

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet

Date: 15/09/2025

Subject: Capital Programme Monitor and Budget Variations 2024/25 (Outturn)

Report of: Cabinet Member for Finance & Reform, Councillor Rowan Ree

Responsible Director: Sukvinder Kalsi, Executive Director of Finance and Corporate Services

SUMMARY

The Council's Corporate Plan for 2023-26 sets out the Council's strategy for delivering on the ambitions and vision to transform its services and spend and invest money to help protect high quality essential services for its residents. A key value is Building Shared Prosperity, and the Council's overall financial strategy includes significant capital investment in the infrastructure of the Borough and this in turn supports the delivery of the Council's key priorities and strategies. These are:

- build a better future for children and young people
- foster inclusive, sustainable economic growth for everyone
- build more affordable, accessible, safe and sustainable housing
- deliver high quality housing services

All capital programmes are complex and involve considerable local community engagement, procurement, and planning considerations. The total capital outturn for 2024/25 was £235.1m and this included:

- £83m was invested in the existing council homes to ensure compliance and building affordable new homes for residents
- maintaining the UK's most comprehensive CCTV network, with more cameras per resident than anywhere else in the country
- £62m investment in acquiring and building new affordable housing and supported accommodation in the Borough

Work is also continuing to complete the Civic Campus development that will re-open the iconic town hall to the public, which will rejuvenate and regenerate an important part of the Borough, providing a vibrant entertainment, arts, business, education, and social destination featuring world-class architecture.

The details of the capital programme outturn for the financial year 2024/25 (including the financing of the programme for the year) and the future programme are set out in the report.

RECOMMENDATIONS

1. To note the capital outturn for the year of £253.1m.
2. To approve the proposed budget variations to the capital programme (2024/25 to 2027/28) as summarised in Tables 1 and 5 and detailed in Appendix 1.
3. To approve an additional £5m budget in relation to pre-agreed works within the HRA asset and compliance programme, funded from HRA borrowing.
4. To note the additional budget as approved by Full Council on 7th October 2024 for the Hammersmith Town Hall refurbishment, funded from General Fund borrowing.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	<p>All capital investment decisions are required to be underpinned by a robust business case that sets out the full costs, funding and risks and any expected financial return alongside the broader outcomes including economic and social benefits.</p> <p>This report provides detailed analysis of the Council's capital programme financial position and highlights potential risks and their impact on the Council's resources.</p>
Building shared prosperity	<p>We need to always confirm that spend fits our council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business, and every penny counts. The council will continue to invest in our ambitious housing development programme and work through the planning system to enable 3,000 new energy-efficient 50% genuinely affordable homes to be built.</p>
Creating a compassionate council	<p>As the council's resources have been reduced, we have protected the services on which the most vulnerable residents rely.</p>
Doing things with local residents, not to them	<p>A significant proportion of services are delivered in partnership with local and national companies, and this will continue to promote all business sectors to the benefit of residents. The proposals will implement the Disabled</p>

	People's Housing Strategy, working in co-production with disabled residents.
Taking pride in H&F	The strategy proposals include significant investment in public realm services, to maintain world-class parks, open spaces, and cemeteries, making sure that parks are a safe space for residents. The proposals also are continuing to invest in CCTV so that residents feel secure in their homes and on the streets.
Rising to the challenge of the climate and ecological emergency	The council has approved a Climate and Ecology Strategy and action plan to deliver its target of net zero greenhouse gas emissions in the borough by 2030. It has been shaped by the work of the resident-led Climate and Ecological Emergency Commission, who worked closely with the Council's Climate Unit and was devised by ten cross-departmental officer working groups.

Financial Impact

This report is wholly of a financial nature.

Andre Mark, Head of Strategic Planning and Investment, 23 June 2025

Legal Implications

There are no direct legal implications in relation to this report. Legal advice will be sought for each Procurement within the programme and will comply with the Council's Contract Standing Orders and the Public Contract Regulations.

Jade Monroe, Chief Solicitor, Social Care, 27 June 2025

Background Papers Used in Preparing This Report

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report:

- Capital Programme 2024-28 (published February 2024)
-

ECONOMIC AND STRATEGIC OVERVIEW

The macro-economic turbulence (including high inflation and interest rates) has had a significant impact on the cost of materials, labour, and funding costs. Inflation has been consistently above the Government target of 2% (on average 3% during the last financial year and currently 3.4%) and interest rates have increased significantly (currently 4.25% in June 2025 compared to 0.25% in December 2021).

The interest rate regarding long-term borrowing from the Public Works Loans Board (PWLB) now stands at 5.89% (Before the HRA discount rate) compared to 1.5% in December 2021 (so borrowing is now nearly 4 times more expensive than December 2021).

The Council's underlying need to borrow (Capital Financing Requirement - CFR) to support the capital programme is forecast to increase by £271m over the next 4 years (£24m relates to the headline General Fund CFR and £247.2m relates to the Housing Revenue Account). CFR in relation to self-financing schemes and finance leases is expected to reduce by £7.7m, mainly due to anticipated loan repayments due to the Council as part of the Civic Campus programme in 2025/26.

There is a risk that those schemes expected to be self-financing (with closing 2024/25 CFR of £85.4m) are subject to economic and demand pressures and therefore may not yield the required revenues. These details will be reported as part of the regular capital reports during 2025/26.

For illustrative purposes it is currently estimated that the increase of £24m in the General Fund CFR will result in an estimated additional revenue budget requirement of £2m per annum by 2027/28.

These potential implications will need to be reflected in the Council's Treasury Management Strategy and the future MTFS.

CAPITAL PROGRAMME 2024-25 – OUTTURN OVERVIEW

- Capital expenditure for 2024/25 totalled £235.1m. The capital programme outturn position is summarised in Table 1. The 2024/25 programme has increased by £8.4m in comparison to the previous quarter. All the variations are detailed in Appendix 1.

