| Item No. 16. | Classification: Open | Date: 18 November 2014 | Meeting Name: Cabinet |
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| **Report title:** | | Quarter 2 Capital Monitoring for 2014/15 and Capital Programme Refresh for 2014/15-2023/24 | |
| **Ward(s) or groups affected:** | | All | |
| **Cabinet Member:** | | Councillor Fiona Colley, Finance, Strategy and Performance | |

**FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE**

This quarter's capital monitor provides, as usual, an update and progress report on the delivery of our £2 billion 10 year capital programme. Within the report you will find an update from each department covering their projects.

This quarter we are also making some significant variations to the programme and I'd like to highlight some of these.

The first, and largest value variation, is to approve £63m over the next 16 years as Southwark Council's contribution to the transport improvements at Elephant & Castle. This £63m is anticipated to be covered by s106 and Community Infrastructure Levy contributions from developments. It sits alongside a contribution of £8.5m from the GLA and £82m from TfL. Considering that in 2010 we were repeatedly told that TfL would be unable to contribute a single penny towards these transport improvements I am delighted to recommend that the council enters into this funding agreement and that we will be moving forward with the transport improvements needed to support the regeneration of the neighbourhood.

I am also recommending an increase in the housing investment programme of £41.4m. This includes the finances required to refurbish and relet Lakanal House. This follows extensive consultation with local residents on the Sceaux Gardens Estate about the future of the building.

Revitalise Peckham Rye is a project which will significantly upgrade the play and sports facilities in Peckham Rye Park and Common. Over the last few months of consultation and in depth consideration of the proposals by officers and members it has become clear that it would make sense to increase the scope and scale of the project and as such I am proposing that Cabinet increases the budget for the project from £1.92m to £4.02m. Our vision is to provide:

- a modern, fit for purpose playroom to replace the 1940s prisoner of war hut currently used
- football changing rooms which meet Football Foundation standards and are located closer to the football pitches
- a large, high quality playground appropriate for one of our largest parks which serves neighbourhoods where there have been substantial increases in the number of children

- a more appropriately located car park and the removal of contaminated ground from the park.

These recommendations also give the go ahead to invest £2m in Seven Islands leisure centre for the refurbishment works needed to keep the centre operational until a new Canada Water leisure centre is built as highlighted in the Regeneration in Canada Water report elsewhere on the agenda.

The final significant variation is the creation of a £1m programme for acquisition of properties in order to progress regeneration projects and enable the council to take advantage of the opportunities that arise from time to time to acquire properties to enhance our existing property portfolio. Any purchases made will be reported back to Cabinet via these quarterly capital monitoring reports.

**RECOMMENDATIONS**

That cabinet:

1. Notes the general fund capital programme for the period 2014/15 to 2023/24 as at quarter 2 2014/15, as detailed in appendix A and D.

2. Notes the housing investment programme for the period 2014/15 to 2021/22 as at quarter 2 2014/15, as detailed in Appendix B

3. Approve the variation to the general fund capital programme of £63m towards the £154.1m strategic transport improvements projects to be carried out by TfL at Elephant and Castle by securing funding from new developments in the area, as detailed in paragraphs 81-89 and

   - agree to make a commitment to provide fixed yearly payments to TfL totalling £63m from 2015 to 2030 as detailed in paragraph 88 and
   - agree to enter into a formal deed with TfL/GLA to give affect to this and also to agree the principle of entering into a deed with the GLA and TfL for these purposes and to delegate the completion of the legal agreement to the strategic director of finance and corporate services.

4. Approve the variation to the housing investment programme of £41.4m as reflected in paragraphs 109-116 including the redevelopment costs of Lakanal House agreed by the Housing Investment Board and described in paragraphs 111-114.

5. Approve the revised budget of £4.02m for the enhanced Revitalise Peckham Rye capital project and vary the general fund capital programme once the internal and external funding sources are confirmed, as explained in paragraphs 101-104.

6. Approve the variation to the general fund capital programme to give a capital budget allocation for Seven Islands leisure centre of £2m for on-going refurbishment works and note the recent announcement by the council on the proposals to build a new leisure centre at Canada Water, as reflected in paragraph 70.

7. Approve the variation to the general fund capital programme of £1m for acquisition of properties in order to progress regeneration projects and enhance the property portfolio, as described in paragraphs 90-91.

8. Approve the virements and funded variations (including those in recommendations 3, 4, 6 and 7 above) to the general fund and housing investment capital programme as detailed in Appendix C.

9. Approve the re-profiling of the projected expenditure for 2014/15 and future years for both the general fund and housing investment programmes as detailed in Appendix A, B and D, note the resources available for the capital programme based on latest information available at quarter 2 2014/15, and also note that a further detailed profiling of expected expenditure will be undertaken at quarter 3.

10. Note the recent internal audit report and the enhanced monitoring required as described in paragraphs 140-143.

**BACKGROUND INFORMATION**

11. The scale of the capital programme being managed within the council is immense and with a total forecast spend of nearly £2 billion the capital programme represents a major element of the council's financial activities. It has a significant and very visible impact on the borough and hence on the lives of those who live, learn, visit and or do business in the borough.

12. The quarter 1 2014/15 capital monitor report indicated that expenditure of £5.8m had been incurred on the general fund capital programme against a budget of £90.2m. This represented a spend of 6.4% to budget as at quarter 1 and a favourable variance of £15.6m was projected against the budget for the year at that point.

13. The quarter 1 2014/15 capital monitor report also reflected a spend of £27.4m on the Housing Investment Capital programme against a budget of £187.8m which represented a spend 14.6% against the budget for the year.

14. Due to the size and scale of the capital programme and the number of projects involved, it is inevitable that unforeseeable delays can occur which lead to some variations against planned spend. Historically the capital programme has been over programmed in year to compensate for these variations, whilst retaining a balanced programme overall.

