
CAPITAL PROGRAMME 2014-15 TO 2016-17

**Presented to the Council
5th March 2014**

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3. CAPITAL PROGRAMME 2014-15 to 2016-17

3.1 EXECUTIVE SUMMARY

3.1.1 This report sets out the Council's £160 million capital investment programme for 2014-15 onwards, which will deliver key projects including:

- the new Kensington Aldridge Academy and Kensington Leisure Centre (£57 million);
- a rebuilt Middle Row Primary School (£13 million);
- a rebuilt Marlborough Primary School and redevelopment of the remainder of the site;
- redevelopment of Fox Primary School;
- replacement plant and electrical equipment at the Central Library; and
- refurbishment of Grenfell Tower.

3.1.2 The sources of funding comprise: the Council's reserves and revenue contributions (£99 million); capital receipts (£31 million) and external funding (£30 million).

3.1.3 The Council draws a broad distinction between its investment in services and remunerative schemes that either deliver savings or increase income. Whereas service investment is funded from the Council's capital resources and funds earmarked for capital investment such as the Capital Expenditure Reserve, remunerative schemes are funded from revenue reserves and expected to repay the funding in nominal terms. Details of the funding are set out later in the **Capital Programme Book Appendix 3** of this report.

3.2 RECOMMENDATIONS

3.2.1 Council is recommended to:

- (a) Approve the Capital Programme, including the associated expenditure and funding, subject to confirmation of any external resources, as summarised in **Table 2** and set out in detail in the **Capital Programme Book, Annex 1** including:
 - revisions to the 2013-14 Capital Programme where not previously approved;
 - the 2014-15 Capital Programme subject to further specific approval being required for schemes not yet approved; and

- inclusion of schemes starting in 2015-16 and 2016-17 for planning purposes only unless the schemes have already been approved.
- (b) Note that where external funding is not yet certain, any scheme approved will be subject to review in the event that the confirmed external funding differs from that assumed in the Programme.
- (c) Note the pipeline schemes not yet included in the Programme.
- (d) As referred to the **Capital Programme Book Appendix 3, paragraph 3.2**, determine that capital receipts in respect of non-dwelling HRA sales be treated as reduced in accordance with the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 up to the value of the available capital allowance.
- (e) Note the balances of £4.5 million in the Capital Expenditure Reserve and £12.7 million in the Car Parking Reserve at the end of 2016-17. The total remaining reserves are forecast to be just below 30 per cent of forecast gross spending at the end of 2017. Please see the **Capital Programme Book Appendix 3 (Tables 3 and 4)** and **Chart 1, paragraph 5.19**.
- (f) As set out in the **Capital Programme Book Appendix 3, section 5**, note that the Council uses the Capital Financing Requirement Method (Option 2) to calculate a prudent level of Minimum Revenue Provision (MRP) for capital spending prior to 1 April 2008 and the Asset Life Method (Option 3) for capital spending after the 1 April 2008.
- (g) Agree the Capital Financing Requirement as a result of the proposed Capital Programme, in accordance with the requirements of the Prudential Code, as set out in **paragraph 3.5.20** and the **Capital Programme Book Appendix 4, Table 1**.
- (h) Agree the calculation of the General Fund Minimum Revenue Provision for debt repayment in 2014-15 and to make no provision in respect of the HRA in 2014-15 as set out in **paragraph 6.4** and **paragraph 6.6**.
- (i) Agree the affordability and sustainability of the revenue impact of the capital programme on the Council Tax, in accordance with the requirements of the Prudential Code, as set out in **paragraph 6.5**, and the **Capital Programme Book Appendix 4 (Table 2, paragraph 1.5 and paragraph 1.6)**.

- (j) Agree that the HRA capital investment is limited to the surplus funds it can generate to ensure sustainability, unless opportunities to build additional dwellings can be realised when borrowing up to the Government's debt ceiling will be permitted, as set out in **paragraph 5.5** and **paragraph 6.6**.

3.3 REASONS FOR DECISION

- 3.3.1 The Capital Programme is very substantial and an integral part of the Council's business and financial planning. Under the Council's Constitution, Cabinet and thereafter full Council are required to approve it each year.
- 3.3.2 The Council has a duty under section 3(1) of the Local Government Act 2003 to determine and keep under review how much money it can afford to borrow. Section 3(5) of the Local Government Act 2003 provides that the Secretary of State may by regulations make provision about the performance of that duty.
- 3.3.3 Regulations made by the Secretary of State require the Council to have regard to the Prudential Code for Capital Finance in Local Authorities published by CIPFA regarding the affordability of the Capital Programme. The Prudential Code requires the consideration of matters including the implications for the Council Tax, prudence and the long-term implications of any external borrowing.

3.4 BACKGROUND

- 3.4.1 The proposed programme entails capital investment of £160 million. It covers the three years to 2016-17, although several projects continue into later years.
- 3.4.2 The programme is focused on greatly enhancing education, improving the quality of life in the poorest parts of the Royal Borough and generating significant savings to protect services.
- 3.4.3 The previous capital programme was £170 million requiring £124 million of Council funding. The new programme entails £130 million of Council funding. A comparison with previous programmes is set out in **Table 1** overleaf:

Table 1: Comparison with Previous Programmes

Capital Programme	Cost £m	Council Funding £m
2014-15 to 2016-17	160	130
2013-14 to 2015-16	170	124
2012-13 to 2014-15	180	143
2011-12 to 2013-14	155	138

3.5 PROPOSAL AND ISSUES

Capital Strategy and Major New Schemes

3.5.1 The major schemes that the Council could readily fund from its own resources to transform services and the streetscape have either been completed or are underway. The Council now faces a period of more constrained funding. The Capital Programme will accordingly extend to:

- a relatively small number of schemes that will realise significant improvements to services;
- a range of schemes that will deliver significant savings or increase income; and
- schemes where the Council can realise the value of its assets both to rebuild existing facilities and generate resources to fund service investment.

3.5.2 Therefore, the Council has only one major scheme included on the programme for the first time:

- **Fox Primary School Redevelopment** – the school is heavily oversubscribed. The existing buildings are in need of significant modernisation. It is proposed that the school is extended to increase capacity to two forms of entry and that the remainder of the building is refurbished to modern standards. A new staff training centre will be established to benefit teachers across the Royal Borough and a small facility will be built to help pupils with a Special Educational Need.

SUMMARY OF THE CAPITAL PROGRAMME

3.5.3 A breakdown of the programme by service and source of funding is shown in **Table 2** overleaf.

Table 2: Capital Programme by Service

Service	2014-15 £'000	2015-16 £'000	2016-17 £'000	Later Years £'000	Total £'000
Adult Social Care	240	0	0	0	240
Children's Services	24,952	20,553	5,669	374	51,548
Environment, Leisure and Resident's Services	21,068	2,160	1,425	600	25,253
Housing Services	870	870	770	0	2,510
Housing Revenue Account	16,457	18,987	14,250	100	49,794
Library, Archives and Heritage Services	4,473	126	0	0	4,599
Planning and Borough Development	0	0	0	0	0
Transport and Technical Services	2,731	4,757	1,130	0	8,618
Corporate Services	13,898	3,042	820	80	17,840
Total Spending	84,689	50,495	24,064	1,154	160,402
External Funding	14,718	12,055	3,050	250	30,073
Capital Expenditure Reserve	31,717	11,000	4,792	804	48,313
Car Parking Reserve	2,432	4,415	1,590	0	8,437
Other Reserves	723	110	0	0	833
Housing Revenue Account Funded	10,000	14,000	14,000	0	38,000
Revenue Contributions	0	3,700	0	0	3,700
Earmarked Capital Receipts - HPS	13,831	1,037	0	0	14,868
Earmarked Capital Receipts - Other	10,803	3,713	167	0	14,683
Unallocated Capital Receipts	465	465	465	100	1,495
New Borrowing	0	0	0	0	0
Total Council (Internal) Funding	69,971	38,440	21,014	904	130,329
Total Funding	84,689	50,495	24,064	1,154	160,402

3.5.4 **Table 3** overleaf summarises the key changes between the 2013-14 and 2014-15 programmes including:

- New General Fund schemes, such as the rebuilding of Fox Primary School, totalling £28.4 million.
- 2016-17 Housing Revenue Account (HRA) capital investment is included for the first time. Together with re-phasing of existing schemes and increases to existing programmes, gross investment in the HRA will increase by £33 million, around £24 million on a net basis.
- Slippage and re-phasing of projects moves an estimated £8 million of expenditure from 2013-14 to 2014-15.
- A net increase of £6 million to the cost of schemes within the main programme.

Table 3: Change between the 2013-14 and 2014-15 Capital Programmes

	Cost £m
2013-14 Programme	170.1
Spending incurred in 2013-14	-90.2
	79.9
New General Fund schemes	28.4
Existing General Fund schemes requesting more money	9.2
Existing General Fund schemes requesting less money	-3.2
Rolling programme changes	4.7
HRA programme changes	33.2
Re-phasing with no change in outturn cost	8.2
2014-15 Programme	160.4
Net Change	-9.7

3.5.5 Spending on HRA schemes does not represent a call on the Council's resources, but reflects a prudent use of funds held by the HRA. New spending is largely limited to maintaining the Decent Homes Standard, works required for health and safety reasons and undertaking necessary structural repairs. However, if suitable opportunities arise to convert unused office space or underused communal areas of a residential building to dwellings, the Council may spend additional money to deliver additional dwellings.

Delivery of Existing Major Schemes

3.5.6 Large existing schemes are discussed, by service, below:

Cross Service

- a. **Kensington Aldridge Academy and Kensington Leisure Centre** is a new secondary school and re-built leisure centre. There is a shortage of secondary school places in the north of the Royal Borough. The new academy will help rectify this and as a non-denominational school, will provide a greater choice of school to residents living in the area. The leisure centre will provide

excellent new sports and leisure facilities to residents in the north of the Royal Borough.

- b. **Marlborough Primary School** and **Denyer Street Depot** – the Marlborough Primary School buildings are old and in need of replacement, whereas the adjacent Denyer Street Depot is under-used. The Council is rebuilding the school, constructing a commercial development and facilitating the redevelopment of the remainder of the site.
- c. **Central Library Condition Works** – the mechanical and electrical plant at the Central Library needs replacing. The scheme will complete this work and refurbish the office and storage areas to make better use of the areas not used by the library. Surplus office space will be let to generate income.

