0.1	0.2	0.0	(0.1)
Dugdale Centre	0.8	0.8	0.8	0.0
	2.2	1.9	1.9	(0.3)

Revenue contributions to capital spend

105. Budget originally assumed £0.4m revenue budget would fund capital spend. This assumption has now been entirely removed from the capital programme. Original budget assumed £0.3m revenue budget funding for vehicle replacement programme. This was changed to prudential borrowing in Q1, in line with the rest of the vehicle replacement programme. Alley gating work is now proposed to be removed or reduced to minimum and be funded directly from revenue budgets.

Table 14 – Month 8 (November) forecast full year revenue contributions to capital

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Alley Gating	0.1	0.1	0.0	(0.1)
Vehicle replacement programme	0.3	0.0	0.0	(0.3)
Healthy Streets	0.0	0.0	0.1	0.1
	0.4	0.1	0.1	(0.4)

Flexible use of capital receipts

106. The Medium Term Financial Plan budgeted for the use of £3.4m capital receipts to fund the revenue costs of transformation projects in 2022/23. As at Q2 the Council is forecasting that around £2.6m of this budget will be needed to fund spend in 2022/23. This is forecast spend that, in accordance with MHCLG statutory guidance (updated 2 August 2022), will generate ongoing savings for the Council. Planned spend is on projects included in the Flexible Use of Capital Receipts Strategy approved by Council in February 2022.
107. The £2.6m forecast spend on transformation projects will be funded from unearmarked capital receipts accumulated in previous years. These receipts are from ‘qualifying disposals’ that were generated in the period for which the direction applies.
108. The Council had £3.8m unutilised capital receipts at the start of the year. A further £2.3m has been received up to Period 8 and further £2.9m forecast in Q4. After planned allocations to revenue transformation and capital projects in 2022/23, forecast unutilised capital receipts carried forward to next year are £2.0m.

Capital funding available to fund future years capital spend

109. The council will continue to review measures to identify and maximise the use of non-borrowing capital funding during Q4.
110. This includes reviewing s106 contributions and CIL received but not yet allocated as well as projections of future s106 and CIL contributions over the medium term.
111. Capital grants received but not yet spent will also be reviewed to ensure there are clear strategies for efficient utilisation of this funding within the 10 year capital programme 2023/24 to 2032/33 – in particular with respect to capital investment to potentially mitigate revenue pressures over the medium term.
112. Capital receipts review – including forecast of general fund capital receipts and Right to Buy receipts.

Other Considerations to Note

Public Health Implications

113. Through investment in capital building and maintenance, the Council influences the built environment within Enfield significantly. The built environment in turn influences how residents interact with their environment - for example, during active travel or accessing facilities. Ensuring that our capital buildings are maintained, fit for purpose, and wellbeing considerations are taken in terms of their use, how they promote residents' wellbeing is key to contributing positively towards the public's health. Additionally, ensuring that all buildings have minimal environmental impact also contributes towards enhancing residents' wellbeing.

Environmental and Climate Change Considerations

114. Environmental and climate changes implications are referenced as relevant in the body of the report.

Financial Implications

115. There are no direct financial implications for noting in this report.

Legal Implications

116. 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.

Property Implications

117. Property implications are implicit in the report

Conclusions

118. The Council is currently forecasting outturn of £262.7m against a budget of £486.4m (54% of budget). This reflects the ongoing impact of global external factors including the aftermath of the Covid19 pandemic, economic impact of the war in Ukraine, disruption of global supply chains, soaring inflation and significant recent increases in borrowing interest rates, which have required the Council to re-evaluate the affordability and deliverability of projects in its capital programme.

119. Unspent capital budgets will no longer be automatically carried forward into later years of the capital programme. Requests to carry forward budgets at Period 8 have been considered by EMT and approved on a case by case basis.

120. Work is ongoing within Financial Services to fully review and identify opportunities to maximise the use of non-borrowing capital funding sources, including capital receipts, capital grants, s106 contributions and CIL.