Table 1 – LBHF Capital Programme 2024-25 with the total year-end variances

	Revised Budget 2024/25 (Q3) £000	2024/25 Outturn £000	Total Variance £000	Outturn to revised budget %
CAPITAL EXPENDITURE				
People	5,150	3,967	(1,183)	77%
Place (General Fund)	72,170	82,713	10,543	115%
Finance & Corporate	2,051	1,751	(300)	85%
Housing (General Fund)	2,251	2,022	(229)	90%
Sub-total (General Fund)	81,622	90,453	8,831	111%
Place (HRA)	69,872	61,967	(7,905)	89%
Housing (HRA)	75,251	82,711	7,460	110%
Sub-total (HRA)	145,123	144,679	(444)	100%
Total Expenditure	226,745	235,132	8,387	104%
CAPITAL FINANCING				
Use of specific resources (grant/section106/receipts)	81,258	65,707	(15,550)	81%
Borrowing-General Fund	26,924	45,196	18,272	168%
Self-financing borrowing -General Fund	15,713	13,777	(1,936)	88%
Borrowing -HRA	102,850	110,452	7,602	107%
Total Capital Financing	226,745	235,132	8,387	104%

GENERAL FUND CAPITAL PROGRAMME OVERVIEW

- The General Fund expenditure for 2024/25 totalled £90.5m.
- The main areas of investment were:
 - £42.2m Civic Campus redevelopment (including Hammersmith Town Hall refurbishment);
 - £16m highways maintenance and transport schemes;
 - £11m Hammersmith Bridge stabilisation works;
 - £7m investment in the Council's planned maintenance of its non-domestic property portfolio;
 - £3m affordable housing and regeneration schemes;

- £2.3m investment in schools' maintenance and SEND provision;
 - £1.6m investment in adaptation works for disabled residents and other social care projects; and
 - £2m investment in public CCTV.
4. The General Fund (GF) mainstream programme cuts across the departments and represents schemes which are funded from Council resources (capital receipts or borrowing). It is the area of the programme where the Council has the greatest discretion. The GF mainstream programme total spend for 2024/25 was £59m which represents an increase of £16m comparison to Q3 forecast, due to acceleration of spend on Hammersmith Town Hall. The mainstream programme and Outturn movements are summarised in Appendix 2.
 5. The mainstream programme does not include self-financing schemes (where the net General Fund revenue borrowing costs are zero). Whilst these will have an impact on the Council's CFR, it is assumed that all Minimum Revenue Payment (MRP) and interest costs will be fully reimbursed through grant contributions, the charging of a state-aid compliant interest rate, the loan repayment, commercial income, or reduction in revenue costs (e.g. lease rental payments).
 6. CFR movements related to these schemes are presented under "Self- Financing Schemes and Loans" heading in the Table 2. CFR for these schemes is £88.2m at the end of 2024/25 and is forecast to be £83m by the end of 2027/28. Appendix 4 details the self-financing schemes and their movements.
 7. A key financial focus of the capital monitoring report is the potential impact of capital expenditure on future borrowing and its revenue affordability. The Council's underlying need to borrow for a capital purpose is measured through the Capital Financing Requirement (CFR) and incorporates the forecast borrowing for the mainstream programme and self-financing schemes. The actual 2024/25 General Fund CFR as well as future years' forecast are set out below:

Table 2 - Forecast General Fund CFR 2023/24-2028/29 (Outturn)

GENERAL FUND CFR ANALYSIS	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
HEADLINE CFR EXCLUDING SELF FINANCING SCHEMES AND LOANS	£m	£m	£m	£m	£m	£m
Opening Capital Finance Requirement (CFR)	134.01	163.09	205.57	224.41	227.99	228.77
Revenue Repayment of Debt (MRP)	(1.50)	(2.72)	(2.75)	(3.90)	(3.99)	(4.02)
Appropriation between HRA & GF	(1.48)	-	-	-	-	-
Mainstream Programme (Surplus)/Shortfall	32.06	45.20	21.60	7.49	4.78	4.78
Closing Capital Finance Requirement (CFR)	163.09	205.57	224.41	227.99	228.77	229.53
SELF FINANCING SCHEMES AND LOANS	£m	£m	£m	£m	£m	£m
Opening Capital Finance Requirement (CFR)	55.42	88.23	85.37	81.64	80.29	78.97
Revenue Repayment of Debt (MRP)	-	-	(0.11)	(1.34)	(1.32)	(1.29)
Repayment of loans	(9.50)	(30.98)	(25.00)	-	-	-
In Year Borrowing	42.32	13.78	21.38	-	-	-
Closing Capital Finance Requirement (CFR)	88.23	85.37	81.64	80.29	78.97	77.68
Finance leases/PFV/ Deferred costs of disposal	14.34	16.78	10.99	10.29	9.59	8.89
Total Closing GF CFR	265.66	307.72	317.04	318.58	317.34	316.10

8. The General Fund Headline CFR (excluding the self-financing schemes) is £205m as at the end of 2024/25, an in-year net increase of £42m, and is forecast to increase to £228.8m by the end of 2027/28. The increase in GF Headline CFR puts additional pressures on revenue budgets.
9. Minimum Revenue Provision (MRP) is the minimum amount by statute which a Council must charge to its revenue budget each year, to set aside a provision for repaying external borrowing (loans). This is an annual revenue expense in a Council's budget and reflected in the Medium-Term Financial Strategy. The MRP will, over time, reduce the CFR.
10. The statutory guidance issued by the Secretary of State (Ministry for Housing, Communities and Local Government) details the ways how MRP should be charged on various items of capital expenditure. MRP charges presented in the Table 2 follow this guidance and assume the following:
 - MRP charges are deferred for development projects until a year after their completion. The rate charged is based on the estimated life of an asset (50 years for new developments).
 - MRP on rolling capital programmes and smaller scale ad hoc schemes is charged the year after the expenditure incurs. The rate used is based on the weighted average life of an asset.
11. This report is seeking a budget adjustment of £33.3m for the Hammersmith Town Hall refurbishment as part of the Civic Campus project, with £24m of this budget being slipped into 2025/26. This additional budget will be funded by GF Borrowing.

HOUSING CAPITAL PROGRAMME OVERVIEW

12. Housing Capital expenditure for 2024/25 totalled £84.8m. Table 3 summarises the 2024/25 HRA capital spend and its funding.

Table 3 - Housing Capital Programme 2024/25 (Outturn)

	Revised Budget 2024/25 (Q3) £'000	2024/25 Outturn £'000	Total Variations £'000
Approved Expenditure			
HRA Asset Management and Compliance Programme	75,251	82,710	7,459
Regeneration & Development	69,872	61,968	(7,904)
Techtonic HRA contribution	246	222	(24)
Total Housing Programme	145,369	144,900	(469)
Available and Approved Resource			
Capital Receipts - Unrestricted	6,557	2,317	(4,240)
Capital Receipts - RTB (141)	823	3,025	2,202
Major Repairs Reserve (MRR)	16,081	16,164	83
Contributions Developers (S106)	2,050	847	(1,203)

Contributions from leaseholders	3,110	2,280	(830)
Capital Grants from Central Government	506	65	(441)
Capital Grants and Contributions from GLA Bodies	5,792	3,492	(2,300)
RtB GLA Ringfence	7,600	6,258	(1,342)
Borrowing (HRA)	102,850	110,452	7,602
Total Funding	145,369	144,900	(469)

13. Of the total in-year spend, £82m was spent on major improvements and maintenance of the existing housing stock including:

- £21m major refurbishment projects.
- £19.7m on responsive repairs and voids.
- £13.6m on Fire Safety Works
- £11.7m on electrical and other safety works
- £3.4m on boiler replacement schemes.

