

## APPENDIX B – CAPITAL MONITORING UPDATE Quarter 3

### 1. CAPITAL MONITORING

1.1. The Capital programme for 2024/25 through to 2027/28 was agreed at Council in February 2024. Since then slippage from 2023/24 has been added as per the capital outturn report and there have been some additions to the programme resulting in a summary programme as set out in the table below.

Summary of Existing Approved Capital Programme	Previous Years Budget £m	2024- 25 Budget £m	2025-26 Budget £m	2026-27 + Budget £m	Total Budget £m
Ageing Well	0.778	5.827	2.330	0.000	8.935
Living Well	26.920	1.804	0.742	3.353	32.819
Starting Well	2.223	32.997	17.834	19.000	72.054
<b>People</b>	<b>29.921</b>	<b>40.628</b>	<b>20.906</b>	<b>22.353</b>	<b>113.808</b>
Environment	25.247	17.588	9.950	14.000	66.785
Housing & Property (GF)	44.228	54.617	123.166	232.702	454.713
Housing & Property (HRA)	358.764	114.805	229.100	611.214	1,313.883
Planning & Public Protection	0.201	0.411	1.088	0.000	1.700
<b>Place</b>	<b>428.440</b>	<b>187.421</b>	<b>363.304</b>	<b>857.916</b>	<b>1,837.081</b>
Customer Services	7.077	0.343	0.000	0.000	7.420
Finance	0.104	1.184	1.404	0.000	2.692
Partnership Impact and Delivery	6.761	7.332	10.716	0.300	25.109
Public Health	0.012	0.325	0.000	0.000	0.337
<b>Resources</b>	<b>13.954</b>	<b>9.184</b>	<b>12.120</b>	<b>0.300</b>	<b>35.558</b>
<b>Grand Total</b>	<b>472.315</b>	<b>237.233</b>	<b>396.330</b>	<b>880.569</b>	<b>1,986.447</b>

GF / HRA Split	Previous Years Budget £m	2024- 25 Budget £m	2025-26 Budget £m	2026-27 + Budget £m	Total Budget £m
General Fund	113.551	122.428	167.230	269.355	672.564
Housing Revenue Account	358.764	114.805	229.100	611.214	1,313.883
<b>Grand Total</b>	<b>472.315</b>	<b>237.233</b>	<b>396.330</b>	<b>880.569</b>	<b>1,986.447</b>

1.2. Financing - The Council finances its capital expenditure through a combination of resources both internal and externally generated. Each funding stream is considered in terms of risk and affordability in the short and long term. The current and future climates have a significant influence on capital funding decisions. As a result, the planned disposals and borrowing costs are kept under regular review to ensure timing maximises any potential receipts or reduces borrowing costs.

- 1.3. Excluding previous years spend of £472.315 (shown for information in the table above), the total capital programme for 2024/25 and beyond is £1,514.132m split between the GF (£559.013m) and HRA (£955.119m). Funding for the planned capital expenditure for both the GF and HRA is set out in the 2 tables below.

<b>General Fund Financing</b>	<b>2024/25 Financing Budget £m</b>	<b>2025/26 Financing Budget £m</b>	<b>2026/27+ Financing Budget £m</b>	<b>Total Financing Budget £m</b>
Capital Receipts	30.070	53.299	87.741	<b>171.110</b>
Revenue & Reserves	2.004	0.102	0.000	<b>2.106</b>
Grants & Other Contributions	48.936	21.992	31.185	<b>102.113</b>
Borrowing	41.418	91.836	150.430	<b>283.684</b>
<b>Total GF Financing</b>	<b>122.428</b>	<b>167.229</b>	<b>269.356</b>	<b>559.013</b>

<b>HRA Financing</b>	<b>2024/25 Financing Budget £m</b>	<b>2025/26 Financing Budget £m</b>	<b>2026/27+ Financing Budget £m</b>	<b>Total Financing Budget £m</b>
Capital Receipts	27.509	78.568	152.218	<b>258.295</b>
Revenue & Reserves	11.339	10.577	32.651	<b>54.567</b>
Grants & Other Contributions	11.169	17.239	0.000	<b>28.408</b>
Borrowing	64.788	122.716	426.345	<b>613.849</b>
<b>Total HRA Financing</b>	<b>114.805</b>	<b>229.100</b>	<b>611.213</b>	<b>955.119</b>

## **2. Capital Achievements as at 31<sup>th</sup> December 2024**

- 2.1. Capital expenditure as at the 31<sup>th</sup> December is £74.144m to date. Notable achievements so far for 2024/25 are as follows.