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Date of report: 8 February 2023

Appendices:

Appendix A 2022/23 Month 8 (November) capital programme forecast outturn
Appendix B 2022/23 Month 8 (November) capital programme forecast financing
Appendix C 2022/23 Month 8 (November) borrowing forecast
Appendix D 2022/23 Month 8 (November) grants utilisation forecast

Background papers:

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

Capital Outturn 2021/22 (KD5464)

Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	£m	£m	£m	£m	£m
IT Investment	17.1	11.7	11.4	3.7	(13.3)	0.4
Digital Data & Technology	17.1	11.7	11.4	3.7	(13.3)	0.4
Libraries	0.1	0.1	0.1	0.1	0.0	0.0
Community Hubs	0.3	0.3	0.3	0.3	0.0	0.0
Customer Experience & Change	0.4	0.4	0.4	0.4	0.0	0.0
RESOURCES	17.5	12.1	11.7	4.1	(13.3)	0.4
Schools Maintenance	16.6	8.0	5.8	4.8	(8.8)	2.2
Strategic Schools Places Programme	17.0	8.2	8.2	8.2	(11.7)	3.7
Education	33.5	16.2	14.0	13.0	(20.5)	5.9
Extensions to Foster Carers' Homes	0.4	0.1	0.1	0.1	(0.3)	0.0
Community Safety	0.3	0.3	0.3	0.3	0.0	0.1
Vulnerable Families	0.2	0.2	0.2	0.2	0.0	0.0
Children & Families	0.8	0.6	0.5	0.3	(0.3)	0.0
PEOPLE	34.4	16.7	14.5	13.3	(20.9)	5.9
Alley Gating	0.1	0.1	0.0	0.0	(0.1)	0.0
Edmonton Cemetery	0.6	0.6	0.6	0.6	(0.1)	0.4
Southgate Cemetery	0.0	0.0	0.1	0.1	0.1	0.0
Tottenham Park Cemetery	0.5	0.5	0.0	0.0	(0.5)	0.0
Sloemans Farm	0.2	0.2	0.1	0.2	0.0	0.0
Workshops for External Commercialisation	0.3	0.3	0.3	0.3	0.0	0.0
Flood Alleviation (inc watercourses)	0.6	1.5	1.5	2.0	1.4	0.9
Highways & Street Scene	9.0	8.7	8.9	8.7	(0.3)	3.7
Changes to Waste & Recycling Collections	-	0.1	0.1	0.1	0.1	0.1

Growth of Trade Waste Service	0.5	0.5	0.1	0.0	(0.5)	0.0
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Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	£m	£m	£m	£m	£m
Tennis Courts Works at Broomfield Park	0.2	0.2	0.2	0.0	(0.2)	0.0
Vehicle Replacement Programme	5.5	2.5	1.7	2.2	(3.3)	1.7
Healthy Streets	10.5	7.1	5.8	5.6	(4.9)	2.2
Traffic & Transportation	0.9	0.7	0.4	0.4	(0.6)	0.0
Environment & Operations	28.9	23.1	19.7	20.3	(8.3)	9.1
Build the Change	14.4	14.0	7.5	7.5	(6.9)	5.9
Corporate Condition Programme	5.4	5.4	4.1	3.5	(2.0)	1.3
Corporate Property Investment Programme	3.6	2.3	0.9	0.5	(3.1)	0.0
Dugdale Centre	1.5	1.5	1.5	1.5	0.0	0.0
Electric Quarter	1.5	1.5	1.5	1.3	(0.2)	0.6
Energy Decarbonisation (RE:FIT)	1.3	1.3	1.3	1.3	(0.0)	1.2
Genotin Road (Metaswitch)	(0.8)	0.5	0.5	0.5	1.3	0.0
Land Investment	7.5	-	-	0.9	(6.6)	0.0
Montagu Industrial Estate	6.5	1.5	1.5	0.9	(5.7)	0.1
Town Centre Regeneration	2.6	2.6	2.6	2.4	(0.2)	1.1
Property & Economy	43.6	30.7	21.4	(20.2)	(23.3)	10.2
Housing Adaptations & Assistance (DFG)	2.4	2.7	2.7	2.0	(0.4)	1.0
Vacant Property Review	0.5	0.5	0.2	0.2	(0.4)	0.0
Housing & Regeneration	2.9	3.2	2.9	2.2	(0.8)	1.0
PLACE (excluding Meridian Water & HRA)	75.4	56.9	44.1	42.5	(32.9)	20.3

Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	£m	£m	£m	£m	£m
Meridian One	21.2	21.2	25.6	19.2	(2.0)	6.7
Meridian Two	3.0	3.0	3.0	3.0	0.0	0.1
Meridian Three	0.4	0.4	0.4	0.1	(0.3)	0.0
Meridian Phase 2 development	1.9	1.9	1.3	1.7	(0.1)	0.1
Meridian Four	12.2	7.0	1.7	0.9	(11.4)	0.4
Meridian Five	0.1	0.1	0.1	0.0	(0.1)	0.0
Meridian Seven	0.1	0.0	0.1	0.1	0.0	0.0
Meridian Eight	0.1	0.1	0.0	0.0	(0.1)	0.0
Meridian Nine	0.1	0.1	0.0	0.0	(0.1)	0.0
Meridian Ten	0.5	0.5	0.5	0.2	(0.4)	0.0
Meridian Eleven	-	-	0.1	0.1	0.1	0.0
Meridian Water Scheme-wide	35.7	31.8	21.7	24.2	(11.5)	2.8
Meridian Water HIF	81.7	23.5	19.4	14.1	(67.7)	4.0
Meridian Water	157.0	89.6	73.7	63.5	(93.5)	14.1
PLACE (excluding HRA)	232.4	146.5	117.8	106.0	(126.4)	34.4
GENERAL FUND (excluding Companies)	284.2	175.3	144.0	123.6	160.6	40.7
Energetik	21.7	25.1	21.6	19.7	(2.0)	14.5
Housing Gateway Ltd	46.3	33.3	12.0	12.0	(34.2)	0.0
COMPANIES	68.0	58.4	33.6	31.7	(36.2)	14.5
TOTAL GENERAL FUND	352.2	233.7	177.6	155.3	(196.8)	55.2

Appendix A 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	£m	£m	£m	£m	£m
Development Programme	55.7	34.0	50.1	45.8	9.9	7.1
Bury Street	10.7	10.7	10.7	10.7	0.0	5.5
Electric Quarter	1.3	1.3	1.3	1.3	0.0	0.4
Joyce & Snells	6.0	6.7	6.7	6.3	0.3	0.7
Development Programme	73.7	52.6	81.6	64.0	(9.7)	13.7
Alma Towers	5.7	3.1	3.1	3.1	(2.6)	0.4
Ladderswood	0.2	0.1	0.1	0.1	(0.1)	0.0
New Avenue	0.4	0.3	0.3	0.2	(0.1)	0.1
Estate Regeneration	6.3	3.5	3.5	3.4	(2.9)	0.6
Building Safety	26.3	16.8	14.1	14.0	(12.3)	5.1
Decency	17.4	17.9	17.1	17.5	0.1	10.3
Energy Efficiency	4.9	3.2	4.5	3.7	(1.3)	1.0
Overheads & other investment	1.7	1.4	1.8	2.3	0.6	0.7
Statutory Compliance	3.9	3.0	2.6	2.5	(1.3)	1.8
Other HRA	54.2	42.2	40.0	40.0	(14.2)	18.9
TOTAL HRA	134.2	98.3	125.1	107.4	(26.8)	33.2
TOTAL CAPITAL PROGRAMME	486.4	332.0	302.8	262.7	(223.7)	88.4