14. The remaining £62m relates to spend on the various affordable housing development and regeneration schemes, as outlined in the appendices.

15. Within the Housing Capital Programme there has been a net budget decrease of £0.469m in comparison to the Q3 forecast. Detailed analysis of the budget variances is presented in Appendix 1.

16. The 2024/25 closing HRA CFR is £458.91m, this is an increase of £111m in comparison to 2023/24. The HRA CFR is forecast to be £660.5m by the end of 2027/28. The increase in HRA CFR has significant implications for HRA revenue budgets. The HRA CFR movements are shown in Table 4 below:

Table 4- HRA CFR 2024/25 actual and future years' forecast

HRA CFR Forecast	Actual	Forecast				
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m	£m
Opening HRA CFR	300.57	348.34	458.91	575.24	611.45	660.47
In Year Borrowing	46.29	110.45	116.33	36.21	49.02	46.10
Appropriation between HRA & GF	1.48	-	-	-	-	-
Unfinanced Cap Ex (Leases /IFRS 16 etc.)		0.12				
Closing HRA CFR	348.34	458.91	575.24	611.45	660.47	706.57

17. The HRA Asset Management and Compliance Programme requests Cabinet approval to borrow an additional £5m to fund 2024/25 spend on major refurbishment works, voids and disrepair works at estates as well as £4.5m brought forward from future years to meet the increase in volume of responsive capital works. Finance officers will continue to work with service colleagues to ensure accurate in-year budget profiling in line with service commitments.

FINANCING OF CAPITAL EXPENDITURE IN 2024/25

18. The financing of the capital programme, across General Fund and HRA, can be seen at table 1 (above) in summary and in more detail within the appendices. The CFR (underlying need to borrow) has increased in 2024/25 by £152.6m. This has been driven by a combination of spend on elements of the programme that should over the long-term be self-financing (primarily linked to Civic Campus and Education City schemes), and other elements where the borrowing costs are charged to revenue over time, via the Minimum Revenue Provision within the General Fund (as statutorily required) and through the 40 year business plan within the HRA.
19. Most of the additional borrowing that has been undertaken during 2024/25 has been done primarily through internal borrowing, i.e. funded temporarily via our own cash balances, thereby negating the need to borrow externally and the related cost of borrowing (although £35m of external borrowing was taken out on the HRA in 24/25). Internal borrowing can be advantageous, given Public Works Loans Board (PWLb) long term rates are above 5%, which is more than the opportunity cost of the return from investing cash balances. Internal borrowing is however by its nature a finite option and must be considered within the overall borrowing strategy, which is constructed across key strands including our capital programme, treasury management strategy and revenue strategy.

FOUR-YEAR PROGRAMME OVERVIEW

20. Budget Council in February 2024 approved a four-year capital programme for 2024/25 to 2027/28 of £576.4m. The programme has now been revised to £724.2m and the key changes (a net increase of £147.7m) are summarised in the table below:

Table 5- Summary of changes to Capital Programme Budget 2024/25-2027/28

Budget movement summary			
Budget Movement Summary for 2024/25-2027/28 capital programme	General Fund	HRA	Total
	£'m	£'m	£'m
Four-year capital programme budget approved at Full Council in February 2024	143.6	432.8	576.4
Carry forward of unspent budgets from 2023/24 to future years	22.9	30.1	53.0
Additional budget for HRA Asset Management Capital Salaries		22.6	22.6
Additional budget for HRA Major Works Fire Safety		15.6	15.6
Additional budget for HRA Capitalised Repairs		5.0	5.0
Additional budget brought forward from outside 4 year programme for HRA Asset Management		8.0	8.0
Additional Budget for Civic Campus	37.7		37.7
Additional budgets for Transport Capital Schemes	5.3		5.3
Additional budget for Waste Collection Vehicles Purchase	3.4		3.4
Additional budget for Hammersmith Bridge Stabilisation Works	7.6		7.6
Additional budget for SEN Sufficiency	1.3		1.3
Additional budget to reflect Disabled Facilities Grant received for 24/25	1.6		1.6
Additional budget for other capital schemes	3.9		3.9
Additional budget for Schools Maintenance Programme	1.0		1.0
Reduction in HRA Repairs (Damp & Mould) budget to outside 4 year programme		(7.5)	(7.5)
Reduction in Schools Budgets	(1.4)		(1.4)
Reduction in New Homes for Refugees		(6.0)	(6.0)
Reduction in Social Care budget	(1.3)		(1.3)
Reduction in SHDF budget		(2.1)	(2.1)
Revised four -year capital programme as at 2024/25 Outturn	225.6	498.5	724.1

REASONS FOR DECISION

21. This paper reports the 2024/25 outturn position to Cabinet and seeks revisions to the Capital Programme which require the approval of Cabinet in accordance with the Council's financial regulations.

EQUALITY IMPLICATIONS

22. There are no direct equalities implications in relation to this report. This paper is concerned entirely with financial management issues and, as such, the recommendations relating to an increase in capital allocations, will not impact directly on any group with protected characteristics, under the terms of the Equality Act 2010.

RISK MANAGEMENT

23. In the initial stages of any development, major capital projects will have significant uncertainties. For example, these may relate to the planning process, the views and interest of residents and stakeholders who must be consulted, ground conditions, or the costs of rectifying or demolishing existing buildings (e.g.

the cost of asbestos removal). Construction companies and developers contracting with the Council continue to experience financial instability, particularly an issue following geo-political events and the impact of cost inflation. They may not be able to raise sufficient finance to cash flow operations, any potential insolvency process could lead to a costly process of changing suppliers without any guarantee of remaining within overall budget, the Council could suffer direct financial loss, and any defects or other issues may not be resolvable as anticipated. To mitigate the Council carefully considers the financial robustness of any contractor and requests appropriate financial standing assurance and support wherever possible.