15. The capital programme is subject to on-going review by service managers and the quarter 1 2014/15 capital monitor report approved budgets to be re-profiled in line with the projections for 2014/15 and future years. Some of the expenditure forecast will need to be updated as the capital schemes progress through the year and it is expected that further re-profiling of budgets will occur at quarter 3 of 2014/15.

16. This report sets out the current profiled budget and forecast outturn position for 2014/15 for the General Fund and the Housing Investment Programme (HIP).

**KEY ISSUES FOR CONSIDERATION**

**General Fund Capital Spend**

17. The quarter 2 capital monitor report indicates that expenditure of £22.5m incurred at quarter 2 against a budget of £96m for 2014/15 showing a spend of 23% to budget on the general fund capital programme. The total projected spend for 2014/15 is £83.1m. The summary position and the programme details by departments are reflected in Appendices A and D respectively.

**Housing Investment Programme Spend**

18. The total budgets on the Housing Investment Programme for 2014/15 is £213.2m and the expenditure incurred at quarter 2 is £50.9m, indicating a spend of 24% to budget. The total projected expenditure for 2014/15 is £188.6m. The majority of the expenditure on the Housing Investment Programme relates to the numerous works on the Warm, Dry and Safe programmes which is forecast to spend £90m in 2014/15. Details of the schemes and budgets within the Housing Investment Programme are reflected in Appendix B.

**Resource implications**

19. The council's capital resources are comprised of the following:

- capital receipts from disposal of property
- grants
- external contributions
- section 106 contributions
- housing major repair reserve
- contributions from revenue
- contribution from reserves
- internal borrowing
- external borrowing.

20. The capital programme is influenced by resource timing and availability. Over the life of the programme, all commitments must be met from anticipated resources. The final funding requirement will be based on the final actual expenditure, and will seek to maximise the use of grants and other funding sources, prior to the use of capital receipts. Regular monitoring and formal reporting regulates the programme and mitigates cash flow and funding risks and officers undertake regular reviews as part of the process for preparing quarterly monitors to assess income to date, forecasts and changes.

21. Each department forecasts its programme as accurately as possible to minimise the need for re-profiling. Where this does occur, the requirement is flagged as early as possible and budgets re-profiled in line with anticipated spend. Given the general complexity of capital projects, it is common to see some variation in the profile of the actual programme against the forecast. The impact of this is mitigated through regular formal monitoring, departmental reviews and access to a resource base wide enough to cope with change.

22. In developing and managing its capital programme the council has to maintain clear control on the selection and use of resources to finance capital expenditure. Strategies for investments, borrowing and treasury management facilitate this control and assist the council to have clear strategic direction on its use of resources, to identify new resources or to make changes to the use of resources at an organisational level as projects complete or new projects appear.

**Section 106 and Community Infrastructure Levy (CIL)**

23. The 2014/15 quarter 1 report to cabinet explained Section 106 (S106) agreements, otherwise known as planning obligations, and the Community Infrastructure Levy (CIL) as two of the sources for funding the capital programme.

24. A draft charging schedule was published in April 2013 for the CIL, followed by consultation. The council is working towards an end of 2014 adoption date for its own CIL. The capital programme will be subject to future refresh and pending finalisation of the charging schedule for CIL this may be used to support appropriate schemes.

**New Homes Bonus**

25. The 2014/15 quarter 1 report explained the use of New Home Bonus (NHB) in funding the council's capital programme. The cabinet decision of 21 June 2011 agreed that all NHB not committed to the revenue budget should be allocated to corporate resources to fund future capital expenditure.

26. However, the council's budget setting process for 2014/15 committed the full 2014/15 NHB amounts to revenue and there are also some changes expected in the amount the council receives from the New Home Bonus Scheme. These changes will be identified as part of the future revenue budget setting process and any resulting impact on the capital programme will be reflected in the capital monitoring reports.

**Contributions from Earmarked Reserves**

27. The quarter 1 report explained the use of the three reserves which have relevance for funding the capital programme and these are outlined below:

- modernisation reserve supports one-off expenditure or multi-year projects designed to modernise and further improve the operational efficiency of Southwark's service provision.

- the regeneration and development reserve funds one-off expenditure and multi-year projects delivering regeneration and development across the borough. Relevant projects include the Aylesbury Estate Regeneration, Canada Water, and Elephant & Castle Regeneration.

- compliance and planned preventative maintenance reserve which may be used to support activities upgrading the wider council estate in line with legislative and/or preventative maintenance requirements.

**Capital Receipts**

28. The council operates a ten-year disposals programme and the planned disposals generate capital receipts which the council can use as a funding source to finance capital expenditure.

29. The disposals programme is subject to ongoing review by officers to mitigate the risk of funding unavailability due to timings or amounts received in year. The capital receipts forecasts together with other sources of funding will be monitored

on a regular basis to ensure adequate funding for the capital programme. In the event that in-year funding generated by disposals is insufficient to meet the level of expenditure, alternative short term sources of funding may need to be accessed or projects deferred or re-profiled. Short term sources of funding include use of earmarked reserves and/or accelerating the disposals programme.

**Capital Grants**

30. The council uses of a range of grants to fund capital expenditure and the grants tend to be programme or project specific with each grant having some form of conditions.

31. Grants may be provided as a sole funding source, or as one of several funding sources depending on project requirements. In each case, funding conditions are met to demonstrate that grants have been applied for the purposes given and audit trails are maintained.

**Resourcing to Quarter 2 2014/15**

32. As at quarter 2 2014/15, capital receipts of £17.1m and £17.4m had been received from the general fund and housing receipts respectively for the financial year 2014/15.

33. At the end of quarter 2 2014/15, £22.8m other income had been received including £5.6m of education related grants and £12.9m secured through S106 agreements.

