

 <p>hammersmith & fulham</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 FEBRUARY 2015</p>
<p>CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2014/15 (THIRD QUARTER)</p>	
<p>Report of the Cabinet Member for Finance – Councillor Max Schmid</p>	
<p>Open Report</p>	
<p>Classification: For decision Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Jane West, Director of Finance & Corporate Governance</p>	
<p>Report Author: Christopher Harris, Head of Corporate Accountancy and Capital</p>	<p>Contact Details: Tel: 0208 753 6440 Email: christopher.harris@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report provides a financial update on the Council's Capital Programme and seeks approval for budget variations as at the end of the third quarter, 2014/15. A net decrease of **£27.2m** to the 2014/15 capital budget (as approved at the end of the second quarter) is proposed.
- 1.2. A review of the various policies and strategies which comprise the overall capital programme is underway and a new Capital Programme will be laid before Council in February 2015.

2. RECOMMENDATION

- 2.1. That approval be given to the proposed budget variations to the capital programme totalling **£27.2m** (summarised in Table 1 and detailed in Appendix 2).

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 third 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 Q3 Variations

	Budget 2014/15 (Q2) £'000	Proposed Variations: Q2 Budget to Q3				Revised Budget 2014/15 (At Q3) £'000	2014/15 Spend to Date £'000	Indicative Budgets			Total Budget (All years) £'000
		Slippages from/(to) future years £'000	Addition/(Reduction) £'000	Transfers £'000	Total Proposed Variations (Q3) £'000			2015/16 £'000	2016/17 £'000	2017/18 £'000	
CAPITAL EXPENDITURE											
Children's Services	57,551	(16,459)	2,238	-	(14,221)	43,330	22,615	21,897	197	-	65,424
Adult Social Care	2,055	-	19	-	19	2,074	628	1,948	450	450	4,922
Transport & Technical Services	15,628	-	1,626	-	1,626	17,254	4,718	7,183	9,101	7,231	40,769
Finance & Corporate Services	1,186	-	-	-	-	1,186	-	750	750	750	3,436
Environment, Leisure & Residents Services	2,314	(19)	179	-	160	2,474	885	711	500	500	4,185
Libraries	1,585	-	-	-	-	1,585	930	-	-	-	1,585
Sub-total (Non-Housing)	80,319	(16,478)	4,062	-	(12,416)	67,903	29,776	32,489	10,998	8,931	120,321
HRA Programme	48,411	(5,239)	-	-	(5,239)	43,172	14,770	57,548	44,502	44,170	189,392
Decent Neighbourhoods Programme	28,931	(10,069)	492	-	(9,577)	19,354	3,470	36,613	24,420	14,522	94,909
Sub-total (Housing)	77,342	(15,308)	492	-	(14,816)	62,526	18,240	94,161	68,922	58,692	284,301
Total Expenditure	157,661	(31,786)	4,554	-	(27,232)	130,429	48,016	126,650	79,920	67,623	404,622
CAPITAL FINANCING											
Specific/External Financing:											
Government/Public Body Grants	51,069	(16,648)	2,653	-	(13,995)	37,074	20,301	25,602	4,352	2,157	69,185
Developers Contributions (S106)	5,801	(19)	209	-	190	5,991	2,094	239	-	-	6,230
Leaseholder Contributions	6,569	-	-	-	-	6,569	-	5,693	5,525	5,011	22,798
Other Specific Financing	-	-	-	-	-	-	-	-	-	-	-
Sub-total - Specific Financing	63,439	(16,667)	2,862	-	(13,805)	49,634	22,395	31,534	9,877	7,168	98,213
Mainstream Financing (Internal):											
Capital Receipts - General Fund	18,986	-	1,200	-	1,200	20,186	7,102	6,503	8,100	6,230	41,019
Capital Receipts - Housing*	50,325	(18,298)	492	0	(17,806)	32,519	3,470	66,617	39,056	19,555	157,747
Revenue funding - General Fund	692	-	-	-	-	692	279	544	544	544	2,324
Revenue Funding - HRA	113	-	-	-	-	113	-	2,300	5,500	11,574	19,487
Major Repairs Reserve (MRR) [Housing]	20,011	3,179	-	-	3,179	23,190	14,770	16,849	17,355	17,818	75,212
Earmarked Reserves (Revenue)	313	-	-	-	-	313	-	-	-	0	313
Sub-total - Mainstream Funding	90,440	(15,119)	1,692	-	(13,427)	77,013	25,621	92,813	70,555	55,721	296,102
Borrowing	-	-	-	-	-	-	-	2,135	(512)	4,734	6,357
Funding to be identified	3,782	-	-	-	-	3,782	-	168	-	-	3,950
Total Capital Financing	157,661	(31,786)	4,554	-	(27,232)	130,429	48,016	126,650	79,920	67,623	404,622

