

Budget Scrutiny Task Group

Proposed Capital Programme 2024/25

25 January 2024

Work completed to date

The final General Fund capital programme summary has been assessed after the following processes:

- New capital projects taken through November Budget Scrutiny Task Group meetings. A total of £57m is now included in the capital programme
- Review of impact of any strategic changes of existing projects
- A review of CIL & S106 balances & future projected sums to identify any additional resources available to support the programme

The capital programme is presented in the context of strategic direction and affordability of repayment of any borrowing requirement in the MTFP

New Capital Expenditure

- New capital expenditure was reviewed in detail as part of the October CRG meeting and as part of the Scrutiny budget review sessions in November.
- Total requirement reduced from £62m to £57m as part of that process
- Summary of proposed new expenditure by theme is shown below.
 - ✓ Supporting Fairer Westminster Priorities (£12.8m)
 - ✓ Health & Safety (£2.5m)
 - ✓ Maintaining our assets (£11.4m)
 - ✓ Income generation (£2m)
 - ✓ Compliance / Contractual obligations (£28m)
- Details on new projects can be found in the appendix .

Summary General Fund Capital Programme

The table below summarises the movements between the general fund capital budget approved in March 2023 and the latest proposed position.

	Gross Expenditure	External Funding	Net Expenditure	Capital Receipts	Borrowing Requirement
	£000	£000	£000	£000	£000
Budget approved March 2023	2,740,348	(442,691)	2,297,657	(920,108)	1,377,549
Adjustment 2022/23	(197,338)	115,435	(81,903)	58,137	(23,766)
Changes to Existing Projects	3,437	(104,136)	(100,699)	103,463	2,764
New Budget Requests (Fairer Westminster)	83,406	(13,393)	70,013	(13,500)	56,513
Total Increase in Budget	86,843	(117,529)	(30,686)	89,963	59,277
Draft Budget March 2024	2,629,853	(444,785)	2,185,068	(772,008)	1,413,060

Summary General Fund Capital Programme

The revenue costs of the updated capital programme maintain the MTFP assumption of a £3m p.a. increase over the 15-year programme horizon.

	Forecast 2023/24 £000	Five Year Plan					Future to 2037/38 £000	Total £000
		2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2027/28 £000		
Expenditure	254,247	414,327	370,070	481,362	266,777	154,424	688,646	2,629,853
External Funding	(41,972)	(58,653)	(65,404)	(72,572)	(26,400)	(15,420)	(7,540)	(287,961)
Capital Receipts	(11,845)	(51,378)	(20,658)	(14,277)	(294,630)	(77,257)	(301,963)	(772,008)
s106 and CIL Funding	(9,835)	(39,917)	(45,725)	(11,447)	-	(9,950)	(39,950)	(156,824)
Borrowing Requirement	190,595	264,379	238,283	383,066	(54,253)	51,797	339,193	1,413,060
Revenue Impacts:								
Capital Financing Cost	28,320	29,622	32,023	49,132	65,280	69,889	624,500	898,767
Financed By:								
Commercial Income	(1,592)	(854)	(5,083)	(12,269)	(12,491)	(14,514)	(160,877)	(207,680)
Net Revenue Position	26,728	28,768	26,940	36,863	52,789	55,375	463,623	691,087
Sinking Fund Adjusted Balance	(6,028)	(5,068)	(240)	(7,163)	(20,515)	(20,464)	(19,262)	(78,740)
MTFP Budget Assumptions	20,700	23,700	26,700	29,700	32,274	34,912	444,361	612,347