34. The above resources will be monitored and applied as appropriate to schemes in 2014/15.

**Programme position at Quarter 2 2014/15**

35. Attached at Appendix A is a summary of the general fund programme position as at quarter 2 of 2014/15. This shows a total expenditure budget of £508.6m budgeted over the programme from 2014/15 to 2023/24.

36. Attached at Appendix B is a summary of the housing investment programme position as at quarter 2 of 2014/15. This shows a total expenditure budget of £1,475.3m over the programme from 2014/15 to 2021/22.

37. Appendix C shows the budget virements and variations arising in quarter 2 of 2014/15 for approval by cabinet.

38. Appendix D shows a more detailed view of the general fund programme on individual projects or groups of projects over the period 2014/15 to 2023/24.

39. This programme position will continue to be monitored and reviewed over the remainder of the financial year and the final outturn position will be reported to cabinet.

**Departmental Updates**

40. The sections below provide commentary on the budget position by departments for 2014/15.

**GENERAL FUND** (**APPENDIX A**)

**Children's and Adults' Services**

41. In summary, the capital programme across Children's and Adults' Services in quarter 1 was £115.7m, with an annual 2014/15 revised budget of £17.3m. A budget variation of £154k is requested at quarter 2 for schools' contribution towards the works programme. Following a thorough review of the primary programme at Rotherhithe, the £6m contingency budget is returned to the SSF capital programme as part of budget realignment across the services. The revised budgets for the Children's and Adults' services total capital programme is now £109.9m and the expenditure incurred this year to date is £5.0m against an in-year forecast of £17.2m.

42. Additional school places and increased scope for works as agreed by cabinet in July 2014 along with detailed site plans and construction inflation has highlighted a potential programme shortfall. The council is negotiating a contribution from the Education Funding Agency (EFA) and academies for expansion at non-maintained schools. Further CIL is likely to be received from now until the potential funding gap occurs in 2016/17 to 2017/18. However, there is a risk that there will be a residual funding gap in each of the years 2016/17 and 2017/18.

43. Officers are currently reviewing all options in an effort to reduce this shortfall including exploring alternative funding sources from the EFA, s106/CIL and academies. The expenditure profile for the period 2014-18 is being reviewed to reflect the refreshed primary expansion and condition programme and potential funding shortfall, and this will be updated at quarter 3 of 2014/15.

Children's Services

44. The revised capital programme budget for the period 2014/15 to 2023/24 is now £90.9m with a budget of £13.9m for 2014/15.

45. The expenditure at quarter 2 is £5.0m. The main areas of expenditure are for the September 2014 temporary expansions, rebuild of Southwark Park Primary and permanent expansion at Bessemer Grange and Dulwich Wood, various maintenance projects and refurbishment of youth centres at Damilola Taylor Centre, Brandon and the Blue.

Adults' Services

46. The revised capital programme for 2014/15 to 2023/24 is £19.0m with a budget of £3.6m for 2014/15.

47. To date no expenditure has been incurred and the forecast for the year is £1.5m. The main areas of capital investment during this financial year include major refurbishment of properties and investment in the Centre of Excellence.

**Southwark Schools for the Future**

48. The revised programme is £43.3m, following the budget realignment process across the services. The annual budget for 2014/15 is £8.2m and the revised forecast expenditure of the programme delivery for 2014/15 is £5.5m.

49. Expenditure of £2.2m has been incurred at quarter 2 and these include expenditure on the Highshore new school and the University Academy of Engineering South Bank (UAESB). In 2014/15, the main areas of change are on the ARK All Saints and Highshore School co-located scheme with the lease payment for Highshore School expected in 2015/16. The Southwark Inclusive Learning Service (SILS) KS3/4 contract is now under review for a mutually agreed termination and an update will be provided in the next quarter report. The refurbishment of the new UAESB opened in September 2014.

**Finance and Corporate Services**

50. The capital programme of this department focuses on two key areas: information technology infrastructure projects and premises improvements to council buildings.

51. The departmental capital programme stands at £57.6m. The budget for 2014/15 stands at £11.3m with spend and commitments to date of £2.7m recorded at the end of quarter 2.

52. The council's information technology managed service supplier is delivering a series of core enabling projects to modernise provision of IT services. Within the agreed budget of £5m for the upgrade of the infrastructure and enabling core works, £3.4m was spent in 2013/14 with the remaining £1.6m on target to be delivered in 2014/15. In addition to this project work, the capital programme now includes a £1m per annum information technology planned maintenance service scheduled to commence during 2014/15 financial year.

53. The project to implement Corelogic which is an electronic social care system replacing CareFirst commenced in 2014/15 and spend is expected to be just under £1m at £977k.

54. The capital programme for Corporate Facilities Management (CFM) includes an annual £2.75m budget for planned preventative maintenance together with a £10.25m budget to address future FM capital requirements. These budgets reflect the anticipated cost of completing a comprehensive planned preventative maintenance and compliance programme for the assets and fabric of the operational estate. The forecast spend on planned preventative maintenance for 2014/15 is £700k. While this is significantly less than the current profiled budget, this reflects the fact that expenditure will develop as a result of decisions to target this capital investment in the operational estate to preserve both its utility and asset value over a period of at least ten years. To support this a programme of new asset and condition data for the operational estate is near completion which will inform a fully developed 1 to 3 year programme starting in 2015/16 and provide an indicative programme for the remaining years. Therefore it is expected that the current budget profile will be updated as this more detailed programme is developed.

55. The council also continues with its programme of work to its front line council buildings to ensure that they meet the requirements of the Disability Discrimination Act. It is anticipated that this work will be funded through a combination of corporate resources and reserves.