*Capital Receipts include use of brought forward Housing receipts

4.2. A net variation to the 2014/15 programme of **£27.2m** is proposed, decreasing total budgeted expenditure from **£157.6m** to **£130.4m**. Of the proposed net variation, £31.8m relates to slippages between financial years. The remaining £4.6m variation relates primarily to growth in the programme where external funding sources have now been confirmed or associated forecast funding has increased. A detailed analysis of proposed variations for approval is included at Appendix 2.

5. CAPITAL FINANCE REQUIREMENT (CAPITAL DEBT)

- 5.1. The Capital Finance Requirement (CFR) measures the Council's long-term indebtedness. For the General Fund CFR, the Council is required to set-aside an annual provision from revenue, known as the Minimum Revenue Provision (MRP), which is designed to set-aside resource to repay debt. There is no requirement to make MRP in respect of Housing debt.
- 5.2. Since 2006 the Council has operated a strategy to reduce General Fund CFR debt using surplus capital receipts from the mainstream programme. Table 2 below represents the potential CFR position based on the continued application of surplus receipts.

Table 2 – Forecast General Fund CFR at Q3 2014-15

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Opening Capital Finance Requirement (CFR)	74.20	56.65	43.18	43.18
Revenue Repayment of Debt (MRP)	(1.24)	(0.54)	-	-
Application of Mainstream Programme (Surplus)/Deficit	(16.31)	(12.93)	-	-
Closing Capital Finance Requirement (CFR)	56.65	43.18	43.18	43.18

<i>Related annual revenue savings assumed in MTFS</i>	<i>1.3</i>	<i>0.6</i>	<i>1.1</i>	<i>1.4</i>
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- 5.3. The annual revenue savings associated with debt reduction and debt management - as assumed in the Medium Term Financial Strategy (MTFS) - are shown in the table above. These savings include the assumed MRP savings associated with CFR reduction.
- 5.4. The Council is not required to make MRP provisions once the General Fund CFR reaches £43.2m.
- 5.5. The Council is currently exploring investment alternatives to General Fund debt reduction that would offer a better return on investment.
- 5.6. The current HRA CFR forecast is shown in Table 3 below:

Table 3 – Forecast HRA CFR at Q3 2014-15

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Opening HRA Capital Finance Requirement (CFR)	207,760	205,346	205,918	202,650
Net movement in external borrowing	(2,414)	(1,563)	(2,756)	(1,931)
Net movement in internal borrowing	0	2,135	(511)	4,733
Closing HRA Capital Finance Requirement (CFR)	205,346	205,918	202,650	205,453

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 4.