- £5.529m on the 12 Estates project to improve housing across borough.
- £16.618m spent on enhancing and increasing our existing housing stock.
- £4.046m on improving the quality of our roads and infrastructure.
- £3.179m on enhancing our schools and educational facilities.
- £0.555m in addition to last year's spend of £8.1m on the purchase of refuse vehicles.
- £1.411m on enabling residents to continue to live at home rather than care homes or hospital via the disabled facilities grant.
- An additional £1.937m on two buildings to provide semi-independent living for young people leaving care and adults with learning disabilities.
- £3.792m spent on Bridge Close Acquisitions.
- £11.068m spent on the Rainham & Beam Park regeneration project.

- £0.967m spent on improving parks and open spaces across the borough.

### 3. 2024/25 Capital Programme

3.1. The report below sets out the Period 9 position for the Council's capital programme for the 2024/25 financial year.

	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Starting Well	32.997	5.484	(27.513)
Living Well	1.804	0.876	(0.928)
Ageing Well	5.827	5.007	(0.820)
<b>People</b>	<b>40.628</b>	<b>11.367</b>	<b>(29.261)</b>
Housing & Property (GF)	54.617	25.687	(28.930)
Housing & Property (HRA)	114.805	83.281	(31.524)
Planning & Public Protection	0.411	0.611	0.200
Environment	17.588	14.761	(2.827)
<b>Place</b>	<b>187.421</b>	<b>124.340</b>	<b>(63.081)</b>
Partnership Impact and Delivery	7.332	4.234	(3.098)
Customer Services	0.343	0.309	(0.034)
Finance	1.184	0.000	(1.184)
Public Health	0.325	0.123	(0.202)
<b>Resources</b>	<b>9.184</b>	<b>4.666</b>	<b>(4.518)</b>
<b>Total</b>	<b>237.233</b>	<b>140.373</b>	<b>(96.860)</b>

	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
General Fund	122.428	57.092	(65.336)
Housing Revenue Account	114.805	83.281	(31.524)
<b>Total</b>	<b>237.233</b>	<b>140.373</b>	<b>(96.860)</b>

3.2. The forecast expenditure for 2024/25 is £140.373m with actual expenditure at the end of Period 9 standing at £74.144m. Whilst most project budgets are on track to be spent over the full MTFs period there are a number of projects where expenditure has slipped back into future years, the explanations for the main programmes that contribute towards the slippage provided below:

### 3.3. PEOPLE

#### 3.3.1. Starting Well

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Childrens Social Care Programme	3.211	2.996	(0.215)
Education - Other	0.011	0.000	(0.011)
Schools	29.775	2.488	(27.287)
<b>Education</b>	<b>32.997</b>	<b>5.484</b>	<b>(27.513)</b>
<b>Starting Well</b>	<b>32.997</b>	<b>5.484</b>	<b>(27.513)</b>

### Schools – Slippage of £27.287m

The Schools programme comprises of a number of grants that are awaiting allocation and have slipped into future years. Delays in the allocation of Basic Needs grant including to Gidea Park School has led to slippage £12.713m in the Capital Programme. A further £9.153m of slippage is as a result of delays in the allocation of High Needs grant.

### 3.3.2 Living Well

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Leisure Other	0.105	0.045	(0.060)
Leisure SLM	1.699	0.831	(0.868)
<b>Housing Demand (GF)</b>	<b>1.804</b>	<b>0.876</b>	<b>(0.928)</b>
<b>Living Well</b>	<b>1.804</b>	<b>0.876</b>	<b>(0.928)</b>

### Leisure SLM – Slippage of £0.868m

The slippage relates to the Sapphire Ice and Leisure - Fit Out scheme which has slipped into future years.

### 3.3.3 Ageing Well

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Adults Social Care - DFG	2.729	2.756	0.027
Adults Social Care - Other	3.098	2.251	(0.847)
<b>Adults Social Care</b>	<b>5.827</b>	<b>5.007</b>	<b>(0.820)</b>
<b>Ageing Well</b>	<b>5.827</b>	<b>5.007</b>	<b>(0.820)</b>

### Adults Social Care – Other – Slippage of £0.847m

The slippage relates to the Adults Learning Disabilities Provision Build at Mowbrays (P3). The construction work is in progress; however, the scheme has experienced some delays, reflected in the revised forecasts.