24. Large scale capital projects can operate in environments which are complex, turbulent, and continually evolving. Effective risk identification and control within such a dynamic environment is more than just populating a project risk register or appointing a project risk officer. Amplifying the known risks so that they are not hidden or ignored, demystifying the complex risks into their more manageable sum of parts, and anticipating the slow emerging risks which can escalate rapidly are all necessary components of good capital programme risk management.
25. The impact to councils of the Grenfell Tower fire has been significant with councils undertaking property reviews to determine the levels of improvements required to ensure fire safety arrangements within their buildings meet both the expectations of the residents and that they comply with building regulations and other statutory duties.
26. The Fire Safety Act 2021 (the Act) received Royal Assent on 29 April 2021 and commenced on 16 May 2022. The Act amended the Regulatory Reform (Fire Safety) Order 2005 (the Fire Safety Order). The Act confirms that responsible persons (RPs) for multi-occupied residential buildings must assess, manage, and put in place measures to reduce the risk of fire for the structure and external walls of the building, including cladding, balconies and windows, and entrance doors to individual flats that open into common parts.
27. The Dame Judith Hackitt independent review of fire safety, following the Grenfell tragedy, recognises that High Rise Residential Buildings (10 Storeys and above) are a special risk where layers of fire protection must be put in place to reduce the risk to as low as reasonably possible, however reducing the risk for all residential accommodation is fundamental. This process is on-going and must be continually reviewed at least annually.
28. All works must comply with the Construction (Design and Management) Regulations. The Council must appoint a Principal Designer and Principal Contractor with the necessary and demonstrable expertise and competence.
29. Proposals set out in this report seek to comply with the Council's legal duties.
30. The Grenfell Tower Inquiry Phase 2 Report was published on 4 September 2024 and made 58 recommendations, including a number which related to government, such as the appointment of a Construction Regulator, new or

amended legislation and amendments to guidance, changes to testing and certification requirements. The Government published its response in March 2025, highlight what action would be taken to implement the recommendations. This will have implications for future construction contracts and capital works.

31. The report sets out the ongoing economic uncertainty, including the impact of high interest rates, and identifies actions which will, in part, mitigate this risk.
32. Implications verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance, 26 June 2025

VAT IMPLICATIONS

33. The Council needs to carefully consider its VAT partial exemption calculation and the risk of breaching the partial exemption threshold. Capital projects represent the bulk of this risk. A breach would likely cost the Council around £3m per year whilst in breach. Finance officers are working closely with departments to ensure that partial exemption risks are considered as part of significant capital projects. Further detail on the Council's partial exemption is included in Appendix 4.
34. Implications verified by: Joanna Monaghan, Principal Accountant (Taxation), Corporate Finance, 26 June 2025.

LIST OF APPENDICES:

- Appendix 1 – Detailed capital budget, spend and variation analysis by department.
- Appendix 2 – GF Mainstream Capital Programme 2024-28
- Appendix 3 – Capital receipts forecast
- Appendix 4 – VAT partial exemption
- Appendix 5 – Self-financing schemes

Appendix 1- Detailed capital budget, spend and variation analysis by department.

2024-28 Capital Programme Summary with proposed Q4 variations

	Revised Budget 2024/25 (Q3)	Slippages / Reprofiling from/(to) future years	Additions/ (Reductions)	Transfers	Total Variances	2024/25 Outturn
	£'000	£'000	£'000	£'000	£'000	£'000
CAPITAL EXPENDITURE						
People	5,150	(1,597)	414	-	(1,183)	3,967
Place (General Fund)	72,170	(34,978)	45,521	-	10,543	82,713
Finance & Corporate	2,051	(300)	-	-	(300)	1,751
Housing (General Fund)	2,251	(174)	(55)	-	(229)	2,022
Sub-total (General Fund)	81,622	(37,049)	45,880	-	8,831	90,453
Place (HRA)	69,872	(7,210)	(694)	-	(7,904)	61,968
Housing (HRA)	75,251	4,185	3,274	-	7,459	82,710
Sub-total (HRA)	145,123	(3,025)	2,580	-	(445)	144,678
Total Expenditure	226,745	(40,073)	48,460	-	8,387	235,132
CAPITAL FINANCING						
Specific/External Financing:						
Use of specific resources (grant/section106/receipts)	81,258	(63,547)	47,994	-	(15,553)	65,705
Borrowing-General Fund	26,924	15,277	2,995	0	18,272	45,196
Self-financing borrowing - General Fund	15,713	(1,936)	-	-	(1,936)	13,777
Borrowing -HRA	102,850	10,132	(2,529)	0	7,603	110,454
Total Capital Financing	226,745	(40,073)	48,460	-	8,387	235,132

2025/26	2026/27	2027/28	Total Budget (All years)
£'000	£'000	£'000	£'000
8,838	5,040	4,314	22,159
98,467	9,104	7,298	197,582
1,961	-	-	3,712
174	-	-	2,196
109,440	14,144	11,612	225,649
74,745	30,839	14,137	181,689
82,300	76,631	75,172	316,813
157,045	107,470	89,309	498,502
266,485	121,614	100,921	724,151
107,177	77,919	47,128	297,929
21,597	7,485	4,776	79,054
21,382	-	-	35,159
116,329	36,210	49,017	312,009
266,485	121,614	100,921	724,151

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

People	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
Scheme Expenditure Summary										
Children's Services										
SEN sufficiency	100	(86)			(86)	14	3,097	3,334	2,807	9,252
	625	(141)			(141)	484	141	0	0	625
Carer Housing Adaptations							70	221	0	1,281
Basic Need Placement Sufficiency	972	18			18	990	2,906	0	0	2,906
Windows & decarbonisation	58	(58)			(58)	-	25	0	0	64
Family Hub Transformation Project	64	(25)			(25)	39	2,599	1,485	1,507	6,044
School Maintenance Programme	900	(447)			(447)	453	0	0	0	414
Climate Investment in Schools (Salix)	-		414		414	414	8,838	5,040	4,314	20,586
Subtotal Children's Services	2,719	(739)	414	-	(325)	2,394				
Adults Social Care										
Extra Care New Build project (Adults' Personal Social Services Grant)	-	-	-	-	-	-	-	-	-	-
Disabled Facilities Grant	1,519	(476)	-	-	(476)	1,043	476	-	-	1,519
Transforming Care (Winterbourne Grant)	-	-	-	-	-	-	-	-	-	-
Social Care Capital Projects	912	(382)	-	-	(382)	530	382	-	-	912
Subtotal Adults Social Care	2,431	(858)	-	-	(858)	1,573	858	-	-	2,431
Total Expenditure	5,150	(1,597)	414	-	(1,183)	3,967	9,696	5,040	4,314	23,017