Table 4 – General Fund Mainstream Programme at 2014/15 Q3

	Budget 2014/15 (Q2)	Proposed Variations (Q3)	Revised Budget 2014/15 (As at Q3)	Spend/ Receipts to Date	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)*	8,977	-	8,977	4,570	273	-	-	9,250
Set-aside for Lyric redevelopment [CHS]	3,782	-	3,782	-	168	-	-	3,950
Carnwath Road Receipt [TTS]	-	1,200	1,200	-	-	1,870	-	3,070
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	745	2,500	2,500	2,500	13,714
Footways and Carriageways [TTS]	2,030	-	2,030	1,171	2,030	2,030	2,030	8,120
Controlled Parking Zones [TTS]	154	-	154	-	275	275	275	979
Column Replacement [TTS]	288	-	288	279	269	269	269	1,095
Contribution to Invest to Save Fund [FCS]	750	-	750	-	750	750	750	3,000
Parks Programme [ELRS]	670	-	670	549	500	500	500	2,170
Total Mainstream Programmes	23,460	1,200	24,660	7,374	7,215	8,644	6,774	47,293
Available and Approved Resource								
Capital Receipts (total available)	25,708	14,571	40,279	22,296	21,251	8,894	3,840	74,264
General Fund Revenue Account	692	-	692	279	544	544	544	2,324
Available Mainstream Resource	26,400	14,571	40,971	22,575	21,795	9,438	4,384	76,588
In-year surplus/(deficit)	2,940		16,311		14,580	794	(2,390)	
Surplus/(deficit) brought-forward	-		-		16,311	30,892	31,685	
Surplus/(deficit) carried forward	2,940		16,311		30,892	31,685	29,295	

- 6.2. The 2014-15 programme has increased by **£1.2m** due to an increase in the forecast capital receipt for the Carnwath Road site.
- 6.3. Forecast capital receipts for the year have increased by **£14.6m** to **£40.3m**. This is mainly due to capital receipts previously forecast for 2016/17 now being expected to be received in January 2015. As at the end of the second quarter, **£22.3m** of receipts had been received. A summary of forecast receipts is included in Appendix 3.
- 6.4. As at the end of the third quarter, **£1.8m** 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 summary of deferred costs is included in Appendix 3.
- 6.5. The mainstream programme is currently showing an overall forecast surplus in 2014/15 of **£16.3m**. Over the next four years the programme is forecast to be in surplus by **£29.3m**. The surplus currently underpins the debt reduction forecast.

7. OTHER PROGRAMMES

7.1. Housing Capital Programme

7.1.1 The expenditure and resource analysis of the Housing Programme is summarised in Table 5 below:

Table 5 – Housing Capital Programme 2014-18 at Q3

	Budget 2014/15 (Q2) £'000	Proposed Variations Q3 £'000	Revised Budget 2014/15 (Q3) £'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	28,931	(9,577)	19,354	3,469	36,613	24,420	14,522
HRA Schemes	48,411	(5,239)	43,172	14,770	57,548	44,502	44,170
Total Housing Programme - Approved Expenditure	77,342	(14,816)	62,526	18,239	94,161	68,922	58,692
Available and Approved Resource							
Capital Receipts realised in-year	15,313	10,528	25,840	18,239	8,992	6,395	19,243
Sale of new build homes	1,975	(372)	1,603	-	6,392	20,637	4,872
Earls Court Receipts recognisable	-	-	-	-	-	18,460	-
Housing Revenue Account (revenue funding)	113	-	113	-	2,300	5,500	11,574
Major Repairs Reserve (MRR)	20,011	3,179	23,190	-	16,849	17,355	17,818
Contributions Developers (S106)	-	-	-	-	-	-	-
Contributions from leaseholders	6,569	-	6,569	-	5,693	5,525	5,011
Capital Grants and Contributions from GLA Bodies	324	(189)	135	-	567	1,998	-
Use of Reserves	-	-	-	-	-	-	-
Total Available Forecast Resource (In-year)	44,305	13,146	57,450	18,239	40,793	75,870	58,518
Internal Borrowing	-	-	-	-	2,135	(511)	4,733
Total Forecast Resource (In-year) [inc. Borrowing]	44,305	13,146	57,450	18,239	42,928	75,359	63,251
In-year surplus/(deficit)	(33,037)	27,962	(5,076)	-	(51,233)	6,437	4,559
Surplus/(deficit) brought-forward	70,678	-	70,678	-	65,602	14,369	20,806
Surplus/(deficit) carried forward*	36,318	27,962	65,602	-	14,369	20,806	25,365
<i>*Earmarked from above to cover Earls Court Cost of Disposal & 1-4-1 Replacement under RTB agreement</i>	4,774	4,729	9,503	-	14,369	20,806	25,365
Surplus/(Deficit) after earmarked resources	31,544	23,233	56,098	-	(0)	0	(0)

7.1.2 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.