Appendix 1

Changes to Existing Projects & Programmes

ELT	Scheme Name	Change in Expenditure Budget £m	Change in Funding Budget £m	Change in Capital Receipts £m	Net Budget Change £m	Narrative
Housing & Commercial Partnerships	Temporary Accommodation Major Works	16.342	0.000	0.000	16.342	This is a bid for a £1.2m budget per year rolling programme to fund Major works on the TA Acquisitions Programme to maintain standards in line with Fairer Westminster Priorities regarding Housing.
Environment, Climate & Public Protection	Central London Cycle Grid in Westminster	11.780	(3.739)	0.000	8.041	Rolling programme budget requested across a further 4 years.
Environment, Climate & Public Protection	Flooding - Reducing impact of Surface Water flooding	2.800	0.000	0.000	2.800	Annual £700k rolling programme budget from 25/26 for 4 years.
Environment, Climate & Public Protection	Highways Buildouts For Trees	1.750	0.000	0.000	1.750	Budget increased to ensure a £475k rolling budget from 25/26 to 28/29

ELT	Scheme Name	Change in Expenditure Budget £m	Change in Funding Budget £m	Change in Capital Receipts £m	Net Budget Change £m	Narrative
Environment, Climate & Public Protection	Planned Preventative Maintenance - Highways	8.024	0.000	0.000	8.024	Rolling Programme - additional year added to the programme
Finance and Resources	Landlord Responsibilities	5.000	0.000	0.000	5.000	Rolling Programme - additional year added to the programme
Finance and Resources	Carbon Management Programme	5.643	(1.920)	0.000	3.723	Rolling Programme - additional year added to the programme
Environment, Climate & Public Protection	Planned Preventative Maintenance - Lighting	3.000	0.000	0.000	3.000	Rolling Programme - additional year added to the programme

ELT	Scheme Name	Change in Expenditure Budget £m	Change in Funding Budget £m	Change in Capital Receipts £m	Net Budget Change £m	Narrative
Finance and Resources	Improvements Vacant Investment Properties	5.706	(3.283)	0.000	2.423	Rolling programme plus inclusion of planned works at Emmanuel House. Also requested £374k as additional budget, as not all funding achieved
Finance and Resources	Capitalised Salary Costs	1.055	0.000	0.000	1.055	Rolling Programme - additional year added to the programme
Environment, Climate & Public Protection	Drainage Infrastructure	1.200	0.000	0.000	1.200	Rolling Programme - additional year added to the programme
Environment, Climate & Public Protection	Local Safety And Traffic Management Schemes	1.000	0.000	0.000	1.000	Rolling Programme - additional year added to the programme

ELT	Scheme Name	Change in Expenditure Budget £m	Change in Funding Budget £m	Change in Capital Receipts £m	Net Budget Change £m	Narrative
Regeneration, Economy and Planning	Westminster Housing Investment Limited Loan	30.206	0.000	(22.481)	7.725	Additional acquisitions programmed at West End Gate Block H, as well as cost increases on development schemes being reflected in the company Business Plan.
Finance and Resources	Digital Schemes	5.395	0.000	0.000	5.395	The digital schemes have been reviewed and restructured. There is a £9.890m budget increase which is offset by an underspend of £4.494m in the current year (23/24) giving a net £5.395m increase.
Regeneration, Economy and Planning	Harrow Road Place Shaping	1.939	0.000	0.000	1.939	£900k of secured Good Growth Funding was not historically included in expenditure budget. Additional £944k is to deliver the November 2022 Cabinet member approved ambition review. £95k is due to a funding shortfall.

ELT	Scheme Name	Change in Expenditure Budget £m	Change in Funding Budget £m	Change in Capital Receipts £m	Net Budget Change £m	Narrative
Environment, Climate & Public Protection	HVM Covent Garden	1.200	0.300	0.000	1.500	There is a joint responsibility for public protection of an area between the Council and the freeholder. The developer has proposed a revised scheme with higher cost estimates than previously budgeted for. The £1.5m increase in scheme cost will be met by the Council as its contribution to the scheme.
Regeneration, Economy and Planning	Enterprise	0.000	1.189	0.000	1.189	Funding of £1.289m will not materialise. £100k of additional GLA funding for the CEZ scheme throughout 24/25
Finance and Resources	Community Facing Facilities	(2.000)	0.000	0.000	(2.000)	The programme of works can be incorporated within Landlord Responsibilities.
Regeneration, Economy and Planning	WEP - Strand Aldwych	(1.391)	0.000	0.000	(1.391)	Potential underspend of £1.391m after final account reconciliation.
Environment, Climate & Public Protection	Victoria Street Red Route	(1.300)	0.297	0.000	(1.003)	The scheme has been aborted.

