

	London Borough of Hammersmith & Fulham CABINET 6 OCTOBER 2014
CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2014/15 (FIRST QUARTER)	
Report of the Cabinet Member for Finance – Councillor Max Schmid	
Open Report	
Classification: For decision	
Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Jane West, Executive Director of Finance & Corporate Governance	
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1. EXECUTIVE SUMMARY

- 1.1. This report provides a financial update on the Council's Capital Programme and seeks approval for technical budget variations as at the end of the first quarter, 2014/15. A net increase to the 2014/15 programme of £24.3m is proposed. These variations are wholly of a technical nature, either to adjust for programme slippage between financial years or to recognise external funding now confirmed.
- 1.2. A review of the various policies and strategies which comprise the overall capital programme is underway. A separate report to consider the approach to key discretionary aspects of the capital programme – including expenditure on the General Fund Mainstream programme and debt reduction – has been submitted to the Finance and Delivery Policy and Accountability Committee with a view that recommendations will be made to Cabinet in due course.
- 1.3. Although a revised Council policy position in respect of the disposal of housing voids is yet to be adopted, this report prudently assumes a significant reduction in the level of housing capital receipts. The Housing programme remains fully funded in 2014/15 through the use of reserved capital receipts. A review of resource options is underway for subsequent years.

2. RECOMMENDATIONS

- 2.1. That the proposed technical budget variations to the capital programme totalling £24.3m (summarised in Table 1 and detailed in Appendix 2) be approved.
- 2.2. That approval be given to the Council's policy to manage its VAT Partial Exemption position (para 8.2) for 2014/15 and 2015/16.

3. REASONS FOR DECISION

- 3.1. This report seeks revisions to the Capital Programme which require the approval of Cabinet in accordance with the Council's financial regulations.

4. CAPITAL PROGRAMME

- 4.1. The Council's capital programme as at the end of the first quarter 2014/15 – including proposed variations - is summarised in table 1 below. Further detail for each service can be found in Appendix 1. A full analysis of elements of the programme funded from internal Council resource is included in section 6.

Table 1 – LBHF Capital Programme 2014-18 with proposed 2014/15 Variations

	Original Budget 2014/15 £'000	Proposed Variations: Original Budget to Q1				Revised Budget 2014/15 (As at Q1) £'000	2014/15 Spend to Date £'000	Indicative Budgets			Total Budget (All years) £'000
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/(Reductions)/Transfers £'000	Total Proposed Variations (Q1) £'000			2015/16 £'000	2016/17 £'000	2017/18 £'000	
CAPITAL EXPENDITURE											
Children's Services	38,316	16,787	-	7,719	24,506	62,822	5,690	4,791	100	-	67,713
Adult Social Care	1,971	568	(957)	473	84	2,055	152	1,407	450	450	4,362
Transport & Technical Services	7,236	5,515	-	1,198	6,713	13,949	390	7,155	7,231	7,231	35,566
Finance & Corporate Services	1,058	128	-	-	128	1,186	-	750	750	750	3,436
Environment, Leisure & Residents Services	700	1,614	-	-	1,614	2,314	171	692	500	500	4,006
Libraries	-	160	-	1,425	1,585	1,585	587	-	-	-	1,585
Sub-total (Non-Housing)	49,281	24,772	(957)	10,815	34,630	83,911	6,990	14,795	9,031	8,931	116,668
HRA Programme	48,391	4,370	(3,712)	400	1,058	49,449	2,268	49,068	45,937	45,438	189,892
Decent Neighbourhoods Programme	43,256	(460)	(13,095)	2,175	(11,380)	31,876	1,347	45,622	20,449	17,389	115,336
Sub-total (Housing)	91,647	3,910	(16,807)	2,575	(10,322)	81,325	3,615	94,690	66,386	62,827	305,228
Total Expenditure	140,928	28,682	(17,764)	13,390	24,308	165,236	10,605	109,485	75,417	71,758	421,896
CAPITAL FINANCING											
Specific/External Financing:											
Government/Public Body Grants	35,669	15,303	(1,119)	8,777	22,961	58,630	5,823	9,932	2,257	2,157	72,976
Contributions from Developers & Leaseholders (includes S106)	4,824	2,919	1,945	2,346	7,210	12,034	662	5,762	5,648	5,011	28,455
Other Specific Financing	-	-	-	-	-	-	-	-	-	-	-
Sub-total - Specific Financing	40,493	18,222	826	11,123	30,171	70,664	6,485	15,694	7,905	7,168	101,431
Mainstream Financing (Internal):											
Capital Receipts - General Fund	13,218	6,076	-	(308)	5,768	18,986	505	6,503	6,230	6,230	37,949
Capital Receipts - Housing*	68,457	3,991	(20,715)	2,575	(14,149)	54,308	3,615	44,094	35,517	2,091	136,010
Revenue funding - General Fund	761	80	-	-	80	841	-	544	544	544	2,473
Revenue Funding - HRA	113	-	-	-	-	113	-	761	553	2,773	4,200
Major Repairs Reserve (MRR) [Housing]	17,886	-	2,125	-	2,125	20,011	-	16,751	18,877	19,124	74,763
Earmarked Reserves (Revenue)	-	313	-	-	313	313	-	-	-	-	313
Sub-total - Mainstream Funding	100,435	10,460	(18,590)	2,267	(5,863)	94,572	4,120	68,653	61,721	30,762	255,708
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Funding to be identified	-	-	-	-	-	-	-	25,138	5,791	33,828	64,757
Total Capital Financing	140,928	28,682	(17,764)	13,390	24,308	165,236	10,605	109,485	75,417	71,758	421,896

