

## 2022/23 Capital Programme

- 1.1 A revised capital programme for 2022/23 was submitted to Cabinet in June 2022, included slippage from the outturn, and was estimated at £644.94m split into £513.0m for the Investment and Acquisitions Strategy (IAS), £68.1m for General Fund (GF), £59.8m for HRA and £4.1m for Transformation.
- 1.2 Outturn has been revised with a £2.2m increase of slippage from £108.3m to £110.5m and budgets being reprofiled for Quarter 1 with a capital programme of £417.05m split into £315.5m for the Investment Strategy (IAS), £70.5m for General Fund (GF) and £31.1m for HRA. The outturn position is still be adjusted due to delays in accruals for work carried out by BD Management Services and there are potentially adjustments to be made resulting from the transition from Oracle to E5.
- 1.3 Quarter 2 reporting adjusts the capital programme by £35.56m from £417.05m to £452.61m with most of the additional budget from the IAS as a number of schemes were added. The split is £352.8m for the IAS, £66.4m for the GF, £2.4m transformation and £31.1m for HRA.

Table 1: 3 Year Capital Investment programme

	22/23	22/23	22/23	22/23	22/23	23/24	24/25
Strategic Function	Q1 Budget	Adjustment	Q2 Budget	Spend to Q2	Forecast delivery	Budget	Budget
Adults Care & Support	1,456		1,456	362	617		
Community Solutions	5		5	-			
Core IT	1,408		1,409	208	1,408		
CIL	576	356	932	193	932		
Culture, Heritage & Recreation	8,668	406	9,074	1,339	11,984	250	
Enforcement	2,254		2,254	-2	418		
Inclusive Growth	7,040	2,969	10,009	383	7,040		
Transport for London schemes	333	1,196	1,529	260	1,529		
My Place	7,395	1,091	8,486	1,218	5,727	5,190	
Public Realm	1,461	-127	1,334	985	1,168		
Education, Youth and Childcare	38,391	-10,517	27,876	4,667	9,698	6,900	
Devolved Formula Capital	-	566	566	490			
Other	1,488		1,489	327	1,007		
<b>General Fund</b>	<b>70,475</b>	<b>-4,060</b>	<b>66,419</b>	<b>10,430</b>	<b>41,528</b>	<b>12,340</b>	
Stock Investment (My Place)	18,691		18,691	6,759	18,691	23,000	23,000
Estate Renewal (Be First)	10,247		10,247	844	10,247		
New Build Schemes (Be First)	2,122		2,122	620	2,122		
<b>HRA Total</b>	<b>31,060</b>	<b>0</b>	<b>31,060</b>	<b>8,223</b>	<b>31,060</b>	<b>23,000</b>	<b>23,000</b>
Residential Developments	282,996	38,797	321,794	110,443	321,794	345,943	244,697
Temporary Accommodation	36		36	1	36		
Commercial Investments	32,484	-1,535	30,948	13,509	30,948		
<b>Investments Total</b>	<b>315,516</b>	<b>37,262</b>	<b>352,778</b>	<b>123,953</b>	<b>352,778</b>	<b>345,943</b>	<b>244,697</b>
<b>Transformation Total</b>		<b>2,354</b>	<b>2,354</b>	<b>1</b>	<b>2,356</b>		
<b>Total</b>	<b>417,051</b>	<b>35,556</b>	<b>452,611</b>	<b>142,607</b>	<b>427,722</b>	<b>381,283</b>	<b>267,697</b>

- 1.4 The capital team have worked with Project Managers to report significant projects key deliverables scrutinised to forecasted delivery. This is an on-going exercise to prepare Project Managers for the level of reporting expected within the Collaborative Planning system which will go-live 1 January 2023.
- 1.5 The funding sources below are expected to be available to finance the programme – unused amounts will be reprofiled to future years as required.

**Table 2: Financing**

<b>Financed by:</b>	<b>454,903</b>
Borrowing	370,745
Grant	45,368
HRA/MRR	31,180
Self-Financing	3,206
Capital Receipts	2,240
CIL/S106	2,164

## **2 Capital Projects Update by Strategic Function - General Fund**

### **2.1 Adults Care & Support**

Disabled Facilities Grant is provided by government and can be used to adapt older and disabled people’s homes to help them live independently and safely. Forecasting 42% of in year budget.

### **2.2 Community Solutions**

Projects centred around Barking Learning Centre are now completed and the intention is to use the £5k remaining budget for other schemes.

### **2.3 CIL Schemes**

Community Infrastructure Levy charged to new developments, with income recouped to deliver infrastructure needed to support new developments in the borough. Projects which have utilised CIL income for third party delivery benefitting LBB, include Box Up Crime and East End Woman’s’ Museum enhancements. A new scheme has now been added for Studio 3 Arts (**£356k total** - £156k CIL £200k Borrowing), The majority of CIL funding is used to fund infrastructure projects, but an element is also used towards education, community services and open spaces. This is included within those programmes.

