

	London Borough of Hammersmith & Fulham CABINET 1 DECEMBER 2014
CAPITAL PROGRAMME MONITOR AND BUDGET VARIATIONS, 2014/15 (SECOND 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, 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 second quarter, 2014/15. A net decrease of £7.6m to the 2014/15 capital budget (as approved at the end of the first quarter) is proposed. These variations are wholly of a technical nature, either to adjust for programme slippage between financial years, to recognise external funding now confirmed, or to reflect Cabinet and member decisions already taken.
- 1.2. A review of the various policies and strategies which comprise the overall capital programme is underway.
- 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. RECOMMENDATION

- 2.1. That the proposed technical budget variations to the capital programme totalling £7.6m (summarised in Table 1 and detailed in Appendix 2) be approved.

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 second 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 Q2 Variations

	Budget 2014/15 (Q1) £'000	Proposed Variations: Q1 Budget to Q2				Revised Budget 2014/15 (As at Q2) £'000	2014/15 Spend to Date £'000	Indicative Budgets			Total Budget (All years) £'000
		Slippages from/(to) future years £'000	Additions/ (Reductions) £'000	Transfers £'000	Total Proposed Variations (Q2) £'000			2015/16 £'000	2016/17 £'000	2017/18 £'000	
CAPITAL EXPENDITURE											
Children's Services	62,822	(755)	(4,516)	-	(5,271)	57,551	13,098	5,438	197	-	63,186
Adult Social Care	2,055	-	-	-	-	2,055	430	1,407	450	450	4,362
Transport & Technical Services	13,949	(28)	1,707	-	1,679	15,628	2,482	7,183	7,231	7,231	37,273
Finance & Corporate Services	1,186	-	-	-	-	1,186	-	750	750	750	3,436
Environment, Leisure & Residents Services	2,314	-	-	-	-	2,314	568	692	500	500	4,006
Libraries	1,585	-	-	-	-	1,585	928	-	-	-	1,585
Sub-total (Non-Housing)	83,911	(783)	(2,809)	-	(3,592)	80,319	17,505	15,470	9,128	8,931	113,848
HRA Programme	49,449	(1,038)	-	-	(1,038)	48,411	7,694	51,456	46,255	46,408	192,530
Decent Neighbourhoods Programme	31,876	(2,177)	(768)	-	(2,945)	28,931	3,209	45,189	21,190	17,388	112,698
Sub-total (Housing)	81,325	(3,215)	(768)	-	(3,983)	77,342	10,903	96,645	67,445	63,796	305,228
Total Expenditure	165,236	(3,998)	(3,577)	-	(7,575)	157,661	28,408	112,115	76,573	72,727	419,076
CAPITAL FINANCING											
Specific/External Financing:											
Government/Public Body Grants	58,630	(587)	(6,763)	(211)	(7,561)	51,069	14,557	10,411	2,354	2,157	65,991
Contributions from Developers & Leaseholders (includes S106)	12,034	(28)	186	178	336	12,370	1,772	5,913	5,525	5,011	28,819
Other Specific Financing	-	-	-	-	-	-	-	-	-	-	-
Sub-total - Specific Financing	70,664	(615)	(6,577)	(33)	(7,225)	63,439	16,329	16,324	7,879	7,168	94,810
Mainstream Financing (Internal):											
Capital Receipts - General Fund	18,986	-	-	-	-	18,986	1,045	6,671	6,230	6,230	38,117
Capital Receipts - Housing*	54,308	(3,215)	(768)	-	(3,983)	50,325	10,903	44,821	43,865	2,091	141,102
Revenue funding - General Fund	841	-	(182)	33	(149)	692	132	544	544	544	2,324
Revenue Funding - HRA	113	-	-	-	-	113	-	761	553	2,773	4,200
Major Repairs Reserve (MRR) [Housing]	20,011	-	-	-	-	20,011	-	17,516	18,744	18,592	74,863
Earmarked Reserves (Revenue)	313	-	-	-	-	313	-	-	-	-	313
Sub-total - Mainstream Funding	94,572	(3,215)	(950)	33	(4,132)	90,440	12,079	70,313	69,936	30,230	260,919
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Funding to be identified	-	(168)	3,950	-	3,782	3,782	-	25,478	- 1,242	35,329	63,347
Total Capital Financing	165,236	(3,998)	(3,577)	-	(7,575)	157,661	28,408	112,115	76,573	72,727	419,076

