



City of Westminster

Agenda

Budget Task Group

Cllrs Gotz Mohindra (Chairman), David Boothroyd, Iain Bott, Jim Glen, Adam Hug and Karen Scarborough

Date / Time

18:30, Thursday 20th January 2021

Location

This will be a virtual meeting

Contact

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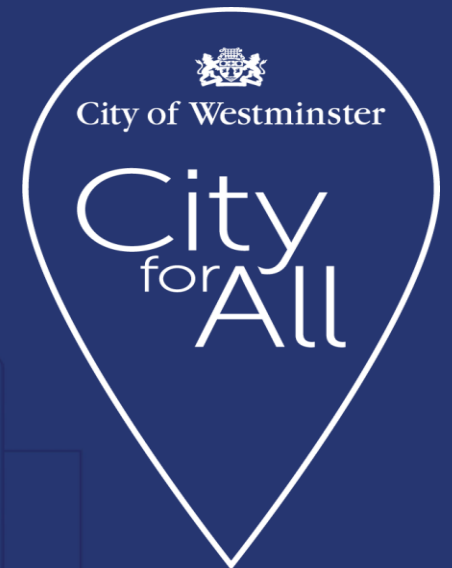
Item 1	WELCOME AND APOLOGIES	Cllr Gotz Mohindra
Item 2	DECLARATIONS OF INTEREST	Cllr Gotz Mohindra
Item 3	The 2022/2023 CAPITAL BUDGET	Gerald Almeroth
3.1	2022/2023 Capital Budget Overview (p 3)	Gerald Almeroth
3.2	Financial Summary (p 4)	Gerald Almeroth
A B	General Fund (GF) (pp 4-8) Housing Revenue Account (pp 9-10)	Gerald Almeroth
3.3	ELT Summaries	
A	Growth, Planning and Housing (GF) (pp 11-15)	Debbie Jackson
B	Growth, Planning and Housing (HRA) (16-22)	Debbie Jackson
C	Westminster Builds (pp 23-27)	Debbie Jackson
D	Finance and Resources (pp 28-32)	Gerald Almeroth

E	Environment and City Management (pp 33-37)	Raj Mistry
F	Children's Services (pp 38-41)	Sarah Newman
G	Adult Social Care and Public Health (pp 42-45)	Bernie Flaherty

Budget Task Group

Capital Strategy

20 January 2022



Agenda

- Overview
- Financial Summary
 - General Fund (GF)
 - Housing Revenue Account (HRA)
- ELT Summaries:
 - Growth, Planning and Housing (GPH), General Fund
 - Growth, Planning and Housing, Housing Revenue Account (HRA)
 - Westminster Builds
 - Finance and Resources
 - Environment and City Management (ECM)
 - Children's
 - Adults (ASC)



Overview

The capital strategy will deliver a range of benefits which aim to achieve the Council's City for All objectives, including:

- New and replacement affordable homes
- Improvements to existing housing stock
- Improved public realm, transport and pedestrian environment
- Green initiatives in line with the Council's Climate Emergency programme
- Well maintained and efficiently managed operational property
- Investment in technology and Smart City approaches to improve outcomes

The presentation outlines:

- General Fund (GF): detail on proposed expenditure and income budgets for 5 years from 2022/23 to 2026/27
- Summarised future years GF expenditure and income budgets from 2027/28 to 2035/36
- Housing Revenue Account (HRA): detail on key schemes in the proposed programme for 2022/23 and a summarised 5 year extract from the 30 year plan



Financial Summary - GF (1)

The General Fund capital programme covers four areas of expenditure:

Development (Gross: £1,602m. Net: £521m): large scale construction projects that enable delivery of affordable housing and improved public realm.

Operational (Gross: £1,029m. Net: £850m): these schemes are related to day-to-day activities that will ensure the Council meets its statutory requirements.

Major Strategic Investment Acquisitions (Gross: £120m. Net: £120m): these schemes are strategic acquisitions where the Council acquires properties to enable the development of key strategic sites for future regeneration and investment opportunities.



Financial Summary - GF (2)

The table below summarises the proposed General Fund capital programme by Executive Directorate:

	Forecast	Five Year Plan					Future Years	Total
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	to 2035/36 £000	
Expenditure								
Growth, Planning & Housing	90,083	132,253	110,261	137,569	163,971	73,700	171,012	878,849
Adults Services	568	513	219	-	-	-	-	1,300
Environment & City Management	75,557	112,332	62,992	51,958	28,524	24,575	-	355,938
Children's Services	17,651	3,370	3,040	40	-	-	-	24,101
Finance & Resources	42,693	48,354	50,405	172,281	41,980	73,607	542,436	971,756
Westminster Builds	42,200	30,300	72,100	56,800	95,400	13,600	208,405	518,805
Total Expenditure	268,752	327,122	299,017	418,648	329,875	185,482	921,853	2,750,749
Funding								
External Funding	(84,431)	(55,696)	(31,529)	(20,244)	(10,254)	(11,446)	(27,950)	(241,550)
Capital Receipts	(7,381)	(83,533)	(47,441)	(8,563)	(79,713)	(122,211)	(669,276)	(1,018,118)
Total Funding	(91,812)	(139,229)	(78,970)	(28,807)	(89,967)	(133,657)	(697,226)	(1,259,668)
Borrowing Requirement	176,940	187,893	220,047	389,841	239,908	51,825	224,627	1,491,081

