



City of Westminster

Agenda

Budget Task Group

Cllr Gotz Mohindra (Chairman), Cllr David Boothroyd, Cllr Iain Bott, Cllr Tony Devenish, Cllr Adam Hug and Cllr Karen Scarborough

Date / Time

18:30, Monday 25th January 2021

Location

This will be a virtual meeting

Contact

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Item 1 WELCOME AND APOLOGIES

Item 2 DECLARATIONS OF INTEREST

Item 3 THE 2020/2021 CAPITAL BUDGET

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3.3) ELT Summaries

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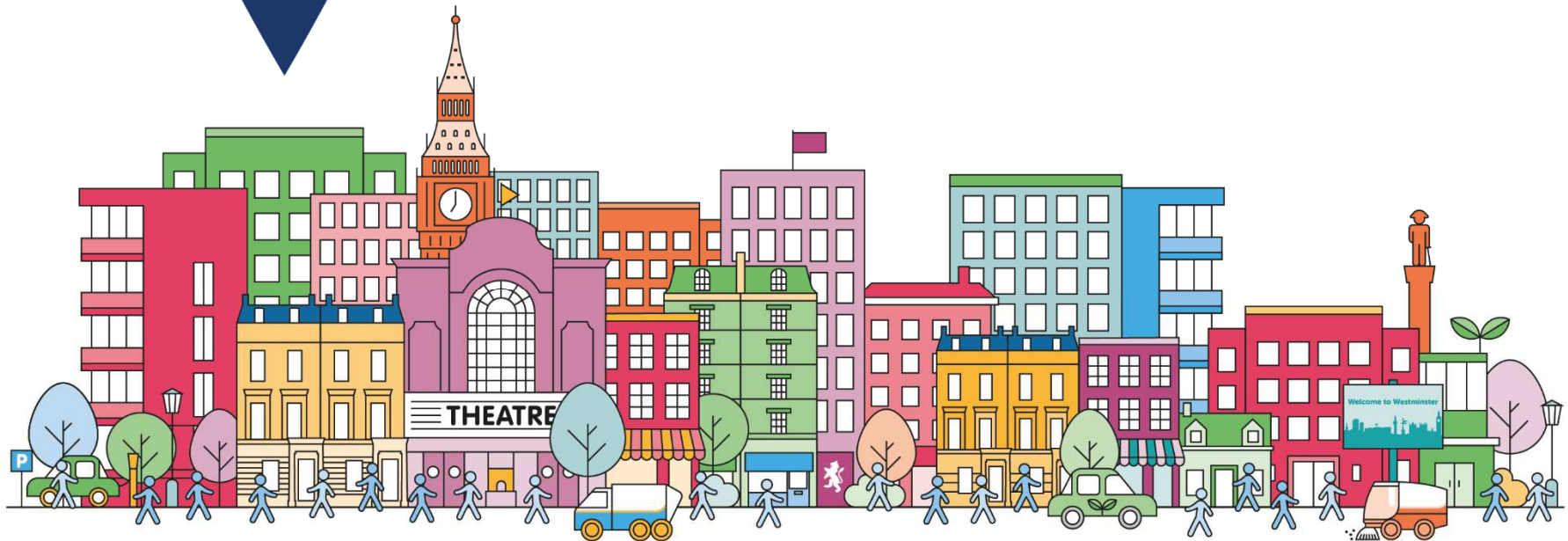
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Budget Task Group

25th January 2021

Capital Strategy



Agenda

- Overview

- Financial Summary
 - General Fund (GF)
 - Housing Revenue Account (HRA)

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



Overview

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

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

The presentation outlines:

- General Fund (GF): detail on proposed expenditure and income budgets for 5 years from 2021/22 to 2025/26
- Summarised future years GF expenditure and income budgets from 2026/27 to 2034/35
- Housing Revenue Account (HRA): detail on key schemes in the proposed programme for 2021/22 and a summarised 5 year extract from the 30 year plan



Financial Summary - GF (1)

The General Fund capital programme covers four areas of expenditure:

Development (£1,673m): large scale construction projects that enable delivery of affordable housing and improved public realm.

Major Strategic Acquisitions (£133m): where the Council acquires properties to enable development of key strategic sites for future regeneration and investment opportunities.

Operational (£1,048m): these schemes are related to day to day activities that will ensure the Council meets its statutory requirements.

Efficiency (£8m): funded by Flexible Use of Capital Receipts (FCR) and qualifying projects must produce on-going savings.