*Capital Receipts include use of brought forward Housing receipts

4.2. A net variation to the 2014/15 programme of £7.6m is proposed, decreasing total budgeted expenditure from £165.2m to £157.6m. Of the proposed net variation, £4m relates to slippages between financial years. The remaining £3.6m variation

relates mainly to the net decrease in the school programme budget. This decrease is due to 'Condition Allocation' budget which is directly devolved to schools to utilise as they see fit. 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 at Q2

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Opening Capital Finance Requirement (CFR)	74.2	66.2	52.1	43.2
Revenue Repayment of Debt (MRP)	(1.2)	(0.9)	(0.4)	0.0
Application of Mainstream Programme (Surplus)	(6.7)	(13.2)	(8.5)	0.0
Closing Capital Finance Requirement (CFR)	66.2	52.1	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 a floor in the Minimum Revenue Provision (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 at 2014/15 Q2

	Budget 2014/15 (Q1)	Proposed Variations (Q2)	Revised Budget 2014/15 (As at Q2)	2014/15 Spend to Date (Q2)	Indicative Budget 2015/16	Indicative Budget 2016/17	Indicative Budget 2017/18	Total Budget (All years)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Approved Expenditure								
Ad Hoc Schemes:								
Schools Organisation Strategy [CHS] (mainstream element)*	8,944	33	8,977	-	441	-	-	9,418
Grants To Social Landlords (Hostel Improvement) [ASC]	60	-	60	60	-	-	-	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]	6,214	-	6,214	243	2,500	2,500	2,500	13,714
Footways and Carriageways [TTS]	2,030	-	2,030	536	2,030	2,030	2,030	8,120
Controlled Parking Zones [TTS]	336	(182)	154	-	275	275	275	979
Column Replacement [TTS]	288	-	288	132	269	269	269	1,095
Contribution to Invest to Save Fund [FCS]	750	-	750	-	750	750	750	3,000
Parks Programme [ELRS]	670	-	670	206	500	500	500	2,170
Total Mainstream Programmes	19,827	(149)	19,678	1,177	7,215	6,774	6,774	40,441
Available and Approved Resource								
Capital Receipts (total available)	23,334	2,374	25,708	16,496	19,907	21,362	6,259	73,236
General Fund Revenue Account	841	(149)	692	-	544	544	544	2,324
Available Mainstream Resource	24,175	2,225	26,400	16,496	20,451	21,906	6,803	75,560
In-year surplus/(deficit)	4,348		6,722		13,236	15,132	29	
Surplus/(deficit) brought-forward	-		-		6,722	19,958	35,089	
Surplus/(deficit) carried forward	4,348		6,722		19,958	35,089	35,119	

*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 **£149k** is proposed, decreasing total budgeted expenditure from **£19.8m** to **£19.7m**. 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 **£2.4m** to **£25.7m**. As at the end of the second quarter, **£16.5m** of receipts had been received. A schedule of forecast receipts is included at appendix 3.
- 6.4. As at the end of the second 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. A full schedule of deferred costs is included in Appendix 3.
- 6.5. The mainstream programme is currently showing an overall forecast surplus in 2014/15 of **£6.7m**. Over the next four years the programme is forecast to be in surplus by **£35.1m**. 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.