A summary of the programme approved in March 2021 is outlined below:

	Forecast	Five Year Plan					Future Years to 2035/36	Total
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000		
Total Expenditure	167,877	282,764	494,922	280,519	321,954	328,887	984,752	2,861,675
Total External Funding	(79,404)	(83,057)	(95,685)	(94,419)	(20,299)	(55,499)	(804,147)	(1,232,510)
Borrowing Requirement	88,473	199,707	399,237	186,100	301,655	273,888	180,605	1,629,165



Financial Summary - GF (3)

The table below summarises the funding sources for the GF capital programme:

Financed by	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Future Years to 2035/36	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Affordable Housing Fund Contributions	15,670	10,962	6,590	-	-	-	18,000	51,222
Section 278 Contributions	10,496	12,973	9,550	6,000	6,000	6,000	-	51,019
Community Infrastructure Levy (CIL)	7,310	4,973	300	10,150	-	-	9,950	32,683
Other Grants and Contribution	24,099	4,843	1,041	515	375	375	-	31,248
Section 106 Contributions	5,733	7,491	800	-	-	-	-	14,024
DCLG Disabled Facilities Grant	1,856	1,729	1,729	1,729	1,729	1,729	-	10,501
DfE Basic Needs Grant	5,615	1,300	3,000	-	-	-	-	9,915
Transport for London (TfL) Grant	450	650	650	650	2,150	1,150	-	5,700
Sport England Grant	-	250	750	1,000	-	-	-	2,000
GLA Good Growth Fund	1,142	599	-	-	-	-	-	1,741
DoH Community Capacity Grant	637	513	219	-	-	-	-	1,369
London Business Rates Pool Strategic Investment Pot	900	450	-	-	-	-	-	1,350
European Regional Development Fund	190	708	200	200	-	-	-	1,298
DfE Schools Condition Allocation	400	400	400	-	-	-	-	1,200
External Funding	84,431	55,696	31,529	20,244	10,254	11,446	27,950	241,550
Capital Receipts	7,381	83,533	47,441	8,563	79,713	122,211	669,276	1,018,118
Borrowing Requirement	176,940	187,893	220,047	389,841	239,908	51,825	224,627	1,491,081
Capital Financing Cost	268,752	327,122	299,017	418,648	329,875	185,482	921,853	2,750,749

Financial Summary - GF (4)

The GF capital programme is due to be financed via £1,018m of capital receipts. This is split between direct receipts from housing sales and loan repayments/HRA transfers which are treated as capital receipts. This split is summarised in the table below.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Future Years to 2035/36	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure								
Lisson Grove Programme - Main Budget General Fund	-	-	-	-	-	-	165,218	165,218
Huguenot House	-	-	-	-	-	-	108,184	108,184
Church Street Acquisitions Sites ABC – GF	-	5,775	-	-	-	58,515	24,924	89,214
Church Street Site A - Partnership Investment	-	-	-	-	-	-	82,466	82,466
Queen Mother Sports Centre	-	-	-	-	-	-	77,574	77,574
291 Harrow Road	-	-	-	-	13,580	35,008	27,160	75,748
Crompton Street	-	-	-	-	7,125	2,375	-	9,500
Blomfield Mews	-	-	-	8,455	-	-	-	8,455
300 Harrow Road – GF	-	-	8,250	-	-	-	-	8,250
Moberley & Jubilee Sport Centres	1,600	5,050	-	-	-	-	-	6,650
Luxborough	-	-	3,262	-	-	-	-	3,262
Beachcroft	3,031	-	-	-	-	-	-	3,031
Farm Street	2,750	-	-	-	-	-	-	2,750
St Marys Terrace	-	-	1,521	-	-	-	-	1,521
Capital Receipts (Sale of Asset)	7,381	10,825	13,033	8,455	20,705	95,898	485,526	641,823
Loan to WHIL for Development Projects	-	44,600	34,300	-	58,900	26,205	182,778	346,783
Luton Street LLP GF Investment	-	28,000	-	-	-	-	-	28,000
WCH Development Loan & AHF -Victoria Phase 2 & Harrow Rd	-	108	108	108	108	108	972	1,512
Loan Repayments/HRA Transfers	-	72,708	34,408	108	59,008	26,313	183,750	376,295
Total Capital receipts	7,381	83,533	47,441	8,563	79,713	122,211	669,276	1,018,118

Financial Summary - GF (6)

The table below summarises the revenue implications of the programme:

	Forecast	Five Year Plan					Future Years	Total £000
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	to 2035/36 £000	
Expenditure	268,752	327,122	299,017	418,648	329,875	185,482	921,853	2,750,749
External Funding	(84,431)	(55,696)	(31,529)	(20,244)	(10,254)	(11,446)	(27,950)	(241,550)
Capital Receipts	(7,381)	(83,533)	(47,441)	(8,563)	(79,713)	(122,211)	(669,276)	(1,018,118)
Borrowing Requirement	176,940	187,893	220,047	389,841	239,908	51,825	224,627	1,491,081
Revenue Impacts:								
Capital Financing Cost	19,115	15,837	24,282	32,632	49,141	61,138	564,172	766,316
Financed By:								
Commercial Income	(1,419)	(4,844)	(1,489)	(1,563)	(8,270)	(7,368)	(119,992)	(144,945)
Net Revenue Position	17,696	10,993	22,793	31,069	40,871	53,770	444,180	621,371
Sinking Fund Adjusted Balance	(2,896)	6,707	(2,093)	(7,369)	(13,812)	(23,268)	199	(42,531)
MTP Budget Assumptions	14,800	17,700	20,700	23,700	27,059	30,502	444,379	578,840

As part of the Medium Term Financial Planning assumptions the Council has set aside a c£3m a year budget increase for capital financing costs.



Key themes in the HRA Business Plan

The HRA 30-year capital programme covers three main areas of expenditure:

Housing Planned Maintenance (£1,208m): maintenance and improvements to the Council's current housing stock

Regeneration (£856m): development projects that enable the delivery of new affordable housing

Self-Financing Acquisition Scheme (£151m): purchase of new housing stock funded entirely through the disposal of either high-value HRA assets or existing stock that is no longer fit-for-purpose



HRA Business Plan – Capital Summary

The table below summarises the 30-year HRA capital programme:

	Five Year Plan					Future Years to 2051/52	TOTAL (excl. 21/22)
	2022/23	2023/24	2024/25	2025/26	2026/27		
	£000	£000	£000	£000	£000		
Expenditure							
Planned Maintenance	57,826	69,078	64,783	63,354	60,101	892,742	1,207,884
Regeneration	133,682	154,856	144,635	62,681	21,116	339,174	856,144
Other	6,000	5,000	5,000	5,000	5,000	125,000	151,000
Total Expenditure	197,508	228,934	214,418	131,035	86,217	1,356,916	2,215,028
Funding							
Major Repairs Allowance	(22,254)	(22,837)	(23,085)	(23,328)	(23,627)	(560,687)	(675,818)
Lessee Contributions	(8,984)	(12,387)	(14,263)	(13,531)	(13,564)	(190,248)	(252,977)
Government Grants	(4,475)	(6,724)	(5,976)	(8,715)	(6,739)	(90,500)	(123,129)
Affordable Housing Fund	(57,672)	(60,170)	(37,572)	(20,203)	(13,173)	(56,048)	(244,838)
Capital Receipts	(41,924)	(80,777)	(89,410)	(22,741)	(22,665)	(147,000)	(404,517)
CIL	(7,750)	0	(7,052)	0	0	(36,228)	(51,030)
Other	(4,188)	(15,046)	(11,748)	(2,348)	(1,145)	0	(34,475)
Total Funding	(147,247)	(197,941)	(189,106)	(90,866)	(80,913)	(1,080,711)	(1,786,784)
Borrowing Requirement	50,261	30,993	25,312	40,169	5,304	276,205	428,244

The £428m borrowing requirement is budgeted in the 30-year business plan

Growth, Planning & Housing

Debbie Jackson
Executive Director

20 January 2022



GPH – Key Projects Over the Next 5 Years

The five-year capital programme for GPH from 2022/23 to 2026/27 has a gross budget of £617.8m (£581.0m net). Some of the key projects over this period are highlighted below:

- **Lisson Grove Programme (£91.9m gross exp budget incl. acquisitions)** – Part of the Church Street Masterplan, the programme will provide a new Health and Wellbeing hub alongside new homes. The existing office space at Lisson Grove will be provided for across the Council's office estate. The current office site will then be available for redevelopment and delivery of a substantial level of additional housing.
- **Oxford Street District (£122.1m gross expenditure)** – Investment in the whole district to promote a mixed economy and sustain its globally renowned status as a retail and leisure destination.
- **Church Street Acquisitions (£54.4m gross expenditure)** – Strategic acquisitions on Church Street site A and B identified in the Masterplan to facilitate the wider Church Street regeneration scheme.
- **Church Street Site A – Partnership Investment (£73.4m gross expenditure)** – General Fund investment into a joint venture structure with an investment / delivery partner to facilitate the delivery of regeneration at Church Street Site A.



GPH – Key Projects Over the Next 5 Years (2)

- **300 Harrow Road (£14.1m gross expenditure)** – Delivery of 112 new homes of which 51 will be affordable plus a nursery, a community hall and work space. The scheme is assumed to be delivered by the Council's subsidiary housing company Westminster Builds.
- **291 Harrow Road (£63.2m gross expenditure)** – Acquisition of NHS owned site and delivery of 165 residential homes including 16 new, high quality specialist residential accommodation for the existing residents of 291 Harrow Road and Elmfield Way.
- **Strand Aldwych (£19.4m gross expenditure)** – Major Public Realm and traffic management improvements to the gyratory to create a new public space for events and animation, an improved setting for the surrounding education and culture institutions as well as safe routes and space to dwell for pedestrians.
- **Temporary Accommodation (TA) Acquisitions (£76.5m gross expenditure)** – This is a bespoke purchase programme for both in and out of borough locations, delivering good quality affordable housing for households awaiting longer-term housing. This would be funded by GF borrowing and the Affordable Housing Fund.