## 3.4. PLACE

### 3.4.1. Housing and Property – General Fund

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Mercury Land Holdings	4.441	3.697	(0.744)
Rainham & Beam Park	15.638	12.180	(3.458)
Regeneration - Other	22.122	0.284	(21.838)
Regeneration - TFL	0.050	0.000	(0.050)
<b>Regeneration &amp; Place Shaping</b>	<b>42.251</b>	<b>16.162</b>	<b>(26.089)</b>
Corporate Buildings	3.812	2.127	(1.685)
Health & Safety	0.065	0.052	(0.013)
Pre Sale Expenses	0.376	0.153	(0.223)
Schools Building Maintenance	3.024	3.024	0.000
Schools Expansions	2.996	2.114	(0.882)
Vehicle Replacement	1.978	1.940	(0.038)
<b>Housing, Property and Assets</b>	<b>12.251</b>	<b>9.410</b>	<b>(2.841)</b>
Inclusive Growth Programme	0.115	0.115	0.000
<b>Inclusive Growth</b>	<b>0.115</b>	<b>0.115</b>	<b>0.000</b>
<b>Housing &amp; Property (GF)</b>	<b>54.617</b>	<b>25.687</b>	<b>(28.930)</b>

### Rainham & Beam Park – Slippage of £3.458m

The slippage relates to re-profile of any potential CPO's that would be required as a result of the project. There are currently no known CPO's that need progressing.

### Regeneration - Other – Slippage of £21.838m

The slippage relates to the Provision for Future Regen Opportunities budget, this budget has now been removed from the Capital Programme.

### Corporate Buildings – Slippage of £1.685m

£1.390m of the slippage relates to the Corporate Buildings & Other Initiatives. The Town Hall reroofing project did not fully commence until September last year. The project needs listed building consent and quite a bit of design co-ordination which has caused the delay.

### Schools Expansions – Slippage of £0.882m

The slippage relates to Suttons Primary School SEND Unit. The project is on site, with completion in Spring 2025.

### 3.4.2. Housing & Property (HRA)

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Bridge Close Acquisitions	19.538	5.311	(14.227)
Bridge Close Regeneration	0.687	0.642	(0.045)
HRA Regeneration	22.158	19.460	(2.698)
<b>Regeneration &amp; Place Shaping</b>	<b>42.383</b>	<b>25.413</b>	<b>(16.970)</b>
Capital HRA	40.693	37.126	(3.567)
HRA Stock Adjustments	5.353	5.853	0.500
Housing HRA	26.376	14.889	(11.487)
<b>Housing, Property and Assets</b>	<b>72.422</b>	<b>57.868</b>	<b>(14.554)</b>
<b>Housing &amp; Property (HRA)</b>	<b>114.805</b>	<b>83.281</b>	<b>(31.524)</b>

### Bridge Close Acquisitions – Slippage of £14.227m

Negotiations are progressing on a number of acquisitions and forecasts will be updated monthly to assess timescales against cash flow assumptions. The 2024/25 forecast is based on completion of a number of acquisitions plus professional fees paid via the LLP. Acquisitions are of significant value, and forecasts are prepared against current acquisition schedule, which may be subject to change. Revised forecast at Period 9 reflecting current predictions for conclusion of commercial negotiations for property acquisitions plus revision of drawdowns expected for creditors payments for scheme design and planning.

### HRA Regeneration – Slippage of £2.698m

The slippage relates to HRA Regeneration – Acquisitions programme. The latest forecasts are based on current acquisition schedule. Remaining properties to be bought back at Oldchurch Gardens, Chippenham, Farnham & Maygreen.

### Capital HRA – Slippage of £3.567m

£2.202m of the slippage relates to the Decent Homes Works – External. £0.715m of the slippage relates to Decent Home Works – Internal. The slippage is due to uncertainty in getting building safety approval to high-rise lift works, budget to be carried forward.

### Housing HRA – Slippage of £11.487m

The slippage relate to the GLA Council Housing Acquisitions Programme. The £9.2m expenditure to date is based on 34 properties.