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 at Q2

	Budget 2014/15 (Q1) £'000	Proposed Variations Q2 £'000	Revised Budget 2014/15 (Q2) £'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	31,876	(2,945)	28,931	3,209	45,189	21,190	17,388
HRA Schemes	49,449	(1,038)	48,411	7,694	51,456	46,255	46,408
Total Housing Programme - Approved Expenditure	81,325	(3,983)	77,342	10,903	96,645	67,445	63,796
Available and Approved Resource							
Capital Receipts	18,012	(2,699)	15,313	10,903	8,700	6,000	6,000
Sale of new build homes	1,936	39	1,975	-	8,019	23,498	-
Earls Court Land Receipts	-	-	-	-	-	18,460	-
Housing Revenue Account (revenue funding)	113	-	113	-	761	553	2,773
Major Repairs Reserve (MRR)	20,011	-	20,011	-	17,516	18,744	18,592
Contributions Developers (S106)	0	-	-	-	-	-	-
Contributions from leaseholders	6,569	-	6,569	-	5,693	5,525	5,011
Capital Grants and Contributions from GLA Bodies	324	-	324	-	2,376	-	-
Use of Reserves	-	-	-	-	-	-	-
Total Available Forecast Resource (In-year)	46,965	(2,660)	44,305	10,903	43,065	72,780	32,376
In-year surplus/(deficit)	(34,360)	1,323	(33,037)	-	(53,580)	5,335	(31,420)
Surplus/(deficit) brought-forward	70,678	-	70,678	-	37,641	(15,939)	(10,604)
Surplus/(deficit) carried forward*	36,318	1,323	37,641	-	(15,939)	(10,604)	(42,024)
<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	1,323	32,867	-	(25,478)	(24,236)	(59,565)

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.

8. VAT IMPLICATIONS

- 8.1. The capital programme can significantly impact the Council's VAT Partial Exemption. The position continues to be managed through the VAT policy, as approved in the Q1 capital programme monitor, and regular review of high VAT risk projects.

9. EQUALITY IMPLICATIONS

- 9.1. There are no direct equalities implications in relation to this report. This paper is concerned entirely with financial management issues and as such is not impacting directly on any protected group.
- 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, Principal Solicitor (Property) 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		
	Budget 2014/15 (Q1)	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
		Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements					
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Scheme Expenditure Summary										
Lyric Theatre Development	6,763	(168)	3,950		3,782	10,545	3,162	380		
Devolved Capital to Schools			491		491	491	492			
Schools Organisational Strategy	55,472	(587)	(8,957)		(9,544)	45,928	9,403	5,058	197	
Other Capital Schemes	587				-	587	41			
Total Expenditure	62,822	(755)	(4,516)	0	(5,271)	57,551	13,098	5,438	197	-
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	47,404	(587)	(8,466)		(9,053)	38,351	9,936	4,804	197	
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)					-	-	-			
Capital Grants/Contributions from Non-departmental public bodies	6,474			(33)	(33)	6,441	3,162	193		
Capital Grants and Contributions from GLA Bodies					-	-	-			
Sub-total - Specific or Other Financing	53,878	(587)	(8,466)	(33)	(9,086)	44,792	13,098	4,997	197	-
Mainstream Financing (Internal Council Resource)										
Capital Receipts	8,727				-	8,727	-	441		
Housing Revenue Account (revenue funding)					-	-	-			
Major Repairs Reserve (MRR) / Major Repairs					-	-	-			
General Fund Revenue Account (revenue funding)	217			33	33	250	-			
Use of Reserves					-	-	-			
Sub-total - Mainstream Funding	8,944	-	-	33	33	8,977	-	441	-	-
Borrowing										
Funding to be identified/agreed		(168)	3,950		3,782	3,782				
Total Capital Financing	62,822	(755)	(4,516)	0	(5,271)	57,551	13,098	5,438	197	-