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
IT Investment	-	-	-	-	-	-	-	3.7	3.7
Digital Data & Technology	-	-	-	-	-	-	-	3.7	3.7
Libraries	-	-	0.1	-	-	-	-	-	0.1
Community Hubs	-	-	-	-	-	-	-	0.3	0.3
Customer Experience & Change	-	-	0.1	-	-	-	-	0.3	0.4
RESOURCES	-	-	0.1	-	-	-	-	4.1	4.1
Schools Maintenance	4.8	-	-	-	-	-	-	-	4.8
Strategic Schools Places Programme	8.2	-	-	-	-	-	-	-	8.2
Education	13.0	-	-	-	-	-	-	-	13.0
Extensions to Foster Carers' Homes	-	-	-	-	-	-	-	0.1	0.1
Community Safety	-	-	-	-	-	-	-	0.2	0.2
Vulnerable Families	-	-	-	-	-	-	-	0.2	0.2
Children & Families	-	-	-	-	-	-	-	0.3	0.3
PEOPLE	13.0	-	-	-	-	-	-	0.3	13.3
Edmonton Cemetery	-	-	-	-	-	-	-	0.6	0.6
Southgate Cemetery	-	-	-	-	-	-	-	0.1	0.1
Sloemans Farm	-	-	-	-	-	-	-	0.2	0.2
Flood Alleviation	0.8	0.3	0.1	-	-	-	-	0.8	0.8
Highways & Street Scene	-	-	-	-	-	-	-	8.5	8.5
Workshops for External Commercialisation	-	-	-	-	-	-	-	0.3	0.3
Changes to Waste & Recycling Collections	-	-	-	-	0.1	-	-	-	0.1

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Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Vehicle Replacement Programme	-	-	-	-	-	-	-	2.2	2.2
Tennis Courts Works at Broomfield Park	0.1	-	-	-	-	-	-	(0.1)	0.0
Healthy Streets	4.3	0.2	0.2	0.1	-	-	-	0.8	5.6
Traffic & Transportation	0.4	-	-	-	-	-	-	-	0.4
Environment & Operations	5.8	0.6	0.2	0.1	0.1	-	-	13.3	20.2
Meridian One	-	-	-	-	1.4	-	-	17.8	19.2
Meridian Two	-	-	-	-	-	-	-	3.0	3.0
Meridian Three	-	-	-	-	-	-	-	0.1	0.1
Meridian Phase 2 development	-	-	-	-	-	-	-	1.7	1.7
Meridian Four	-	-	-	-	-	-	-	0.9	0.9
Meridian Seven	-	-	-	-	-	-	-	0.1	0.1
Meridian Ten	-	-	-	-	-	-	-	0.2	0.2
Meridian Eleven	-	-	-	-	-	-	-	0.1	0.1
Meridian Water Scheme-wide	-	-	-	-	-	-	-	24.2	24.2
Meridian Water HIF	14.1	-	-	-	-	-	-	-	14.1
Meridian Water	14.1	-	-	-	1.4	-	-	48.0	63.5
Build the Change	-	-	-	-	-	-	-	7.5	7.5
Corporate Condition Programme	-	-	-	-	-	-	-	3.5	3.5
Corporate Property Investment Programme	-	-	-	-	-	-	-	0.5	0.5

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
Dugdale Centre	-	-	0.8	-	-	-	-	0.7	1.5
Electric Quarter	-	-	-	-	-	-	-	1.3	1.3
Energy Decarbonisation (RE:FIT)	1.3	-	-	-	-	-	-	-	1.3
Genotin Road (Metaswitch)	-	-	-	-	-	-	-	0.5	0.5
Land Investment	-	-	-	-	-	-	-	0.9	0.9
Montagu Industrial Estate	-	-	-	-	-	-	-	0.9	0.9
Town Centre Regeneration	0.4	-	-	-	-	-	-	2.0	2.4
Property & Economy	1.7	-	0.8	-	-	-	-	17.7	20.2
Housing Adaptations & Assistance (DFG)	2.0	-	-	-	-	-	-	-	2.0
Vacant Property Review	-	-	-	-	-	-	-	0.2	0.2
Housing & Regeneration	2.0	-	-	-	-	-	-	0.2	2.2
PLACE (excluding HRA)	23.6	0.6	1.1	0.1	1.5	-	-	79.2	106.0
GENERAL FUND (Exc Companies)	36.6	0.6	1.1	0.1	1.5	-	-	83.7	123.6
Energetik	0.5	0.2	-	-	-	-	-	19.0	19.7
Housing Gateway Ltd	1.9	-	-	-	-	-	-	10.2	12.0
COMPANIES	2.3	0.2	-	-	-	-	-	29.2	31.7
TOTAL GENERAL FUND	38.9	0.8	1.1	0.1	1.5	-	-	112.8	155.3