### **2.4 Core**

Contains projects relating to “Keeping the Lights on” IT schemes and purchases, Forecasting entire budget delivery. Expecting future Cabinet Paper regarding Desktop and Laptop refresh estimated at £2.7m.

### **2.5 Culture, Heritage & Recreation**

The Council recognises the important role that access to green space plays in promoting health and wellbeing. Given the limited opportunities there are for creating new open space, the protection and enhancement of existing open space is

of crucial importance. The projects within this portfolio relate to the enhancement of Open Spaces, with developments in play infrastructure, various sports pitches, and protecting and enhancing Barking and Dagenham's unique Heritage assets. Forecasting delivery beyond current budget, whilst awaiting for the updated business case and budget approval papers relating to Parsloes Parklife where costs have increased above the original approved estimates.

## 2.6 Enforcement

Borough-wide controlled parking schemes, addressing emerging issues through traffic restrictions is an essential part of managing traffic in the borough and protecting the local environment and communities from excessive traffic, air pollution and road safety risks. Also including purchases of enforcement equipment such as upgrades to critical CCTV infrastructure.

## 2.7 Inclusive Growth

A new programme centred on Retrofitting Houses and Corporate Buildings (**£2,969m**) to install energy efficiency measures reducing energy consumption and decrease carbon emissions as part of our Net Zero Carbon Strategy has been added to the programme. Both this and the existing scheme are forecasting full budget delivery.

## 2.8 TfL

Contains Transport for London funded projects, recently awarded **£1.2m** grant in year relating to local corridor improvement plans within Goresbrook Road safety scheme, Gale Street/Woodward Road junction signalisation and high priority bus schemes, reducing traffic emissions in neighbourhoods and creating cycle routes Forecasting budget delivery.

## 2.9 My Place

The majority of this relates to Planned Preventive Maintenance of the Highways, Lighting and Bridges and Structures within the Borough, including flood risks and stock condition enhancement. Function also includes Habitat for Humanity and Ward members capital ambitions. Future view to attribute capitalizable Community Hubs and dispersed working costs and split operational spend. **£1m** has been added to the programme through reprofiling. Overall forecasting 67% delivery.

## 2.10 Public Realm

Replacement of ageing waste fleet to decrease the use of hire vehicles and ensure that the Council is operating newer vehicles which are compliant. Including upgrades to technology utilised in the waste operations and purchase of compatible Bins.

## 2.11 Education, Youth and Childcare

The Council has the legal duty to ensure that there are sufficient school places within the borough for the pupils who need them. Expenditure is designed to improve the fabric of buildings using Basic Needs Grant and/or make them more inclusive for children with special educational needs (SEN) or a physical impairment.

The service is making use of its SEN Capital Grant, School Condition Allocation Grant and sourcing funding from Section 106 and Community Infrastructure Levy to ensure schools remain in good condition. Government Grant of Schools Conditions allocation is being utilised for condition maintenance covering the fabric of school buildings, roofs, brickwork, windows and internal works. Schools Capital and Investment Update on-going,

The EYC 2022/23 budget has been adjusted to reflect approved capital budgets less projects delivered. To reflect the additional future education programme, work is ongoing to devise the remaining grant allocations within the monitor.

The current 34% of budget forecast is a result of budgets requiring profiling to future years, contractors going into administration and reduced retentions all of which have caused delay. However we expect to utilise all funding within time. The revised profile will be presented in later reports.

## 2.12 Devolved Formula Capital

Devolved formula grant is provided directly to the schools to help maintain and improve the condition of school buildings and grounds, with £566k directly transferred to the schools.

## 2.13 Other

Projects relating to Abbey Green conservation works and East Street Parade quality enhancement, key deliverables identified in Appendix 2. Awaiting proposal updates for 82a and 82b Oval St.

## 3. Housing Revenue Account

3.1 The Council is engaged in a development programme within the HRA with the primary driver £18m towards investment in existing stock including fire safety and energy efficiency works. In addition to building £2m new home builds, will £10m redevelop and regenerate existing estates. The HRA will play a significant role in the delivery of the Housing Programme and will work with the Council's General Fund and the wholly owned subsidiaries to ensure the aspiration of the housing plan is delivered.

3.2 The outcome of the HRA Business Plan Review will inform future decision making on investment and capacity within the HRA.

## 4. Investment and Acquisitions Strategy

4.1 Reports on the IAS taken to April and November Cabinet, raised viability issues on pipeline schemes and gave an update on performance. Work is being carried out with Be First to reprofile spend for 2023/24 onwards on current schemes and to start reporting using Collaborative Planning from December 2022.