Financial Summary - GF (2)

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

	Forecast	Five Year Plan					Future Years to 2034/35 £000	Total £000
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000		
Expenditure								
Adults' Services	635	1,116	-	-	-	-	-	1,751
Children's Services	14,299	22,881	3,246	2,501	1,002	400	-	44,329
Environment & City Management	68,789	79,798	115,947	43,808	31,658	19,972	-	359,972
Finance and Resources	19,145	24,698	158,618	48,937	84,516	74,324	565,147	975,385
Growth, Planning & Housing	48,325	123,426	149,791	123,943	67,238	45,001	155,655	713,379
Westminster Builds	16,685	30,845	67,320	61,330	137,540	189,190	263,950	766,860
Total Expenditure	167,877	282,764	494,922	280,519	321,954	328,887	984,752	2,861,675
Funding								
External Funding	(54,284)	(81,757)	(52,230)	(30,909)	(20,299)	(12,079)	(29,000)	(280,558)
Capital Receipts	(25,120)	(1,300)	(43,455)	(63,510)	-	(43,420)	(775,147)	(951,952)
Total Funding	(79,404)	(83,057)	(95,685)	(94,419)	(20,299)	(55,499)	(804,147)	(1,232,510)
Borrowing Requirement	88,473	199,707	399,237	186,100	301,655	273,388	180,605	1,629,165

A summary of the programme approved in March 2020 is outlined below:

	Forecast	Five Year Plan					Future Years to 2033/34 £000	Total £000
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000		
Total Expenditure	229,043	244,214	402,646	399,321	219,054	97,046	872,937	2,464,261
Total Funding	(79,538)	(104,039)	(68,948)	(98,429)	(28,382)	(81,440)	(492,268)	(953,044)
Borrowing Requirement	149,505	140,175	333,698	300,892	190,672	15,606	380,669	1,511,217



Financial Summary - GF (3)

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

Financed by	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 to 2034/35 £000	Total £000
Section 278 Contributions	14,655	29,488	27,171	12,910	8,000	5,000	-	97,224
Affordable Housing Fund Contributions	7,741	19,189	14,920	10,140	7,000	-	18,000	76,990
Community Infrastructure Levy (CIL)	5,328	4,456	1,900	1,000	1,000	1,000	11,000	25,684
Section 106 Contributions	9,099	6,696	2,000	500	-	-	-	18,295
DfE Basic Needs Grant	2,383	7,446	1,300	1,000	-	-	-	12,129
DCLG Disabled Facilities Grant	1,524	1,524	1,524	1,524	1,524	1,524	-	9,144
Education & Schools Funding Agency (ESFA)	2,575	6,541	-	-	-	-	-	9,116
External Contributions	6,273	275	275	275	275	275	-	7,648
Transport for London (TfL) Grant	387	1,000	2,000	2,000	1,000	1,000	-	7,387
Sport England Grant	-	310	290	1,160	1,100	2,880	-	5,740
Other Grants and Contribution	1,308	1,827	-	-	-	-	-	3,135
DfE Schools Condition Allocation	512	498	400	400	400	400	-	2,610
GLA Good Growth Fund	635	1,241	-	-	-	-	-	1,876
DoH Community Capacity Grant	635	816	-	-	-	-	-	1,451
London Business Rates Pool Strategic Investment Pot	400	450	450	-	-	-	-	1,300
European Regional Development Fund	829	-	-	-	-	-	-	829
Total	54,284	81,757	52,230	30,909	20,299	12,079	29,000	280,558
Capital Receipts	25,120	1,300	43,455	63,510	-	43,420	775,147	951,952
Borrowing	88,473	199,707	399,237	186,100	301,655	273,388	180,605	1,629,165
Total	167,877	282,764	494,922	280,519	321,954	328,887	984,752	2,861,675



Financial Summary – GF (4)

The table below summarises the capital receipts by project for the GF capital programme:

	Forecast	Five Year Plan					Future	Total
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Years to 2034/35 £000	
WB Schemes	-	-	3,860	59,110	-	43,420	372,760	479,150
Lisson Grove Programme	-	-	-	-	-	-	165,823	165,823
Church Street Acquisitions Sites ABC - GF	-	-	5,775	-	-	-	83,439	89,214
Leisure Review - Development	-	-	-	-	-	-	77,574	77,574
Huguenot House Redevelopment	-	-	-	-	-	-	68,751	68,751
Luton Street	-	-	28,000	-	-	-	-	28,000
Beachcroft	24,170	-	-	-	-	-	-	24,170
Church Street Acquisitions	-	-	3,300	4,400	-	-	-	7,700
Ebury Bridge	-	-	-	-	-	-	6,800	6,800
Luxborough	950	-	2,520	-	-	-	-	3,470
Westmead	-	1,300	-	-	-	-	-	1,300
Total Capital Receipts	25,120	1,300	43,455	63,510	-	43,420	775,147	951,952



Financial Summary - GF (5)

The GF capital programme is due to be finance via £951.9m of capital receipts. However this is split between direct receipts from housing sales and loan repayments/HRA transfers which are treated as capital receipts. This split is summarised in the table below.