*Capital Receipts include use of brought forward Housing receipts

- 4.2. A net variation to the 2014/15 programme of **£24.3m** is proposed, increasing total budgeted expenditure from **£140.9m** to **£165.2m**. Of the proposed net variation, £28.7m relates to slippages from the previous financial year. This is off-set by proposed slippage to future years of £17.8m, resulting in net slippage of £10.9m. The remaining £13.4m variation relates to growth in the programme where external sources of finance have now been confirmed or the recognition of cabinet decisions taken following the approval of the original capital programme in February 2014. The primary growth item is £7.7m in the Schools' Capital Programme following confirmation of Basic Needs Grant allocations for 2014/15. A detailed analysis of proposed variations for approval is included at Appendix 2.
- 4.3. All variations pertain to either slippage due to re-profiling, the recognition of external ring-fenced resource being granted to the Council or the reflection of cabinet decisions already taken. **There are no growth bids for internally resourced projects at this time.** As such, these adjustments should be considered technical in nature. Any strategic change to the programme, together with any potential re-allocation of resource, will be reflected in the programme as and when each area has been considered by officers and members over the coming months. A review of the various strategies which comprise the overall capital programme is underway.

5. GENERAL FUND DEBT REDUCTION

- 5.1. Since 2006 the Council has operated a strategy to reduce general fund debt using surplus capital receipts from the mainstream programme (see section 6). The current debt forecast is shown below:

Table 2 – Summary of General Fund Debt Reduction

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Opening Capital Finance Requirement (CFR)	74.2	68.6	51.8	43.2
Revenue Repayment of Debt (MRP)	(1.2)	(1.0)	(0.3)	0.0
Application of Mainstream Programme (Surplus)	(4.3)	(15.8)	(8.3)	0.0
Closing Capital Finance Requirement (CFR)	68.6	51.8	43.2	43.2
<i>Related revenue savings assumed in MTFS</i>	<i>1.3</i>	<i>1.9</i>	<i>2.5</i>	<i>2.7</i>

- 5.2. The revenue savings associated with debt reduction - as assumed in the Medium Term Financial Strategy (MTFS) - are shown in the table above.
- 5.3. It should be noted that the Council achieves no revenue benefit from reducing CFR debt below £43.2m due to floor in the MRP formula (known as 'Adjustment A').