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Development Programme: Various	4.2	-	-	-	-	-	11.9	18.2	34.4
Development Programme: Bullsmoor Lane	-	-	-	-	-	-	-	1.0	1.0
Development Programme: Bury Street	1.3	-	-	-	-	-	-	9.4	10.7
Development Programme: Electric Quarter	0.3	-	-	-	-	-	-	1.0	1.3
Development Programme: Exeter Road	-	-	-	-	-	-	-	0.8	0.8
Development Programme: Joyce & Snells	-	-	-	-	-	-	0.9	5.4	6.3
Development Programme: Reardon Court	7.8	-	-	-	-	-	-	0.1	7.9
Development Programme: Uptn & R'nham	-	-	-	-	-	-	-	1.7	1.7
Development Programme	13.6	-	-	-	-	-	12.8	37.6	64.0
Alma Towers	3.1	-	-	-	-	-	-	-	3.1
Ladderswood	-	-	-	-	-	-	-	0.1	0.1
New Avenue	0.2	-	-	-	-	-	-	-	0.2
Estate Regeneration	3.3	-	-	-	-	-	-	0.1	3.4
Building Safety	-	-	-	-	13.3	0.4	0.3	-	14.0
Decency	-	-	-	-	8.7	8.8	-	-	17.5
Energy Efficiency	0.5	-	-	-	2.5	0.5	0.1	-	3.7
Overheads & other investment	-	-	-	-	1.9	0.2	0.2	-	2.3
Statutory Compliance	-	-	-	-	1.2	1.4	-	-	2.5
Other HRA	0.5	-	-	-	27.6	11.3	0.6	-	40.0

TOTAL HRA	17.3	-	-	-	27.6	11.3	13.4	37.7	107.4
TOTAL CAPITAL PROGRAMME	56.3	0.8	1.1	0.1	29.1	11.3	13.4	150.6	262.7

Appendix C: 2022/23 Month 8 (November) borrowing forecast

	Budget	Q1 forecast	Q2 forecast	Month 8 (November)	Variance to budget
	£m	£m	£m	£m	£m
IT investment	17.1	11.7	11.4	3.7	(13.4)
Community Hubs	0.3	0.3	0.3	0.3	(0.0)
Resources	1.4	1.4	0.2	4.0	(13.4)
Extensions to Foster Carers' homes	0.4	0.1	0.1	0.1	(0.3)
Community Safety	0.2	0.2	0.2	0.2	0.0
Vulnerable families	0.2	0.2	0.2	0.2	0.0
People	0.8	0.5	0.5	0.5	(0.3)
Build the Change	14.4	14.0	7.5	7.5	(6.9)
Corporate condition programme	5.4	5.4	4.1	3.5	(1.9)
Corporate property investment programme	3.6	2.3	0.9	0.5	(3.1)
Dugdale Centre (coffee shop)	0.7	0.7	0.7	0.7	0.0
Electric Quarter	1.5	1.5	1.5	1.3	(0.2)
Genotin Road (Metaswitch)	(0.8)	0.5	0.5	0.5	1.3
Land investment	7.5	0.0	0.0	0.9	(6.6)
Montagu Industrial Estate	2.9	1.5	1.5	0.9	(2.0)
Tottenham Park Cemetery	0.5	0.5	0.0	0.0	(0.5)
Town centre regeneration	2.3	2.3	2.0	2.0	(0.3)
Property & Economy	38.0	28.7	18.7	17.7	(20.2)
Edmonton cemetery	0.6	0.6	0.6	0.6	0.0
Sloeman's Farm	0.0	0.2	0.1	0.2	0.2
Workshops for commercial externalisation	0.3	0.3	0.3	0.3	(0.1)
Flood alleviation	0.6	0.7	0.5	0.8	0.2

Highways & Street Scene	9.0	8.7	8.9	8.5	(0.5)
Trade waste	0.5	0.5	0.1	0.0	(0.5)
Broomfield Park tennis courts	0.1	0.1	0.1	0.0	(0.1)
Vehicle replacement programme	5.1	2.5	1.7	2.2	(1.2)