Receipts from housing sales

Project	Capital Receipts £m
Lisson Grove Programme	165.823
QMSC	77.574
Huguenot House	68.751
Beachcroft	24.170
Luxborough	3.470
Westmead	1.300
Total	341.088

Receipts from loan repayments and HRA transfers

Project	Capital Receipts £m
Westminster Builds	479.150
Church St Acquisitions	89.214
Luton Street	28.000
Church St WCH Loan	7.700
Ebury Bridge	6.800
Total	610.864



Financial Summary - GF (6)

The table below summarises the revenue implications of the programme:

	Forecast	Five Year Plan					Future Years to 2034/35 £000	Total £000
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000		
Expenditure	167,877	282,764	494,922	280,519	321,954	328,887	984,752	2,861,675
External Funding	(54,284)	(81,757)	(52,230)	(30,909)	(20,299)	(12,079)	(29,000)	(280,558)
Capital Receipts	(25,120)	(1,300)	(43,455)	(63,510)	-	(43,420)	(775,147)	(951,952)
Borrowing Requirement	88,473	199,707	399,237	186,100	301,655	273,388	180,605	1,629,165
Revenue Impacts:								
Capital Financing Cost	15,530	11,949	20,144	45,076	54,153	62,836	560,683	770,372
Financed By:								
Commercial Income	(3,800)	(3,800)	(10,091)	(6,140)	(7,976)	(16,496)	(176,645)	(224,949)
Net Revenue Position	11,730	8,149	10,053	38,936	46,177	46,340	384,038	545,423
Sinking Fund Adjusted Balance	3,075	9,256	10,052	(15,831)	(20,067)	(17,150)	30,664	(0)
MTP Budget Assumptions	14,805	17,405	20,105	23,105	26,110	29,191	414,702	545,423

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



Financial Summary - HRA (1)

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

Regeneration (£876m): development projects that enable the delivery of affordable housing

Housing Planned Maintenance (£1,076m): maintenance and improvements to the Council's current housing stock.

Other Projects (£140m): various other projects within the HRA that do not fall into the above categories.



Financial Summary - HRA (2)

The table below summarises the 30-year HRA capital programme by key expenditure and funding lines:

	Forecast	Five Year Plan					Future Years to 2050/51 £000	Total £000
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000		
Expenditure								
Planned Maintenance	39,545	59,278	52,451	66,655	63,230	64,224	770,426	1,076,264
Regeneration	87,704	126,353	202,065	137,059	57,608	33,771	319,062	875,918
Other	13,678	23,888	29,630	22,910	8,028	5,150	50,150	139,756
Total Expenditure	140,927	209,519	284,146	226,624	128,866	103,145	1,139,638	2,091,938
Funding								
Major Repairs Allowance	(24,608)	(23,754)	(24,238)	(25,154)	(25,848)	(26,750)	(951,585)	(1,077,329)
Lessee Contributions	(10,417)	(9,886)	(13,002)	(11,455)	(11,414)	(10,715)	(177,090)	(233,562)
Government Grant/Loans	-	(5,416)	(8,154)	(4,648)	(1,666)	(448)	-	(20,332)
Affordable Housing Fund	(56,324)	(110,202)	(105,569)	(11,950)	(9,520)	(20,000)	(44,226)	(301,467)
Capital Receipts	-	(50,749)	(64,906)	(58,842)	(84,543)	(42,028)	(81,700)	(382,768)
Total Funding	(91,349)	(200,007)	(215,869)	(112,049)	(132,991)	(99,941)	(1,254,601)	(2,015,458)
Borrowing requirement	49,578	9,512	68,277	114,575	(4,125)	3,204	(114,963)	76,480

A summary of the programme approved in March 2020 is outlined below:

2020/21 HRA Capital Programme	Forecast	Five Year Plan					Years to 2049/50 £000	Total £000
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000		
Total Expenditure	157,683	186,979	247,388	196,646	125,785	139,193	857,702	1,753,693
Total Funding	(157,683)	(172,488)	(222,979)	(136,814)	(118,820)	(118,101)	(780,726)	(1,549,928)
Borrowing requirement	-	14,491	24,409	59,832	6,965	21,092	76,976	203,765





Budget Task Group

Adult Social Care & Public Health

Bernie Flaherty

Executive Director



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

The five year capital programme for ASC from 2021/22 to 2025/26 has a gross budget of £1.116m (£0.300m net). Some of the key projects over this period are highlighted below:

- **Barnard & Florey (£0.200m gross expenditure)** – To remodel two council leased properties at Carlton Gate to meet the borough’s identified business and strategic needs to increase the number of appropriate in borough homes for vulnerable and disabled residents.
- **Framework-I upgrade to Mosaic (£0.529m gross expenditure)** – This is a key component in meeting ASC’s statutory responsibilities under the Care Act 2014. It will increase the range of choice available to our customers, enable them to have a greater degree of control over their care and provide a digital platform to allow them to exercise it, in line with the City of Choice goals set out in the City for All Strategy.