6. GENERAL FUND – MAINSTREAM PROGRAMME AND CAPITAL RECEIPTS

- 6.1. The General Fund mainstream programme cuts across the departmental programmes and represents schemes which are funded from internal Council resource – primarily capital receipts. It is effectively the area of the programme where the Council has the greatest discretion. The receipts available to the

mainstream programme come via the General Fund asset disposal strategy which sits as part of the Asset Management Plan. The mainstream programme is summarised in Table 3 below.

Table 3 – General Fund Mainstream Programme

	Original Budget 2014/15 £'000	Proposed Variations (Q1)	Revised Budget 2014/15 (As at Q1) £'000	2014/15 Spend to Date (Q1) £'000	Indicative Budget 2015/16 £'000	Indicative Budget 2016/17 £'000	Indicative Budget 2017/18 £'000	Total Budget (All years) £'000
Approved Expenditure								
Ad Hoc Schemes:								
Schools Organisation Strategy [CHS] (mainstream element)*	6,837	2,107	8,944	-	273	-	-	9,217
Grants To Social Landlords (Hostel Improvement) [ASC]	60	-	60	30	-	-	-	60
Fulham Cemetery (Porta Cabins)	-	85	85	-	-	-	-	85
Rolling Programmes:								
Disabled Facilities Grant [ASC]	450	-	450	-	450	450	450	1,800
Planned Maintenance/DDA Programme [TTS]	2,500	3,714	6,214	156	2,500	2,500	2,500	13,714
Footways and Carriageways [TTS]	2,030	-	2,030	231	2,030	2,030	2,030	8,120
Controlled Parking Zones [TTS]	275	61	336	-	275	275	275	1,161
Column Replacement [TTS]	269	19	288	-	269	269	269	1,095
Contribution to Invest to Save Fund [FCS]	750	-	750	-	750	750	750	3,000
Parks Programme [ELRS]	500	170	670	170	500	500	500	2,170
Total Mainstream Programmes	13,671	6,156	19,827	587	7,047	6,774	6,774	40,422
Available and Approved Resource								
Capital Receipts (total available)	22,676	658	23,334	3,916	22,329	19,699	6,259	71,622
General Fund Revenue Account	761	80	841	-	544	544	544	2,473
Available Mainstream Resource	23,437	738	24,175	3,916	22,873	20,243	6,803	74,095
In-year surplus/(deficit)	9,766		4,348		15,826	13,469	29	
Surplus/(deficit) brought-forward	-		-		4,348	20,174	33,644	
Surplus/(deficit) carried forward	9,766		4,348		20,174	33,644	33,673	

*Queensmill redevelopment using Earls Court receipt, £9m of which has been ring-fenced for this purpose

- 6.2. A net variation to the 2014/15 mainstream programme of **£6.2m** is proposed, increasing total budgeted expenditure from **£13.7m** to **£19.8m**. This variation is captured as part of wider variations to the programme requested at para 4.2. All variations relate to slippage from the prior year and **there is no proposed growth to the overall programme**.
- 6.3. Forecast capital receipts for the year have increased by **£0.7m** to **£24.2m**. As at the end of the first quarter, **£3.9m** of receipts had been received. A summary of forecast receipts by year is included at Appendix 3.
- 6.4. As at the end of the first quarter, **£1.6m** of deferred disposal costs have been accrued in respect of anticipated General Fund disposals. These costs are netted against the receipt when received (subject to certain restrictions). In the event that a sale does not proceed these costs must be written back to revenue.
- 6.5. The mainstream programme is currently showing an overall forecast surplus in 2014/15 of **£4.3m**. Over the next four years the programme is forecast to be in surplus by **£33.7m**. The surplus currently underpins the debt reduction forecast.

7. OTHER PROGRAMMES

7.1. Housing Capital Programme

7.1.1 The Decent Neighbourhoods Fund contains the Council's Housing Capital Receipts which in accordance with the change in capital regulations, effective from 1 April 2013 must be used for Housing or Regeneration purposes and shows how the Council plans to reinvest those receipts in Housing and Regeneration.