Children’s Services

- d. **Middle Row Primary School** being rebuilt on its existing site. The school buildings are life expired and it is more economical to replace them than to refurbish them. The rebuilt school will include Special Educational Need provision, the first such facility in the Royal Borough, which will improve the service by reducing pupil placements outside the Royal Borough.

Corporate Services

- e. The **Malton Road Hub** will comprise refurbished offices that can be used by Council staff, those of its partners and the users of the Westway Information and Aid Centre. In addition to reduced running costs, the scheme will release other operational properties from which the Council should be able to earn income.

Rolling Programmes

- 3.5.7 Rolling programmes are annual cash-limited budgets that allow services to progress small capital schemes that address their service priorities. They can be either enhancements, structural maintenance or more significant schemes to improve services.
- 3.5.8 A summary of the rolling programme for each service is set out in **Table 4** overleaf and full details of all the rolling programmes are shown in the **Capital Programme Book Appendix 2**.

Table 4: General Fund Rolling Programmes

	2014-15 £'000	2015-16 £'000	2016-17 £'000
Rolling Programmes			
Adult and Family Learning Services	0	0	0
Children's Services	640	640	640
Corporate Services	350	150	150
Environment, Leisure and Residents' Services	2,073	1,025	1,025
Housing Services	870	870	770
Library, Archives and Heritage Services	0	0	0
Planning and Borough Development	0	0	0
Transport and Technical Services	1,280	1,050	1,050
Total	5,213	3,735	3,635

Pipeline Schemes

3.5.9 The Council is considering a number of projects that may appear in future years' capital programmes. No decision has been taken to proceed with such schemes and they are not sufficiently advanced to include in the programme. The most potentially significant pipeline schemes are outlined below:

- Rebuilding Barlby School and providing a new special school on part of the existing site.
- Building a new Pupil Referral Unit that combines the London Borough of Hammersmith & Fulham's Bridge Academy and the Council's Latimer Education Centre onto one site.

Financing the Programme

3.5.10 The total capital spending and funding sources for all services from 2014-15 onwards is set out in the **Capital Programme Book Appendix 3**.

External Resources

3.5.11 Capital funding from external resources, which includes grants received from the Government and contributions from third parties, for example, section 106 funds, will total £30 million.

Council Funding

3.5.12 Council funding is provided from:

- **Capital Resources** which comprise: statutory capital funding, such as capital receipts and borrowing (although the Council chooses not to borrow); and those resources that the Council has specifically set aside to pay for capital schemes i.e. the Capital Expenditure Reserve and non-recurring spending from the Car Parking Reserve.

- **Revenue Resources** which comprise contributions from the Council's revenue budget and reserves that have not been set aside for capital schemes.

3.5.13 The Council draws a broad distinction between its service investment, remunerative schemes that either deliver savings or increase income, and self-funding schemes:

- Investment in services is funded from capital resources and the Council will continue to fund such schemes that are necessary to maintain and enhance services.
- Remunerative schemes that either deliver savings or increase income are funded from the Council's revenue resources. The funding is "lent" to the scheme and is repaid, at least in nominal terms, as savings or income permits.
- Schemes where the Council can realise the value of its assets both to rebuild existing facilities and generate surplus income are self-funding.

3.5.14 Use of the Council's revenue reserves to fund remunerative schemes will generate a better rate of return than relatively risk-free investments in the Government's Debt Management Office can currently provide. Repayment of the reserve draw-downs will ensure that the Council's reserves are replenished in nominal terms and that they continue to ensure the Council's financial resilience.

3.5.15 The Car Parking Reserve can be used to fund eligible revenue and capital expenditure, such as highways maintenance, from surpluses received from on-street parking operations.

Affordability

3.5.16 The main programme can be funded from the Council's resources without recourse to borrowing. The balance in the Capital Expenditure Reserve will fall to £4.5 million by the end of 2016-17 and that of the Car Parking Reserve to £12.7 million at the end of 2016-17.

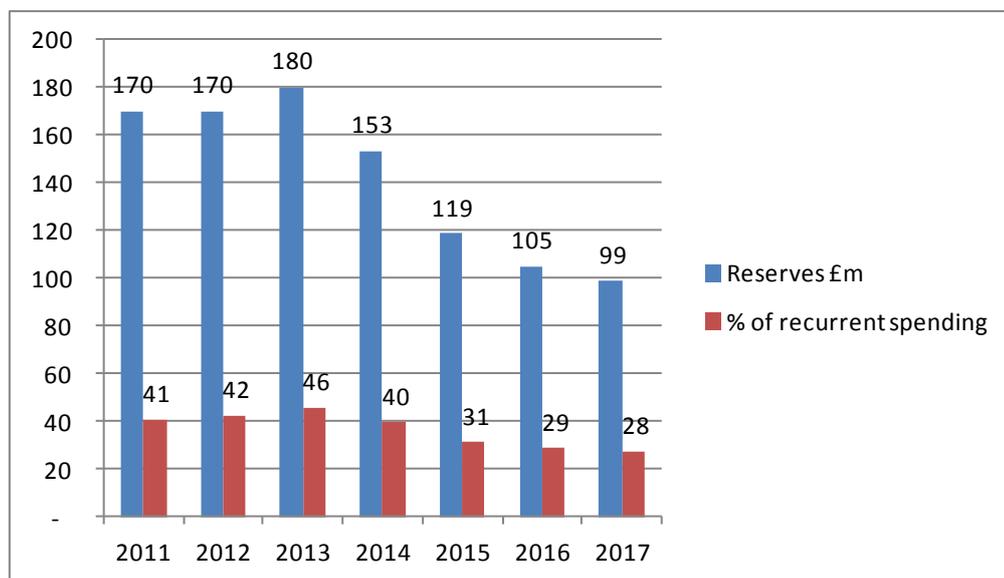
3.5.17 The projected cost of the current pipeline schemes requires £79.4 million of Council funding. The Council should be able to fund all these projects without recourse to borrowing, but may exhaust the Capital Expenditure Reserve and its other reserves, albeit temporarily.

3.5.18 Previously, the Council adopted a rigid approach to assessing the affordability of its capital programme. The Council used to set a test of maintaining a minimum balance of £15 million in each of the Capital Expenditure Reserve and Car Parking Reserve at the end of the third year of each programme. However, the adoption of an approach that differentiates between service and remunerative investment, coupled with the fact that the Car Parking Reserve is predominantly used for

revenue purposes and the Capital Expenditure Reserve is funded from revenue resources, suggest that this is not an appropriate assessment of affordability. In the future, the Council will assess the affordability of the capital programme based on the overall level of its reserves and an assessment of the level of income generated by remunerative and self-funding schemes used to replenish reserves.

3.5.19 **Chart 1** below forecasts that the programme as proposed leaves an overall reserve balance of £99 million (including the working balance of £10 million) including forecast capital returned by remunerative projects to end 2017.

Chart 1: Forecast Level of Reserves



Borrowing

3.5.20 The underlying need to borrow for capital purposes, after all other sources of capital financing available are taken into account is the 'Capital Financing Requirement' (CFR). The Council intends to rely on external funding and internal resources to fund the programme, as set out in **Table 1** of the **Capital Programme Book Appendix 3 (Total Funding)** and will only increase its General Fund CFR to:

- fund schemes of exceptional long-term strategic importance to the Council; or
- cover for temporary cash requirements pending an earmarked capital receipt.

3.5.21 The HRA is permitted by the Government to borrow a further £11.4 million because at the inception of self-financing, the Council chose not to increase the level of its HRA debt to that the Government expected. The HRA will only borrow up to this limit to build additional housing, if such an opportunity arises.

Value Added Tax (VAT)

- 3.5.22 The Council pays close attention to its VAT arrangements, particularly its "partial exemption ratio". Ordinarily, entities cannot reclaim VAT incurred in the provision of VAT-exempt activities, known as "exempt input VAT". VAT exempt activities include the letting of properties to third parties. However, HM Revenue & Customs (HMRC) operates a scheme that allows individual local authorities to reclaim exempt input VAT as long as the total amount does not exceed 5 per cent of their overall VAT liability. If this ratio is exceeded, a local authority cannot recover exempt input VAT for that financial year and must repay any exempt input VAT already repaid to it by HMRC. A breach would potentially cost the Council £2 million.
- 3.5.23 HMRC may permit a "one-off" or "occasional" breach provided that the seven-year average is below the 5 per cent threshold and that the likelihood of further breaches is low. Ordinarily, the Council does not risk breaching the ratio. However, significant capital investment in its investment properties will increase the level of exempt input VAT incurred by the Council. The Council will be taking action to reduce the risk of a breach in 2014-15 and 2015-16, when the risk is greatest.

Monitoring the Programme

- 3.5.24 Given that capital programme investment is at levels which will release the reserves down to levels regarded as a prudent minimum, updates on overall affordability on the programme will be included in the quarterly budget monitoring reports to Cabinet in May/June, July, October and February each year.

3.6 OPTIONS AND ANALYSIS

- 3.6.1 Cabinet may amend the composition and financing of the programme as presented in this report.
- 3.6.2 Furthermore, general approval of the programme as presented in this report does not authorise individual schemes to proceed unless they require no further approval i.e. that they are either too small to require a Key Decision or a Key Decision authorising the scheme has already been taken. Cabinet may therefore amend the programme as individual schemes are brought to it.

Impact on the General Fund and Council Tax

- 3.6.3 As there is no planned borrowing over the next three years, the revenue effect of the programme on the General Fund and Council Tax is limited to the loss of interest income as reserves are applied to fund expenditure. Borrowing, rather than using reserves, incurs external interest costs and a further statutory minimum provision for debt repayment. It is therefore beneficial to use reserves, where available, rather than borrowing.

- 3.6.4 The Council's proposed Minimum Revenue Provision (MRP) for the repayment of General Fund debt incurred prior to this programme is set out in **Table 5 of the Capital Programme Book Appendix 3**. In 2013-14, the MRP will be £1.3 million.
- 3.6.5 The effect of the 2014-15 Capital Programme on the Band D Council Tax is lower than that for the 2013-14 Capital Programme, as set out in **Table 2 of the Capital Programme Book Appendix 4**.

Impact on the Housing Revenue Account (HRA)

- 3.6.6 In accordance with previous decisions, it is not proposed to make any provision for debt repayment as this would further reduce the already limited available capital resources. To ensure sustainability, HRA capital investment is limited to the surpluses that it can generate.