56. Following the major fire in March 2013 at the Walworth Road Town Hall work has been undertaken to secure, protect and prepare this historic listed building for the longer term aim of reinstatement and delivery of a new facility. Initially,

costs for this stage were estimated at £2.7m and reported in the 2013/14 capital outturn report of which £1.7m was incurred in 2013/14. The current forecast to complete this work is now estimated at £4.1m, an increase of £1.4m. This increase can largely be accounted for by the fact that the council is able to complete more works during this phase that will contribute to the reinstatement which is not expected to formally start until January 2016. Spend for 2014/15 is forecast at £1.8m, leaving a further £0.6m in 2015/16 to complete the pre-instatement phase.

**Environment & Leisure**

Summary

57. The total value of the departmental capital programme for the period 2014/15 to 2023/24 at quarter 1 was £151m. It is recommended that the programme be reduced by £6m to reflect the change of proposals for works at Seven Islands leisure centre (as explained below at paragraph 70) The Departmental Capital Review Board continues to scrutinise the forecasts of all projects and their profiling at end of each quarter to check their robustness and arrive at a more realistic estimate of expenditure for the year. As a result, the projected spend for the year is estimated to be £26m against the latest capital budget for 2014/15 of around £28.4m. The overall net variance which arises from re-profiling of the expenditure is proposed to be carried forward into 2015/16 and budgets will be re-profiled at quarter 3.

58. The progress of major schemes is outlined below.

Public Realm

59. The non-principal road programme is anticipated to spend its full allocation for the year of £5.4m. The aim for this year is to build capacity within both the client and contractor teams and to develop a three year programme for agreement with the portfolio holder before March 2015.

60. It should also be noted that a three year programme of investment in borough roads and footpaths valued at £21m has recently been agreed by the Cabinet Member for Regeneration, Planning and Transport. The Asset Management approach set out in the report ensures the use of a range of targeted permanent repair mechanisms which will elongate the life of the asset at reduced cost compared to a 'worst first' maintenance approach."

61. The expenditure in 2014/15 for cycling infrastructure will be limited due to the development of the new borough cycling strategy, agreed for consultation at October 2014 cabinet and expected to be adopted in spring 2015.

62. The implementation of the cemetery strategy continues to create further burial spaces and make associated infrastructure improvements. The cemetery burial strategy spend forecast has been reduced from £1.1m to £957k as a result of the delays in commencing the detailed consultations on new burial areas. The consultations will now be completed by March 2015 and works will start in 2015/16. The expenditure for 2014/15 will also include refurbishment of the cemetery lodges and replacement of cremators.

63. The expenditure in 2014/15 for the Parks Infrastructure & Investment Programme and the Burgess Park Revitalisation Project is on track. There are

some emerging budget pressures and officers are currently reviewing future years plans with a view to bring forward some urgent Health and Safety works. Similarly for the Burgess Park, proposals are being considered to fund preparatory works for the southern entrance project. A request to re-profile the budgets will be considered at the next quarter when more accurate information will be available on costs.

Culture, Libraries, Learning & Leisure

64. The £500k refurbishment of Peckham Library will commence with works to the roof and other vital major works this year. The lifts will be replaced in 2015/16.

65. Works to bring Southwark Athletics Centre back into use will commence by December 2014. Planning permission has been granted and a contract awarded for refurbishment of the athletics facilities. The planning and consultation has started for the pavilion work to commence in 2015/16 and the budgets have been re-profiled to reflect the phased implementation of the project.

66. A phased approach is being taken to the investment of £2.3m in Peckham Pulse of which £300k was incurred in 2013/14. Phase one works have been completed in June 2014, including a new boiler and new air conditioning systems for the gym. Project management has been secured and work has started. Phase two will include works on the spa suite, café and reception areas, all of which need upgrading or replacing, and these will be delivered in 2015/16.

67. Investment in self service technology is a key component of the libraries modernisation programme and installation of such equipment is essential in supporting the savings agreed in the libraries review. RFID (Radio Frequency Identification) has been implemented at Blue Anchor Library. Equipment for RFID for Camberwell will be purchased later this year. The Newington temporary library at Elephant and Castle was opened on 30 September 2014 and more than 50% of the forecast spend of £1.2m has been invoiced.

68. The Thomas Calton Centre refurbishment of £551k was delayed due to planning application issues. The project team has now been assembled and works will commence during autumn 2014. The works are to address longstanding maintenance issues to the roof and fabric of the building.

69. The allocation of £1.5m for legacy funding phase 2 in the capital programme will enable further improvements to the sport and physical activity infrastructure in Southwark. Officers are preparing an IDM report which will make recommendations on allocating funds to individual projects and it is anticipated that most of the spend will occur in 2015/16.

70. The recent announcement of the plans to provide a new, state of the art leisure centre at Canada Water has led to a review of proposals for works at Seven Islands leisure centre. In view of this, a sum of £2 million will be invested in Seven Islands over the next two years to ensure its continued use pending the opening of a new facility at Canada Water. These works will be in place of a full refurbishment of the centre which no longer represents good value for money now that a new centre is planned. Elsewhere on the cabinet agenda, there is another report on the Regeneration of Canada Water which amongst the overall plans, include the proposals for building a new leisure centre at Canada Water that will need to be considered within the council's capital programme once the plans are progressed.

71. Appendix C of this report requests approval to vire £68k budget from Leisure Centre Lifecycle Maintenance budget to fund minor variances in various projects of the division during the year 2014/15.

Community Safety & Enforcement

72. The Housing CCTV refresh programme covered CCTV systems on 19 housing estates that fell within the priority crime areas identified by crime analysis data prepared in August 2012. The installations have been completed and the unit has undertaken a formal programme of testing and certification effectively bringing, in the main, this phase to a close.