7.1.2 The new administration is currently reviewing financing options, investment priorities and funding for the Decent Neighbourhoods Fund as part of the review of the Council's Housing Strategy and HRA Financial Strategy.

7.1.3 Although a revised Council policy position in respect of the disposal of housing voids is yet to be adopted, the table below prudently assumes a substantial reduction in Housing Capital Receipts. The receipts projected below are primarily from staircasing of Discount Market Sale homes and the sale of licences to leaseholders.

Table 4 – Housing Capital Programme 2014-18

	Original Budget 2014/15 £'000	Proposed Variations Q1 £'000	Revised Budget 2014/15 (Q1) £'000	Spend to Date £'000	Indicative Budget 2015/16 £'000	Indicative 2016/17 Budget £'000	Indicative 2017/18 Budget £'000
Approved Expenditure							
Decent Neighbourhood Schemes	43,256	(11,380)	31,876	1,347	45,622	20,449	17,389
HRA Schemes	48,391	1,058	49,449	2,268	49,068	45,937	45,438
Total Housing Programme - Approved Expenditure	91,647	(10,322)	81,325	3,615	94,690	66,386	62,827
Available and Approved Resource							
Capital Receipts	40,000	(21,988)	18,012	3,615	6,000	6,000	6,000
Sale of new build homes	1,800	136	1,936		11,315	20,202	
Earls Court Land Receipts						13,408	
Housing Revenue Account (revenue funding)	113	-	113		761	553	2,773
Major Repairs Reserve (MRR)	17,886	2,125	20,011		16,751	18,877	19,124
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	4,624	1,945	6,569		5,570	5,648	5,011
Capital Grants and Contributions from GLA Bodies	567	(243)	324	0	2,376	0	
Use of Reserves		-	-				
Total Available Forecast Resource	64,990	(18,025)	46,965	3,615	42,773	64,688	32,908
In-year surplus/(deficit)	(26,657)	(7,703)	(34,360)		(51,917)	(1,698)	(29,919)
Surplus/(deficit) brought-forward	59,200	11,478	70,678		36,318	(15,599)	(17,297)
Surplus/(deficit) carried forward*	32,543	3,775	36,318		(15,599)	(17,297)	(47,216)
<i>*Earmarked from above to cover Earls Court Cost of Disposal & 1-4-1 Replacement under RTB agreement</i>		4,774	4,774		9,539	13,632	17,541
Surplus/(Deficit) after earmarked resources			31,544		(25,138)	(30,929)	(64,757)

7.1.4 The 2014/15 Decent Neighbourhoods Capital Programme remains fully funded through the use of reserved capital receipts. The strategy for future years is under review as part of the review of the Council's Housing Strategy and HRA Financial Strategy.

7.2. Schools Programme

7.2.1 This report seeks to increase the overall schools capital programme budget by £7.7m following confirmation of external, ring-fenced government funding (captured through the variation request at 4.2). The specific allocation of this money will be the subject of a future report (the Schools' Organisation Strategy) to be put to Cabinet by the Executive Director of Children's Services in the Autumn.

7.3. Community Infrastructure Programme

7.3.1 The Community Infrastructure Board administers S106 monies and the Community Infrastructure Levy - due to come on line this year - and makes periodic recommendations to Cabinet concerning the allocation of these funds. These allocations currently cut across departmental programmes. This report does not include variations to this programme, a review of which is underway.

8. VAT IMPLICATIONS

8.1. The capital programme has a significant impact on the Council's VAT partial exemption position and thus its ability to reclaim VAT relating to exempt activity. Not all capital projects generate exempt activity, but due to the value of expenditure, any projects that do, significantly contribute to the position. The Council breached its limit in 2013/14 and is projecting for the breach to continue in 2014/15. The Lyric Theatre capital project has been the cause of the breach. The Council notified the HMRC of the prospective breach in 2013, and gained the available mitigation for this one-off breach to be allowed. In order, for the mitigation to remain valid, the Council must manage its position over the medium term to ensure that exempt VAT generated remains within agreed limits. An additional breach or failure to manage the position within the terms agreed with HMRC would lead to the Council being unable to reclaim any VAT relating to exempt activity in the year of the breach, which would represent a cost of approximately £3m.