Adult Social Care Services	Current Year Programme							Indicative Future Years		
	Budget 2014/15 (Q1)	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2)	Expenditure to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
		Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements					
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Scheme Expenditure Summary										
Extra Care New Build project (Adults' Personal Social Services Grant)					-	-	-	957		
Grants To Social Landlords (Hostel Improvement)	60				-	60	60			
Adult Social Care IT	16				-	16	16			
Community Capacity Grant	731				-	731	20			
White City Collaborative Care project	254				-	254	-			
Disabled Facilities Grant	994				-	994	334	450	450	450
Total Expenditure	2,055	-	-	-	-	2,055	430	1,407	450	450
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	1,291				-	1,291	370	957		
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)					-	-	-			
Capital Grants/Contributions from Non-departmental public bodies					-	-	-			
Capital Grants and Contributions from GLA					-	-	-			
Sub-total - Specific or Other Financing	1,291	-	-	-	-	1,291	370	957	-	-
Mainstream Financing (Internal Council Resource)										
Capital Receipts	510				-	510	60	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	-			
Sub-total - Mainstream Funding	764	-	-	-	-	764	60	450	450	450
Borrowing										
Total Capital Financing	2,055	-	-	-	-	2,055	430	1,407	450	450

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

Transport and Technical Services

	Current Year Programme							Indicative Future Years		
	Budget 2014/15 (Q1)	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
		Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements					
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Planned Maintenance/DDA Programme	6,214				-	6,214	243	2,500	2,500	2,500
Footways and Carriageways	2,030				-	2,030	536	2,030	2,030	2,030
Transport For London Schemes	2,954		1,703	(178)	1,525	4,479	1,089	2,081	2,157	2,157
Controlled Parking Zones	336		(182)		(182)	154		275	275	275
Column Replacement	288				-	288	132	269	269	269
Other Capital Schemes	2,127	(28)	186	178	336	2,463	481	28		
Total Expenditure	13,949	(28)	1,707	-	1,679	15,628	2,482	7,183	7,231	7,231

Scheme Expenditure Summary

Planned Maintenance/DDA Programme	6,214				-	6,214	243	2,500	2,500	2,500
Footways and Carriageways	2,030				-	2,030	536	2,030	2,030	2,030
Transport For London Schemes	2,954		1,703	(178)	1,525	4,479	1,089	2,081	2,157	2,157
Controlled Parking Zones	336		(182)		(182)	154		275	275	275
Column Replacement	288				-	288	132	269	269	269
Other Capital Schemes	2,127	(28)	186	178	336	2,463	481	28		
Total Expenditure	13,949	(28)	1,707	-	1,679	15,628	2,482	7,183	7,231	7,231

Capital Financing Summary

Specific/External or Other Financing	Current Year Programme							Indicative Future Years		
	Budget 2014/15 (Q1)	Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements	Revised Budget 2014/15 (Q2)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	2,127	(28)	186	178	336	2,463	481	28		
Capital Grants/Contributions from Non-departmental public bodies					-	-				
Capital Grants and Contributions from GLA Bodies	2,954		1,703	(178)	1,525	4,479	1,089	2,081	2,157	2,157
Sub-total - Specific or Other Financing	5,081	(28)	1,889	-	1,861	6,942	1,571	2,109	2,157	2,157
Mainstream Financing (Internal Council Resource)	Current Year Programme							Indicative Future Years		
Capital Receipts	8,244				-	8,244	779	4,530	4,530	4,530
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)	624		(182)		(182)	442	132	544	544	544
Use of Reserves					-	-				
Sub-total - Mainstream Funding	8,868	0	(182)	0	(182)	8,686	911	5,074	5,074	5,074
Borrowing					-	-				
Total Capital Financing	13,949	(28)	1,707	0	1,679	15,628	2,482	7,183	7,231	7,231