GPH - 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 to 2026/27 is £617.8m (net £581.0m).

An overview of the GPH capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Development	349.289	(19.758)	329.531
Economy	6.591	(0.450)	6.141
Housing (General Fund)	98.075	(14.060)	84.015
Place Shaping	163.799	(2.440)	161.359
Total Capital Programme	617.754	(36.708)	581.046



GPH - 2022/23 Capital Programme

The gross capital expenditure forecast for 2022/23 is £132.3m (net £115.0m).

An overview of the 2022/23 capital budget is shown below:

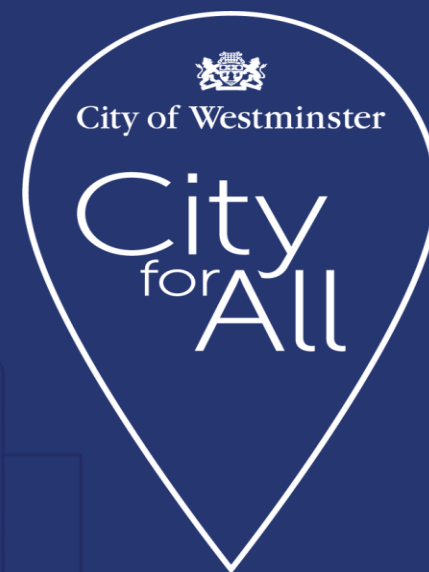
Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Development	41.983	(3.020)	38.963	29.195
Economy	3.696	(0.450)	3.246	1.550
Housing GF	44.859	(11.310)	33.549	12.658
Place Shaping	41.715	(2.440)	39.275	24.011
Grand Total	132.253	(17.220)	115.033	67.414



Housing Revenue Account (HRA)

Debbie Jackson
Executive Director

20 January 2022



Key themes in the HRA Business Plan

- The HRA 30-year capital programme covers three areas of expenditure:
- **Housing Planned Maintenance (£1,208m)**: maintenance and improvements to the Council's current housing stock
- **Regeneration (£856m)**: development projects that enable the delivery of new affordable housing
- **Self-Financing Acquisition Scheme (£151m)**: purchase of new housing stock funded entirely through the disposal of either high-value HRA assets or existing stock that is no longer fit-for-purpose



HRA Business Plan – Capital Summary

The table below summarises the 30-year HRA capital programme:

	Five Year Plan					Future Years to 2051/52 £000	TOTAL (excl. 21/22) £000
	2022/23	2023/24	2024/25	2025/26	2026/27		
	£000	£000	£000	£000	£000		
Expenditure							
Planned Maintenance	57,826	69,078	64,783	63,354	60,101	892,742	1,207,884
Regeneration	133,682	154,856	144,635	62,681	21,116	339,174	856,144
Other	6,000	5,000	5,000	5,000	5,000	125,000	151,000
Total Expenditure	197,508	228,934	214,418	131,035	86,217	1,356,916	2,215,028
Funding							
Major Repairs Allowance	(22,254)	(22,837)	(23,085)	(23,328)	(23,627)	(560,687)	(675,818)
Lessee Contributions	(8,984)	(12,387)	(14,263)	(13,531)	(13,564)	(190,248)	(252,977)
Government Grants	(4,475)	(6,724)	(5,976)	(8,715)	(6,739)	(90,500)	(123,129)
Affordable Housing Fund	(57,672)	(60,170)	(37,572)	(20,203)	(13,173)	(56,048)	(244,838)
Capital Receipts	(41,924)	(80,777)	(89,410)	(22,741)	(22,665)	(147,000)	(404,517)
CIL	(7,750)	0	(7,052)	0	0	(36,228)	(51,030)
Other	(4,188)	(15,046)	(11,748)	(2,348)	(1,145)	0	(34,475)
Total Funding	(147,247)	(197,941)	(189,106)	(90,866)	(80,913)	(1,080,711)	(1,786,784)
Borrowing Requirement	50,261	30,993	25,312	40,169	5,304	276,205	428,244



HRA - 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 to 2026/27 is **£858.112m** (net £152.039m).

An overview of the HRA 5-year capital budget is shown below:

Programme Element	5 Year Gross CAPEX £m	5 Year Gross Funding £m	5 Year Net Borrowing £m
Planned Maintenance	315.142	(211.992)	103.150
Regeneration	516.970	(454.081)	62.889
Self-Financing Acquisitions	26.000	(40.000)	(14.000)
TOTAL HRA CAPITAL	858.112	(706.073)	152.039



HRA – Key Projects Over the Next 5 Years (1)

The five-year capital programme for HRA from 2022/23 to 2026/27 has a gross budget of **£858.112m** (net budget of **£152.039m**). The net budget will be financed through increased HRA borrowing.