3.7 CONSULTATION

- 3.7.1 Individual schemes are subject to consultation with residents, businesses and partners as appropriate. The programme itself has been drawn up with input from services, Members and partners.

3.8 EQUALITY IMPLICATIONS

- 3.8.1 The Council's buildings provide services to residents with a wide range of backgrounds and abilities. The Council's Equality Scheme and Action Plan commit the Council to improving the accessibility of its buildings. The Capital Programme includes a number of schemes that will improve accessibility or replace buildings where this is difficult. The implications of individual projects are either included in the Capital Budget Reports submitted to the Scrutiny Committees or will be included in more detail in the relevant Key Decision Reports.

3.9 LEGAL IMPLICATIONS

- 3.9.1 The Council has a duty under section 3(1) of the Local Government Act 2003 to determine and keep under review how much money it can afford to borrow. Section 3(5) of the Local Government Act 2003 provides that the Secretary of State may by regulations make provision about the performance of that duty. Regulations made by the Secretary of State require the Council to have regard to the Prudential Code for Capital Finance in Local Authorities published by CIPFA regarding the affordability of the Capital Programme. The Prudential Code requires the consideration of matters including the implications for the Council Tax, prudence and the long-term implications of any external borrowing.

3.10 FINANCIAL AND RESOURCES IMPLICATIONS

3.10.1 The financial and resources implications are set out elsewhere in this report.

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Local Government Act 1972 (as amended) – Background papers used in the preparation of this report

Capital programme bid submissions, autumn 2013.

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APPENDIX 1

OTHER IMPLICATIONS

1. Impact on the Environment

- 1.1 The Council's Environment Strategy sets out how the Council will demonstrate leadership in developing sustainable solutions to environmental problems. This includes how the Council can influence good practice from its suppliers and contractors through procurement policies and the application of whole life costing. Individual schemes will address these requirements in the reports and Key Decisions seeking authorisation for the scheme to proceed.

APPENDIX 2

ROLLING PROGRAMMES

Title	Description	2014-15 £'000	2015-16 £'000	2016-17 £'000
School Kitchens	Prioritised condition works to refurbish/replace school kitchens, catering facilities and catering staff areas. The works to kitchens are not included within the nursery/primary, secondary or special condition works.	40	40	40
Schools General Maintenance Programme	Planned maintenance designed to ensure that schools provide a safe and healthy environment in which teaching and learning can be delivered.	600	600	600
Asset Management Plans	Essential maintenance emanating from stock condition surveys.	150	150	150
Civic Offices Major Works	Major maintenance works to the Council's three operational buildings.	200	0	0
Asset Improvement Plans	Works and projects to enhance the department's property and grounds portfolio	601	150	150
Disability Discrimination Act Works Leisure	Planned Programme of essential and desirable Disability and Discrimination Act works to meet legislative requirements and to increase accessibility to parks and cemeteries for people with disabilities.	70	0	0
Parks Strategy and Development Plan	The implementation of the strategy and capital investment 10 year plan covering all parks.	675	675	675
Royal Borough Environmental Project	A programme to identify and implement environmental and community engagement initiatives in the Royal Borough. Formerly known as the North Kensington Environmental Project.	263	200	200
Sports Centres Planned Refurbishment Programme	Additional works that were not included in the original Sports Centres Planned Maintenance Programme (2005 to 2010) and where a latent need has been identified following customer satisfaction surveys.	464	0	0
Disabled Facilities Grant	Eligible works to the private housing stock in the Royal Borough with expenditure offset by Government subsidy.	555	555	455
Private Sector Renewal Grants	Under the housing <i>Private Sector Renewal Strategy</i> , provide assistance to residents to improve the energy efficiency of their homes, improve home security and alleviate unfitness and disrepair.	100	100	100
Regeneration Register Social Landlords	Registered Social Landlord regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	215	215	215
Highways Improvement Schemes	Programme for the implementation of desirable traffic management schemes and environmental improvements. Some of the initiatives attract external funding contributions from Transport for London (TfL).	480	250	250
Street Scene Improvements Boroughwide Programme	To review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	800	800	800
Total Rolling Programmes		5,213	3,735	3,635

APPENDIX 3

CAPITAL PROGRAMME FUNDING

1. FUNDING

- 1.1 The funding for the capital programme is shown in **Table 1** below. Total spending less capital grants and contributions, use of reserves and capital receipts leaves a balance to be funded from borrowing, which is also known as the 'Capital Financing Requirement'. The programme requires no borrowing.

Table 1: Total Funding

General Fund	2014-15 £'000	2015-16 £'000	2016-17 £'000	Later Years £'000	Total £'000
Total Spending	68,232	31,508	9,814	1,054	110,608
Funded from external funding	14,718	12,055	3,050	250	30,073
Net Balance (from Council Funding)	53,514	19,453	6,764	804	80,535
Use of capital receipts*	18,642	3,928	382	0	22,952
Use of Capital Expenditure Reserve	31,717	11,000	4,792	804	48,313
Use of Car Parking Reserve	2,432	4,415	1,590	0	8,437
Use of other reserves and revenue	723	110	0	0	833
Balance = external borrowing required	0	0	0	0	0

Housing Revenue Account (HRA)	2014-15 £'000	2015-16 £'000	2016-17 £'000	Later Years £'000	Total £'000
Total Spending	16,457	18,987	14,250	100	49,794
Funded from external funding	0	0	0	0	0
Net Balance (from HRA Funding)	16,457	18,987	14,250	100	49,794
Use of reserves, revenue and self-funding	10,000	17,700	14,000	0	41,700
Use of capital receipts	6,457	1,287	250	100	8,094
Balance = borrowing required	0	0	0	0	0

*The Council will internally borrow to fund spending ahead of the receipt of the Holland Park School southern site sale capital receipt.

2. EXTERNAL RESOURCES

Capital Grants and Contributions

- 2.1 Expenditure in the programme that is conditional on external funding has been set in line with the latest information. Revisions may be necessary if this funding reduces. Some funding for schools capital expenditure is included in the Dedicated Schools Grant. Details of

grants and contributions associated with specific bids are shown in **Table 2** below.

Table 2: Grants and contributions

External Funding	2014-15 £'000	2015-16 £'000	2016-17 £'000	Later Years £'000	Total £'000
Grants					
Department for Education	5,538	1,580	600	0	7,718
Disabled Facilities Grant	295	295	295	0	885
	5,833	1,875	895	0	8,603
Contributions					
Developers (Section 106)	7,980	9,630	1,940	250	19,800
Transport for London	870	200	200	0	1,270
Other Authorities	35	350	15	0	400
	8,885	10,180	2,155	250	21,470
Total External Funding	14,718	12,055	3,050	250	30,073

3. INTERNAL RESOURCES

Capital Receipts

3.1 Capital receipts (sales proceeds from the sale of assets) can only be used to fund capital investment and for no other purpose. Capital receipts from the sale of property held within the HRA ring-fence is retained for capital investment in either local regeneration and/or housing.

3.2 Most capital receipts generated by the HRA, for example under the 'right to buy', may be paid to the Government under 'pooling' arrangements. However, the following circumstances allow the Council to retain the benefit of those receipts:

- Since 1 April 2004, the amount of non-dwelling HRA receipts paid to the Government may be reduced where they can be offset against expenditure incurred on regeneration and affordable housing. Determining to do this in the event of any such capital receipts being received will ensure that the full benefit is received by the Council.
- Where the proceeds of right-to-buy sales are used to build new dwellings, at least on a one-for-one basis, the Government permits the Council to retain those proceeds.

Capital Expenditure Reserve and Car Parking Reserve

- 3.3 Where there are appropriate earmarked reserves available to fund schemes, they have been used.
- 3.4 The Capital Expenditure Reserve is funded via revenue contributions and is used to fund the Council's service investment. Projected use of the reserve is shown in **Table 3** below.

Table 3: Capital Expenditure Reserve

Capital Expenditure Reserve	2013-14 £m	2014-15 £m	2015-16 £m	2016-17 £m
Balance brought forward	60.5	38.5	11.3	4.8
Revenue contributions In	5.5	5.5	5.5	5.5
Released to fund associated revenue costs	-1	-1	-1	-1
Released to fund capital expenditure	-26	-32	-11	-5
Balance carried forward	38.5	11.3	4.8	4.5

- 3.5 The Car Parking Reserve can be used to fund eligible expenditure, both revenue and capital, from surpluses generated from on-street parking operations. Movement on the Car Parking Reserve, setting out the funding of capital expenditure is shown in **Table 4** below:

Table 4: Car Parking Reserve

Car Parking Reserve	2013-14 £m	2014-15 £m	2015-16 £m	2016-17 £m
Balance brought forward	23.6	21.2	18.7	14.3
Surplus from On Street Parking	26.0	26.0	26.0	26.0
Funding of revenue expenditure	-26	-26	-26	-26
Released to fund capital expenditure	-2	-2	-4	-2
Balance carried forward	21.2	18.7	14.3	12.7

Other Reserves

- 3.6 Remunerative schemes and other schemes where specific funds have been set aside will draw £0.8 million from other reserves.

4. Borrowing

- 4.1 There are two types of borrowing allowed under the Prudential Code for Capital Finance: supported borrowing and self-financed borrowing. **Supported borrowing** is where the Council receives revenue support grant to finance borrowing up to a specified limit, hence the borrowing is supported. There has been no allocation of supported borrowing since 2011-12. **Self-financed or 'Prudential' borrowing** is borrowing in excess of the supported borrowing limit and is allowed under the Prudential Code provided that it is affordable. Self-financed borrowing has revenue implications because the Council has to meet the interest and repayment costs of the borrowing from its own resources.

Self-financed or 'Prudential' Borrowing

- 4.2 The Council's policy is that its Capital Financing Requirement may increase in line with Government supported borrowing, but that borrowing in excess of this level will only be considered to fund:
- schemes of exceptional long-term strategic importance to the Council;
 - spend to save or to support mainly self-financing projects;
 - to cover temporary cash requirements pending an earmarked capital receipt; and, if required,
 - to lever in external support for the most important local priorities.

5. Minimum Revenue Provision for Debt Repayment

- 5.1 The Local Authorities (Capital Financing and Accounting) (England) (Amendment) Regulations 2008 require that *"a local authority shall calculate for the current financial year an amount of Minimum Revenue Provision (MRP) that it considers to be prudent"*. This is the amount set aside from revenue for the repayment of debt principal relating to the General Fund only.
- 5.2 The proposed revenue provision for debt repayment is shown in **Table 5** overleaf. The final amounts charged will vary in line with the final capital expenditure and financing outturn for 2013-14 when this is known.