People	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	4,396	(1,327)	-	-	(1,327)	3,069	9,426	5,040	4,314	21,849
Capital Grants/Contributions from Non-departmental public	0	-	319	-	319	319	-	-	-	319
Sub-total - Specific or Other Financing	4,396	(1,327)	319	-	(1,008)	3,388	9,426	5,040	4,314	22,168
Mainstream Financing (Internal Council Resource)										
General Fund Revenue Account (revenue funding)	193	-	138	-	138	331	-	-	-	331
Use of Reserves	432	(141)	(43)	-	(184)	249	141	-	-	390
Sub-total - Mainstream Funding	625	(141)	96	-	(46)	580	141	-	-	721
Capital Receipts	-	-	-	-	-	-	-	-	-	-
General Fund Revenue Account (revenue funding)	-	-	-	-	-	-	-	-	-	-
Use of Reserves	-	-	-	-	-	-	-	-	-	-
Borrowing	129	(129)	-	-	(129)	-	129	-	-	129
Total Capital Financing	5,150	(1,597)	414	-	(1,183)	3,967	9,696	5,040	4,314	23,017

Adult Social Care - Significant reduction of major adaptation referrals from ASC complex team; a number of Housing Organisations have not progressed Adaptation work in timely manner and some delays from a small percentage of owner occupiers or Private rent tenants in returning means testing forms to accompany DFG applications. Spillage of £0.476m is required on 2025/26 for anticipated increase in referrals for DFG.

Capital Grants from Non-Departmental Public Bodies is Salix Funding for Corporate scheme in schools added to the programme at year end. This is matched with £91.195 contribution from general fund CHS

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

	Current Year Detail							Future Years Budgets				
Place - HRA schemes	2024/25 Revised Forecast (Q3)	2024/25 Actual spend	Variance analysis			Total Variances	2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	Total Budget (All years)
			Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers							
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scheme Expenditure Summary												
Development Programme												
Homes & Communities Strategy	-	-				-	-	-	-	-	-	0
White City Estate Regeneration	746	825	79	-	-	79	825	286	-	-	-	1,111
Becklow Gardens	600	807	207	-	-	207	807	702	100	-	-	1,609
Barclay Close	500	654	(246)	-	400	154	654	460	122	-	-	1,236
Jepson House	750	1,066	916	-	(600)	316	1,066	755	707	-	-	2,528
The Grange	600	753	(47)	-	200	153	753	695	411	-	-	1,859
Hartopp & Lannoy	18,000	18,585	586	-	-	586	18,586	24,096	2,875	3,588	-	49,145
Farm Lane	3,000	2,730	(270)	-	-	(270)	2,730	9,798	3,809	471	328	16,808
Lillie Road	2,000	2,617	617	-	-	617	2,617	8,540	10,107	690	1,226	21,954
Subtotal Development Programme	26,196	28,038	1,843	-	-	1,843	28,039	45,332	18,131	4,749	1,554	96,250
Regeneration Capital Schemes												
Stanhope Joint Venture	1,031	144	(877)	(10)	-	(887)	144	1,277	9,388	9,388	9,388	20,197
Old Laundry Yard	103	97	(6)	-	-	(6)	97	309	1,253	-	-	1,659
Education City	25,000	25,843	843	-	-	843	25,843	18,814	1,703	-	-	46,360
Property Acquisition for Affordable Housing	9,498	303	(8,953)	(242)	-	(9,195)	303	8,953	133	-	-	9,389
New Homes for Refugees	8,044	7,542	(60)	(442)	-	(502)	7,542	60	-	-	-	7,602
Subtotal Regeneration Capital Schemes	43,676	33,930	(9,052)	(694)	-	(9,746)	33,930	29,413	12,477	9,388	9,388	85,207
Planning and Corporate Property												
Nourish Project (Good Growth Fund)	-	-	-	-	-	-	-	-	231	-	-	231
Subtotal Planning and Corporate Property	-	-	-	-	-	-	-	-	231	-	-	231
Total Place -HRA Schemes	69,872	61,967	(7,210)	(694)	-	(7,904)	61,968	74,745	30,839	14,137	10,942	181,689

Place - HRA schemes

Capital Financing Summary

Specific/External or Other Financing

Capital Grants from Central Government

Grants and Contributions from Private Developers (includes S106)

Capital Grants/Contributions from Non-departmental public bodies

Capital Grants and Contributions from GLA Bodies

RtB GLA Ringfence and Affordable Housing Grants

Sub-total - Specific or Other Financing

Mainstream Financing (Internal Council Resource)

Capital Receipts (HRA)

Earmarked reserves

1-4-1 capital receipts

Capital Receipts (GF)

Sub-total - Mainstream Funding

HRA Borrowing

Total Capital Financing

Current Year Detail

Future Years Budgets

Variance analysis

2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances	2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,021	(4,299)	3,422	-	(877)	144	4,699	6,231	6,000	17,074
-				-	-	-	-	-	0
5,792	(2,280)	(20)	-	(2,300)	3,492	2,280	-	-	5,772
7,600	(1,342)	-	-	(1,342)	6,258	884	4,391	3,388	14,921
14,413	(7,921)	3,402	0	(4,519)	9,894	7,863	10,622	9,388	37,767
3,700	(5,250)	1,550	-	(3,700)	-	8,250	38,343	7,275	53,868
-			-	-	-	-	-	-	0
823	318	1,885	-	2,202	3,025	2,356	267	-	5,648
				-	-				0
4,523	(4,932)	3,435	0	(1,498)	3,025	10,606	38,610	7,275	59,516
50,936	5,643	(7,531)	-	(1,888)	49,048	56,275	(18,393)	(2,526)	84,404
69,872	(7,210)	(694)	-	(7,905)	61,967	74,745	30,839	14,137	181,688

The Acceleration of Development schemes £1.8m is offset by slippage of £9m as purchase of 37 new homes under Acquisition of Affordable housing that was scheduled to complete in 24/25 now anticipated to complete in 25/26, due to snagging issues.