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

- **Lupus Street (£0.287m gross expenditure)** – Adults Services Commissioning Team, are jointly with Housing, carrying out a strategic review of housing needs - for example for people with Mental Health, which will then inform the direction of use of the property in the longer term. The intention is to have a new service/offer in place within 18 months.
- **ASC CIE Enhancement Project (£0.100m gross expenditure)** – To enhance the capability of the Care Information Exchange platform by extending its usage into selected care homes. This will give professional staff in certain care homes access to real-time health and social care data from Imperial Health Trust sources, four London boroughs (the Bi-Borough, Hammersmith and Fulham, and Brent) aiding with time-crucial tasks such as enabling safe and appropriate discharge, avoiding the need for reassessment, and cutting down on administrative tasks and subsequent delays.



ASC - 5 Year Capital Programme

The gross capital expenditure forecast for 2021/22 to 2025/26 is £1.116m (net £0.300m). An overview of the ELT capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Barnard & Florey	0.200	-	0.200
Framework I upgrade to Mosaic	0.529	(0.529)	-
Lupus St	0.287	(0.287)	-
ASC CIE Enhancement Project	0.100	-	0.100
Total Capital Programme	1.116	(0.816)	0.300



ASC - 2020/21 Capital Expenditure (1)

The ASC Capital Programme for 2021/22 has a gross budget of £1.116m (£0.300m net). The key projects in 2021/22 are outlined below

- **Same as above – all projects programmed into 2021/22**



ASC - 2021/22 Capital Programme

The gross capital expenditure forecast for 2021/22 is £1.116m (net £0.300m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
Barnard & Florey	0.200	-	0.200	-
Framework I upgrade to Mosaic	0.529	(0.529)	-	-
Lupus St	0.287	(0.287)	-	-
ASC CIE Enhancement Project	0.100	-	0.100	-
Total Capital Programme	1.116	(0.816)	0.300	-





Budget Task Group

Children's Services

Sarah Newman
Executive Director



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

The five year capital programme for Children's Services from 2021/22 to 2025/26 has a gross budget of £30.030m (£7.606m net). Some of the key projects over this period are highlighted below:

- **Hallfield Community Primary School (£1.755m Gross, £0m Net)** – Investment at Hallfield Community Primary School, including extensive electrical rewiring and site improvements.
- **King Solomon Academy Expansion (£5.589m Gross, £0m Net)** - The King Solomon Academy expansion will be completed in 2021/22 and will create an additional 30 places per year group, rising from 60 to 90 places (150 in total when full). The total project cost is £9.156m, with a spend of £3.567m expected by the end of 2020-21.
- **Libraries Six Year Rolling Redecoration and Refurbishment Programme (£2.000m Gross, £2.000m Net)** - The rolling redecoration programme ensures that the libraries physical environment remains in good condition and fit for purpose by providing modernised and welcoming buildings and adaptable spaces in which to provide library and other services.
- **St Marylebone Bridge Special School (£7.938m Gross, £1.397m Net)** – a new building for the special school at the Wilberforce Primary Academy site, expanding from 60 to 70 places. The total project cost is £11.251m, with £3.313m in 2020-21. This project has a contribution from the DfE of £9.116m



Children's Services- 5 Year Capital Programme

The gross capital expenditure forecast for 2021/22 to 2025/26 is £30.030m (net £7.606m). An overview of the Children's Services capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Libraries & Registration Services	2.244	-	2.244
Non-School Projects	3.002	(0.537)	2.465
School Expansions	13.527	(12.130)	1.397
Schools Improvement	6.557	(6.557)	-
Schools Maintenance	4.700	(3.200)	1.500
Total Capital Programme	30.030	(22.424)	7.606



Children's Services - 2021/22 Capital Expenditure

The Children's Services Capital Programme for 2021/22 has a gross budget of £22.881m (£4.357m net). The key projects in 2021/22 are outlined below

- **St Marylebone Bridge Special School (£7.938m Gross, £1.397m Net)** - A new building for the special school at the Wilberforce Primary Academy site, expanding from 60 to 70 places. The total project cost is £11.251m, with £3.313m in 2020-21. This project has a contribution from the DfE of £9.116m.
- **Hallfield Community Primary School – Electrical re-wire and associated works (£1.200m Gross, £0m Net)** – Hallfield Community Primary School is a listed building and requires extensive re-wiring of the electrics for health and safety reasons.
- **King Solomon Academy Expansion (£5.589m Gross, £0m Net)** - The King Solomon Academy expansion will be completed in 2021/22 and will create an additional 30 places per year group, rising from 60 to 90 places (150 in total when full).