Table 5: Total Budgeted Revenue Provision for Debt Repayment

Provision for Debt Repayment	2013-14 £'000	2014-15 £'000	2015-16 £'000	2016-17 £'000
Historic capital debt	-1,046	-994	-944	-914
Ex-ILEA debt*	-304	-310	-316	0
Total Minimum Revenue Provision	-1,350	-1,304	-1,260	-914

*The Council manages debt relating to the former Inner London Education Authority on behalf of inner London.

- 5.3 The requirement for “prudent” provision for debt repayment is to ensure that debt is repaid over a period that is either reasonably commensurate with the period over which the capital expenditure provides benefits or provided for by the time the debt has to be repaid.
- 5.4 For capital expenditure incurred prior to 1 April 2008, guidance allows local authorities to select one of four options to ensure prudent provision for debt repayment:
- Regulatory Method - MRP is equal to the amount determined in accordance with the 2003 Regulations (as amended), as if they had not been revoked by the 2008 Regulations (“Option 1” in the guidance).
 - Capital Financing Requirement Method - MRP is equal to 4 per cent of the Capital Financing Requirement as derived from the balance sheet at the end of the preceding financial year (“Option 2” in the guidance).
 - Asset Life Method - MRP is determined by reference to the life of the asset for which the borrowing is undertaken by equal instalment method or annuity method (“Option 3” in the guidance).
 - Depreciation Method - MRP is to be equal to the provision required in accordance with depreciation accounting for new borrowing (“Option 4” in the guidance).
- 5.5 The Council has used the CFR method to calculate the MRP for capital expenditure incurred prior to 1 April 2008 because it is the simplest method to use. Therefore, it is proposed that the Council continues to do so.

- 5.6 For capital expenditure incurred since 1 April 2008 and which does not form part of Government Supported Capital Expenditure, Government guidance allows local authorities to select only the Asset Life Method or Deprecation method to calculate the MRP. It is proposed that the Asset Life Method is used by the Council to calculate the MRP for capital expenditure incurred after 1 April 2008 because the Council has no supported borrowing allocation and the method provides the Council with the following benefits:
- It is more cost effective: MRP is provided for new assets only in the year following that in which they become operational and for existing assets, only in the year after the capital expenditure is incurred. Therefore the Council's considerable capital investment in new and existing assets will not increase the MRP before the benefits of the investment are felt by residents.
 - Each year, the MRP provided for assets owned via a finance lease will be equal to the amount that is provided to write down the liability. This is transparent and will eliminate the risk of the Council "double counting" the cost of the lease in its accounts.

APPENDIX 4

PRUDENTIAL INDICATORS

- 1.1 Local Authority Prudential Indicators are set out in the CIPFA Prudential Code as required by the Local Government Act 2003. They form part of an integrated approach to capital investment decision-making that takes into account affordability and the implications for external borrowing.

Capital Financing Requirement (CFR)

- 1.2 The borrowing requirement, known as the Capital Financing Requirement (CFR) resulting from the proposed Capital Programme is set out in **Table 1** below.

	Housing Revenue Account £m	General Fund £m	Total £m
Opening balance 2012-13	210	75	285
Less Minimum Revenue Provision*	0	-1	-1
Add temporary internal borrowing	0	25	25
Closing balance 2012-13	210	98	308
Less Minimum Revenue Provision*	0	-1	-1
Less repayment of internal borrowing (from capital receipt)	0	-64	-64
Closing balance 2013-14	210	33	243
Less Minimum Revenue Provision*	0	-1	-1
Closing balance 2014-15	210	32	242
Less Minimum Revenue Provision*	0	-1	-1
Closing balance 2015-16	210	31	241
Less Minimum Revenue Provision*	0	-1	-1
Closing balance 2016-17	210	30	240

*Please note that for CFR calculation purposes this includes finance lease principal repayments.

- 1.3 The General Fund CFR decreases in 2013-14 as the Council is repaying temporary internal borrowing that funded the rebuilding of Holland Park School pending the payment of the balance of the capital receipt due from the sale of the school's Southern Site.

Capital Financing Requirement Compared to the Previous Programme

- 1.4 There is no additional external borrowing required to fund the capital programme. The programme is forecast to be fully funded from external and internal resources with temporary internal borrowing ahead of expected capital receipts.

General Fund Affordability

- 1.5 **Table 2** shows the affordability of the Capital Programme for the General Fund, in terms of the marginal impact on the Council Tax and the share of the total budget taken up by capital financing costs. This is compared to the equivalent figures in the previous capital programme.

Table 2: General Fund Affordability

Affordability for the General Fund	Actual 2012-13 £'000	Forecast 2013-14 £'000	Forecast 2014-15 £'000	Forecast 2015-16 £'000	Forecast 2016-17 £'000
Interest on historic debt	56	56	56	56	56
Minimum Revenue Provision	1,439	1,370	1,309	911	911
Interest loss on use of cash balances (reserves and internal borrowing)*	0	-49	-48	-48	-48
Total Financing Cost	1,495	1,377	1,317	919	919
Change year-on-year £		-118	-61	-398	0
Cost per Council Tax Band D Equivalent**	£15	£14	£13	£9	£9
Ratio of financing cost to net revenue stream	1%	1%	1%	1%	1%
Last published capital programme (2013-14 to 2015-16)					
Cost per Council Tax Band D Equivalent	£21	£21	£21	£18	
Ratio of financing cost to net revenue stream	1%	1%	1%	1%	

*Please note that the rate of interest used to calculate the interest loss on use of reserves is 0.8 per cent. The actual interest on investments is currently around 0.5 per cent.

**Due to the introduction of Council Tax Support, which altered the Council Tax Base of the Royal Borough from 2013-14, the 2011-12 Council Tax Base is used for comparative purposes to ensure a like-for-like comparison.

- 1.6 The windfall impact of HRA self-financing is that all the Council's historic debt transferred to the HRA from 2012-13 and therefore the Council does not incur any historic debt interest costs. The capital programme remains affordable.

Housing Revenue Account Affordability

- 1.7 Future levels of HRA capital expenditure will need to be determined as part of the annual capital and revenue budgets setting.

Other Prudential Indicators

- 1.8 Other Prudential Indicators relating to treasury management and external debt are set out in the Treasury Management Strategy elsewhere on this Cabinet agenda.

Annex 1

CAPITAL PROGRAMME 2014-15 TO 2016-17 NOTES

Presentation of the Council's Capital Programme

The Capital Programme is shown for each of the Council's Service Groups with schemes being shown in alphabetic order by project title and then by budgeted start year. Projects are assigned a Programme Status as described below.

Inclusion of schemes in 2014-15 gives authority to proceed subject to confirmation of the:

- business case;
- external resources;
- firmer planning and cost estimates; and
- appropriate Key Decision.

'Later Years' are provisional and their inclusion of new starts in these years gives authority to plan for the future schemes.

The Programme schedules show for each project actual spend to 31 March 2013 and estimates for 2013-14 and future years.

For each Service Group, the sources of capital funding for each year's programme is shown i.e. external funding (e.g. capital grants and contributions); internal funding (e.g. specific capital reserves) or corporate funding (e.g. capital receipts and funding from the Capital Expenditure Reserve).

Budget Status:

All schemes require a funding release before an expenditure commitment is made, normally through a Key Decision. The detailed project list in **Annex 1** marks with a tick those individual schemes in 2014-15 that are assumed to have authority to spend. This includes those that have already achieved a Key Decision and those delegated to officers as too small to require a Key Decision. Rolling programmes (marked with a tick) are also treated as having a budget release for the coming financial year, so that officers can commit expenditure as schemes are readied. The Programme includes a global provision for future years. Schemes with no tick in 2014-15 require further work before approval to commit expenditure is granted.

Financial Conventions:

- (i) Capital costs relate to items which give a long-term benefit to the Council.
- (ii) Revenue costs are items of a recurring nature e.g. running costs for new premises or equipment and financing costs.
- (iii) All costs are shown at outturn prices.

Programme Stages

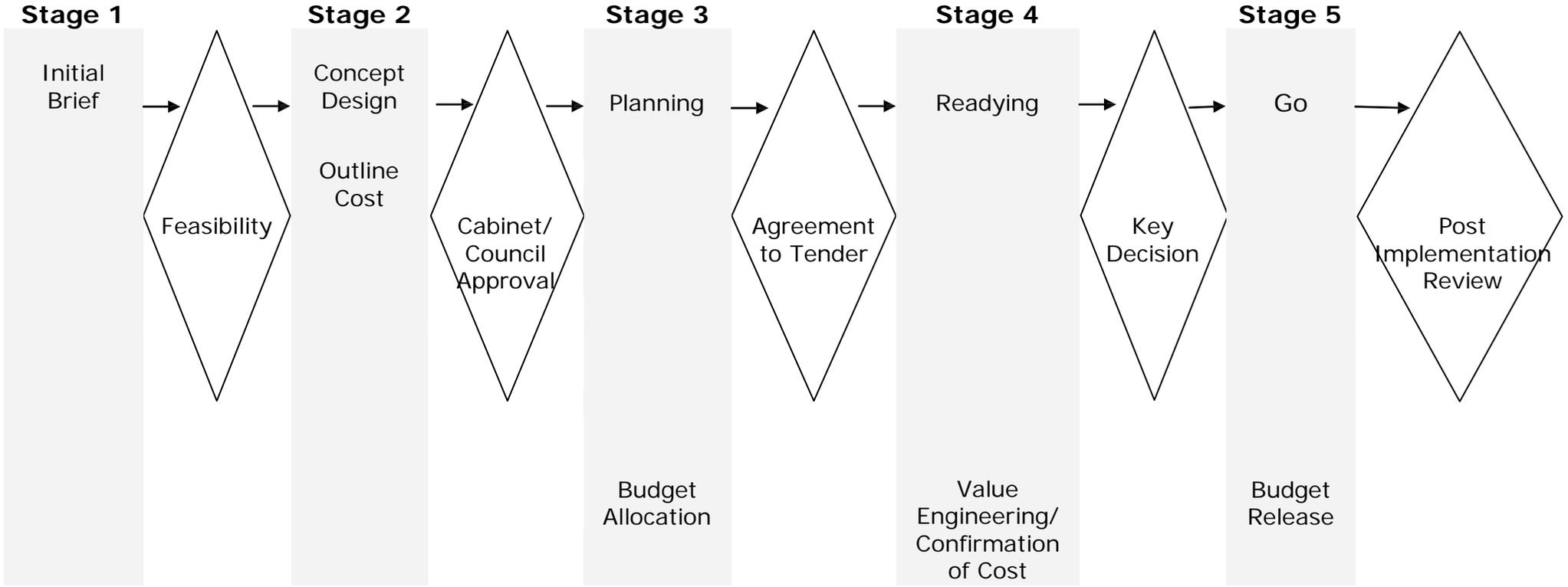
The progress of a capital scheme is divided into six stages, based on the Royal Institute of British Architects (RIBA) schema that records the lifecycle of a property project from initial feasibility to post implementation review. The Council amalgamates these as shown below:

Council Stages

Stage Description	RBKC Stage
Pipeline	
Initial Project Brief	1
Concept Design including outline costs	2
Planning	3
(Developed Design including costs)	
Readying	4
(Technical Design up to tender acceptance)	
Go	5
(Requires a key decision to agree project and release budget)	
Completed	6

A scheme is formally included in the Programme and funded when it reaches stage 3. Schemes at stages 1 and 2 tend to be larger schemes and are described as 'pipeline'. As they are still under development, they are not included in the Programme until more information is available and a decision has been taken to proceed. Smaller schemes are usually included in the relevant rolling programme.