7.1.3 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. The capital receipts included above are primarily from staircasing of Discount Market Sale homes and the sale of licences to leaseholders.

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 The 2014/15 school programme budget has been adjusted by a net decrease of £15.3m, this is due mainly to slippages to 2015/16.

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 procurement and IT 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 Analysis			
	Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)
		Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements						
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Scheme Expenditure Summary											
Lyric Theatre Development	10,545	-	-	-	-	10,545	6,433	380	-	-	10,925
Devolved Capital to Schools	491	-	887	-	887	1,378	1,378	-	-	-	1,378
Schools Organisational Strategy	45,928	(16,459)	1,156	-	(15,303)	30,625	11,061	21,517	197	-	52,339
Other Capital Schemes	587	-	195	-	195	782	348	-	-	-	782
Total Expenditure	57,551	(16,459)	2,238	-	(14,221)	43,330	19,220	21,897	197	-	65,424
Capital Financing Summary											
Specific/External or Other Financing											
Capital Grants from Central Government	38,351	(16,459)	2,238	-	(14,221)	24,130	12,787	21,263	197	-	45,590
Grants and Contributions from Private Developers (includes S106)	-	-	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions from Non-departmental public bodies	6,441	-	-	-	-	6,441	1,863	193	-	-	6,634
Capital Grants and Contributions from GLA Bodies	-	-	-	-	-	-	-	-	-	-	-
Sub-total - Specific or Other Financing	44,792	(16,459)	2,238	-	(14,221)	30,571	14,650	21,456	197	-	52,224
Mainstream Financing (Internal Council Resource)											
Capital Receipts	8,727	-	-	-	-	8,727	4,570	273	-	-	9,000
Housing Revenue Account (revenue funding)	-	-	-	-	-	-	-	-	-	-	-
Major Repairs Reserve (MRR) / Major Repairs	-	-	-	-	-	-	-	-	-	-	-
General Fund Revenue Account (revenue funding)	250	-	-	-	-	250	-	-	-	-	250
Use of Reserves	-	-	-	-	-	-	-	-	-	-	-
Sub-total - Mainstream Funding	8,977	-	-	-	-	8,977	4,570	273	-	-	9,250
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Funding to be identified/agreed	3,782	-	-	-	-	3,782	-	168	-	-	3,950
Total Capital Financing	57,551	(16,459)	2,238	-	(14,221)	43,330	19,220	21,897	197	-	65,424

Adult Social Care Services

Current Year Programme

Indicative Future Years Analysis

Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date
	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements		
£'000	£'000	£'000	£'000	£'000	£'000	£'000

2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)
£'000	£'000	£'000	£'000

Scheme Expenditure Summary

Extra Care New Build project (Adults' Personal Social Services Grant)	-
Grants To Social Landlords (Hostel Improvement)	60
Adult Social Care IT	16
Community Capacity Grant	731
White City Collaborative Care project	254
Autism Capital Grant	-
Disabled Facilities Grant	994

-	-	-	-	-	-	-
60	-	-	-	-	60	60
16	-	-	-	-	16	16
731	-	-	-	-	731	72
254	-	-	-	-	254	-
-	-	19	-	19	19	-
994	-	-	-	-	994	439

957	-	-	957
-	-	-	60
-	-	-	16
-	-	-	731
-	-	-	254
-	-	-	19
991	450	450	2,885

Total Expenditure

2,055	-	19	-	19	2,074	587
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1,948	450	450	4,922
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Capital Financing Summary

Specific/External or Other Financing

Capital Grants from Central Government	1,291
Grants and Contributions from Private Developers (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	-	19	-	19	1,310	527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,291	-	19	-	19	1,310	527