Children's Services General Fund - 2021/22 Capital Programme

The gross capital expenditure forecast for 2021/22 is £22.881m (net £4.357m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
Libraries & Registration Services	0.520	-	0.520	2.442
Non-School Projects	2.477	(0.537)	1.940	1.774
School Expansions	13.527	(12.130)	1.397	0.737
Schools Improvement	4.257	(4.257)	-	-
Schools Maintenance	2.100	(1.600)	0.500	0.500
Total Capital Programme	22.881	(18.524)	4.357	5.453





Budget Task Group

Growth, Planning & Housing

Debbie Jackson
Executive Director



GPH– Key Projects (1)

The five year capital programme for GPH from 2021/22 to 2025/26 has a gross budget of £509.399m (£450.107m net). Some of the key projects over this period are highlighted below:

- **Oxford Street District (£138.962m gross expenditure)** – Investment in the whole district to upgrade the area into a modern outdoor retail and entertainment space.
- **Lisson Grove Programme (£105.115m gross exp budget incl acquisitions)** - Part of the Church Street Masterplan, the programme will re-provide the current Lisson Grove offices at a new Civic, Health and Wellbeing hub alongside new homes. The current office site will then be available for redevelopment and delivery of a substantial level of additional housing.
- **Church Street Acquisitions (£64.516m gross expenditure)** – Strategic Acquisitions on the Church Street site A and B identified in the Church Street Masterplan.



GPH – Key Projects (2)

- **Strand Aldwych (£27.804m gross expenditure)** - Major Public Realm and traffic management improvements to the gyratory to create more space for collaboration, investment and change, as well as new safe routes for pedestrians.
- **Targeted Housing for Vulnerable Households (£18.990m gross expenditure)** - This is a bespoke purchase programme in Out of Borough locations, delivering good quality affordable housing for households with limited expectation of longer-term housing. A programme of 60 purchases over 2 years would reduce TA costs for 60 households by an average of £125 per week. This would be funded by GF borrowing.
- **Enterprise Programme (£11.496m gross expenditure)** – Projects include provision of enterprise space, market facilities, and broadband and connectivity



GPH - 5 Year Capital Programme

The gross capital expenditure forecast for 2021/22 to 2025/26 is £509.399m (net £450.107m). An overview of the GPH capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Development	219.778	(5.254)	214.524
Economy	11.496	(0.900)	10.596
Housing GF	101.214	(50.247)	50.967
Place Shaping	176.911	(2.891)	174.020
Total Capital Programme	509.399	(59.292)	450.107



GPH - 2021/22 Capital Programme

The gross capital expenditure forecast for 2021/22 is £123.426m (net £97.544m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
Development	38.594	(3.822)	34.772	17.239
Economy	3.450	(0.450)	3.000	2.713
Housing GF	34.241	(19.619)	14.622	4.690
Place Shaping	47.141	(1.991)	45.150	12.765
Grand Total	123.426	(25.882)	97.544	37.407





Budget Task Group

Housing Revenue Account (HRA)

Debbie Jackson
Executive Director



HRA - 5 Year Capital Programme

The gross capital expenditure for 2021/22 to 2025/26 is £952.301m (net deficit £191.444m). An overview of the HRA capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Gross Income £m	5 Year Net Budget £m
Planned Maintenance	305.838	(182.216)	123.622
Regeneration	556.857	(491.901)	64.956
Other Schemes	89.606	(86.740)	2.866
Total Capital Programme	952.301	(760.857)	191.444



HRA - 2021/22 Capital Programme

The gross capital expenditure for 2021/22 is £209.519m (net £9.512m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
Planned Maintenance	59.278	(33.640)	25.638	39.545
Regeneration	126.353	(134.425)	(8.072)	87.704
Other Schemes	23.888	(31.942)	(8.054)	13.678
Total Capital Programme	209.519	(200.007)	9.512	140.927



HRA – Key Projects (1)

The five year capital programme for HRA from 2021/22 to 2025/26 has a gross budget of £952.301m (net budget £191.444m). The net budget will be financed through increased borrowing. Some of the key projects over this period are highlighted below with their gross expenditures:

- **Planned maintenance (£305.838m)** – Maintain and improve stock to meet the decent homes standard, fire precaution works, lower carbon emissions (climate action programme) and investment in the Pimlico District Heating Unit
- **Ebury Bridge and Acquisitions (£193.101m)** – Enables the delivery of a strategically important estate regeneration project that will provide new, high quality homes, open space and non residential community infrastructure.
- **Small Sites programme (£59.606m)** – The scheme seeks to develop smaller sites, such as garages and sheds broken down by packages of works.
- **Church Street Phase 2 and Acquisitions (£69.638m)** – Westminster City Council is committed to transforming the quality of life of residents in the Church Street area. The masterplan seeks to deliver real change for the community by creating great places, opportunities for a healthy and prosperous lifestyle, new homes and more jobs



HRA – Key Projects (2)