Housing Renewal

73. The majority of the renewal area projects from the original project plan have been completed, with the exception of the home security initiative which is currently going through the procurement strategy (gateway one) process. Brayards Road Improvement Zone group repair will be the final housing group repair project undertaken and residual renewal area budgets are currently being amalgamated to fund this project. Consultants have been selected following the tender process and the gateway two to confirm their appointment should be approved by the end of quarter 3. The procurement process will take place next for contractors to undertake the building works at Brayards Road with an anticipated start on site in December 2014.

74. The statutory Disabled Facilities Grant (DFGs) annual budget of £1.5m includes an annual subsidy of approximately £460k. This subsidy has been transferred from central government to the better care fund managed by Adult Social Care services who will transfer the funding to the team. DFG's are used to fund a variety of adaptations such as wet-room installations, through floor lifts, hoists and stair-lifts.

75. The new housing renewal policy has marked a shift in housing renewal assistance from grants to loans, which although have a longer lead in and processing time, means assistance will ultimately be returned to the capital budget which can then be recycled. It is expected the majority of spend on repair grants and loans will take place between October 2014 and March 2015.

Environmental Services

76. The £1.5m budget for planning related costs which may be payable to TfL (subject to results of road traffic surveys) has been re-profiled into 2015/16 to improve the forecasting validity of the monitor. The business unit has not had a request from TfL for any mitigation works and should it receive such a request in the near future, the lead times in drawing any rectification programmes and actually implementing them are unlikely to fall in this financial year.

77. The second survey was submitted in October 2012 and if the GLA request a third survey, the potential liability will remain for a further five years after the date of the survey.

78. The installation of a photovoltaic array on the roof of the Old Kent Road integrated waste facility is at an advanced stage with the panels currently in transit and expected to be completed by November/December 2014. The array

is expected to produce a projected 485,000 kWh per year, which will generate an initial £31k a year for the council through government subsidies, rising to £41k later in the lifetime of the array. It will also contribute projected carbon savings of 258 tCO2 per annum.

79. The decision was taken last year to end the council's participation in the SALIX loan fund scheme. With internal capital funding of £250k a year available, the council is free instead to invest in energy saving projects that have significant financial and carbon benefits but previously may have been outside SALIX project compliance. Proposals are currently being drawn up by the energy team and CFM to deliver a pipework insulation programme across various buildings within the operational estate. In addition, feasibility studies are being undertaken at Kingswood House and Wilson Road with a view to investing in required modernisation of heating systems.

**Chief Executive's Department**

80. The capital budget for the department over the 2014/15-2023/24 period has increased from £85m to £149m since the quarter one monitor was presented to cabinet. This budget increase of £64m is a combination of £63m S106 and Community Infrastructure levy (CIL) to deliver strategic transport improvements projects in Elephant and Castle as part of the wider regeneration of the area, and £1m for the acquisition of properties in supporting the regeneration projects and both of these are explained below.

Strategic Transport Improvements at Elephant and Castle

81. The council is committed to securing funding from new developments to fund strategic transport improvements projects in the Elephant and Castle to unlock and support the regeneration of the area including the provision of over 4,000 new homes and new fit for purpose underground station. The provision of improved public transport and public realm is an integral part of the regeneration of the area and is an objective that the council has supported for many years.

82. The package of investment which has been agreed with TfL and GLA includes the provision of a new Northern Line station with escalators and the "peninsularisation" of the northern roundabout including removal of subways and provision of new public space. These improvements are in line with the council's vision for the areas and will transform the centre of the Elephant and Castle. The total baseline project costs for these works is now estimated to be £154.1m by TfL. The council's contribution towards the overall cost is capped at £63m to be funded from S106 of £48m and borough wide Community Infrastructure Levy of £15m. The GLA have agreed to underwrite financing costs and make a total contribution of £8.5m. The remaining funds of £82m are to be met by TfL. The risk of potential overspend on the overall project will be covered by TfL.

83. The Northern Line station improvements will need to be coordinated closely with the redevelopment of the Elephant and Castle shopping centre and this could create opportunities for economies of scale and reduction in project costs. In circumstances where this occurs it has been agreed that the GLA would be reimbursed for project finance costs and thereafter any savings would be apportioned between the three parties based on their percentage share of the baseline budget.

84. Planning committee has already released over £1m of S106 funds towards this

project and further funding from other S106 and Lend Lease S106 agreements are expected in the coming years towards the funding once approved by planning committee. Additional funding from future Southwark CIL will also be available, subject to cabinet approval to release the funds each year.

85. As TfL is responsible for the overall financial management of the project, the council will make defined annual payments to TfL at year end, from the capital programme, which is expected to be funded from existing and future S106 and southwark CIL funds.

86. Whilst the overall cost of the council contribution is expected to be funded from S106 and CIL funds, cash flow implications with regards to the expected income to the council and the payment schedule to TfL(as reflected below) needs to be closely monitored and managed on an annual basis.

87. TfL have undertaken a successful consultation on the highway proposals and further public engagement around public realm issues is scheduled for the end of November 2014. TfL are programming detailed design work to take place over the next few months with a view to commencing works from April 2015.

88. There is therefore now a pressing need to ensure there is funding certainty from all parties to ensure the project moves forward in accordance with the programme and enable TfL to secure internal approvals for the work. The council is therefore being asked to make a commitment to provide fixed yearly payments totalling £63m up to 2030 and to enter into a formal deed with TfL/GLA to give affect to this. Approval is therefore requested from cabinet to agree the principle of entering into a deed with the GLA and TfL for these purposes and to delegate the completion of the legal agreement to the Strategic Director of Finance and Corporate Services.