8.2. The Council implemented a VAT policy to aid the management of the Partial Exemption position in 2013/14. The policy, updated for 2014/15, is detailed below and it is recommended its approval is reconfirmed:

- Projects should be 'opted-to-tax' where this option is available and is of no financial disadvantage to the Council.
- If an option-to tax is unavailable it is advised that any avoidable, new projects in 14/15 incurring exempt VAT are deferred for the present time.
- New or re-profiled projects planned for 15/16 and beyond incurring exempt VAT must be agreed with the Corporate VAT team.
- In all cases the VAT team should be consulted in advance in order that the forecasts can be updated and re-checked against limits.

9. EQUALITY IMPLICATIONS

- 9.1. There are no direct equalities implications in relation to this report.
- 9.2. Implications verified/completed by: David Bennett, Head of Change Delivery (Acting) - 020 7361 1628.

10. LEGAL IMPLICATIONS

- 10.1. There are no direct legal implications in relation to this report.
- 10.2. Implications verified/completed by: David Walker, Head of Commercial (Bi-Borough) 020 7361 2211.

11. FINANCIAL AND RESOURCES IMPLICATIONS

- 11.1. This report is wholly of a finance nature.

12. RISK MANAGEMENT

- 12.1. 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 have the ability to escalate rapidly are all necessary components of good capital programme risk management.
- 12.2. Major capital projects can significantly enhance value based on how well they are executed. Considering their high impact nature, the levels of oversight, governance, risk management and assurance need to be in place. For this the standards for the Council are set out in the financial regulations and scheme of delegation along with the key controls. A clearly defined enterprise wide risk management framework is now established across Tri-borough which considers all relevant risk classes and provides a common definition and approach to risk management. This will ensure that a common language and understanding is secured. Capital projects form part of the Strategic Tri-borough risks and monitoring of the programme is noted as a key mitigating action.
- 12.3. Implications completed by: Michael Sloniowski, Bi-borough Risk Manager ext. 2587

13. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 13.1. There are no direct equalities implications in relation to this report.

13.2. Implications verified/completed by: Alan Parry, Bi-borough Procurement Consultant - 020 7361 2581.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Capital Budget Monitoring Documents	Christopher Harris tel. 6440	Finance Dept., 2 nd Floor, Town Hall Extension

LIST OF APPENDICES:

Appendix 1 – Detailed Capital Budgets, Spend and Variation analysis by Service

Appendix 2 – Analysis of Budget Variations

Appendix 3 – Capital Receipts Forecast

Appendix 1 – Detailed Capital Budget, Spend and Variation Analysis by Service

Children's Services	Current Year Programme							Indicative Future Years		
	Original Budget 2014/15 £'000	Analysis of Movements (Original budget to Q1)				Revised Budget 2014/15 (Q1) £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/ (Reductions)/ Transfers £'000	Total Transfers/ Virements £'000					
Scheme Expenditure Summary										
Lyric Theatre Development	3,991	2,791		(19)	2,772	6,763	1,895	212		
Devolved Capital to Schools					-	-	(24)			
Schools Organisational Strategy	34,325	13,409		7,738	21,147	55,472	3,807	4,579	100	
Other Capital Schemes		587			587	587	12			
Total Expenditure	38,316	16,787	-	7,719	24,506	62,822	5,690	4,791	100	-
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	27,705	11,980		7,719	19,699	47,404	3,795	4,325	100	
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)					-	-				
Capital Grants/Contributions from Non-departmental Capital Grants and Contributions from GLA Bodies	3,774	2,700			2,700	6,474	1,895	193		
Sub-total - Specific or Other Financing	31,479	14,680	-	7,719	22,399	53,878	5,690	4,518	100	-
Mainstream Financing (Internal Council)										
Capital Receipts	6,620	2,107			2,107	8,727		273		
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)	217				-	217				
Use of Reserves					-	-				
Sub-total - Mainstream Funding	6,837	2,107	-	-	2,107	8,944	-	273	-	-
Borrowing										
Total Capital Financing	38,316	16,787	-	7,719	24,506	62,822	5,690	4,791	100	-