Some of the key projects over this period are highlighted below (with gross CAPEX):

- **Planned Maintenance (£315.142m)** – Maintain and improve stock to meet the decent homes standard, improve fire/building safety measures, lower carbon emissions (climate action programme) and invest in the Pimlico District Heating Unit.
- **Ebury Bridge and Acquisitions (£179.905m)** – Enables the delivery of a strategically important estate regeneration project that will provide new, high-quality homes, open space and non-residential community infrastructure.
- **Small Sites Programme (£37.962m)** – The scheme seeks to develop smaller sites and estate infills (such as garages and sheds) to deliver additional housing.
- **Church Street Phase 2 and Acquisitions (£37.424m)** – Westminster City Council is committed to transforming the quality of life of residents in the Church Street area. The masterplan seeks to deliver real change for the community by creating great places, opportunities for a healthy and prosperous lifestyle, new homes and more jobs.



HRA – Key Projects Over the Next 5 Years (2)

- **Carlton Dene (£40.546m)** – this project comprises the redevelopment of an existing residential care home (alongside Westmead, part of the GF capital programme) and one block of 9 apartments (Peebles House) to provide new housing for older people, specialist housing for people with learning disabilities, affordable housing, and private housing for sale. The project will deliver 87 new affordable homes, 65 of which will be extra care housing.
- **Pimlico/Churchill Gardens (£22.064m)** – the demolition and redevelopment of the Balmoral Public House, Darwin House and associated garages to provide 52 new affordable homes in two phases including 34 community supportive housing units that will enable the decant of Darwin House residents and 18 intermediate units.
- **Brunel (£33.838m)** – the redevelopment of the vacated Brunel Contact Centre that is currently being used as a COVID testing centre to deliver c.60 new homes. Options are being explored as to the most suitable mix for the site. Initial appraisals would suggest an affordable mix would be most suitable solution.
- **Paddington Green (£11.040m)** – the acquisition of 45 affordable homes from the second phase of the West End Gate development being delivered by Berkeley Homes.



HRA - 2022/23 Capital Programme

The gross capital expenditure forecast for 2022/23 is **£197.508m** (net £50.261m).

An overview of the 2022/23 capital budget is shown below:

Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Planned Maintenance	57.826	(36.356)	21.470	9.401
Regeneration	133.682	(102.891)	30.791	52.938
Self-Financing Acquisitions	6.000	(8.000)	(2.000)	(23.011)
TOTAL HRA CAPITAL	197.508	(147.247)	50.261	39.297



Westminster Builds

Debbie Jackson
Executive Director

20 January 2022



Westminster Builds– Key Projects (1)

The five year gross capital expenditure in the Westminster Builds business plan from 2022/23 to 2026/27 totals **£368.961m**. The key projects over this period are highlighted below:

Schemes approved by the Council for delivery / acquisition by WB

- **Luton Street (£8.500m gross expenditure)** – Investment and funding in the Luton Street LLP partnership with LinkCity to deliver 171 new homes at Luton Street and Fisherton Street. Due to complete early in 2022/23. The £8.5m is the final instalment of a total investment of £43m by WB into the LLP.

Schemes to be delivered / Acquired by WB subject to approval by the Council

- **300 Harrow Road (£30.649m gross expenditure)** – Self delivered development providing 112 new homes, 51 of which are affordable, a nursery, a community hall and work space.
- **Westmead (£29.891m gross expenditure)** – Direct delivery of 65 new homes on site
- **Ebury Phase 2 (£231.502m gross expenditure)** – Direct delivery of Phase 2 of the key Council regeneration scheme at Ebury Bridge delivering 555 new homes within that phase of development
- **Acquisitions across a range of council development sites (£53.392m gross expenditure)** – purchase of completed homes for the purpose of letting at London Living Rent, intermediate or full market rent levels. In order to retain control of the affordable units on these sites the Council has decided that these units will be held by WB rather than an external housing association. Each scheme will be approved through the Council's existing governance processes for capital expenditure



Westminster Builds - 2022/23 Business Plan

The table below sets out the budgeted expenditure for schemes included in the Westminster Builds Business Plan for 2022/23, and the capital income/returns expected to be generated by those schemes in that year through grants or sales receipts.

Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
300 Harrow Road ^(D)	9.122	-	9.122	11.663
Westmead ^(D)	2.982	(0.546)	2.436	237
Ebury Phase 2 ^(D)	9.339	(14.354)	(5.015)	-
Luton Street ^(I)	8.500	(42.900)	(34.400)	15.755
Acquisitions	8.025	-	8.025	12.111
Contingency	1.497	-	1.497	-
Total	39.465	(57.800)	(18.335)	39.766

(D) Denotes Development scheme delivered by WB. (I) denotes investment by WB into Luton Street LLP



Westminster Builds - 5 Year Business Plan

The table below sets out the schemes included in the Westminster Builds Business Plan, the budgeted expenditure in 2022/23 to 2026/27 and the capital income expected to be generated by those schemes through grants and sales receipts. In addition, the company will also receive ongoing rental income from retained properties.