**Proposed Payment Schedule to TfL from council**

| **2015 £m** | **2016 £m** | **2017 £m** | **2018 £m** | **2019 £m** | **2020 £m** | **2021 £m** | **2022 £m** | **2023 £m** |
|---|---|---|---|---|---|---|---|---|
| 4.441 | 4.676 | 5.465 | 7.202 | 2.199 | 2.213 | 16.748 | 6.459 | 2.830 |
| **2024 £m** | **2025 £m** | **2026 £m** | **2027 £m** | **2028 £m** | **2029 £m** | **2030 £m** | **Total £m** | |
| 2.866 | 2.901 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | **63.00** | |

89. As these payments do not represent an asset within the council's balance sheet, these payments will be treated as REFCUS (Revenue Expenditure Funded from Capital under Statute) for accounting purposes.

Regeneration projects

90. The council maintains an extensive property portfolio for service delivery and investment purposes, and as priorities change then the portfolio needs to respond accordingly. Direct delivery of new housing is a good example of a changing approach to service delivery. Opportunities arise from time to time to acquire properties to enhance the existing portfolio. An example of such a situation is when an adjoining property in the council's ownership comes to the market and merging the two properties creates a more valuable asset than the separate ownerships. Therefore, in order to respond dynamically to such

opportunities, a budget provision of £1m is requested to be added to the capital programme.

91. The environmental improvements arising from acquiring properties which are in poor condition or have significant maintenance or structural issues can assist the council in meeting its cleaner, greener and safer agenda, and can have a positive impact on the locality.

Departmental Summary

92. In 2014/15, the department is currently forecasting expenditure of £26.8m, an upward revision of £3.7m from the quarter 1 report. The increase in the forecast reflects the profiling of additional S106 allocations and follows a review of existing programmes. This is an interim forecast and will be subject to ongoing review throughout the year.

93. The Planning Projects team continues to progress a range of projects across the borough and is making arrangements for project delivery of the newly allocated S106 funds totalling £2.8m for Bermondsey and Peckham and Nunhead. A further report of £1.6m for Rotherhithe was agreed at Planning Committee in October 2014.

94. The Nunhead Green OLF programme is drawing to a close, with the Green improvements officially launched in September. Whilst the programme of OLF funding has come to an end, there will be continued investment through external funding and S106 which the programme has secured.

95. Following the huge success of the Improving Local Retail Environments (ILRE) programme the cabinet approved in March 2014 a budget of £2m to deliver the second phase of the programme. This has been rebranded as ♥ Southwark Shopping! The team is developing criteria and undertaking site evaluations prior to seeking member approval on the site options for investment. This preparatory work is the precursor to the programme actively commencing in 2015/16.

96. Area renewal programmes for Queens Road, Brayards Road and Meeting House Lane are progressing well. Designs for Brayards Road and the surrounding area have been completed in partnership with the Public Realm division and will go out to consultation in the coming months with a view to commencing on site in early 2015. A profile of projects has been drafted for Meeting House Lane and is currently undergoing feasibility checks and initial costings.

97. The delivery of the transport improvements programme reported to Cabinet in quarter 1 2014/15 is progressing with some projects scheduled for completion this financial year. Other projects include the Camberwell town centre scheme and the Lower Road gyratory scheme. Both these schemes are in development with funding from TfL and S106 receipts. Camberwell forms part of TfL's Major Schemes programme with delivery expected in 2015/16. Lower Road is expected to move to public consultation in spring 2015 with delivery in 2016/17 subject to full funding being secured.

98. The council's LIP funding bid for 2015/16 has been submitted to TfL for approval. A number of scheme proposals are for multi year schemes, building on development work in 2014/15. The focus on broad neighbourhood and corridor

schemes that link to parallel work streams continues.

99. The contract for the construction of the new library and plaza in Camberwell was awarded to the LEP (Local Education Partnership) in March 2014. Building work is progressing and the structure is up. The building was 'topped out' in October, a significant construction milestone. The brickwork is due for completion in early October and first floor windows are due to be installed thereafter. Work on the Plaza is due to start from February 2015 with the new library expected to open to public in late spring 2015

100. The department continues to deliver various projects aimed at improving road safety, encouraging greener and sustainable modes of transport in the borough as well as supporting commercial viability of local shopping areas. This is additional to major regeneration projects at Aylesbury, Elephant & Castle and Canada Water.

Revitalise Peckham Rye Project

101. The Revitalise Peckham Rye project was approved by cabinet as part of the quarter 3 2013/14 capital monitoring and capital programme refresh report on 18 March 2014. The programme of works addresses the manifesto pledges of 2010 and 2014 to deliver new changing rooms, a new play area and a new playroom on Peckham Rye and the total budget allocated to the project at that stage was £1.92m

102. The consultation that has taken place between January and May 2014 has identified the following changes:
- increase in size of the changing rooms to meet Football Foundation standards
- re-location of carpark from the common to the park, including removal of contaminated ground
- increased play area footprint.

103. The revised total cost of the project is now estimated at £4.02m and Officers are currently exploring options on funding the additional cost of £2.1m which is expected to be funded from the following sources:
- unallocated capital resources within the current general fund capital programme.
- external grants, subject to successful bids
- capital contingency/reserves.

104. Cabinet is therefore being requested to approve the revised total budget of £4.02m for the Revitalise Peckham Rye project and the general fund capital programme will be adjusted once the above internal and external funding sources are confirmed.

**Housing General Fund**

105. Then total budget for Housing General Fund for the period 2014/15 to 2015/16 is £3.4m and the forecast spend for 2014/15 is £2.2m and the remaining spend of £1.2m is expected in 2015/16.

106. Springtide Close traveller site is the last of Southwark's four managed traveller sites to be refurbished with support from CLG's 2004 Gypsy and Traveller site grant funding. The final phase of the scheme is on site and due to complete by

the end of 2014/15. This scheme has been delayed slightly by issues on the site, which are now resolved.