Strategic Changes to Existing Schemes

ELT	Scheme Name	Strategic Changes to Existing Schemes
Finance & Resources	Huguenot House	Refreshed vision for scheme and change to the delivery route from self-delivery to a partnership approach. (£19.6m reduction in net borrowing)
Adults & Deputy Chief Executive	Oxford Street Programme	Assuming external contributions to some elements of the scheme and resizing the scheme if these are not secured. (£26.8m reduction in net borrowing)
Regeneration, Economy and Planning	291 Harrow Road	Uplift in affordable housing provision from 35% to 50% (subject to CRG review of business case) resulting in a reduction in the capital receipts from the scheme. Scheme costs have also been refreshed. (£34.5m increase in net borrowing)
Regeneration, Economy and Planning	Lisson Grove Programme	Uplift in affordable housing provision from 35% to 50% (subject to CRG review of business case) resulting in a reduction in the capital receipts from the scheme. (£28.7m increase in net borrowing)

Appendix 2

New schemes taken through November BSTG

Children's Services

Scheme Name	Project Description
Looked After Children Placements Provider Portal	To implement a Provider Portal within the existing case management system, allowing providers of placements and support for Looked After Children and Care Leavers to request, view and query payments.
Registration Services Booking System cont.	The project will provide a new digital booking and e commerce system for the Registration Service, offering an exceptional customer experience, increasing revenue and generating service efficiencies.
Special School Provision	Securing local specialist provision for autistic children and young people subject to an Education Health and Care Plan through adequate resource planning, avoiding costly transport out of borough.

Environment, Climate & Public Protection

Scheme Name	Project Description
40 Eastbourne Terrace	Proposal of additional cycle parking, new street tree and widened footway
Knightsbridge Green	Part-pedestrianisation of the Green with enhanced public realm with parking changes, proposed benches, etc.
Opera Quarter	Large scale public realm scheme funded by Shaftesbury, including public realm improvements in the form of footway widening in Catherine St, Tavistock St and Wellington St (Covent Garden).
London School of Economics (LSE) St Clement's Lane	Medium sized public realm scheme funded by LSE, including pedestrianisation of St Clement's Lane (Covent Garden). Works include high spec material and proposed planters.
Bond Street Station Western Ticket Hall	Developer scheme funded by TfL Crossrail, renewal of footway and carriageway surfaces in high quality materials, upgraded Street lighting infrastructure, shared use surface in reclaimed granite setts to St Anselm's Place.

Environment, Climate & Public Protection

Scheme Name	Project Description
North Audley Street Highways and Public Realm Improvements	Developer scheme funded by Grosvenor, scheme looks to provide widened York Stone Paving footways, resurfaced carriageway, Street lighting improvements, new surface water drainage infrastructure, introduction of SuDS, and kerbside control amendments.
Eccleston Street	Developer (Grosvenor Estate) funded scheme. Proposal is to build on the existing temporary Alfresco Scheme at Eccleston Street that had enabled outside dining during the pandemic.
Elizabeth Street	Developer (Grosvenor Estate) funded scheme. Alfresco Scheme at Eccleston Street that had enabled outside dining during the pandemic.
South Molton Street	Proposal to plant additional trees within the footway along South Molton Street
Bayswater Road, Junction Improvements	Improvements to the junctions of Queensway and Bayswater Road and Inverness Terrace and Bayswater Road. Improved pedestrian crossing facilities and cycling infrastructure as well as resurfacing of the footway and carriageway.
Automatic Public Conveniences and Urinals	Replace existing public conveniences that are at the end of their life span and replace with new units fitting of Westminster.