Scheme	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
300 Harrow Road ^(D)	30.649	(43.047)	(12.398)
Westmead ^(D)	29.891	(36.162)	(6.271)
Ebury Phase 2 ^(D)	231.502	(144.254)	87.248
Luton St ^(I)	8.500	(43.600)	(35.100)
Acquisitions	53.392	-	53.392
Contingency	15.027	-	15.027
Total	368.961	(267.063)	101.898

(D) Denotes Development scheme delivered by WB. (I) denotes investment by WB into Luton Street LLP



Westminster Builds- Council Investment

- The Council will be providing loan financing into Westminster Builds to support planned activity within the Business Plan.
- In 2022/23 the Council is budgeted to provide loans into Westminster Builds of **£30.336m**.
- The table below shows the total budgeted loan finance to be provided to Westminster Builds from 2022/23 to 2026/27. A total of **£268.201m** will be provided of which **£163.947m** will be repaid during this period. Development loans will be repaid in the near term (within development period of scheme) acquisitions loans are repaid over a longer period, typically over the life of the asset. In addition, interest to be paid to the general fund over the period is budgeted at **£16m**.

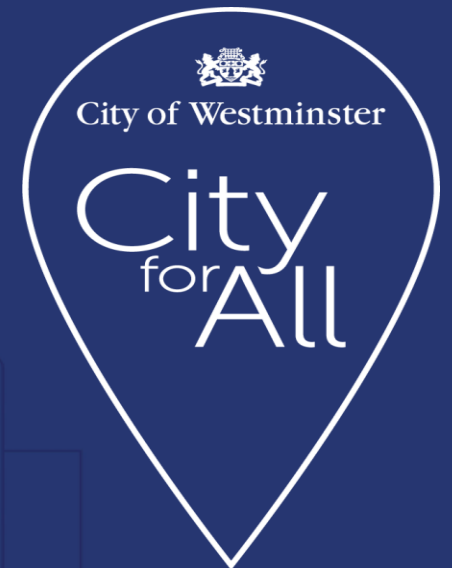
Scheme	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Westminster Builds Loan Finance (Exp) and Loan Repayment (Inc)	268.201	(163.947)	104.254



Finance and Resources

Gerald Almeroth
Executive Director

20 January 2022



F&R – Key Projects Over the Next 5 Years (1)

The five-year capital programme for Finance and Resources from 2022/23 to 2026/27 has a gross budget of £386.627m (£379.664m net). Some of the key projects over this period are highlighted below:

- **Property Investments (£120.000m Gross, £120.000 Net)** – investment fund to facilitate the acquisition of investment properties of strategic importance
- **Huguenot House (£74.863m Gross, £74.863m Net)** – Consideration of the options for the future best use of Huguenot House
- **Leisure Review Development (£49.075m Gross, £47.155m Net)** – Consideration of options for the future best use of the council's physical activity and leisure services and associated site and adjoining site at Queen Mother & Seymour centres (£34.279m), as well as ongoing budgets for Porchester (£5.763m) and maintenance at several sites (£9.033m)
- **Digital Transformation (£31.214m Gross, £29.906m Net)** – to support the Customer Experience, Digital Programme and Smart City priority in the City for All plan. This includes delivery of products that provide digital transformation to services and improved outcomes for residents.
- **Capital Contingency (£37.215m Gross, £37.215m Net)** – contingency for the overall capital programme



F&R – Key Projects Over the Next 5 Years (2)

- **Landlord’s Responsibilities (£25.096m Gross, £25.096m Net)** – responsive, planned, preventative and emergency works for operational properties managed by the Council
- **Retrofit Accelerator (£15.000m Gross, £15.000m Net)** – the delivery of works across the Council’s properties to maximise energy conservation and efficiencies
- **Investment in Commercial Properties (£9.400m Gross, £9.400m Net)** – reinvesting in the Investment Property Portfolio to maintain existing revenue streams, ensure buildings meet health and safety standards, maximise the potential to achieve rental growth and further enhance the reputation of the Council as a preferred landlord
- **Coroner’s Court Improvements (£3.400m Gross, £0.565m Net)** – modernise accommodation to reflect HM Coroner’s (Inner West London) requirements. This project is required for compliance with the Coroners and Justice Act 2009.
- **Community Facing Facilities (£3.000m Gross, £3.000m Net)** – ongoing refurbishment of community facing facilities including libraries



F&R - 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 to 2026/27 is £386.627m (net £379.664m).
An overview of the F&R capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Property investments	120.000	-	120.000
Huguenot House	74.863	-	74.863
Leisure review development	49.075	(1.920)	47.155
Capital Contingency	37.215	-	37.215
Digital Transformation	31.214	(1.308)	29.906
Landlord's Responsibilities	25.096	-	25.096
Retrofit Accelerator	15.000	-	15.000
Investment in Commercial Properties	9.400	-	9.400
Coroners Court Improvements	3.400	(2.835)	0.565
Community Facing Facilities	3.000	-	3.000
Combined other projects	18.364	(0.900)	17.464
Grand Total	386.627	(6.963)	379.664