1,498	-	-	2,808
-	-	-	-
-	-	-	-
-	-	-	-
1,498	-	-	2,808

Mainstream Financing (Internal Council Resource)

Capital Receipts	510
Housing Revenue Account (revenue funding)	-
Major Repairs Reserve (MRR) / Major Repairs	-
General Fund Revenue Account (revenue funding)	-
Use of Reserves	254
Sub-total - Mainstream Funding	764

510	-	-	-	-	510	60
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
254	-	-	-	-	254	-
764	-	-	-	-	764	60

450	450	450	1,860
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	254
450	450	450	2,114

Borrowing

-	-	-	-	-	-	-
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-	-	-	-
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Total Capital Financing

2,055	-	19	-	19	2,074	587
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1,948	450	450	4,922
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Transport and Technical Services

Current Year Programme

Indicative Future Years Analysis

Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)
	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements						
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Planned Maintenance/DDA Programme	6,214	-	-	-	6,214	745	2,500	2,500	2,500	13,714
Footways and Carriageways	2,030	-	-	-	2,030	1,171	2,030	2,030	2,030	8,120
Transport For London Schemes	4,479	-	296	-	4,775	1,613	2,081	2,157	2,157	11,170
Controlled Parking Zones	154	-	-	-	154	-	275	275	275	979
Column Replacement	288	-	-	-	288	279	269	269	269	1,095
Carnwath Road Receipt	-	-	1,200	-	1,200	-	-	1,870	-	3,070
Other Capital Schemes	2,463	-	130	-	2,593	910	28	-	-	2,621
Total Expenditure	15,628	-	1,626	-	17,254	4,718	7,183	9,101	7,231	40,769

Scheme Expenditure Summary

Planned Maintenance/DDA Programme	6,214
Footways and Carriageways	2,030
Transport For London Schemes	4,479
Controlled Parking Zones	154
Column Replacement	288
Carnwath Road Receipt	-
Other Capital Schemes	2,463

Total Expenditure

15,628	-	1,626	-	1,626	17,254	4,718
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Capital Financing Summary

Specific/External or Other Financing

Capital Grants from Central Government	-
Grants and Contributions from Private Developers (includes S106)	2,463
Capital Grants/Contributions from Non-departmental public bodies	-
Capital Grants and Contributions from GLA Bodies	4,479
Sub-total - Specific or Other Financing	6,942

-	-	-	-	-	-	-
2,463	-	130	-	130	2,593	910
-	-	-	-	-	-	-
4,479	-	296	-	296	4,775	1,613
6,942	-	426	-	426	7,368	2,523

-	-	-	-
28	-	-	-
-	-	-	-
2,081	2,157	2,157	11,170
2,109	2,157	2,157	13,791

Mainstream Financing (Internal Council Resource)

Capital Receipts	8,244
Housing Revenue Account (revenue funding)	-
Major Repairs Reserve (MRR) / Major Repairs	-
General Fund Revenue Account (revenue funding)	442
Use of Reserves	-
Sub-total - Mainstream Funding	8,686

8,244	-	1,200	-	1,200	9,444	1,916
-	-	-	-	-	-	-
-	-	-	-	-	-	-
442	-	-	-	-	442	279
-	-	-	-	-	-	-
8,686	-	1,200	-	1,200	9,886	2,195

4,530	6,400	4,530	24,904
-	-	-	-
-	-	-	-
544	544	544	2,074
-	-	-	-
5,074	6,944	5,074	26,978

Borrowing

-	-	-	-	-	-	-
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-	-	-	-
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Total Capital Financing

15,628	-	1,626	-	1,626	17,254	4,718
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7,183	9,101	7,231	40,769
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Finance & Corporate Governance