Adult Social Care Services	Current Year Programme							Indicative Future Years		
	Original Budget 2014/15 £'000	Analysis of Movements (Original budget to Q1)				Revised Budget 2014/15 (Q1) £'000	Expenditure to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/ (Reductions)/ Transfers £'000	Total Transfers/ Virements £'000					
Scheme Expenditure Summary										
Extra Care New Build project (Adults' Personal Social Services Grant)	957		(957)		(957)	-		957		
Grants To Social Landlords (Hostel Improvement)	60				-	60	30			
Adult Social Care IT		16			16	16				
Community Capacity Grant	504	227			227	731	10			
White City Collaborative Care project		254			254	254				
Disabled Facilities Grant	450	71		473	544	994	112	450	450	450
Total Expenditure	1,971	568	(957)	473	84	2,055	152	1,407	450	450
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	1,461	314	(957)	473	170	1,291	122	957		
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)					-	-				
Capital Grants/Contributions from Non-Capital Grants and Contributions from GLA					-	-				
Sub-total - Specific or Other Financing	1,461	314	-	473	170	1,291	122	957	-	-
Mainstream Financing (Internal Council)										
Capital Receipts	510				-	510	30	450	450	450
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)					-	-				
Use of Reserves		254			254	254				
Sub-total - Mainstream Funding	510	254	-	-	254	764	30	450	450	450
Borrowing										
Total Capital Financing	1,971	568	(957)	473	84	2,055	152	1,407	450	450

Appendix 1 – Detailed Capital Budget, Spend and Variation Analysis by Service (cont.)

Environment, Leisure and Residents Services	Current Year Programme						Indicative Future Years			
	Original Budget 2014/15 £'000	Analysis of Movements (Original budget to Q1)				Revised Budget 2014/15 £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/ (Reductions) / Transfers £'000	Total Transfers/ Virements £'000					
Scheme Expenditure Summary										
Parks Expenditure	500	437			437	937	170	500	500	500
Bishops Park		97			97	97				
Shepherds Bush Common Improvements		750			750	750	1			
Recycling		19			19	19				
CCTV	200	79			79	279	1	192		
Fulham Cemetery (Porta Cabin Facility)		85			85	85				
Linford Christie Stadium Refurbishment		147			147	147				
Total Expenditure	700	1,614	-	-	1,614	2,314	171	692	500	500
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	200	1,117			1,117	1,317	83	192		
Capital Grants/Contributions from Non-Capital Grants and Contributions from GLA Bodies		183			183	183				
Sub-total - Specific or Other Financing	200	1,300	-	-	1,300	1,500	83	192	-	-
Mainstream Financing (Internal Council)										
Capital Receipts	500	255			255	755	88	500	500	500
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)					-	-				
Use of Reserves		59			59	59				
Sub-total - Mainstream Funding	500	314	-	-	314	814	88	500	500	500
Borrowing										
Total Capital Financing	700	1,614	-	-	1,614	2,314	171	692	500	500

Libraries Services	Current Year Programme						Indicative Future Years			
	Original Budget 2014/15 £'000	Analysis of Movements (Original budget to Q1)				Revised Budget 2014/15 £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/ (Reductions) / Transfers £'000	Total Transfers/ Virements £'000					
Scheme Expenditure Summary										
Hammersmith Library Refurbishment Project		160		1,425	1,585	1,585	587			
Total Expenditure	-	160	-	1,425	1,585	1,585	587	-	-	-
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)		160		1,425	1,585	1,585	587			
Capital Grants/Contributions from Non-Capital Grants and Contributions from GLA Bodies					-	-				
Sub-total - Specific or Other Financing	-	160	-	1,425	1,585	1,585	587	-	-	-
Mainstream Financing (Internal Council)										
Capital Receipts					-	-				
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)					-	-				
Use of Reserves					-	-				
Sub-total - Mainstream Funding	-	-	-	-	-	-	-	-	-	-
Borrowing										
Total Capital Financing	-	160	-	1,425	1,585	1,585	587	-	-	-

Appendix 1 – Detailed Capital Budget, Spend and Variation Analysis by Service (cont.)