Environment, Climate & Public Protection

Scheme Name	Project Description
Piccadilly Underpass Fan Replacement - Phase 2	Replacement of the existing fans that are end of life (installed in the 1960s) with new modern equivalents. Any new fans will perform a fire control function as well as pollution control making the tunnel safer in the event of a fire.
Charlotte Street	Improved public realm and associated active travel benefits, including increased number of pedestrian crossings and tactile paving. To complement scheme on the Camden side of street.
Kilburn Lane Traffic Management	One-way working leading to reduced rat-running, and improved cycle links through Ilbert Street
London Lorry Control Scheme - Signs audit and replacement	Audit, design, implementation and asset recording of the substantial stock of WCC London Lorry Control Scheme signs across key strategic routes. Replacement of signs where inaccurate or end of life.
Cycle Loan Restart	To procure a supplier to purchase bikes then loan or lease these out to residents and commuters
Flood Risk Alleviation	Installation of various sustainable urban drainage initiatives to slow down the flow of surface water and reduce flood risk.

Finance & Resources

Scheme Name	Project Description
Droop Street	The proposal is to consolidate Community Access Westminster [CAW] services, currently sited at two locations, Lisson Grove and Droop Street, onto one site at Droop Street. The new space will meet and or exceed current standards and be fit for purpose. The project will ensure that the building is 'future proofed' .
MEES Compliance / Net Zero (Investment Estate)	Undertake whole building audits of assets to assess range of energy conservation measures and costs to upgrade to EPC B rating and align with NZC goals In order to reduce the carbon emissions across the estate, high level feasibility assessments will need to be undertaken to determine what energy conservation measures can be retrofitted within these buildings, to facilitate the delivery of meeting the 2040 Net Zero target.
Mortuary	Refurbishment of Westminster Public Mortuary including replacement of equipment, M&E upgrades, general refurbishment works and roof replacement.
Waste Depots	Refurbishment and installation of charging infrastructure at 2 sites for use as waste fleet depots. 61 Harwood Avenue, London NW1 6PA to be used as a relocation site for the street cleaning depot at Lisson Grove and Site F, Mandela Way, London, SE1 5SS to be used to house 50% of the WCC waste collection fleet on relocation from the Veolia Alperton depot.
New eProcurement system	Implementation of new eProcurement, Contract Management and Supplier Relationship Management system for WCC

Innovation & Change

Scheme Name	Project Description
Outdoor Media Phase 2	The design, build and installation of up to five mid-size digital advertising structures that would, subject to planning permission and other statutory consents, be installed on several vehicular routes throughout the city - primarily within St James's Ward. The structures would measure approximately 5.5m in height and 1.8m in width, with the screens measuring 3m in height and 1.5m in width. The structures would be licensed to media owners for a commercial fee.
Paddington Street Gardens Playground	Refurbishment of the current playground in Paddington Street Gardens. To install inclusive and accessible play equipment for all children to play and enjoy. The project is supported by the local Ward Councillors, the local church and the Harley Street BID
Golden Square playground and greening project	A new play area designed by for and by the community. Greening of Golden Square to remove, soften the current hard surface and assist to reduce the heat basin effect of the concrete surface. There is currently a lack of play facilities for families living in the Soho/West End area. The nearest play areas are at Victoria Embankment Gardens (20 min walk) and Drury Lane (21 min walk).
Soho Square replacement paths	Replacement of Paths in Soho Square. The paths are deemed to be beyond economical repair, they are requiring constant revenue funding to maintain them to a basic Health and Safety standards. The existing path network requires removal and replacement with an agreed and suitable durable material.
All Stars Boxing Club – Community Mentoring and Sports	All stars have an active membership base, all drawn from the local communities in which it sits. In addition to the club base, it has an active user profile of approx. 1000 members with approx. 350 individuals attending each week. They have 16 coaches and 6 mentors who mentor at the gym and schools in the community to work with on mentoring.