Finance & Corporate Governance

	Current Year Programme							Indicative Future Years		
	Budget 2014/15 (Q1)	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
		Slippages from/(to) future years	Additions/(Reductions)	Transfers	Total Transfers/Virements					
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Relocation of HAFAD to Edward Woods Community Centre and Related Refurbishment Requirements	436				-	436				
Contribution to Invest to Save Fund	750				-	750		750	750	750
Total Expenditure	1,186	-	-	-	-	1,186	-	750	750	750
Capital Financing Summary	Current Year Programme							Indicative Future Years		
Specific/External or Other Financing										
Capital Grants from Central Government	0				-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	436				-	436				
Capital Grants/Contributions from Non-departmental public bodies					-	-				
Capital Grants and Contributions from GLA Bodies					-	-				
Sub-total - Specific or Other Financing	436	-	-	-	-	436	-	-	-	-
Mainstream Financing (Internal Council Resource)	Current Year Programme							Indicative Future Years		
Capital Receipts	750				-	750		750	750	750
Housing Revenue Account (revenue funding)					-	-				
Major Repairs Reserve (MRR) / Major Repairs					-	-				
General Fund Revenue Account (revenue funding)					-	-				
Use of Reserves					-	-				
Sub-total - Mainstream Funding	750	-	-	0	-	750	-	750	750	750
Borrowing					-	-				
Total Capital Financing	1,186	-	-	-	-	1,186	-	750	750	750

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

Environment, Leisure and Residents Services	Current Year Programme						Indicative Future Years			
	Budget 2014/15 (Q1) £'000	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2) £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000					
Scheme Expenditure Summary										
Parks Expenditure	937				-	937	522	500	500	500
Bishops Park	97				-	97	2			
Shepherds Bush Common Improvements	750				-	750	43			
Recycling	19				-	19				
CCTV	279				-	279	1	192		
Fulham Cemetery (Porta Cabin Facility)	85				-	85				
Linford Christie Stadium Refurbishment	147				-	147				
Total Expenditure	2,314					2,314	568	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)	1,317				-	1,317	362	192		
Capital Grants/Contributions from Non-departmental public bodies	183				-	183				
Capital Grants and Contributions from GLA Bodies					-	-				
Sub-total - Specific or Other Financing	1,500					1,500	362	192		
Mainstream Financing (Internal Council Resource)										
Capital Receipts	755				-	755	206	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				
Sub-total - Mainstream Funding	814					814	206	500	500	500
Borrowing										
Total Capital Financing	2,314					2,314	568	692	500	500

Libraries Services	Current Year Programme						Indicative Future Years			
	Budget 2014/15 (Q1) £'000	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2) £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
		Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000					
Scheme Expenditure Summary										
Hammersmith Library Refurbishment Project	1,585				-	1,585	928			
Total Expenditure	1,585					1,585	928			
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	1,585				-	1,585	928			
Capital Grants/Contributions from Non-departmental public bodies					-	-				
Capital Grants and Contributions from GLA Bodies					-	-				
Sub-total - Specific or Other Financing	1,585					1,585	928			
Mainstream Financing (Internal Council Resource)										
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	1,585					1,585	928			