Housing Capital Programme	Current Year Programme					Indicative Future Years Analysis				
	Original Budget 2014/15 £'000	Analysis of Movements (Original budget to Q1)			Revised Budget 2014/15 (Q1) £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000	
		Slippages to/from 13/14 £'000	Slippages from/(to) future years £'000	Additions/ (Reductions) / Transfers £'000						Total Transfers/ Virements £'000
Scheme Expenditure Summary										
HRA Schemes:										
Supply Initiatives (Major Voids)	1,521	300	(321)	2,000	1,979	3,500	0	1,821	1,000	1,000
Energy Schemes	2,213	633	125	0	758	2,971	376	3,391	3,566	3,430
Lift Schemes	5,977	254	0	(548)	(294)	5,683	516	5,868	5,813	5,800
Internal Modernisation	2,610	0	500	889	1,389	3,999	0	3,551	3,600	3,500
Major Refurbishments	6,206	1,864	(420)	(58)	1,386	7,592	714	6,220	13,028	23,668
Planned Maintenance Framework	19,848	-2,028	(2,714)	(250)	(4,992)	14,856	284	20,257	10,914	0
Minor Programmes	8,966	2,419	(882)	(691)	846	9,812	34	7,795	6,966	6,990
Decent Homes Partnering	0	0	0	1,200	1,200	1,200	15	0	0	0
ASC/ELRS Managed	1,050	129	0	0	129	1,179	329	1,050	1,050	1,050
Rephasing & Reprogramming	0	799	0	(2,142)	(1,343)	(1,343)	0	(885)	0	0
Subtotal HRA	48,391	4,370	(3,712)	400	1,058	49,449	2,268	49,068	45,937	45,438
Decent Neighbourhood Schemes:										
HRA Debt Repayment	2,414				-	2,414	0	13,020	5,866	6,150
Earls Court Buy Back Costs	21,743		(9,421)		(9,421)	12,322	0	9,805	10,444	8,330
Earls Court Project Team Costs	3,639			135	135	3,774	408	3,765	3,093	2,909
Housing Development Project	12,041	(460)	(3,809)		(4,269)	7,772	905	18,317	2,346	0
Other DNP projects	3,419			2,175	2,175	5,594	34	715	(1,300)	0
Subtotal Decent Neighbourhoods	43,256	(460)	(13,095)	2,175	(11,380)	31,876	1,347	45,622	20,449	17,389
Total Expenditure	91,647	3,910	(16,807)	2,575	(10,322)	81,325	3,615	94,690	66,386	62,827
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	4,624		1,945		1,945	6,569		5,570	5,648	5,011
Capital Grants/Contributions from Non-departmental Capital Grants and Contributions from GLA Bodies	567	(81)	(162)		(243)	324		2,376	0	0
Sub-total - Specific or Other Financing	5,191	(81)	1,783	0	1,702	6,893	-	7,946	5,648	5,011
Mainstream Financing (Internal Council Resource)										
Capital Receipts	68,457	3,991	(20,715)	2,575	(14,149)	54,308	3,615	44,094	35,517	2,091
Housing Revenue Account (revenue funding)	113		0		-	113		761	553	2,773
Major Repairs Reserve (MRR) / Major Repairs	17,886		2,125		2,125	20,011		16,751	18,877	19,124
General Fund Revenue Account (revenue funding)					-	-		0	0	0
Use of Reserves					-	-		0	0	0
Sub-total - Mainstream Funding	86,456	3,991	(18,590)	2,575	(12,024)	74,432	3,615	61,606	54,947	23,988
Borrowing					-	-				
Funding to be identified/agreed								25,138	5,791	33,828
Total Capital Financing	91,647	3,910	(16,807)	2,575	(10,322)	81,325	3,615	94,690	66,386	62,827