Current Year Programme

Indicative Future Years Analysis

Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)
	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements						
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
436	-	-	-	-	436	-	-	-	-	436
750	-	-	-	-	750	-	750	750	750	3,000
1,186	-	-	-	-	1,186	-	750	750	750	3,436
Scheme Expenditure Summary										
Relocation of HAFAD to Edward Woods Community Centre and Related Refurbishment Requirements	436	-	-	-	436	-	-	-	-	436
Contribution to Invest to Save Fund	750	-	-	-	750	-	750	750	750	3,000
Total Expenditure	1,186	-	-	-	1,186	-	750	750	750	3,436
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	-	-	-	-	-	-	-	-	-	-
Grants and Contributions from Private Developers (includes S106)	436	-	-	-	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	-	-	-	-	436
Mainstream Financing (Internal Council Resource)										
Capital Receipts	750	-	-	-	750	-	750	750	750	3,000
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	-	-	-	750	-	750	750	750	3,000
Borrowing	-	-	-	-	-	-	-	-	-	-
Total Capital Financing	1,186	-	-	-	1,186	-	750	750	750	3,436

Environment, Leisure and Residents Services

Current Year Programme

Indicative Future Years Analysis

Budget 2014/15 (Q2) £'000	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3) £'000	Spend to Date £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000	Total Budget (All years) £'000	
	Slippages from/(to) future years £'000	Additions/(Reductions) £'000	Transfers £'000	Total Transfers/Virements £'000							
937	-	179	-	179	1,116	559	500	500	500	2,616	
Bishops Park	-	-	-	-	97	2	-	-	-	97	
Shepherds Bush Common Improvements	-	-	-	-	750	43	-	-	-	750	
Recycling	(19)	-	-	(19)	-	-	19	-	-	19	
CCTV	-	-	-	-	279	57	192	-	-	471	
Fulham Cemetery (Porta Cabin Facility)	-	-	-	-	85	-	-	-	-	85	
Linford Christie Stadium Refurbishment	-	-	-	-	147	-	-	-	-	147	
Total Expenditure	2,314	(19)	179	-	160	2,474	660	711	500	500	4,185
Capital Financing Summary											
Specific/External or Other Financing											
Capital Grants from Central Government	-	-	50	-	50	50	-	-	-	50	
Grants and Contributions from Private Developers (includes S106)	1,317	(19)	79	-	60	1,377	211	-	-	1,588	
Capital Grants/Contributions from Non-departmental public bodies	183	-	-	-	-	183	-	-	-	183	
Capital Grants and Contributions from GLA Bodies	-	-	50	-	50	32	-	-	-	50	
Sub-total - Specific or Other Financing	1,500	(19)	179	-	160	1,660	211	-	-	1,871	
Mainstream Financing (Internal Council Resource)											
Capital Receipts	755	-	-	-	-	755	500	500	500	2,255	
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	814	-	-	-	-	814	500	500	500	2,314	
Borrowing	-	-	-	-	-	-	-	-	-	-	
Total Capital Financing	2,314	(19)	179	-	160	2,474	711	500	500	4,185	

Scheme Expenditure Summary

Parks Expenditure	937
Bishops Park	97
Shepherds Bush Common Improvements	750
Recycling	19
CCTV	279
Fulham Cemetery (Porta Cabin Facility)	85
Linford Christie Stadium Refurbishment	147

Total Expenditure

2,314	(19)	179	-	160	2,474	660
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Capital Financing Summary

Specific/External or Other Financing	
Capital Grants from Central Government	-
Grants and Contributions from Private Developers (includes S106)	1,317
Capital Grants/Contributions from Non-departmental public bodies	183
Capital Grants and Contributions from GLA Bodies	-
Sub-total - Specific or Other Financing	1,500

-	-	50	-	50	50	50
1,317	(19)	79	-	60	1,377	101
183	-	-	-	-	183	-
-	-	50	-	50	50	32
1,500	(19)	179	-	160	1,660	183

Mainstream Financing (Internal Council Resource)

Capital Receipts	755
Housing Revenue Account (revenue funding)	-
Major Repairs Reserve (MRR) / Major Repairs	-
General Fund Revenue Account (revenue funding)	-
Use of Reserves	59
Sub-total - Mainstream Funding	814