107. The current status on Ilderton travellers site is that we are awaiting the outcome of lengthy negotiations between Southwark Legal Services and Network Rail over responsibility for the repairs required to make the embankment wall safe. It is likely that responsibility will be shared, certainly in terms of costs. Although it is difficult to predict the final costs, the spend forecast is expected to be within the current budget at this stage.

108. The Affordable Housing Fund agreement with Guinness Partnership for the development at the Elephant is known as Stead St. The funding of this particular scheme is part of a long-term commitment in the Elephant & Castle area and 84 units on the scheme will be affordable housing units of which 18 will be directly financed by Southwark's AHF and will be available at social rent, with Southwark having 100% nomination rights to the initial lets. The £2.6m from the Affordable Housing Fund is financed from developers' contributions from other developments and the donor schemes are located in the Borough, Bankside and Walworth Community Council area. The scheme has been delayed but has now started on site, with practical completion now expected (in terms of the affordable housing units and release of the second tranche of S.106 funding) in May 2016. This is later than initially anticipated in the AFH funding agreement Guinness Partnership signed with Southwark.

**Housing Investment Programme (APPENDIX B)**

109. As at quarter 2 2014/15, the total budget of the Housing Investment Programme for the period 2014/15 to 2023/24 has increased by £41.4m to a revised total budget of £1,475.3m.

110. The increase in budgets is mainly due to the following capital bids agreed by the Housing Investment Board:
   - LD2 type alarms in leasehold dwellings = £9.6m
   - Four Square (HINE) additional resources = £14.6m
   - Lakanal House Redevelopment – Sceaux Gardens Estate = £16,9m (explained further below).

Lakanal House Redevelopment

111. Lakanal House has been empty since the tragic fire in July 2009. Now that the inquest is over and the Coroner has reported her recommendations, the council is able to consider the future of the block. Extensive consultation has been carried out with the residents on the Sceaux Gardens Estate and there is agreement that the block should be refurbished and the 98 flats let.

112. An innovative scheme has been agreed in principle which will include the refurbishment of the block, new build properties in the vicinity of the block for sale and council rent. It is proposed to sell seven flats on the top floor of Lakanal to help fund the refurbishment.

113. At the same time, two community organisations will be moved from the underutilized shops next to the block, and relocated in the undercroft area of Lakanal House. The vacated shops site will be used for a new build scheme, consisting of seven flats for council rent (including three wheelchair accessible

units), three for shared ownership and 18 for sale.

114. As part of the proposal, the existing boilers in Lakanal House for the estate communal heating scheme will be decommissioned and the estate linked to the North Peckham communal scheme, so reducing ongoing maintenance costs for residents on both estates. There will also be a small programme of works across Sceaux Gardens Estate to improve lighting, refuse collection, parking and a new lift to the TRA hall.

Budget Summary and 2014/15 Forecast

115. All budget variations (including the above) and budget virements are reflected in Appendix C for formal approval by cabinet.

116. The total budget for 2014/15 as at quarter 2 is £213.3m and spend of £188.6m is projected for the year. The section below provides a detailed commentary on the major areas of activity across the various capital projects within the Housing Investment Programme

Warm Dry and Safe

117. An increased spend target of £90m has been set for 2014/15. As with previous years, spend in quarter 2 is steady and is expected to continue to accelerate through year and the spend target forecast to be met. Total expenditure incurred up to quarter 2 2014/15 is £30m against the spend target of £90m for the year. Accurate long term forecasting has proved challenging as the extent of works required to meet the WDS standard is generally higher than the provision made in the programme.

118. The two year programme is now complete. A budget of £76m was available for the two year programme, carry over schemes and the original FRA works within the original WDS budget. The final outturn is expected to be around £79m for delivering these schemes.

119. All the WDS 2012 major works schemes are completed or on site. The agreed costs for the schemes are higher than estimated in the stock condition survey and the WDS contingency fund has been used to meet the budget shortfall of which £38.3m has so far been committed against an original WDS allocation of £14.6m for these schemes.

120. Five of the WDS 2013 major works schemes are committed and a further two schemes expected to be committed in quarter 3 of 2014/15 including Phase 1 of the Aylesbury estate. Acorn works are also now being progressed. £18.9m has so far been committed against an original WDS allocation of £7.4m for these committed schemes (the overall original WDS 2013 major schemes allocation was £30.8m including some brought forward blocks being delivered with these schemes but excluding contingency).

121. Some WDS 2014 major works schemes works were brought forward using the Decent Homes Backlog funding. Currently £45m is committed against an original WDS allocation of £16m for these schemes.

122. The remaining WDS 2014 major works schemes are expected to be committed in 2014/15 along with WDS 2015 major works schemes in half the borough.

123. The trend of schemes requiring more resources than the stock condition survey estimate has continued, meaning that there is no unallocated contingency within the WDS budget to commit the remaining programme and the WDS 2015 budget is now being used to commit projects where they are above the estimated original budget.

124. Following the fairer future promise to deliver a kitchens and bathroom programme, resources will need to be assessed following the Savills report later in the year.

125. There are a number of potential funding streams that can contribute to or reduce the commitment for extra resources for this programme including a bid submitted for Decent Homes Backlog funding in 2015/16 from the GLA (decision expected later in 2014), 'risk pots' in committed projects not being utilised, under spends on projects and programmed works being assessed as not requiring works following detailed surveys.

126. A capital bid to complete the remaining WDS programme is to be submitted to the Housing Investment Board in quarter 3 of 2014, following a review of projected costs against the total funding currently available.

127. Both the Four Squares and Hawkstone WDS/HINE (High Investment Needs Estates) schemes have started on site, with the internals completing at Four Squares. The external packages for Four Squares and Hawkstone have now also started. The main Abbeyfield scheme (Maydew) is now due to start on site in 2015/16. The HINE allocation for Four Squares was increased to £28.7m following structural issues and the scope of works required to complete the scheme.