CAPITAL SCHEMES PROGRESSION



← The Project Pipeline

→ ← The Capital Programme

CAPITAL PROGRAMME 2014-15 – 2016-17

ADULT SOCIAL CARE

[✓ = Authority to spend]

Adult Social Care

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Corporate Property Services													
Ellesmere House Snagging Works	Post completion snagging works	2013/14	0	223 ✓	200 ✓	0	0	0	423	0	423	0	5
Piper House Refurbishment	Complete internal remodelling to provide supported living and registered care accommodation.	2012/13	1,032	581 ✓	40 ✓	0	0	0	1,653	350	1,260	43	5
SUB TOTAL			1,032	804	240	0	0	0	2,076	350	1,683	43	
Managed by Service Group													
Assessment System for Community Care (ASCC)	To improve the current ASCC to reflect new business and legislative requirements	2006/07	771	213	0	0	0	0	984	136	146	702	4
SUB TOTAL			771	213	0	0	0	0	984	136	146	702	
TOTALS			1,803	1,017	240	0	0	0	3,060	486	1,829	745	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Adult Social Care	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Government Grant	14	122	0	0	0	0	136
Contributions Other	350	0	0	0	0	0	350
TOTAL	364	122	0	0	0	0	486
INTERNAL FUNDING							
Other Reserves	694	895	240	0	0	0	1,829
TOTAL	694	895	240	0	0	0	1,829
CORPORATE FUNDING							
General Resources	745	0	0	0	0	0	745
TOTAL	745	0	0	0	0	0	745
TOTAL COUNCIL FUNDING (Internal and Corporate)	1,439	895	240	0	0	0	2,574
TOTAL ALL SOURCES OF FUNDING	1,803	1,017	240	0	0	0	3,060

CAPITAL PROGRAMME 2014-15 – 2016-17

CHILDREN'S SERVICES

[✓ = Authority to spend]

Children's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Corporate Property Services													
Avondale Park School Nursery Underpinning	It is proposed to underpin the existing foundations due to subsidence of external support walls of the extension and lean-to, severe cracking in parts of the masonry walls and the floors in both areas are not level.	2014/15	0	0	175	0	0	0	175	0	0	175	3
Barby School New SEN Facility	Creation of a new SEN unit at Barby School will necessitate 3 separate works projects at The Making Place, Kensal House And Waynflete Square and moves of both direct and indirect Council operational services (FCS FAST team and Full of Life).	2012/13	100	177	6	0	0	0	283	0	0	283	5
Chelsea Academy Development	Fees and feasibility study costs for new school, purchase of site, project management fees and site assembly costs.	2005/06	9,928	41	0	0	0	0	9,969	0	0	9,969	5
Colville Primary Classroom Relocation	The relocation of 1½ form of entry Reception classrooms to ground floor teaching, in order to address a shortcoming of the organisational arrangements within the building which was identified by Ofsted in the most recent Inspection.	2012/13	137	310	11	0	0	0	458	0	0	458	5
Cremorne Riverside Centre Pontoon	The pontoon at the Cremorne Riverside centre is at the end of its usable life and requires replacement. This pontoon allows staff and users safe access into the Thames in their Kayaks and canoes.	2014/15	0	0	50	0	0	0	50	0	0	50	3

[✓ = Authority to spend]

Children's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
East Row-Whistler Walk Childrens Home Replacement	Project to replace Whistler Walk childrens Home	2012/13	271	2,566	163	0	0	0	3,000	0	0	3,000	5
Fox Primary School Redevelopment	Redevelopment of the Fox Primary School site to increase capacity and to create a 2 Form Entry, plus S.E.N. Facilities (up to 20 places) + CPD/Staff Training Centre (up to 60 places).	2014/15	0	0	935	5,960	3,022	124	10,041	980	0	9,061	3
Holland Park School Redevelopment	Project management, design team fees and anticipated construction costs for the redevelopment of Holland Park School. It is expected that these will be fully funded through capital receipts from the sale of the Southern site	2008/09	75,397	8,249	104	0	0	0	83,750	400	73,449	9,901	5
Kensington Academy	Construction of a new academy at the site currently occupied by the North Kensington Leisure Centre. This is part of the wider KALC project aiming to deliver a new Academy and Leisure Centre in North Kensington. Also see bid 535 and 582	2012/13	3,344	16,705	7,071	510	0	0	27,630	16,509	9,749	1,372	5
Marlborough Primary School and Denyer Street	Redevelopment of of Marlborough Primary School and new commercial premises	2013/14	86	1,401	13,513	13,243	2,007	250	30,500	20,500	9,600	400	4

[✓ = Authority to spend]

Children's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Marlborough Primary School Expansion Phase 2	Remodelling and refurbishment of acquired building to accommodate the additional pupil numbers	2011/12	611	23 ✓	0	0	0	0	634	0	0	634	5
Middle Row School Redevelopment	Redevelopment of Middle Row Primary School with enhanced Nursery and Special Education Needs provision.	2012/13	2,691	7,627 ✓	2,177 ✓	200 ✓	0	0	12,695	8,378	4,303	14	5
Parkwood Hall School Fire Doors	Replacement of fire doors and door sets at Parkwood Hall School following a fire risk assessment.	2013/14	0	157 ✓	0	0	0	0	157	157	0	0	5
School Kitchens	This is a rolling programme of prioritised condition works to refurbish/replace school kitchens, catering facilities and catering staff areas. The works to kitchens are not included within the nursery/primary, secondary or special condition works.	2013/14	0	50 ✓	0	0	0	0	50	0	0	50	R
School Kitchens	This is a rolling programme of prioritised condition works to refurbish/replace school kitchens, catering facilities and catering staff areas. The works to kitchens are not included within the nursery/primary, secondary or special condition works.	2014/15	0	0	40 ✓	0	0	0	40	0	0	40	R

[✓ = Authority to spend]

Children's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
School Kitchens	This is a rolling programme of prioritised condition works to refurbish/replace school kitchens, catering facilities and catering staff areas. The works to kitchens are not included within the nursery/primary, secondary or special condition works.	2015/16	0	0	0	40 ✓	0	0	40	0	0	40	R
School Kitchens	This is a rolling programme of prioritised condition works to refurbish/replace school kitchens, catering facilities and catering staff areas. The works to kitchens are not included within the nursery/primary, secondary or special condition works.	2016/17	0	0	0	0	40	0	40	0	0	40	R
Schools General Maintenance Programme	A consolidation of condition programmes for nursery, primary and secondary schools as well as suitability programmes for nursery and primary schools.	2013/14	0	673 ✓	0	0	0	0	673	673	0	0	R
Schools General Maintenance Programme	A consolidation of condition programmes for nursery, primary and secondary schools as well as suitability programmes for nursery and primary schools.	2014/15	0	0	600 ✓	0	0	0	600	600	0	0	R
Schools General Maintenance Programme	A consolidation of condition programmes for nursery, primary and secondary schools as well as suitability programmes for nursery and primary schools.	2015/16	0	0	0	600 ✓	0	0	600	600	0	0	R

[✓ = Authority to spend]

Children's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Schools General Maintenance Programme	A consolidation of condition programmes for nursery, primary and secondary schools as well as suitability programmes for nursery and primary schools.	2016/17	0	0	0	0	600	0	600	600	0	0	R
St Quintin-Premises Improvement	To redevelop St Quintin Family Centre to provide facilities to operate as phase 2 Children's Centre and a centre for Children with Disabilities (part replacement for the Little House).	2007/08	3,425	120 ✓	0	0	0	0	3,545	808	20	2,717	5
SUB TOTAL			95,990	38,099	24,845	20,553	5,669	374	185,530	50,205	97,121	38,204	
Managed by Service Group													
Early Intervention and Prevention	The project will deliver information systems to enable the first signs of vulnerability to be detected and relevant professionals to be notified, and then allow practitioners to plan, record and monitor interventions and outcomes.	2010/11	242	42 ✓	42	0	0	0	326	0	0	326	5
Stronger Families - ICT Foundation	Family and Children's Services is undertaking a business transformation programme, Stronger Families that has three threads that will require a set of ICT tools to be available to ensure that the business case itself can be achieved.	2011/12	89	35 ✓	65	0	0	0	189	0	0	189	5
SUB TOTAL			331	77	107	0	0	0	515	0	0	515	
TOTALS			96,321	38,176	24,952	20,553	5,669	374	186,045	50,205	97,121	38,719	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31					Later	Total
	March 2013	2013/14	2014/15	2015/16	2016/17	Years	
Children's Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Government Grant	4,795	17,024	5,538	1,580	600	0	29,537
Contributions Other	133	1,035	7,880	9,530	1,840	250	20,668
TOTAL	4,928	18,059	13,418	11,110	2,440	250	50,205
INTERNAL FUNDING							
Other Reserves	70,844	12,098	9,676	3,913	167	0	96,698
Revenue Contributions	423	0	0	0	0	0	423
TOTAL	71,267	12,098	9,676	3,913	167	0	97,121
CORPORATE FUNDING							
General Resources	20,126	8,019	1,858	5,530	3,062	124	38,719
TOTAL	20,126	8,019	1,858	5,530	3,062	124	38,719
TOTAL COUNCIL FUNDING (Internal and Corporate)	91,393	20,117	11,534	9,443	3,229	124	135,840
TOTAL ALL SOURCES OF FUNDING	96,321	38,176	24,952	20,553	5,669	374	186,045