755	-	-	-	-	755	477
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
59	-	-	-	-	59	-
814	-	-	-	-	814	477

Borrowing

-	-	-	-	-	-	-
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Total Capital Financing

2,314	(19)	179	-	160	2,474	660
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Libraries Services

Current Year Programme

Indicative Future Years Analysis

Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)
	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements						
1,585	-	-	-	-	1,585	930	-	-	-	1,585
1,585	-	-	-	-	1,585	930	-	-	-	1,585
Capital Financing Summary										
Specific/External or Other Financing										
Capital Grants from Central Government	-	-	-	-	-	-	-	-	-	-
Grants and Contributions from Private Developers (includes S106)	1,585	-	-	-	1,585	930	-	-	-	1,585
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	930	-	-	-	1,585
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	930	-	-	-	1,585

Scheme Expenditure Summary

Hammersmith Library Refurbishment Project

Total Expenditure

Housing Capital Programme

Current Year Programme

Indicative Future Years Analysis

Analysis of Movements (Q2 to Q3)

Budget 2014/15 (Q2)	Analysis of Movements (Q2 to Q3)				Revised Budget 2014/15 (Q3)	Spend to Date	2015/16 Budget	2016/17 Budget	2017/18 Budget	Total Budget (All years)	
	Slippages from/(to) future years	Additions/ (Reductions)	Transfers	Total Transfers/ Virements							
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Scheme Expenditure Summary											
HRA Schemes:											
Supply Initiatives (Major Voids)	5,900	(200)	-	(800)	(1,000)	4,900	667	2,621	2,000	2,000	11,521
Energy Schemes	2,661	(145)	-	(225)	(370)	2,291	1,537	3,411	3,408	3,430	12,540
Lift Schemes	5,551	(748)	-	(5)	(753)	4,798	2,035	6,704	5,813	5,800	23,115
Internal Modernisation	4,000	-	-	-	-	4,000	1,488	3,551	3,600	3,500	14,651
Major Refurbishments	7,543	-	-	200	200	7,743	1,995	9,695	12,228	22,600	52,266
Planned Maintenance Framework	14,304	(4,946)	-	-	(4,946)	9,358	2,974	25,758	10,659	-	45,775
Minor Programmes	9,537	(700)	-	782	82	9,619	2,680	8,995	7,244	7,290	33,148
Decent Homes Partnering	910	-	-	-	-	910	534	-	-	-	910
ASC/ELRS Managed	1,529	-	-	-	-	1,529	859	1,250	1,250	1,250	5,279
Rephasing & Reprogramming	(3,524)	1,500	-	48	1,548	(1,976)	-	(4,437)	(1,700)	(1,700)	(9,813)
Subtotal HRA	48,411	(5,239)	-	-	(5,239)	43,172	14,770	57,548	44,502	44,170	189,392
Decent Neighbourhood Schemes:											
HRA Debt Repayment	2,414	-	-	-	-	2,414	-	1,563	2,756	1,931	8,664
Earls Court Buy Back Costs	12,322	(3,612)	266	-	(3,346)	8,976	2	9,541	11,943	8,988	39,448
Earls Court Project Team Costs	1,379	-	(11)	-	(11)	1,368	756	3,115	5,437	3,559	13,479
Housing Development Project	7,823	(3,842)	-	-	(3,842)	3,981	2,119	18,744	5,584	44	28,353
Other DNP projects	4,993	(2,615)	237	-	(2,378)	2,615	593	3,650	(1,300)	-	4,965
Subtotal Decent Neighbourhoods	28,931	(10,069)	492	-	(9,577)	19,354	3,470	36,613	24,420	14,522	94,909
Total Expenditure	77,342	(15,308)	492	-	(14,816)	62,526	18,240	94,161	68,922	58,692	284,301
Capital Financing Summary											
Specific/External or Other Financing											
Capital Grants from Central Government	-	-	-	-	-	-	-	-	-	-	-
Contributions from leaseholders	6,569	-	-	-	-	6,569	-	5,693	5,525	5,011	22,798
Capital Grants and Contributions from GLA Bodies	324	(189)	-	-	189	135	-	567	1,998	-	2,700
Sub-total - Specific or Other Financing	6,893	(189)	-	-	(189)	6,704	-	6,260	7,523	5,011	25,498
Mainstream Financing (Internal Council Resource)											
Capital Receipts	50,325	(18,298)	492	-	(17,806)	32,519	3,470	66,617	39,056	19,555	157,747
Housing Revenue Account (revenue funding)	113	-	-	-	-	113	-	2,300	5,500	11,574	19,487
Major Repairs Reserve (MRR) / Major Repairs	20,011	3,179	-	-	3,179	23,190	14,770	16,849	17,355	17,818	75,212
Sub-total - Mainstream Funding	70,449	(15,119)	492	0	(14,627)	55,822	18,240	85,766	61,911	48,947	252,446
Borrowing (Internal Borrowing)	-	-	-	-	-	-	-	2,135	(512)	4,734	6,357
Total Capital Financing	77,342	(15,308)	492	-	(14,816)	62,526	18,240	94,161	68,922	58,692	284,301