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

Housing Capital Programme	Current Year Programme						Indicative Future Years			
	Budget 2014/15 (Q1)	Analysis of Movements (Q1 to Q2)				Revised Budget 2014/15 (Q2)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget
		Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements					
Scheme Expenditure Summary										
HRA Schemes:										
Supply Initiatives (Major Voids)	3,500			2,400	2,400	5,900		1,421	1,000	1,000
Energy Schemes	2,971			(310)	(310)	2,661	892	3,391	3,566	3,430
Lift Schemes	5,683			(132)	(132)	5,551	1,470	5,956	5,813	5,800
Internal Modernisation	3,999			1	1	4,000		3,551	3,600	3,500
Major Refurbishments	7,592			(49)	(49)	7,543	693	7,420	12,228	23,668
Planned Maintenance Framework	14,856			(552)	(552)	14,304	1,858	20,257	10,914	
Minor Programmes	9,812			(275)	(275)	9,537	1,919	7,795	6,966	6,990
Decent Homes Partnering	1,200			(290)	(290)	910	212			
ASC/ELRS Managed	1,179			350	350	1,529	650	1,050	1,050	1,050
Rephasing & Reprogramming	(1,343)	(1,038)		(1,143)	(2,181)	(3,524)		615	1,118	970
Subtotal HRA	49,449	(1,038)	0	0	(1,038)	48,411	7,694	51,456	46,255	46,408
Decent Neighbourhood Schemes:										
HRA Debt Repayment	2,414				-	2,414		13,020	5,866	6,150
Earls Court Buy Back Costs	12,322				-	12,322		9,805	10,444	8,330
Earls Court Project Team Costs	3,774	(2,177)	(218)		(2,395)	1,379	617	3,345	3,829	2,908
Housing Development Project	7,772		51		51	7,823	2,489	18,304	2,351	
Other DNP projects	5,594		(601)		(601)	4,993	103	715	(1,300)	
Subtotal Decent Neighbourhoods	31,876	(2,177)	(768)	0	(2,945)	28,931	3,209	45,189	21,190	17,388
Total Expenditure	81,325	(3,215)	(768)	0	(3,983)	77,342	10,903	96,645	67,445	63,796
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government					-	-				
Grants and Contributions from Private Developers and leaseholders, etc. (includes S106)	6,569				-	6,569		5,693	5,525	5,011
Capital Grants/Contributions from Non-departmental public bodies					-	-				
Capital Grants and Contributions from GLA Bodies	324				-	324		2,376		
Sub-total - Specific or Other Financing	6,893	0	0	0	0	6,893	-	8,069	5,525	5,011
Mainstream Financing (Internal Council Resource)										
Capital Receipts	54,308	(3,215)	(768)		(3,983)	50,325	10,903	44,821	43,865	2,091
Housing Revenue Account (revenue funding)	113				-	113		761	553	2,773
Major Repairs Reserve (MRR) / Major Repairs	20,011				-	20,011		17,516	18,744	18,592
General Fund Revenue Account (revenue funding)					-	-				
Use of Reserves					-	-				
Sub-total - Mainstream Funding	74,432	(3,215)	(768)	0	(3,983)	70,449	10,903	63,098	63,162	23,456
Borrowing										
Funding to be identified/agreed	-							25,478	(1,242)	35,329
Total Capital Financing	81,325	(3,215)	(768)	0	(3,983)	77,342	10,903	96,645	67,445	63,796

Appendix 2 – Analysis of Budget Variations

Variation by Service	Amount £'000
Children's Services	
Lyric Theatre Development – increase in budget requirement as approved by the Cabinet on 6 th October 2014, funding resources to be identified	3,782
Schools Organisation Strategy - programme slippage to future years £587k + £8,957k reduction due to Condition Allocation budget which is directly devolved to schools to utilise as they see fit.	(9,544)
Schools' Devolved capital- additional external funding allocations	491
Total CHS variations	(5,271)
Transport and Technical Services	
Transport For London Schemes -additional TFL funding allocated to Principal Road Maintenance, Shepherds Bush West Town Centre and DFT schemes	1,525
Controlled Parking Zones –reduction in budget, funding redirected to be used on revenue projects	(182)
Other Capital Schemes – £186k of additional S106 funding and £178k correction of previously miscategorised S106 project	336
Total TTS variations	1,679
Housing Capital Programme	
Slippage on HRA programmes to future years due to rephasing of works	(1,038)
Earls Court Project Team Costs – re-profiling of spend to future years (£2,177k) and a reduction in overall estimated costs (£218k)	(2,395)
Other DNP projects – reduction in budget due to cancellation of some of Discounted Market Sale schemes	(601)
Housing Development Programme- budget increase due to overruns in the development programme	51
Total Housing variations	(3,983)

Appendix 3 – General Fund – Forecast Capital Receipts

Year/Property	Previous Foreercast	Movement/ Slippage	Forecast Outturn at Quarter 2	Deposit received as @ P6	Full sales proceeds @ P6	Deferred Costs of Disposal reserved
	£'000	£'000	£'000	£'000	£'000	£'000
2014/15						
Total 2014/15	23,334	2,374	25,708	876	16,496	607
2015/16						
Total 2015/16	22,329	(2,423)	19,907	250	0	898
2016/17						
Total 2016/17	19,699	1,663	21,362	0	0	82
2017/18						
Total 2017/18	6,259	0	6,259	0	0	0
Total All Years	71,622	1,614	73,236	1,126	16,496	1,587