CAPITAL PROGRAMME 2014-15 – 2016-17

ENVIRONMENT, LEISURE AND RESIDENT'S SERVICES

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Corporate Property Services													
Avondale Park Amenity Building	A bespoke new single story building to replace the existing toilet and mess room buildings.	2012/13	326	494 ✓	20 ✓	0	0	0	840	0	840	0	5
Chelsea Sports Centre - Gym Extension	This scheme is to increase the floor area, relocate the Gym from its current location to the Dance Studio and extend it to create a new much larger 50 station gym.	2011/12	0	1,256 ✓	100 ✓	0	0	0	1,356	0	0	1,356	4
Holland Park - New Ecology Centre	This project is for the building of a new ecology centre at Holland Park with funding from KCEL.	2011/12	191	327 ✓	12 ✓	0	0	0	530	310	120	100	5
Kensington Leisure Centre - New Building	Construction of a new leisure centre at the site currently occupied by the North Kensington Leisure Centre. This is part of the wider KALC project aiming to deliver a new Academy and Leisure Centre in North Kensington. Also see bid 535 and 463.	2013/14	3,016	10,116 ✓	16,073 ✓	545 ✓	0	0	29,750	0	27,101	2,649	5
Lots Road Depot	Operations at Cremorne Wharf need to be re-housed in order to facilitate the handover of the site to Thames Water who will pay rent for its use. Formerly known as Bagleys Lane and Chelsea Creek.	2013/14	0	150 ✓	1,250 ✓	0	0	0	1,400	0	0	1,400	4
SUB TOTAL			3,533	12,343	17,455	545	0	0	33,876	310	28,061	5,505	
Managed by Service Group													

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Asset Improvement Plans	A rolling programme for asset improvement works and projects that is intended to enhance the department's property and grounds portfolio.	2013/14	0	100 ✓	0	0	0	0	100	0	0	100	R
Asset Improvement Plans	A rolling programme for asset improvement works and projects that is intended to enhance the department's property and grounds portfolio.	2014/15	0	0	601	0	0	0	601	0	0	601	R
Asset Improvement Plans	A rolling programme for asset improvement works and projects that is intended to enhance the department's property and grounds portfolio.	2015/16	0	0	0	150	0	0	150	0	0	150	R
Asset Improvement Plans	A rolling programme for asset improvement works and projects that is intended to enhance the department's property and grounds portfolio.	2016/17	0	0	0	0	150	0	150	0	0	150	R
Athlone Gardens and Wornington Green	Landscaping and other works associated are required for the phased transition of parkland provision for the Wornington Green Estate to transfer the existing Athlone Gardens site within the proposed new Wornington Green development.	2011/12	106	14 ✓	490	490	300	600	2,000	0	0	2,000	5

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Disability Discrimination Act Works - Leisure	Planned Programme of essential & desirable Disability and Discrimination Act works to meet legislative requirements and to increase accessibility to parks, and cemeteries for people with disabilities.	2013/14	0	166 ✓	70 ✓	0	0	0	236	0	0	236	R
Emslie Horniman's Pleasance Improvement	The project will deliver a new children's playground, a new multi-use games area, refurbishment of the public toilets and catering kiosk, improvements to the Voyse Garden, and general landscaping improvements throughout the park.	2011/12	433	132 ✓	0	0	0	0	565	0	565	0	5
FINAL ACCOUNTS	This item consolidates the outstanding payments for completed projects.	2013/14	1,786	62 ✓	0	0	0	0	1,848	40	0	1,808	5
Golborne Bridge Heritage Corner	The junction of Elkstone Road and Golborne Road, at the north side of Golborne bridge is to be enhanced by new streetscape improvements and the development of the under used area into a heritage corner.	2013/14	0	80 ✓	0	0	0	0	80	80	0	0	3
Gunnersbury & Hanwell Cemeteries - Resurfacing	Repairing and re-surfacing the existing path and driveway networks at both cemeteries to a satisfactory standard of finish and appearance and fulfilling the councils H&S obligations to visitors.	2012/13	1	299 ✓	200 ✓	0	0	0	500	0	0	500	4

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Holland Park Tennis Courts	The project is to replace the fencing and resurface the four tennis courts at Holland Park.	2012/13	99	121 ✓	0	0	0	0	220	0	0	220	5
Kingsdown Close Streetscape Improvements	This project aims to improve the large pedestrian junction of Kingsdown Close and Lancaster Road	2013/14	0	220 ✓	0	0	0	0	220	220	0	0	3
Ladbroke Grove Mainline Railway Bridge Enhancement	These proposed environmental improvements to Ladbroke Grove Network Rail Bridge are to transform the bridge into a lively gateway to the borough from the North	2013/14	3	100 ✓	250 ✓	0	0	0	353	353	0	0	3
Litterbin Replacement Programme	Litterbin Replacement Programme	2012/13	5	55 ✓	0	0	0	0	60	0	0	60	5
Little Wormwood Scrubs Development - Phase 2	Improvement works to Little Wormwood Scrubs	2014/15	0	0	400	0	0	0	400	0	0	400	3

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Opera Holland Park - Revised Site Entrance	Revised entrance to the site between the cafe and outdoor seating area.	2014/15	0	0	100	0	0	0	100	0	0	100	3
Parks Strategy and Development Plan	This is a rolling programme of capital works carried out across the borough to improve the quality of the parks.	2013/14	0	836 ✓	0	0	0	0	836	0	836	0	R
Parks Strategy and Development Plan	This is a rolling programme of capital works carried out across the borough to improve the quality of the parks.	2014/15	0	0	675	0	0	0	675	0	675	0	R
Parks Strategy and Development Plan	This is a rolling programme of capital works carried out across the borough to improve the quality of the parks.	2015/16	0	0	0	675	0	0	675	0	675	0	R
Parks Strategy and Development Plan	This is a rolling programme of capital works carried out across the borough to improve the quality of the parks.	2016/17	0	0	0	0	675	0	675	0	675	0	R

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Public Art	Public Art commissioned by the Art Advisory Panel and funded from S106 contributions from developers	2011/12	37	63 ✓	100	100	100	0	400	400	0	0	5
Royal Borough Environmental Project	A rolling programme to identify and implement environmental and community engagement initiatives in the Royal Borough. Formerly known as the North Kensington Environmental Project.	2013/14	0	221 ✓	0	0	0	0	221	0	0	221	R
Royal Borough Environmental Project	A rolling programme to identify and implement environmental and community engagement initiatives in the Royal Borough. Formerly known as the North Kensington Environmental Project.	2014/15	0	0	263	0	0	0	263	0	0	263	R
Royal Borough Environmental Project	A rolling programme to identify and implement environmental and community engagement initiatives in the Royal Borough. Formerly known as the North Kensington Environmental Project.	2015/16	0	0	0	200	0	0	200	0	0	200	R
Royal Borough Environmental Project	A rolling programme to identify and implement environmental and community engagement initiatives in the Royal Borough. Formerly known as the North Kensington Environmental Project.	2016/17	0	0	0	0	200	0	200	0	0	200	R

[✓ = Authority to spend]

Environment, Leisure and Resident's Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Sports Centres Planned Refurbishment Programme	To carry out additional works that were not included in the original Sports Centres Planned Maintenance Programme (2005/10) but where a latent need has been identified following recent Customer Satisfaction surveys.	2014/15	0	0	464	0	0	0	464	0	0	464	R
SUB TOTAL			2,470	2,469	3,613	1,615	1,425	600	12,192	1,093	3,426	7,673	
TOTALS			6,003	14,812	21,068	2,160	1,425	600	46,068	1,403	31,487	13,178	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Environment, Leisure and Resident's Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Transport for London	3	400	250	0	0	0	653
Contributions Other	197	253	100	100	100	0	750
TOTAL	200	653	350	100	100	0	1,403
INTERNAL FUNDING							
Car Parking Reserve	613	1,570	707	675	675	0	4,240
Other Reserves	2,651	9,518	15,078	0	0	0	27,247
TOTAL	3,264	11,088	15,785	675	675	0	31,487
CORPORATE FUNDING							
General Resources	2,539	3,071	4,933	1,385	650	600	13,178
TOTAL	2,539	3,071	4,933	1,385	650	600	13,178
TOTAL COUNCIL FUNDING (Internal and Corporate)	5,803	14,159	20,718	2,060	1,325	600	44,665
TOTAL ALL SOURCES OF FUNDING	6,003	14,812	21,068	2,160	1,425	600	46,068

CAPITAL PROGRAMME 2014-15 – 2016-17

HOUSING SERVICES

[✓ = Authority to spend]

Housing Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Service Group													
Disabled Facilities Grant	This scheme allows for resources to fund eligible works to the private stock in the Borough. Expenditure is offset by government subsidy.	2013/14	0	555	0	0	0	0	555	395	0	160	R
Disabled Facilities Grant	This scheme allows for resources to fund eligible works to the private stock in the Borough. Expenditure is offset by government subsidy.	2014/15	0	0	555	0	0	0	555	295	100	160	R
Disabled Facilities Grant	This scheme allows for resources to fund eligible works to the private stock in the Borough. Expenditure is offset by government subsidy.	2015/16	0	0	0	555	0	0	555	295	100	160	R
Disabled Facilities Grant	This scheme allows for resources to fund eligible works to the private stock in the Borough. Expenditure is offset by government subsidy.	2016/17	0	0	0	0	455	0	455	295	0	160	R
Private Sector Renewal Grants	Within the new Private Sector Renewal Strategy, provide assistance to residents to improve the energy efficiency of their homes, improve home security and alleviate unfit and disrepair.	2013/14	0	230	0	0	0	0	230	0	0	230	R

[✓ = Authority to spend]