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Place- General Fund Schemes	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Forecast (Outturn)	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scheme Expenditure Summary										
Civic Campus										
Hammersmith Town Hall Refurbishment	19,507	(24,566)	33,360	-	8,794	28,301	38,857	-	1,028	68,186
Acquisition of commercial units	10,536	(1,858)	1,000	-	(858)	9,678	18,054	-	-	27,732
Civic Campus Commercial Units Works	-	(2,659)	2,800	-	141	141	2,659	-	-	2,800
Commercial Units- Cinema Fit Out	-	(500)	500	-	-	-	2,250	-	-	2,250
JV Partnership Loan (Civic Campus)	5,177	(1,078)	-	-	(1,078)	4,099	1,078	-	-	5,177
Sub-total -Civic Campus	35,220	(30,661)	37,660	-	6,999	42,219	62,898	-	1,028	106,145
Development Programme										
Mund Street	2,187	49	109	-	158	2,345	820	464	-	3,629
Community Schools Programme	278	(49)	289	-	240	518	49	-	-	567
Sub-total -Development Programme	2,465	-	398	-	398	2,863	869	464	-	4,196
Regeneration Capital Schemes										
West Kensington & Gibbs Green Public Realm	100	(61)	-	-	(61)	39	1,461	500	500	2,500
WMC JV Exit Costs	-	-	-	-	-	-	1,857	-	-	1,857
Sub-total- Regeneration Capital Schemes	100	(61)	-	-	(61)	39	3,318	500	500	4,357
Planning and Corporate Property										
Planned Maintenance/DDA Programme	5,912	647	-	-	647	6,559	5,870	2,400	2,400	17,229
Divestment in local supported housing	-	-	-	-	-	-	-	-	-	0
Carnwath Road	-	-	-	-	-	-	1,870	-	-	1,870
North End Road - Good Growth Fund	562	(98)	-	-	(98)	464	448	-	-	912
Single homelessness and rough sleeping supported accommodation	-	-	-	-	-	-	-	-	-	0
Sub-total -Planning and Corporate Property	6,474	549	-	-	549	7,023	8,188	2,400	2,400	20,011
Total Expenditure	44,259	(30,173)	38,058	-	7,885	52,144	75,273	3,364	3,928	134,709

Place- General Fund Schemes	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Forecast (Outturn)	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances		£'000	£'000	£'000	£'000
£'000	£'000	£'000	£'000	£'000	£'000	£'000				
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	194	(1,599)	2,797	-	1,198	1,392	1,599	-	-	2,991
Grants and Contributions from Private Developers (includes S106)	388	(61)	53	-	(8)	380	1,461	500	500	2,841
Community Infrastructure Levy (CIL)	10,277	(33,305)	33,305	-	-	10,277	32,277	-	1,028	43,582
Capital Grants/Contributions from Non-departmental public bodies	-	-	-	-	-	-	-	-	-	0
Capital Grants and Contributions from GLA Bodies	312	-	-	-	-	312	-	-	-	312
Sub-total - Specific or Other Financing	11,171	(34,965)	36,155	-	1,190	12,361	35,337	500	1,528	49,726
Mainstream Financing (Internal Council Resource)										
Capital Receipts (GF)	-	-	-	-	-	-	-	-	-	0
1-4-1 capital receipts	-	-	-	-	-	-	-	-	-	0
Sub-total - Mainstream Funding	-	-	-	-	-	-	-	-	-	-
GF Borrowing	33,088	4,792	1,903	-	6,695	39,783	39,936	2,864	2,400	84,983
Total Borrowing	33,088	4,792	1,903	-	6,695	39,783	39,936	2,864	2,400	84,983
Total Capital Financing	44,259	(30,173)	38,058	-	7,885	52,144	75,273	3,364	3,928	134,709

£33.3m additional capital budget approval by cabinet on 07/10/24, of which £23.54m slipped into 25/26 and £1.03m retention slipped into 27/28. Additional £53k budget to part fund the capitalised staffing costs from JV DM Fees. £2.8m new budget approval by cabinet on 07/10/24, of which £2.659m slipped to 25/26 to accommodate the revised works schedule. £8.739m Town Hall refurbishment (reflected as slippage from future years) funded by Borrowing instead of CIL in 24/25 from the additional budget approvals, due to CIL availability. £2.688m received in Salix Grant for Public Sector Decarbonisation works within the Planned Maintenance Programme, reducing GF borrowing. £101k slipped from 25/26 GF borrowing to fund asset acquisition of Sheltered Housing.

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Place- General Fund Schemes	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Forecast (Outturn)	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scheme Expenditure Summary										
Climate Change and Transport										
Footways and Carriageways - CCT	247	(44)	-	3	(41)	206	194	150	150	700
Transport For London Schemes	952	(36)	(7)	(38)	(81)	871	444	-	-	1,315
Other Highways Capital Schemes - CCT	7,095	(1,841)	569	35	(1,237)	5,858	5,933	1,119	994	13,904
Green Investment Projects	1,675	(1,386)	-	1	(1,385)	290	2,386	2,245	-	4,921
Parking Reserve Funded Schemes	-	-	689	-	689	689	-	-	-	689
Sub-total- Climate Change and Transport	9,969	(3,307)	1,251	1	(2,055)	7,914	8,957	3,514	1,144	21,529
Hammersmith Bridge										
Hammersmith Bridge Stabilisation Works	10,124	(4,445)	4,700	662	917	11,041	5,145	-	-	16,186
Hammersmith Bridge Pre Restoration Works	924	1,208	-	(662)	546	1,470	1,472	-	-	2,942
Sub-total- Hammersmith Bridge	11,048	(3,237)	4,700	-	1,463	12,511	6,617	-	-	19,128
Public Realm										
Footways and Carriageways - PR	2,130	(373)	618	112	357	2,487	2,257	1,880	1,880	8,504
Column Replacement	396	96	-	-	96	492	250	346	346	1,434
Other Highways Capital Schemes - PR	748	(100)	(69)	(113)	(282)	466	100	-	-	566
Waste Collection and Disposal Projects	1,078	2,344	-	-	2,344	3,422	3,060	-	-	6,482
Kings Coronation Youth Fund	107	(71)	-	-	(71)	36	533	-	-	569
Parks Projects	1,221	(126)	45	-	(81)	1,140	611	-	-	1,751
Leisure Centre Capital Investment	70	-	-	-	-	70	150	-	-	220
Sub-total- Public Realm	5,750	1,770	594	(1)	2,363	8,113	6,961	2,226	2,226	19,526
Public Protection										
Public CCTV	1,144	(31)	918	-	887	2,031	659	-	-	2,690
Sub-total- Public Protection	1,144	(31)	918	-	887	2,031	659	-	-	2,690
Total Expenditure	27,911	(4,805)	7,463	-	2,658	30,569	23,194	5,740	3,370	62,873