#### 3.4.3. Planning & Public Protection

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Enforcement	0.384	0.584	0.200
Planning Other	0.000	0.000	0.000
Planning TFL	0.027	0.027	0.000
<b>Planning &amp; Public Protection</b>	<b>0.411</b>	<b>0.611</b>	<b>0.200</b>
<b>Planning &amp; Public Protection</b>	<b>0.411</b>	<b>0.611</b>	<b>0.200</b>

There is no significant slippage forecast at this stage within Planning & Public Protection.

#### 3.4.4. Environment

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Environment - TFL	2.315	2.315	0.000
Highways & Street Lighting	7.554	7.333	(0.221)
Public Realm - Parks	2.252	2.048	(0.204)
Public Realm - Waste	5.275	2.872	(2.403)
Environment - Parking	0.145	0.145	0.000
Public Realm - Grounds Maintenance	0.047	0.048	0.001
<b>Environment</b>	<b>17.588</b>	<b>14.761</b>	<b>(2.827)</b>
<b>Environment</b>	<b>17.588</b>	<b>14.761</b>	<b>(2.827)</b>

### Public Realm - Waste – Slippage of £2.403m

The slippage relates to the Food Waste - Collection scheme. The current year spend on the scheme is expected to reach £2m, on the purchase of caddies and vehicles.

The remaining budget will be carried forward into new financial year for purchase of flats bins and bin housings.

### 3.5. RESOURCES

#### 3.5.1. IT, Digital and Customer

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
ICT Cloud Migration	2.080	0.800	(1.280)
ICT Modern Device Management	1.986	1.205	(0.781)
Transformation	3.266	2.229	(1.037)
<b>IT, Digital and Customer</b>	<b>7.332</b>	<b>4.234</b>	<b>(3.098)</b>
<b>Resources - IT, Digital and Customer</b>	<b>7.332</b>	<b>4.234</b>	<b>(3.098)</b>

#### ICT Cloud Migration programme – Slippage of £1.280m

An engagement with Microsoft to carry out planning work has been undertaken. This has highlighted the scale and complexity of the task and informed programme planning and spend profiling. Spend to date with Agilisys has been made via matrix MM milestones and needs to be recharged to capital. This accounts for the disparity between the capital programme's current actuals and forecasted spend.

#### ICT Modern Device Management programme – Slippage of £0.781m

Following an initial pilot, current assumptions are that a 'network as a service' model may be the best option for the Council, rather than investing in on premise networking. A business case is being produced for review. The current forecast reflects an assumed move to a revenue model, hence the reduction in the capital forecast.

#### Transformation – Slippage of £1.037m

The majority of the slippage in this area is due to Sovereignty Management IT and Digital Platforms schemes. A conversion of agency posts to council contract has had a favourable impact on the forecast.

#### 3.5.2 Customer Services

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Libraries	0.152	0.106	(0.046)
<b>Customer Services</b>	<b>0.152</b>	<b>0.106</b>	<b>(0.046)</b>
Cemeteries and Crematorium	0.191	0.203	0.012
<b>Bereavement &amp; Registration Services</b>	<b>0.191</b>	<b>0.203</b>	<b>0.012</b>
<b>Resources - Customer Services</b>	<b>0.343</b>	<b>0.309</b>	<b>(0.034)</b>

There is no significant slippage forecast within Customer Services.

### 3.5.3 Finance

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Exchequer & Transactional Programme	0.135	0.000	(0.135)
Finance People & Place Programme	0.049	0.000	(0.049)
Contingency	1.000	0.000	(1.000)
<b>Corporate Finance</b>	<b>1.184</b>	<b>0.000</b>	<b>(1.184)</b>
<b>Resources - Finance</b>	<b>1.184</b>	<b>0.000</b>	<b>(1.184)</b>

The contingency budget is delegated to the S151 officer for approval to either new or existing capital schemes. As such the forecast for contingency is zero as there will be no spend allocated directly to the project.

### 3.5.4 Public Health

Programme Area /Service/ Directorate	Budget 2024/25 £m	2024/25 Forecast Period 9 £m	2024/25 Variance £m
Insight, Policy & Strategy	0.325	0.123	(0.202)
<b>Insight, Policy &amp; Strategy</b>	<b>0.325</b>	<b>0.123</b>	<b>(0.202)</b>
<b>Resources - Public Health</b>	<b>0.325</b>	<b>0.123</b>	<b>(0.202)</b>

There is no significant capital slippage forecast at this stage in Public Health.