**Appendix C: 2022/23 Month 8 (November)
borrowing forecast**

	Budget	Q1 forecast	Q2 forecast	Month 8 (November)	Variance to budget
	£m	£m	£m	£m	£m
Healthy Streets	1.3	1.1	0.8	0.8	(0.5)
Environment & Operations	17.3	14.7	13.0	13.3	(4.0)
Housing adaptations (DFG)	0.9	0.9	0.0	0.0	(0.9)
Empty Homes	0.5	0.5	0.2	0.2	(0.3)
Housing & Regeneration	1.4	1.4	0.2	0.2	(1.2)
Meridian One	12.6	20.2	24.6	17.8	5.2
Meridian Two	2.6	3.0	3.0	3.0	0.4
Meridian Three	0.2	0.4	0.4	0.1	(0.1)
Meridian Phase 2 Development	1.0	1.9	1.3	1.7	0.7
Meridian Four	7.3	7.0	1.7	0.9	(6.4)
Meridian Five	0.0	0.1	0.1	0.0	0.0
Meridian Seven	0.0	0.1	0.1	0.1	0.1
Meridian Ten	0.0	0.5	0.5	0.2	0.2
Meridian Eleven	0.0	0.0	0.1	0.1	0.1
Meridian Scheme-wide	19.4	31.8	21.7	24.2	4.8
Meridian Water HIF	9.4	0.0	0.0	0.0	(9.4)
Meridian Water	52.5	65.0	53.3	48.0	(4.5)
Energetik	21.0	24.5	21.0	19.0	(2.0)
Housing Gateway Ltd	44.4	31.5	10.2	10.2	(34.2)
Companies	65.4	56.0	31.2	29.2	(36.2)
Total General Fund	192.7	178.3	128.5	112.8	(79.9)

Total HRA	61.6	51.9	40.5	37.7	(23.9)
Total	254.7	230.1	169.1	150.6	(104.2)

Appendix D: 2022/23 Month 8 (November) grants utilisation forecast

	Budget	Q2 forecast	Month 8 (November)	Budget variance	Grant funding body
	£m	£m	£m	£m	
Schools maintenance	16.5	5.8	4.8	(11.7)	DFES school condition grant
Strategic schools places prog	17.0	8.2	8.2	(8.8)	DFES Basic Needs grant
People	33.5	14.0	13.0	(20.5)	
Flood alleviation	0.2	0.6	0.8	(0.0)	GLA, TfL and Forestry Commission
Highways – Fibre ducting	0.0	0.2	0.2	0.2	Local London grant
Broomfield Park tennis courts	0.1	0.1	0.1	0.0	London Marathon Charitable Trust
Healthy Streets	8.2	4.4	4.3	(3.9)	TfL grant
Traffic & Transportation	0.9	0.4	0.4	(0.5)	TfL grant
Environment & Operations	9.4	5.7	5.8	(3.6)	
Energy decarbonisation (RE:FIT)	1.3	1.3	1.3	(0.0)	BEIS PS Decarbonisation Scheme
Town Centre Regeneration	0.4	0.7	0.4	0.0	Good Growth Fund
Property & Economy	1.7	1.9	1.7	0.0	
Housing adaptations (DFG)	1.5	2.7	2.0	0.5	Better Care Fund
Housing & Regeneration	1.5	2.7	2.0	0.5	
Meridian Water Four	12.7	0.0	0.0	(12.7)	MHCLG Housing Infrastructure Fund
Meridian Water Scheme-wide	18.0	0.0	0.0	(18.0)	MHCLG Housing Infrastructure Fund
Meridian Water HIF	73.6	19.4	14.1	(59.5)	MHCLG Housing Infrastructure Fund
Meridian Water	104.3	19.4	14.1	(90.2)	
Energetik	0.4	0.4	0.4	(0.0)	BEIS Heat Networks Infrastructure Grant
Housing Gateway Ltd	1.9	1.9	1.9	(0.0)	MHCLG - Rough Sleepers Acc Programme
Companies	2.3	2.2	2.2	(0.0)	
Total General Fund	152.7	46.0	38.9	(113.8)	

Total HRA	20.2	33.2	17.3	(2.9)	
Total	172.9	79.2	56.3	(116.6)	