F&R - 2022/23 Capital Programme

The gross capital expenditure forecast for 2022/23 is £48.354m (net £44.391m).
An overview of the 2022/23 capital budget is shown below:

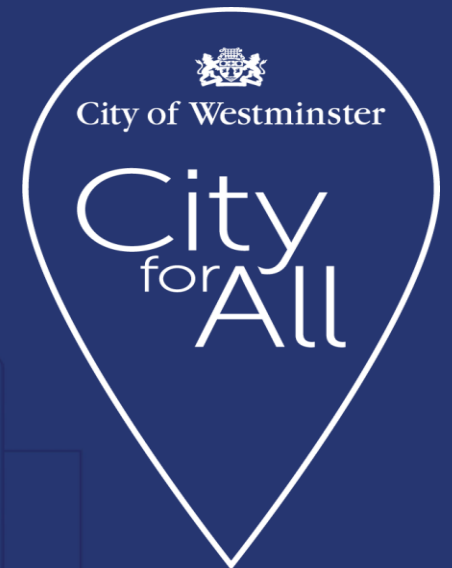
Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Digital Transformation	11.515	(0.508)	11.007	1.649
Leisure Review Development	8.191	(0.170)	8.021	4.195
Huguenot House	5.901	-	5.901	2.400
Landlord's Responsibilities	5.096	-	5.096	6.533
Coroners Court Improvements	3.400	(2.835)	0.565	0.300
Retrofit Accelerator	3.000	-	3.000	1.338
Investment in Commercial Properties	1.750	-	1.750	2.954
Community Facing Facilities	1.000	-	1.000	0.500
Capital Contingency	0.204	-	0.204	-
Combined other projects	8.297	(0.450)	7.847	7.957
Total Capital Programme	48.354	(3.963)	44.391	27.826



Environment and City Management

Raj Mistry
Executive Director

20 January 2022



ECM – Key Projects Over the Next 5 Years

The five-year capital programme for ECM from 2022/23 to 2026/27 has a gross budget of £280.381m (£200.915m net). Some of the key projects over this period are highlighted below:

- **Waste Fleet Procurement (£41.500m Gross, £41.500m Net)** – To procure 80 electric vehicles to deliver waste and recycling collection service and have a suitable charging infrastructure.
- **Planned Preventative Maintenance (PPM) Highways (£37.853m Gross, £37.853m Net)** - Annual programme to ensure highways assets (e.g. roads, pavements) remain safe and efficient.
- **Planned Preventative Maintenance (PPM) Lighting (£19.444m Gross, £19.444m Net)** – Annual programme to ensure highway street lighting assets remain structurally safe and lit efficiently to Westminster standards for our residents and visitors.
- **Electric Vehicle Charging Infrastructure (£9.755m Gross, £9.755m Net)** – Providing electric vehicle charging points across Westminster.
- **Disabled Facilities Grant (£8.645m Gross, £0m Net)** - This provides essential adaptations to enable residents to remain independent in their homes.



ECM - 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 to 2026/27 is £280.381m (net £200.915m).

An overview of the ECM capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Highways	199.998	(68.755)	131.243
Community Services	3.306	(0.500)	2.806
Parking	4.290	(0.066)	4.224
Public Protection & Licensing	10.285	(8.645)	1.640
Waste & Cleansing	62.502	(1.500)	61.002
Total Capital Programme	280.381	(79.466)	200.915



ECM - 2022/23 Capital Programme

The gross capital expenditure forecast for 2022/23 is £112.332m (net £80.632m).

An overview of the 2022/23 capital budget is shown below:

Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Highways	69.911	(28.305)	41.606	36.668
Community Services	0.786	(0.100)	0.686	2.702
Parking	4.040	(0.066)	3.974	0.000
Public Protection & Licensing	2.153	(1.729)	0.424	2.269
Waste & Cleansing	35.442	(1.500)	33.942	2.305
Total Capital Programme	112.332	(31.700)	80.632	43.944



ECM - 2022/23 Capital Programme

The Environment and City Management Capital Programme for 2022/23 has a gross budget of £112.332m (£80.632m net). The key projects in 2022/23 are outlined below:

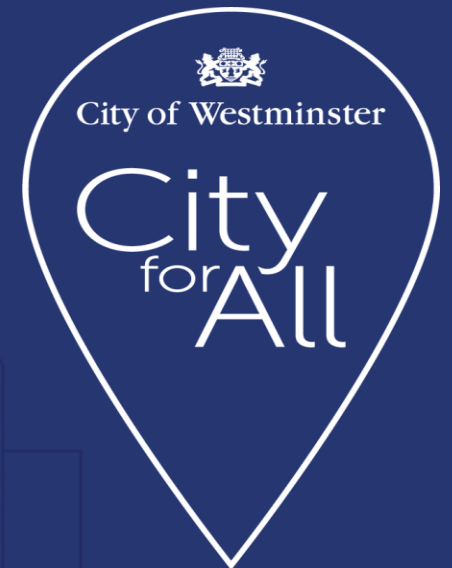
- **Public Realm Projects – (£27.820m Gross, £0m Net)** - Large number of schemes including Hanover Square, Queensway and Grosvenor Square that are fully funded by third parties. Therefore, these schemes could slip into future years as discussions take place with external funding providers. However, there is no cost to WCC.
- **PPM Programmes (Highways, Lighting, Bridges & Structures £15.568m Gross, £15.568 Net)** –Details as per earlier 5-year slide.
- **Schemes that contribute towards the climate agenda – (£31.790m Gross, £30.290m Net)**
 - **Main Fleet Replacement Programme (£24.000m Gross, £24.000m Net)** - To procure 40 electric vehicles to deliver waste and recycling collection service and have a suitable charging infrastructure.
 - **Electric Street Cleansing Vehicles (£5.500m Gross, £4.000m Net)** - Entire Street Cleansing operations will be delivered using zero emission (electric) Street Cleansing specialist vehicles.
 - **Electric Vehicle Charging Infrastructure (£2.290m Gross, £2.290m)** - To provide a charge point network of an appropriate size and scope to complement demand from EVs operating in the City.
- **Public Conveniences Renovation Programme (£3.250m Gross, £3.250m Net)** - Providing high quality facilities for residents and visitors.
- **Parking – Business Processing & Technology – (£3.250m Gross, £3.250m Net)** - Deliver an Integrated Technology platform, consisting of Handheld technology, a Notice Processing System and a Permit Management System



Children's Services

Sarah Newman
Executive Director

20 January 2022



Children's Services – Key Projects Over the Next 5 Years

The 2022/23 – 2026/27 capital programme has a gross budget of £6.450m (£1.150m net). Key projects highlighted below -

- **SEN High Needs and Family Support (£3.000m gross, £0m net)** - Adaptions and alterations of schools to improve High Needs and Family Support provision
- **School Development Capital (£2.000 gross, £0m net)** - Investment in maintained schools to comply with good asset management in accordance with DfE guidelines
- **Social Care System Procurement (£0.530m gross, £0.530m net)** - Westminster's share of procuring a Bi-Borough social care case management system for Children's Services
- **King Solomon Academy Ramp (£0.500m gross, £0.500m net)** - The King Solomon expansion is due to complete in 2021/22. This new element relates to the replacement of an existing ramp to enable additional pupils to safely access the refurbished school and nursery
- **Safeguarding for Community Primary Schools (£0.300m gross, £0m net)** - Alterations and improvements to community school buildings to enhance site security and safeguarding



Children's Services- 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 - 2026/27 is £6.450m (net £1.150m). An overview of the budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Non-School Projects	0.650	-	0.650
School Expansions	0.500	-	0.500
Schools Improvement	5.300	(5.300)	-
Total Capital Programme	6.450	(5.300)	(1.150)



Children's Services - 2022/23 Capital Programme

The gross capital expenditure forecast is £3.370m (net £1.070m). An overview of the budget is shown below:

Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Non-School Projects	0.570	-	0.570	0.702
School Expansions	0.500	-	0.500	2.135
School Improvement	2.300	(2.300)	-	-
Total Capital Programme	3.370	(2.300)	1.070	2.837



Adult Social Care & Public Health

Bernie Flaherty
Executive Director

20 January 2022



ASC – Key Projects Over the Next 5 Years

The five year capital programme for ASC from 2022/23 to 2026/27 has a gross budget of £0.732m (£0.000m net). The key projects over this period are highlighted below:

- **Framework-I upgrade to Mosaic (£0.419m gross expenditure)** – This is a key component in meeting ASC’s statutory responsibilities under the Care Act 2014. The project involves the re-procurement of the Adult Social Care - Care Management System (currently Mosaic), and the delivery of short-term improvements to Mosaic and integrated systems in the interim period.
- **Lupus Street (£0.313m gross expenditure)** – This is a former day care centre, the current proposal is to remodel the existing building to provide a six (6) bedded residential property which will be used to deliver an intermediate or rehab care service that will house and treat, for a short period, residents who have been assessed as having Serious Mental Health (SMI) support needs. The service will accommodate WCC residents both male and female of working age.



ASC - 5 Year Capital Programme

The gross capital expenditure forecast for 2022/23 to 2026/27 is £0.732m (net £0.000m).

An overview of the ASC capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Framework I upgrade to Mosaic	0.419	(0.419)	-
Lupus St	0.313	(0.313)	-
Total Capital Programme	0.732	(0.732)	-



ASC - 2022/23 Capital Programme

The gross capital expenditure forecast for 2022/23 is £0.513m (net £0.000m).

An overview of the 2022/23 capital budget is shown below:

Grouping	2022/23 Gross Expenditure £m	2022/23 Gross Income £m	2022/23 Net Budget £m	2021/22 Net Forecast £m
Framework I upgrade to Mosaic	0.200	(0.200)	-	-
Lupus St	0.313	(0.313)	-	-
ASC Care Information Exchange Enhancement Project	-	-	-	0.100
Total Capital Programme	0.513	(0.513)	0.000	0.100



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