- **Carlton Dene (£38.678m)** – The project comprises the redevelopment of an existing residential care home (alongside Westmead, part of the GF capital programme) and one block of 9 apartments (Peebles House) to provide new housing for older people, specialist housing for people with learning disabilities, affordable housing, and private for sale housing.
- **Cosway Street (£29.675m)** – An island site, the majority of the site was purchased from City of Westminster College with the purpose of providing additional housing for the Church Street area - 100% residential scheme. The development is linked via a planning submission with the 100% affordable Ashbridge and Ashmill developments to deliver a combined policy compliant proposition.
- **Lisson Arches (£24.435m)** – Lisson Arches is located in the Church Street Ward and forms part of the Church Street Master plan. A 60 units arranged over 13 floors which will provide 59 community supportive housing, 1 scheme manager and enterprise space.
- **Parsons North (£13.826m)** – A self-development of a 60 unit housing development which will provide 10 units for social rent, 9 units for intermediate rent and 41 units for private sale with a new entrance lobby and an internal residents' area.





Budget Task Group

Westminster Builds

Debbie Jackson
Executive Director



Westminster Builds - 5 Year Business Plan

The table below sets out the schemes included in the Westminster Builds Business Plan, the budgeted expenditure in 2021/22 to 2025/26 and the capital income expected to be generated by those schemes through grants and sales receipts. In addition the company will also receive ongoing rental income from retained properties.

Scheme	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
300 Harrow Road ^(D)	54.123	(60.334)	(6.211)
Westmead ^(D)	31.490	(8.851)	22.639
Ebury Phase 2 ^(D)	153.875	(9.019)	144.856
Church Street -Site A ^(D)	92.044	-	92.044
Intermediate and market rent acquisitions	83.872	(0.678)	83.194
Pipeline	76.116	(31.594)	44.522
Luton St ^(I)	26.517	(43.302)	(16.785)
Contingency	21.708	-	21.708
Total	539.746	(153.779)	385.967

NB –Developments denoted by (D), Acquisitions by (A), Investment by (I). Pipeline yet to be determined.



Westminster Builds - 2021/22 Business Plan

The table below sets out the budgeted expenditure for schemes included in the Westminster Builds Business Plan for 2021/22, and the capital income expected to be generated by those schemes in that year. It also shows forecast expenditure in 2020/21.

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
300 Harrow Road ^(D)	16.080	(13.440)	2.640	3.533
Jubilee ^(A)	3.112	(0.678)	2.434	4.275
Parsons North ^(A)	2.183	-	2.183	-
Westmead ^(D)	2.820	(0.492)	2.328	-
Pipeline	5.547	-	5.547	-
Luton Street ^(I)	14.065	-	14.065	10.000
Contingency	1.648	-	1.648	-
Total	45.456	(14.611)	30.845	17.808

NB –Developments denoted by (D), Acquisitions by (A), Investment by (I). Pipeline yet to be determined.



Westminster Builds – Key Projects (1)

The five year gross capital expenditure plans for Westminster Builds from 2021/22 to 2025/26 totals £539.746m (£385.967m net).

The schemes included in the Westminster Builds business plan are outlined below:

- **300 Harrow Road (£54.123m gross expenditure)** – Self delivered development providing 112 new homes, a nursery, a community hall and work space.
- **Westmead (£31.490m gross expenditure)** – Direct delivery of 65 new homes on site
- **Ebury Phase 2 (£153.875m gross expenditure)** – Direct delivery of Phase 2 of the key Council regeneration scheme at Ebury Bridge
- **Church Street Site A (£92.044m gross expenditure)** – Delivery of Site A of the wider Church Street regeneration programme through partnership with a third party developer
- **Luton Street (£26.517m gross expenditure)** – Investment and funding in the Luton Street LLP partnership with LinkCity to deliver 171 new homes at Luton Street and Fisherton Street.



Westminster Builds – Key Projects (2)

The remaining schemes included in the Westminster Builds business plan are:

- **Acquisitions (£83.872m gross expenditure)** – purchase of completed intermediate and / or market homes for the purpose of letting at intermediate or full market rent levels. In order to retain control of the affordable units on these sites the Council has decided that these units will be held by WB rather than an external housing association. Each scheme will be approved through the Council's existing governance processes.
- **Pipeline (£76.116m gross expenditure)** – the company is developing a pipeline of activity outside of the Council's existing pipeline to develop both within Westminster but also outside of the borough. Outside of Westminster the company is keen to look at opportunities to work in partnership with developers and in public / public partnership with other local authorities and quasi public sector partners to share risk and reward.



Westminster Builds - Council Financing

The Council will be providing loan financing into Westminster Builds to support its planned activity.

In 2021/22 the Council is budgeted to provide loans into Westminster Builds of £30.845m.

The table below shows the total budgeted loan finance to be provided to Westminster Builds from 2021/22 to 2025/26. A total of £486.225m will be provided of which £106.390m will be repaid during this period. In addition, interest to be paid to the general fund over the period is budgeted at £17.3m.

The net capital financing requirement from the Council for Westminster Builds for the 5 year period is less than the net Westminster Builds budget due to optimisation of the company's treasury management position.