Appendix 2 – Analysis of Budget Variations

Variation by Service	Amount £'000
Children's Services	
School's Devolved Capital – recognition of allocations as utilised by schools	887
School's Organisation Strategy – Slippage to 2015/16 in respect of the following projects: Burlington Danes Primary £5,810k Pope John £4,000k William Morris Sixth Form £1,233k Jack Tizzard £300k Bentworth £123k	(16,459)
School's Organisation Strategy – additions and reductions as follows: Lady Margaret £500k (as previously agreed by Cabinet on 7 th April 2014) Contingency £742k (as previously agreed by Cabinet on 7 th April 2014) Other changes -£86k (Revision of unallocated grants previously in assumed in future years)	1,156
Other Capital Schemes – recognition of new grant in respect of kitchen improvements	195
Total CHS variations	(14,221)
Adult Social Care	
Recognition of new Autism Grant	19
Total ASC variations	19
Transport and Technical Services	
Additional TFL funding allocated to Bridge Strengthening and Road Resurfacing	296
Carnwath Road related schemes- addition funded by an increase in the forecast capital receipt for the Carnwath Road site.	1,200
Other Capital Schemes - £130k of additional S106 funding	130
Total TTS variations	1,626
Environment, Leisure and Resident's Services	
Parks Programme – improvement to Brook Green Tennis facilities, funded from various external sources including Sport England grant, GLA grant and developer (S106) and private contributions.	179
Recycling programme – planned slippage into 2015/16	(19)
Total ELRS variations	160
Housing Capital Programme	
HRA schemes-slippage due to delays in the pre-construction phase	(5,239)
Earls Court-slippages due to forecast number of 2014/15 Earls Court buybacks being reduced to 16 from 24	(3,357)
Housing Development Project- slippages due to delay in starting number of schemes -pending a further project review	(3,842)
Other DNP projects- net decrease of £2.38m is a result of an increase of £237k in Watermeadow Court forecast due to ongoing issue with 3 Watermeadow court and £2.61m of slippages on HEIP schemes due to delay in project start.	(2,378)
Total Housing variations	(14,816)
Grand Total (all variations)	(27,232)

Appendix 3 – General Fund – Forecast Capital Receipts

Year/Property	Forecast Outturn at Quarter 2	Movement/ Slippage	Forecast Outturn at Quarter 3	Deposit received as @ P9	Full sales proceeds @ P9	Deferred Costs of Disposal reserved
	£'000	£'000	£'000	£'000	£'000	£'000
2014/15						
Total 2014/15	25,708	14,571	40,279	296	22,296	771
2015/16						
Total 2015/16	19,907	1,345	21,251	250	-	988
2016/17						
Total 2016/17	21,362	(12,468)	8,894	-	-	36
2017/18						
Total 2017/18	6,259	(2,419)	3,840	-	-	-
Total All Years	73,236	1,028	74,264	546	22,296	1,795