Innovation & Change

Scheme Name	Project Description
Forest Schools or self-guided in Parks	The scheme has two themes, 1) to establish new forest school areas at Queens Park, Westbourne Green, St John's Wood Church Grounds, St Mary's Yard and Milbank. 2) to establish a set of self-guided areas for forest schools by developing new parks infrastructure and digital channels for signposting
Hanover Square Drainage to main lawn	The recently completed landscaping of Hanover Sqr has been a great success. Unfortunately, the central lawn has been subject to flooding. This is culminating in flooding of the area, water sitting on the surface causing slipping, foul smell and is considered a health and safety issue
Electric Maintenance Vehicle- Sayers Croft	To replace a scrapped diesel Sayers Croft estate vehicle with an electric alternative, capable of navigating the small access roads but large enough to carry laundry loads, groups packed lunch orders, maintenance equipment and tools across the estate, with an enclosed canopy to protect goods in all weathers. Must also be fitted with sound emitters and lights to safeguard children and other site users.
Intelligent, smart signage in Parks	Pilot scheme for Installation of smart signage. The smart signs would provide the narrative and history of the park but also allow the user to use a touch screen for information about other facilities, projects and activities offered by Westminster e.g. sport centres, nearest playground, contact details of other departments, etc.

Innovation & Change

Scheme Name	Project Description
Parks Fountains	Parks fountains have for many years received little of no funding to maintain and improve their pump rooms, switchgear or electrical components. Their ponds/features are showing signs of neglect with several external features turned off due to lack of funding.
Playground replacement	Commencement of the Renewal of Parks playgrounds. Currently all Parks play areas have been installed for a period of 10 years or more. It is planned to undertake a program of replacement equipment with a view to modernise and install inclusive play areas accessible and inclusive for all children and their communities
Queen's Park Gardens MUGA	One of the project goals is to encourage the community to have a sporty and healthy lifestyle, through a new refreshing approach that combines sports, art and people Sport in our world is one of the authentic tools for bringing hearts together and creating communities. The pitches will become a symbol of accepting difference and creating a sense of belonging for every child who goes out to the court.
SGL2	The SGL2 project is requesting £1m of Defra Air Quality grant funding to deliver initiatives associated with: Smarter Freight Hub Inter-Changes; Greener Road Freight; Greener Rail Freight; Greener Water Freight; Policy-influencing to support Sustainable Logistics; Sustainable Logistics supporting the re-design of High Streets; Communications to raise awareness; and Monitoring to capture benefits. These will be delivered across the 23 Project Partners, which include Local Authorities, Business Improvement Districts and Strategic Organisations.

Innovation & Change

Scheme Name	Project Description
St Georges Square Dog Park	The surface of the dog exercise area at St Georges Park continues to underperform and is identified as a Health and Safety issue, due to intensive use by dogs damaging the grassed area and exposing the earth beneath. The sub structure of the grass consists of debris and sand-remnants of the old Victorian waste handling area and glass factory works, and the high level of dog usage is also unearthing glass shards. This contributes to making the area very unstable, prone to severe damage and possible damage to dog's paws from the glass. The plan is to excavate and dispose of existing subsoil, topsoil and turf and replace with new material.
Wilberforce Multi Use Games Areas	An implementation of a MUGA at the Wilberforce School with a CUA (Community Use Agreement) to be used by the school and local community.
Cemeteries Path, Burial Chamber and Mausoleum	Installation of Burial paths, Mausoleum and Burial chambers in Hanwell, East Finchley and Mill Hill cemeteries. Faculties have been secured resulting in the release of earth burials in cemeteries that had could no longer offer the service. Cemeteries now contribute a profit to the City Council. Funding is required to maintain the contribution.
Paddington Recreation Ground Projects	Various projects across Paddington Recreation Ground to include: Padel Courts; allotments/urban farming project; Village Green Health and Safety renewal; update of toilet and changing rooms; crickets nets

Regeneration, Economy & Planning

ELT	Scheme Name	Project Description
Regeneration, Economy and Planning	West End Gate - General Fund Development	The Council have an opportunity to acquire 45 affordable homes at 14-17 Paddington Green Berkeley Homes S106 requires them to give the Council right of first refusal on the affordable homes on the next phase of West End Gate, known as 14 – 17 Paddington Green. Regardless of whether the Council choose to purchase the homes or not, they will retain full nomination rights.