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Place- General Fund Schemes	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Forecast (Outturn)	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	2,557	(4,801)	5,246	-	445	3,002	5,501	-	-	8,503
Grants and Contributions from Private Developers (includes S106/S278)	6,789	(1,707)	776	-	(931)	5,858	5,288	1,119	994	13,259
Capital Grants/Contributions from Non-departmental public bodies	366	(34)	(306)	-	(340)	26	949	-	-	975
Capital Grants and Contributions from GLA Bodies	1,155	(132)	(55)	-	(187)	968	540	-	-	1,508
Sub-total - Specific or Other Financing	10,867	(6,674)	5,661	-	(1,013)	9,854	12,278	1,119	994	24,245
Mainstream Financing (Internal Council Resource)										
Capital Receipts	6,798	(6,798)	-	-	(6,798)	-	6,798	-	-	6,798
General Fund Revenue Account (revenue funding)	-	-	849	-	849	849	-	-	-	849
Use of Reserves	1,944	(320)	(139)	-	(459)	1,485	1,382	-	-	2,867
Sub-total - Mainstream Funding	8,742	(7,118)	710	-	(6,408)	2,334	8,180	-	-	10,514
Borrowing	8,302	8,987	1,092	-	10,079	18,381	2,736	4,621	2,376	28,114
Total Capital Financing	27,911	(4,805)	7,463	-	2,658	30,569	23,194	5,740	3,370	62,873

The additional budget of £1.3m relates to Neighbourhood Improvement Schemes funded from the Parking Reserve. An additional £4.7m was received from Department for Transport for the Hammersmith Bridge stabilisation and restoration works, this has mostly been slipped into future years, due to delays on the project. There were 10 new waste collection vehicles purchased in 24/25, with £2.3m brought forward to accommodate the purchase. This was funded from borrowing Capital receipts anticipated to be used (£6.8m) were slipped into future years.

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Finance and Corporate Services	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Outturn £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	Total Budget (All years) £'000
	2024/25 Revised Forecast (Q3) £'000	Adjustment to Approved Budget / Slippages £'000	Additions/ (Reductions) £'000	Transfers £'000	Total Variances £'000					
Scheme Expenditure Summary										
Invest to Save - Flexible Use of Capital Receipts	-	-	-	-	-	-	-	-	-	-
Investment in Digital Infrastructure	229	(133)			(133)	96	133	-	-	229
Tech-tonic 2 Device refresh	1,617	(157)			(157)	1,460	1,767	-	-	3,227
Business Intelligence Infrastructure	205	(9)			(9)	196	61	-	-	257
Total Expenditure	2,051	(300)	-	-	(300)	1,751	1,961	-	-	3,712
Capital Financing Summary										
Mainstream Financing (Internal Council Resource)						-				
Capital Receipts	1,576	(143)	-	-	(143)	1,433	1,559	-	-	2,993
Use of Reserves	-	-	-	-	-	-	-	-	-	-
Sub-total - Mainstream Funding	1,576	(143)	-	-	(143)	1,433	1,559	-	-	2,993
Borrowing (GF)	229	(133)	-	-	(133)	96	133	-	-	229
Borrowing (HRA)	246	(24)	-	-	(24)	222	269	-	-	491
Total Capital Financing	2,051	(300)	-	-	(300)	1,751	1,961	-	-	3,712

The Council's Invest to Save schemes are under review and the budgets have been revised to reflect this. Investment in Digital Infrastructure to be spend in 25/26, due to delays in Civic Campus. Techtonic budget will be used in 25/26, roll out plans were slower than initially anticipated.

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Housing	Current Year Detail						Future Years Budgets			
	2024/25 Revised Forecast (Q3)	Variance analysis				2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
		Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scheme Expenditure Summary										
HRA Asset Management and Compliance Programme										
Major Refurbishment Works	22,430	(164)	(1,128)		(1,292)	21,138	14,138	6,205	6,026	47,507
Fire Safety Compliance Programme	6,528	900			900	7,428	5,634	3,148	3,652	19,862
Fire Safety Complex Schemes	5,715	464			464	6,179	10,016	24,676	13,113	53,984
Lift Schemes	2,906	(2,147)	(159)		(2,306)	600	5,059	1,404	1,079	8,142
Heating Schemes	3,025	408			408	3,433	6,567	7,000	5,635	22,635
Safety Works - Electrical	4,100	1,944			1,944	6,044	4,933	5,100	5,100	21,177
Safety Works	1,952	3,660			3,660	5,612	6,061	5,669	5,325	22,667
Void Works	9,629	(382)			(382)	9,247	6,582	4,700	4,500	25,029
Other Capital Improvements	4,791	(2,600)			(2,600)	2,191	4,158	915	1,087	8,351
Capitalised salaries	10,065	20			20	10,085	10,802	10,822	10,822	42,531
Capitalised repairs	4,070	1,405	5,002		6,407	10,477	6,840	4,140	4,502	25,959
Climate Emergency and Other future works	40	677	(441)		236	276	1,510	2,852	14,331	18,969
Single homelessness and rough sleeping supported accommodation	2,251	(174)	(55)		(229)	2,022	174	-	-	2,196
HRA Asset Management and Compliance Programme	77,502	4,011	3,219	-	7,230	84,732	82,474	76,631	75,172	319,009

Appendix 1 – Detailed capital budget, spend and variation analysis by department/cont.

Housing	Current Year Detail						Future Years Budgets			
	Variance analysis					2024/25 Outturn	2025/26 Budget	2026/27 Budget	2027/28 Budget	Total Budget (All years)
	2024/25 Revised Forecast (Q3)	Adjustment to Approved Budget / Slippages	Additions/ (Reductions)	Transfers	Total Variances		£'000	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	506		(441)		(441)	65	755			820
Contributions from leaseholders	3,110		(830)		(830)	2,280	2,700	2,700	2,700	10,380
Grants and Contributions from Private Developers (includes S106)	1,029	(326)			(326)	703	326	-	-	1,029
Capital Grants and Contributions from GLA Bodies	1,362		(55)		(55)	1,307	-	-	-	1,307
Sub-total - Specific or Other Financing	6,007	(326)	(1,326)	-	(1,652)	4,355	3,781	2,700	2,700	13,536
Mainstream Financing (Internal Council Resource)										
Capital Receipts (HRA)	2,857	-	(540)	-	(540)	2,317	2,200	2,200	3,000	9,717
Major Repairs Reserve (MRR) / Major Repairs Allowance	16,081	-	83	-	83	16,164	16,534	17,128	17,929	67,755
Sub-total - Mainstream Funding	18,938	-	(457)	-	(457)	18,481	18,734	19,328	20,929	77,472
Borrowing(HRA)	51,668	4,513	5,002		9,515	61,183	59,785	54,603	51,543	227,114
Borrowing (GF)	889	(176)			(176)	713	174	-	-	887
Total Capital Financing	77,502	4,011	3,219	-	7,230	84,732	82,474	76,631	75,172	319,009

The net increase to the 2024/25 borrowing comprises £4m brought forward from future years and an increased borrowing request of £5m due to the acceleration in the volume of responsive capital works and disrepair enhancements. This includes kitchen, bathroom and window replacements and renewals. As well as 3.7m brought forward in relation to Damp and Mould works.