Housing Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Private Sector Renewal Grants	Within the new Private Sector Renewal Strategy, provide assistance to residents to improve the energy efficiency of their homes, improve home security and alleviate unfitnes and disrepair.	2014/15	0	0	100	0	0	0	100	0	0	100	R
Private Sector Renewal Grants	Within the new Private Sector Renewal Strategy, provide assistance to residents to improve the energy efficiency of their homes, improve home security and alleviate unfitnes and disrepair.	2015/16	0	0	0	100	0	0	100	0	0	100	R
Private Sector Renewal Grants	Within the new Private Sector Renewal Strategy, provide assistance to residents to improve the energy efficiency of their homes, improve home security and alleviate unfitnes and disrepair.	2016/17	0	0	0	0	100	0	100	0	0	100	R
Regeneration RSL	Registered Social Landlord (RSL) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2013/14	0	275	0	0	0	0	275	0	0	275	R
Regeneration RSL	Registered Social Landlord (RSL) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2014/15	0	0	215	0	0	0	215	0	0	215	R

[✓ = Authority to spend]

Housing Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Regeneration RSL	Registered Social Landlord (RSL) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2015/16	0	0	0	215	0	0	215	0	0	215	R
Regeneration RSL	Registered Social Landlord (RSL) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2016/17	0	0	0	0	215	0	215	0	0	215	R
SUB TOTAL			0	1,060	870	870	770	0	3,570	1,280	200	2,090	
TOTALS			0	1,060	870	870	770	0	3,570	1,280	200	2,090	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Housing Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Government Grant	0	295	295	295	295	0	1,180
Contributions Other	0	100	0	0	0	0	100
TOTAL	0	395	295	295	295	0	1,280
INTERNAL FUNDING							
Other Reserves	0	0	100	100	0	0	200
TOTAL	0	0	100	100	0	0	200
CORPORATE FUNDING							
General Resources	0	665	475	475	475	0	2,090
TOTAL	0	665	475	475	475	0	2,090
TOTAL COUNCIL FUNDING (Internal and Corporate)	0	665	575	575	475	0	2,290
TOTAL ALL SOURCES OF FUNDING	0	1,060	870	870	770	0	3,570

CAPITAL PROGRAMME 2014-15 – 2016-17

HOUSING REVENUE ACCOUNT

[✓ = Authority to spend]

Housing Revenue Account

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Service Group													
Elm Park Gardens	This scheme aims to develop basements to be used for social housing whilst funding the development work through the sale of some of the redeveloped basements.	2005/06	4,670	275 ✓	30 ✓	0	0	0	4,975	0	4,975	0	5
Greaves Tower	Investment in delivery of affordable homes at Greaves Tower	2012/13	40	186 ✓	5 ✓	0	0	0	231	115	116	0	5
Grenfell Tower	Investment in works on the Lancaster West Estate, to deliver major improvements to the fabric of Grenfell Tower, new homes and improved accessible office space.	2012/13	376	500 ✓	5,124 ✓	3,700 ✓	0	0	9,700	0	9,700	0	5
Holmefield House	Investment in delivery of affordable homes at HolmefieldHouse	2012/13	89	428 ✓	11 ✓	0	0	0	528	115	413	0	5
Housing Revenue Account (HRA) Capital Programme	The HRA capital programme comprises planned investment to the local authority housing stock. The programme will be managed by the arms length management organisation (ALMO).	2013/14	0	7,339 ✓	0	0	0	0	7,339	0	7,339	0	H

[✓ = Authority to spend]

Housing Revenue Account

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Housing Revenue Account (HRA) Capital Programme	The HRA capital programme comprises planned investment to the local authority housing stock. The programme will be managed by the arms length management organisation (ALMO).	2014/15	0	0	10,000	0	0	0	10,000	0	10,000	0	H
Housing Revenue Account (HRA) Capital Programme	The HRA capital programme comprises planned investment to the local authority housing stock. The programme will be managed by the arms length management organisation (ALMO).	2015/16	0	0	0	14,000	0	0	14,000	0	14,000	0	H
Housing Revenue Account (HRA) Capital Programme	The HRA capital programme comprises planned investment to the local authority housing stock. The programme will be managed by the arms length management organisation (ALMO).	2016/17	0	0	0	0	14,000	0	14,000	0	14,000	0	H
Regeneration HRA	Housing Revenue Account (HRA) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2013/14	0	179 ✓	100	0	0	0	279	0	29	250	R
Regeneration HRA	Housing Revenue Account (HRA) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2014/15	0	0	150	100	0	0	250	0	0	250	R

[✓ = Authority to spend]

Housing Revenue Account

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Regeneration HRA	Housing Revenue Account (HRA) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2015/16	0	0	0	150	100	0	250	0	0	250	R
Regeneration HRA	Housing Revenue Account (HRA) Element: Regeneration projects support community development initiatives by enhancing estate security, improving tenants clubrooms and making estates more attractive places to live.	2016/17	0	0	0	0	150	100	250	0	0	250	R
Silchester Garages	Development of the Silchester Garage site in the north of the Borough for the provision of 63 units of affordable housing.	2013/14	570	300	1,037	1,037	0	0	2,944	0	2,944	0	5
SUB TOTAL			5,745	9,207	16,457	18,987	14,250	100	64,746	230	63,516	1,000	
TOTALS			5,745	9,207	16,457	18,987	14,250	100	64,746	230	63,516	1,000	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Housing Revenue Account	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Contributions Other	129	101	0	0	0	0	230
TOTAL	129	101	0	0	0	0	230
INTERNAL FUNDING							
Other Reserves	5,616	8,906	16,207	15,037	14,000	0	59,766
Revenue Contributions	0	50	0	3,700	0	0	3,750
TOTAL	5,616	8,956	16,207	18,737	14,000	0	63,516
CORPORATE FUNDING							
General Resources	0	150	250	250	250	100	1,000
TOTAL	0	150	250	250	250	100	1,000
TOTAL COUNCIL FUNDING (Internal and Corporate)	5,616	9,106	16,457	18,987	14,250	100	64,516
TOTAL ALL SOURCES OF FUNDING	5,745	9,207	16,457	18,987	14,250	100	64,746

CAPITAL PROGRAMME 2014-15 – 2016-17

LIBRARY, ARCHIVE AND HERITAGE SERVICES

[✓ = Authority to spend]

Library, Archives and Heritage Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Corporate Property Services													
Central Library Condition Works	The condition of the fabric of Central Library is deteriorating badly. A Condition Survey in 2009 highlighted necessary works including roofing, water penetration, heating and ventilation, entrance doors, lifts and toilets.	2012/13	95	1,226 ✓	4,353 ✓	126 ✓	0	0	5,800	0	0	5,800	5
Central Library Transformer Replacement	The transformer is past its life expectancy and it is intended to replace this in association with the library upgrade works.	2014/15	0	0	120	0	0	0	120	0	0	120	3
Library Condition Projects	Library Condition Projects building works to address issues at various Libraries highlighted in Suitability Surveys.	2013/14	683	84 ✓	0	0	0	0	767	0	0	767	R
SUB TOTAL			778	1,310	4,473	126	0	0	6,687	0	0	6,687	
TOTALS			778	1,310	4,473	126	0	0	6,687	0	0	6,687	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Library, Archives and Heritage Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CORPORATE FUNDING							
General Resources	778	1,310	4,473	126	0	0	6,687
TOTAL	778	1,310	4,473	126	0	0	6,687
TOTAL COUNCIL FUNDING (Internal and Corporate)	778	1,310	4,473	126	0	0	6,687
TOTAL ALL SOURCES OF FUNDING	778	1,310	4,473	126	0	0	6,687

CAPITAL PROGRAMME 2014-15 – 2016-17

TRANSPORT AND TECHNICAL SERVICES

[✓ = Authority to spend]

Transport and Technical Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Service Group													
Albert Bridge Major Structural Repairs	Major structural repairs commenced in 2010 to maintain the bridge as a vehicular crossing. TfL will bear the cost of these works (25%) with The Royal Borough meeting the repainting and relighting costs (25%).	2009/10	9,720	22 ✓	0	0	0	0	9,742	7,135	2,607	0	5
Chelsea Bridge Repainting & Refurbishment	Our Thames bridges have a cyclical painting, relighting and routine refurbishment programme in the region of 7/8 years. The scaffolding when erected also allows for a special/principal inspection of the bridge.	2014/15	0	30 ✓	150	1,670	50	0	1,900	0	1,900	0	3
Exhibition Road - Stage 2	The main element of this scheme is the introduction of the single surface treatment of Exhibition Road. Contractors are on site with completion scheduled for spring 2012.	2008/09	20,630	123 ✓	0	0	0	0	20,753	12,741	6,565	1,447	5
GIS Asset Survey and update of software systems	A one-off borough-wide asset survey of signs and lines as well as other assets, the introduction of a proprietary software system (Parkmap) to store and manage all traffic management and an upgrade of our existing GIS system.	2011/12	243	37 ✓	111	0	0	0	391	0	0	391	5
Golborne Road Area Improvement	This scheme is to undertake a major programme of works resulting from the traffic and socio economic study of the area. It is assumed that any works may not attract major Transport for London(TfL) funding but some minor TfL allocations are possible	2014/15	0	0	880	870	0	0	1,750	250	1,500	0	3

[✓ = Authority to spend]

Transport and Technical Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Highways I.T. System	Implementation of a new highways network management system in RBKC.	2013/14	0	50	200	67	0	0	317	0	0	317	3
Highways Improvement Schemes	This rolling programme is for implementing desirable traffic management schemes and environmental improvements. Some of the initiatives attract external funding contributions from Transport for London (TfL). Formerly known as Transport Action Plans.	2013/14	0	317 ✓	0	0	0	0	317	127	190	0	R
Highways Improvement Schemes	This rolling programme is for implementing desirable traffic management schemes and environmental improvements. Some of the initiatives attract external funding contributions from Transport for London (TfL). Formerly known as Transport Action Plans.	2014/15	0	0	480	0	0	0	480	170	310	0	R
Highways Improvement Schemes	This rolling programme is for implementing desirable traffic management schemes and environmental improvements. Some of the initiatives attract external funding contributions from Transport for London (TfL). Formerly known as Transport Action Plans.	2015/16	0	0	0	250	0	0	250	0	250	0	R
Highways Improvement Schemes	This rolling programme is for implementing desirable traffic management schemes and environmental improvements. Some of the initiatives attract external funding contributions from Transport for London (TfL). Formerly known as Transport Action Plans.	2016/17	0	0	0	0	250	0	250	0	250	0	R

[✓ = Authority to spend]