Scheme	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Westminster Builds	486.225	(106.390)	379.835



Luton Street LLP

The Luton Street LLP is a partnership between Westminster Builds and a third party developer for the delivery of the Luton Street/Carrick Yard development. In order to deliver the scheme, the Council decided to finance it through investment from both Westminster Builds and directly from the Council. Thus, in addition to Westminster Builds investing/lending £26.5m in the LLP, the Council will directly lend £19.714m into the LLP over the coming 5 years, which will be repaid on completion.

The 5 year income of £27.970m includes loan principal repayment and rolled up interest.

Scheme	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Luton St General Fund Investment	19.714	(27.970)	(8.260)





Budget Task Group

Environment and City Management Capital

Raj Mistry
Executive Director



Environment and City Management – Key Projects Over the Next 5 Years

The five year capital programme for ECM from 2021/22 to 2025/26 has a gross budget of £291.183m (£185.681m net). Some of the key projects over this period are highlighted below:

- **Waste Fleet Procurement (£42.000m gross exp budget)** – The procurement of a new fleet of waste vehicles.
- **PPM Highways (£36.752m gross exp budget)** - Annual programme to ensure highways assets (e.g. roads, pavements) remain safe and efficient.
- **Grosvenor Square Public Realm (£13.700m gross exp budget)** - Includes upgrading pedestrian facilities and upgrade of the public realm.
- **Electric Vehicle Charging Infrastructure (£11.440m gross exp budget)** – Providing electric vehicle charging points across Westminster.
- **Berkeley Square South – (£9.600m gross)** which upgrades footways and crossing points at the southern point of the square and surrounding streets.
- **Disabled Facilities Grant - (£7.620m gross)** This provides essential adaptations to enable residents to remain independent in their homes.



Environment and City Management – 5 Year Capital Programme

The gross capital expenditure forecast for 2021/22 to 2025/26 is £291.183m (net £185.681m). An overview of the ECM capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Highways	219.750	(96.219)	123.531
Community Services	7.425	(0.500)	6.925
Parking	4.415	-	4.415
Public Protection & Licensing	9.301	(7.620)	1.681
Waste & Parks	50.292	(1.163)	49.129
Total Capital Programme	291.183	(105.502)	185.681



Environment and City Management - 2021/22 Capital Expenditure

The Environment and City Management Capital Programme for 2021/22 has a gross budget of £79.798m (£43.473m net). The key projects in 2021/22 are outlined below:

- **PPM Highways (£6.923m gross exp budget)** - Annual programme to ensure highways assets (e.g. roads, pavements) remain safe and efficient.
- **Westminster Ceremonial Streetscapes (£8.703m gross exp budget)** – The scheme integrates public realm improvements with embedded protective measures.
- **Villiers Street (£2.000m gross exp budget)** – Public realm improvement of Villiers Street to provide a safe and high-quality pedestrian environment.
- **Grosvenor Square Public Realm (£0.700m gross exp budget)** - Includes upgrading pedestrian facilities and upgrade of the public realm.
- **Business Processing & Technology (£3.250m gross exp budget)** - Deliver improved digital solutions and provide best in class customer service.
- **Public Conveniences Renovation Programme (£3.000m gross exp budget)** - Providing high quality facilities for residents and visitors.



ECM General Fund - 2021/22 Capital Programme

The gross capital expenditure forecast for 2021/22 is £79.798m (net £43.473m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 P5 Net Forecast £m
Highways	66.713	(33.538)	33.175	27.538
Community Services	1.605	(0.100)	1.505	6.856
Parking	4.415	-	4.415	-
Public Protection & Licensing	1.989	(1.524)	0.465	0.369
Waste & Parks	5.076	(1.163)	3.913	0.640
Total Capital Programme	79.798	(36.325)	43.473	35.403





Budget Task Group

Finance and Resources

Gerald Almeroth
Executive Director



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

The five year capital programme for Finance and Resources from 2021/22 to 2025/26 has a gross budget of £391.093m (£381.853 net). Some of the key projects over this period are highlighted below:

- **Property Investments (£120.000m gross expenditure)** – investment fund to facilitate the acquisition of investment properties of strategic importance
- **Leisure Review Development (£78.011m gross expenditure)** – Consideration of options for the future best use of the council's physical activity and leisure services and associated site and adjoining site at Queen Mother & Seymour centres
- **Huguenot House (£59.382m gross expenditure)** – Consideration of the options for the future best use of Huguenot House
- **Capital Contingency (£58.577m gross expenditure)** – contingency for the overall capital programme
- **Landlord's Responsibilities (£25.000m gross expenditure)** – planned and emergency works for operational properties managed by the Council