Appendix 2 –General Fund Mainstream Capital Programme 2024-28 with proposed 2024-25 Q4 variations

	Revised Budget (Q3)	Total Variations	2024/25 Outturn	Indicative Budget 2025/26	Indicative Budget 2026/27	Indicative Budget 2027/28	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure							
Ad Hoc Schemes:							
Social Care Capital projects [People]	129	(129)	-	129	-	-	129
Business Intelligence Infrastructure [F&C]	205	(10)	195	267	-	-	462
Investment in Digital Infrastructure [F&C]	229	(134)	95	-	-	-	95
Tech-tonic 2 Device refresh [F&C]	1,371	(133)	1,238	1,498	-	-	2,736
WMC JV Exit Costs [Place]	-	-	-	1,857	-	-	1,857
Carnwath Road [Place]	-	-	-	1,870	-	-	1,870
Hammersmith Bridge Strengthening [Place]	4,797	3,790	8,587	-	-	-	8,587
Hammersmith Bridge Pre Restoration Works [Place]	4,051	(2,581)	1,470	5,261	-	-	6,731
Green Investment Projects [Place]	1,920	(1,731)	189	2,627	2,349	-	5,165
Public CCTV [Place]	1,021	896	1,917	-	-	-	1,917
North End Road - Good Growth Fund [Place]	251	(100)	151	450	-	-	601
Leisure Centre Capital Investment [Place]	70	-	70	150	-	-	220
Divestment in local supported housing [Place]	-	-	-	-	-	-	-
Mund Street Refurbishment [Place]	1,336	(110)	1,226	110	-	-	1,336
Single homelessness and rough sleeping supported accommodation [Housing]	889	(175)	714	175	-	-	889
Civic Campus Commercial Units Works	-	141	141				141
Kings Coronation Youth Fund	-	6	6				6
Corporate Planned Maintenance Programme [Place]	5,912	(551)	5,361	3,321	2,400	2,400	13,482
Waste Collection and Disposal Projects [Place]	1,078	2,156	3,234	3,060	-	-	6,294
Transport For London Schemes	-	150	150	-	-	-	150
Footways and Carriageways [Place]	1,627	604	2,231	1,432	2,030	2,030	7,723
Column Replacement [Place]	396	97	493	250	346	346	1,435
Parks Programme & Libraries [Place]	140	(100)	40	100	-	-	140
Hammersmith Town Hall Refurbishment [Place]	9,230	8,738	17,968	6,581	-	-	24,549
Community Schools Programme [Place]	278	240	518	-	-	-	518
Mund Street [Place]	369	268	637	705	360	-	1,702
Total Mainstream Programmes	35,299	11,332	46,631	29,954	7,485	4,776	88,846
Financing							
Capital Receipts	8,374	(6,940)	1,434	8,357	-	-	9,791
Increase/(Decrease) in Borrowing	26,925	18,272	45,197	21,597	7,485	4,776	79,055
Total Financing	35,299	11,332	46,631	29,954	7,485	4,776	88,846

Appendix 3 – General Fund Capital Receipts Forecast

Financial Year	
2024/25	
Receipts b/f from 2023/24	10,622
Used in year (forecast)	(1,433)
Generated in year (forecast)	-
Total 2024/25 c/f to future years	9,189
Financial Year	
2025/26	
Receipts b/f from 2024/25	9,189
Used in year (forecast)	(8,357)
Generated in year (forecast)	-
Total 2025/26 c/f to future years	831

Appendix 4 – VAT Partial Exemption

Partial exemption overview

In general, businesses cannot recover the VAT incurred on purchases made in connection with VAT exempt activities, for example, on capital expenditure on properties which are let or leased. However, under Section 33 of the VAT Act 1994, local authorities can recover VAT incurred in relation to VAT exempt activities, for example property transactions, if it forms “an insignificant proportion” of the total VAT incurred (input tax) in any year, taken to be 5% or less. Crucially, the de minimis limit is not an allowance; if the 5% threshold is exceeded then all exempt input tax is lost, not just the excess. A breach would likely cost the Council around £3m per year whilst in breach.

LBHF Partial Exemption

The Council’s Partial Exemption position is currently being reviewed. When calculating the exempt input tax annually, the Council considers its revenue and capital activities separately. Revenue activities are more constant, their contribution to exempt input tax is projected at £4.7m (the impact on the threshold being the VAT incurred on this amount, i.e. £0.94m). Exempt input tax relating to capital activities is more volatile and each project must be considered and judged individually. The Council has several capital projects, both in progress and in the pipeline, which could have significant partial exemption implications and finance officers are working closely with colleagues working on these projects to ensure that these risks are identified and mitigated where possible.

VAT Policy

The following policy is in place to manage the partial exemption position:

- In all cases of new or reprofiled projects, the VAT team and the Council’s tax accountant should be consulted in advance.
- Projects should be 'opted-to-tax' where this option is available and is of no financial disadvantage to the Council.

Appendix 5 – Self- financing schemes

Table 2 - Self-financing schemes and loans CFR movements 2024/25-2027/28 (Outturn)

	Revised Budget (Q3)	Total Variations	2024/25 Outturn	Indicative Budget 2025/26	Indicative Budget 2026/27	Indicative Budget 2027/28	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure							
Ad Hoc Schemes:							
Acquisition of commercial units (Civic Campus) [Place]	10,536	(858)	9,678	18,054	-	-	27,732
Commercial Units- Cinema Fit Out [Place]	-	-	-	2,250	-	-	2,250
JV Partnership Loan (Civic Campus) [Place]	5,177	(1,078)	4,099	1,078	-	-	5,177
Total Mainstream Programmes	15,713	(1,936)	13,777	21,382	-	-	35,159
Financing							
Increase/(Decrease) in Borrowing	15,713	(1,936)	13,777	21,382	-	-	35,159
Total Financing	15,713	(1,936)	13,777	21,382	-	-	35,159

The current self-financing schemes include:

- £25m equity loan to the Civic Campus programme
- £10m development financing to WKSR LLP
- £63m investment in acquisition of Civic Campus commercial units
- £2.255m Civic Campus Cinema Fit Out