Transport and Technical Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
London Cycle Hire Scheme - Phase 3	The Mayor of London recently announced his plans to implement Phase Three of the London Cycle Hire Scheme, which includes expanding the scheme in the Borough to include about 23 docking stations with an additional eight as contingency sites.	2015/16	0	0	0	400	0	0	400	0	0	400	3
Services on the Web	Provision of online services within the Environmental Health service	2014/15	0	0	40	0	0	0	40	0	0	40	4
Stanley Bridge	Stanley Bridge is a railway bridge located on the King's Road near Lots Road. General maintenance works are to be undertaken and an investigation of leaking water which may result in the replacement of the waterproofing system on the bridge deck.	2014/15	13	0	70	700	30	0	813	400	413	0	3
Street Scene Improvements - Boroughwide Programme	This annual rolling programme is to review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	2013/14	0	999	0	0	0	0	999	472	527	0	R
Street Scene Improvements - Boroughwide Programme	This annual rolling programme is to review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	2014/15	0	0	800	0	0	0	800	200	600	0	R

[✓ = Authority to spend]

Transport and Technical Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Street Scene Improvements - Boroughwide Programme	This annual rolling programme is to review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	2015/16	0	0	0	800	0	0	800	200	600	0	R
Street Scene Improvements - Boroughwide Programme	This annual rolling programme is to review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	2016/17	0	0	0	0	800	0	800	200	600	0	R
SUB TOTAL			30,606	1,578	2,731	4,757	1,130	0	40,802	21,895	16,312	2,595	
TOTALS			30,606	1,578	2,731	4,757	1,130	0	40,802	21,895	16,312	2,595	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Transport and Technical Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Transport for London	18,930	599	620	200	200	0	20,549
National Lottery	150	0	0	0	0	0	150
Contributions Other	796	0	35	350	15	0	1,196
TOTAL	19,876	599	655	550	215	0	21,895
INTERNAL FUNDING							
Car Parking Reserve	8,377	862	1,725	3,740	915	0	15,619
Other Reserves	13	0	0	0	0	0	13
Revenue Contributions	650	30	0	0	0	0	680
TOTAL	9,040	892	1,725	3,740	915	0	16,312
CORPORATE FUNDING							
General Resources	1,690	87	351	467	0	0	2,595
TOTAL	1,690	87	351	467	0	0	2,595
TOTAL COUNCIL FUNDING (Internal and Corporate)	10,730	979	2,076	4,207	915	0	18,907
TOTAL ALL SOURCES OF FUNDING	30,606	1,578	2,731	4,757	1,130	0	40,802

CAPITAL PROGRAMME 2014-15 – 2016-17

CORPORATE SERVICES

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Managed by Corporate Property Services													
Asset Management Plans	Minor property works to be undertaken by Total Facilities Management service provider Amey. Transferred from Environment, Leisure and Resident's Services.	2013/14	0	100 ✓	0	0	0	0	100	0	0	100	R
Asset Management Plans	Minor property works to be undertaken by Total Facilities Management service provider Amey. Transferred from Environment, Leisure and Resident's Services.	2014/15	0	0	150 ✓	0	0	0	150	0	0	150	R
Asset Management Plans	Minor property works to be undertaken by Total Facilities Management service provider Amey. Transferred from Environment, Leisure and Resident's Services.	2015/16	0	0	0	150 ✓	0	0	150	0	0	150	R
Asset Management Plans	Minor property works to be undertaken by Total Facilities Management service provider Amey. Transferred from Environment, Leisure and Resident's Services.	2016/17	0	0	0	0	150	0	150	0	0	150	R
Belvedere Restaurant Structural Repairs	Structural repairs to the Belvedere Restaurant bell tower	2014/15	0	0	275	0	0	0	275	0	0	275	3

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Carlyle Building Fabric and Mechanical Plant	This project seeks to replace the roof, windows, gutters, life expired mechanical plant and internal areas which have suffered from water damage and general deterioration as a result of historically deferred maintenance.	2013/14	0	0	200	0	0	0	200	0	0	200	3
Civic Offices Major Works	Major maintenance works to the Council's three operational buildings.	2011/12	403	283	200	0	0	0	886	0	26	860	R
				✓	✓								
Community Hub - Phase 1	To acquire the Lighthouse Building in 2014 to enable the Council relocate a number of operational uses from buildings which can be released for capital or rental income. The project also includes redeveloping the Canalside House for rental income.	2014/15	0	0	2,500	0	0	0	2,500	0	0	2,500	3
Kensington Town Hall Engineering Work	To ensure that plant and equipment for Kensington Town Hall is suitable and sufficient for the beneficial use of the buildings including enabling works for other schemes.	2014/15	0	0	500	750	630	0	1,880	0	0	1,880	3
KTH Air Handling Units	The replacement of old air handling units with a new, energy efficient and more environmentally friendly air handling units, which will be more reliable.	2012/13	0	373	0	0	0	0	373	0	0	373	3
				✓									

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
KTH Boilers and Central Heating Plant	The replacement of old boilers and central heating plant with new, energy efficient and more environmentally friendly boilers and central heating plant, which will be more reliable.	2014/15	0	0	0	1,000	0	0	1,000	0	0	1,000	3
KTH Busbars Installation	The replacement of old aluminium mains cables with a new system of busbars to provide a new electrical mains services infrastructure, incorporating the use of power perectors	2012/13	6	50 ✓	1,134	0	0	0	1,190	0	0	1,190	4
KTH Replacement of Chillers	The replacement of old chillers with new, energy efficient and more environmentally friendly chillers, which will be more reliable. This work is planned to be on completion of the Space Program.	2014/15	0	0	1,500	0	0	0	1,500	0	0	1,500	3
KTH Roof Survey and Repairs	The survey of the existing roof coverings and structure and replacement where necessary of defective and worn out roofing with new, better insulated, energy efficient and more environmentally friendly materials, which will be more reliable.	2012/13	0	0	300	0	0	0	300	0	0	300	3
Malton Road Hub	Improvement and rationalisation of the operational property. Formerly known as Westway Improvement Works.	2012/13	0	1,010 ✓	3,300 ✓	90 ✓	0	0	4,400	0	0	4,400	5

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Pembroke Rd Council Offices Internal Refurbishment	Areas of the 1st floor of the council offices where licensing and SITA are situated require refurbishment to keep it up to a good standard for the next five years.	2013/14	0	50	150	0	0	0	200	0	0	200	3
Pembroke Road Depot Relocation Leaseholder Buyout	A service review and major development scheme are proposed with the potential to deliver up to 350 new dwellings, 75,000 sq ft of community space, net capital receipts of up to £23.5m and a net revenue stream of up to £3.4m	2015/16	0	0	2,000	1,000	0	0	3,000	0	0	3,000	3
SUB TOTAL			409	1,866	12,209	2,990	780	0	18,254	0	26	18,228	
Managed by Service Group													
Council Website Refresh and Content Management	To upgrade the internet content management system. Renamed from "Internet Content Management System - new"	2013/14	0	103	300	0	0	0	403	0	53	350	3
Data Centres - Power Management	Distribute additional electrical power, cooling and UPS protection for Kensington Town Hall and Pembroke Road Data Centres, creating the capability to provide Data Centre services to other boroughs and improving the efficiency of the infrastructure.	2014/15	0	0	40	0	0	0	40	0	0	40	3
Data Storage and Netbackup	The purchase and implementation of data storage management software. This allows files that have not been accessed for a set period of time to be archived. This includes renewal of the Netbackup setup.	2013/14	0	350	40	40	40	80	550	0	400	150	4

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Financial Systems Enhancement and Upgrade	Improvements include - replacement of workflow with an outlook based system, improvements to cashiering and cash management systems and upgrade to next release of One World.	2008/09	549	7 ✓	0	0	0	0	556	0	556	0	5
Infrastructure Replacement - Corporate Servers	Replace out of warranty hardware (servers) used by One World, the Website (Http), Corporate SQL cluster and Corporate Citrix environment.	2011/12	26	18 ✓	12 ✓	12 ✓	0	0	68	0	0	68	5
Network Access Control	The implementation of enhanced network security preventing unauthorised access to the Council's network.	2011/12	236	14 ✓	0	0	0	0	250	0	250	0	5
Office Accommodation (SPACE)	Re-design of Kensington Town Hall office accommodation including the modernisation of the mechanical and electrical services. Includes cavity wall insulation and replacement of windows.	2010/11	12,819	10,113 ✓	1,142	0	0	0	24,074	100	1,971	22,003	5
Removable Media Control	Implementation of a solution for controlling the use of removable media devices, such as USB sticks, MP3 Players and digital cameras. This supports securing GCSx network access.	2011/12	16	34 ✓	0	0	0	0	50	0	50	0	5

[✓ = Authority to spend]

Corporate Services

CAPITAL PROGRAMME 2014/15 - 2016/17 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total Cost	External Funding	Internal Funding	Corporate Funding	Programme Status
Sharepoint & Email Linkage Software	Investigate, select and install software to make it easy for users to store emails in SharePoint rather than Personal PST files and to replace email attachments with links to documents in SharePoint.	2014/15	0	0	155	0	0	0	155	0	0	155	3
Wifi Enhancements for Tri-Borough	This project will extend each Borough's existing fixed wire network wirelessly in the current and any new co-location sites. RBKC may offer WCC a managed Wireless service	2013/14	0	120 ✓	0	0	0	0	120	0	0	120	4
SUB TOTAL			13,646	10,759	1,689	52	40	80	26,266	100	3,280	22,886	
TOTALS			14,055	12,625	13,898	3,042	820	80	44,520	100	3,306	41,114	

SERVICE GROUP SUMMARY OF FUNDING

Service Group/ Funding Source	Exp to 31 March 2013	2013/14	2014/15	2015/16	2016/17	Later Years	Total
Corporate Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Contributions Other	100	0	0	0	0	0	100
TOTAL	100	0	0	0	0	0	100
INTERNAL FUNDING							
Other Reserves	2,128	785	383	10	0	0	3,306
TOTAL	2,128	785	383	10	0	0	3,306
CORPORATE FUNDING							
General Resources	11,827	11,840	13,515	3,032	820	80	41,114
TOTAL	11,827	11,840	13,515	3,032	820	80	41,114
TOTAL COUNCIL FUNDING (Internal and Corporate)	13,955	12,625	13,898	3,042	820	80	44,420
TOTAL ALL SOURCES OF FUNDING	14,055	12,625	13,898	3,042	820	80	44,520