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

- **Nova Library (£5.000m gross expenditure)** – As part of the Nova development of Bressenden Place an option for a library is to be provided under a Section 106 agreement to the Council
- **Investment in Commercial Properties (£7.500m gross expenditure)** – reinvesting in the Investment Property Portfolio to maintain existing revenue streams, maximise the potential to achieve rental growth and further enhance the reputation of the Council as a preferred landlord
- **Retrofit Accelerator (£4.888m gross expenditure)** – the delivery of works across the Council’s properties to maximise energy conservation and efficiencies
- **Digital Transformation (£4.375m gross expenditure)** – to support the Customer Experience and Digital Programme and Smart City priority in the City for All plan
- **Community Infrastructure Levy (CIL) Projects (£4.000m gross expenditure)** – strategic projects to create, operate or maintain permanent infrastructure in Westminster. The projects are funded through the Community Infrastructure Levy.
- **Accessibility Programme (£3.587m gross expenditure)** – to provide an operational property environment that promotes access and inclusion for residents, visitors and staff.
- **End User Computing (£3.125m gross expenditure)** – refresh and breakage replacement of Council laptops. In addition the project covers peripheral refresh and specialist IT accessory purchases



F&R- 5 Year Capital Programme

The gross capital expenditure forecast for 2021/22 to 2025/26 is £391.093m (net £381.853m). An overview of the F&R capital budget is shown below:

Grouping	5 Year Gross Expenditure £m	5 Year Income £m	5 Year Net Budget £m
Property Investments	120.000	-	120.000
Leisure Review Development	78.011	(5.240)	72.771
Huguenot House	59.382	-	59.382
Capital Contingency	58.577	-	58.577
Landlord's Responsibilities	25.000	-	25.000
Investment in Commercial Properties	7.500	-	7.500
Nova Library	5.000	-	5.000
Retrofit Accelerator	4.888	-	4.888
Digital Transformation	4.375	-	4.375
CIL Projects	4.000	(4.000)	-
Accessibility Programme	3.587	-	3.587
End User Computing	3.125	-	3.125
Combined Other Projects	17.648	-	17.648
Total Capital Programme	391.093	(9.240)	381.853



F&R - 2021/22 Capital Expenditure (1)

The Finance and Resources Capital Programme for 2021/22 has a gross budget of £24.698m (£24.488m net). The key projects in 2021/22 are outlined below

- **Landlord's Responsibilities (£5.000m gross expenditure)** – planned and emergency works for operational properties managed by the Council
- **Leisure Review Development (£2.450m gross expenditure)** – Consideration of options for the future best use of the council's physical activity and leisure services and associated site and adjoining site at Queen Mother & Seymour centre
- **Capital Contingency (£2.028m gross expenditure)** – contingency for the overall capital programme
- **Huguenot House (£1.989m gross expenditure)** – Consideration of the options for the future best use of Huguenot House.
- **Digital Transformation (£1.875m gross expenditure)** – to support the Customer Experience and Digital Programme and Smart City agenda



F&R - 2021/22 Capital Expenditure (2)

- **Coroner's Court Improvements (£1.800m gross expenditure)** – modern accommodation to reflect HM Coroner's (Inner West London) requirements. This project is required for compliance with the Coroners and Justice Act 2009.
- **Investment in Commercial Properties (£1.250m gross expenditure)** – reinvesting in the Investment Property Portfolio to maintain existing revenue streams, maximise the potential to achieve rental growth and further enhance the reputation of the Council as a preferred landlord
- **Retrofit Accelerator (£1.138m gross expenditure)** – the delivery of works across the Council's properties to maximise energy conservation and efficiencies
- **Accessibility Programme (£0.628m gross expenditure)** – to provide an operational property environment that promotes access and inclusion for residents, visitors and staff.
- **Leisure Centres' Landlord's Responsibilities (£0.870m gross expenditure)** – planned and emergency works for leisure centres managed by the Council's contractor



F&R General Fund - 2021/22 Capital Programme

The gross capital expenditure forecast for 2021/22 is £24.698m (net £24.488m). An overview of the 2021/22 capital budget is shown below:

Grouping	2021/22 Gross Expenditure £m	2021/22 Gross Income £m	2021/22 Net Budget £m	2020/21 Net Forecast £m
Landlord's Responsibilities	5.000	-	5.000	5.861
Leisure Review Development	2.450	(0.210)	2.240	0.297
Capital Contingency	2.028	-	2.028	-
Huguenot House	1.989	-	1.989	0.714
Digital Transformation	1.875	-	1.875	0.625
Coroner's Court Improvements	1.800	-	1.800	0.500
Investment in Commercial Properties	1.250	-	1.250	1.000
Retrofit Accelerator	1.138	-	1.138	0.200
Accessibility Programme	0.628	-	0.628	-
Leisure Centre's Landlord Responsibilities	0.870	-	0.870	-
Lisson Grove Refurbishment	-	-	-	4.532
Combined Other Projects	5.670	-	5.670	4.916
Total Capital Programme	24.698	(0.210)	24.488	18.645



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