Appendix 2 – Analysis of Budget Variations

Variation by Service	Amount £'000
Children's Services	
Lyric Theatre Development – programme slippage from prior year	2,791
School's Organisation Strategy - programme slippage from prior year	13,409
Programme slippage in respect of other capital schemes	587
School's Organisation Strategy – additions to programme following confirmation of external forward year funding.	7,738
Other adjustments	(19)
Total CHS variations	24,506
Adult Social Care	
Adult Social Care IT - programme slippage from prior year	16
Community Capacity Grant - programme slippage from prior year	227
White City Collaborative Care project - programme slippage from prior year	254
Disabled Facilities Grant - programme slippage from prior year	71
Extra Care New Build project (Adults' Personal Social Services Grant)- programme expected to slip into 2015/16	(957)
Disabled Facilities Grant – addition to programme following confirmation of external funding.	473
Total ASC variations	84
Transport and Technical Services	
Planned Maintenance/DDA Programme -programme slippage from prior year	3,714
Transport For London Schemes -£207k programme slippage from prior year plus additional external TFL funding for 2014/15 of £585k	792
Controlled Parking Zones -programme slippage from prior year	61
Column Replacement -programme slippage from prior year	19
Other Capital Schemes -£1.5m programme slippage from prior year plus £613k of additional external funding for 2014/15	2,127
Total TTS variations	6,713
Finance and Corporate Services	
Refurbishment of Edward Woods Community Centre - programme slippage from prior year.	128
Refurbishment of Edward Woods Community Centre – funding transfer: S106 monies (now agreed for this project) to replace use of general capital receipts - £308k	nil
Total FCS variations	128
Environment, Leisure and Residents Services	
Parks Expenditure -programme slippage from prior year	437
Bishops Park -programme slippage from prior year	97
Shepherds Bush Common Improvements -programme slippage from prior year	750
Recycling -programme slippage from prior year	19
Linford Christie Stadium Refurbishment- programme slippage from prior year	147
Porta Cabin Facility -programme slippage from prior year	85
CCTV- programme slippage from prior year	79
Total ELRS variations	1,614
Libraries	
Hammersmith Library Refurbishment – programme slippage from prior year	160
Hammersmith Library Refurbishment – programme addition following confirmation of S106 funds – this expenditure has previously been agreed by a separate cabinet report but is now recognised in the programme further to confirmation of funds.	1,425
Total Libraries variations	1,585

Appendix 2 – Analysis of Budget Variations cont.

Housing Capital Programme	
Net slippage on HRA programmes to and from previous/future years due to rephrasing of works.	658
Addition to programming following confirmation of external funding from Decent Homes Partnering.	400
Decent Neighbourhoods/Earls Court – Reduction to 14/15 funding programme due to reduction of the number of buybacks from 45 units to 24 units due to review of project.	(9,421)
Earls Court Project Team Costs – re-profiling of spend from future years	135
Housing Development Project – Slippage in delivery of programme due to change of contractor from Wilmot Dixon, and reprocurring of project	(4,269)
Recognition in programme of increase in 3 HEIP schemes as approved by Cabinet in January 2014	2,175
Total Housing variations	(10,322)

Appendix 3 – General Fund – Forecast Capital Receipts

Financial year	Previous Forecast	Movement/Slippage	Forecast Outturn at Quarter 1	Deposit received as @ P3	Full sales proceeds @ P3	Deferred Costs of Disposal reserved
	£'000	£'000	£'000	£'000	£'000	£'000
2014/15						
Total 2014/15	23,655	(321)	23,334	876	3,916	607
2015/16						
Total 2015/16	25,329	(3,000)	22,329	250	0	898
2016/17						
Total 2016/17	18,699	1,000	19,699	0	0	82
2017/18						
Total 2017/18	6,259	0	6,259	0	0	0
Total All Years	73,943	(2,321)	71,622	1,126	3,916	1,587