128. All the remaining WDS district heating schemes programmed up to 2013/14 are now on site. The remaining programmed 2015/16 WDS district heating schemes are being brought forward to start in 2014/15. The ongoing individual and plant boiler programmes require an estimated £5.2m of additional resources to the end of 2015/16 due to the investment required due to the age of the boiler systems. This will form part of the capital bid to be submitted to the Housing Investment Board.

129. All high rise blocks with a substantial risk from the fire risk assessments have been completed as part of the FRA Programme. All the higher moderate risk high rise blocks are also complete except for works being completed to coincide the WDS programme. £2.3m has been allocated to complete substantial medium rise FRA works and these are also being completed in 2014/15 alongside planned WDS works. Sidmouth has also been added to the programme.

130. 2,173 homes fell into non-decency at the start of 2013/14 meaning the Decency level fell from 62.66 % at 2012/13 year end to 56.88%. The decency level at the end of quarter 2 was 59.12%.

Aylesbury PPM

131. Expenditure as at quarter 2 is £2.1m and the total projected spend on the whole range of maintenance works at Aylesbury is £3.7m for 2014/15.

Regeneration Schemes 2014/15

132. The Abbeyfield Estate/Maydew House regeneration programme comprises of three elements:
- Decant of Maydew House – The last leaseholder was bought out in April 2014 and there are 6 remaining tenants. Vacant possession is anticipated by December 2014 but is likely to be achieved by March 2015
- Refurbishment of Maydew House with 5 additional floors added – The additional floors will be units for sale, 49% of refurbished units will also be sold and 17% of the remaining units will be reserved for relet to decants who have opted to return. Planning consent is anticipated by April 2015
- Refurbishment of Thaxted and Damory Houses to decent homes standard
- New build on the Bede Centre site – The centre is to be relocated to the ground floor of Maydew House to enable the redevelopment of its current location. The project will also involve the dismantling of the podium that connects the 3 blocks. Planning consent is anticipated in April 2015 (single application with Maydew).

133. The East Dulwich Estate regeneration programme comprises of four elements:

- Drying Room Conversions - This consists of the conversion of 18 drying rooms in two phases for private sale. Phase 1 was completed in January with 8 of the 9 units created now sold. Phase 2 commenced in February 2014 and completed in August 2014. Four of the units are soon to be marketed
- Badminton House - Refurbishment of an 11 unit block with a drying room conversion making a total of 12 units of which three will be for private sale and the remaining nine for social rent. Works started in July 2014 and are due to complete in June 2015
- New Build - A development of two blocks Gatebeck (9 units) and Southdown (18 units) being delivered as part of the council's Direct Delivery programme. Construction works are due to start on site in January 2015
- Environmental Works – An environmental works programme including health and safety works which are currently underway.

134. The Elmington Estate Regeneration comprises of the following elements:

- The refurbishment works to existing blocks have been completed
- The rehousing of tenants to achieve vacant possession for new build is still on track for Phase 3 with three tenants and 19 leaseholders remaining. It is anticipated that some of the residents will move to the Edmund Street development (Phase 2) which is due to complete in October 2014.
- Landscaping works are currently underway on the Benhill Road Nature Garden and is due to complete in October 2014.

135. The Wooddene Regeneration project comprises of the following elements:

- Disposal of the Wooddene site for redevelopment by Notting Housing Group.
- Diversion of pipe work running across the Wooddene site
- Re-provision of a heat and hot water plant within the Wooddene energy centre to serve the Acorn Estate. Consultants have been appointed and contractor procurement is underway. Start on site is expected in July 2015 and works should complete by June 2016.

- Renewal of the heat and hot water pipe works on the Acorn Estate. Design development will start in 2014/15 with start on site anticipated in 2015/16 and completion in 2016/17.

Direct Delivery Programme

136. The next wave of eleven Hidden Homes is on site with three units due to be completed and handed over by the end of October 2014. The remaining eight are scheduled to complete in early 2015. Phase 2 and beyond is currently being progressed. The programme is being funded through a mixture of S106 funding of approx £700k and GLA Building the Pipeline grant of approx £228k.

137. Phase 1 of the Direct Delivery programme comprising of 9 sites is currently in various stages of development. Construction works at Willow Walk which will deliver 21 general needs housing and a 54 short stay accommodation unit started on site in February 2014 with a scheduled completion date in early 2015. Planning consent has been obtained for all of the remaining sites. Main construction works are scheduled to start on seven sites in early 2015, subject to contract award. The Direct Delivery programme will be funded from various sources including Right to Buy (RTB) retained receipts, S106 affordable housing funding and GLA Building the Pipeline grant of £6m.

**Risks on Council's Development and Refurbishment Projects**

138. The current capital programmes across all departments relating to development and refurbishment projects are subject to an emerging risk. This relates to the significant overheating of the construction market, particularly in London, in terms of main contractor services, subcontractor capacity and supply of materials. This is impacting directly on both time and cost for projects currently underway. While this is largely out of the councils control the impact on cost and time of current market conditions needs to be given full consideration in both the feasibility and development stages of emerging projects.

**Resource Re-profiling**

139. The budgets across the capital programme were re-profiled at quarter 1 2014/15 based on the information available at that time. However, due to the size of the capital programme and the number of projects involved, it is inevitable that unforeseen delays can occur leading to some variation against planned expenditure. Some of the forecasts will require further re-profiling as the programme will be subject to on-going review by service managers during 2014/15 and a further re-profile of budgets is expected at quarter 3 in terms of expected spend for the year based on the latest information available on procurement and contract management issues. The re-profiled budgets at quarter 3 will be used to identify the variances on programmes budgets against the 2014/15 outturn position.

**Internal Audit report**

140. An internal audit has recently been completed of capital funding: planning and budgetary control. The auditors concluded that there were strengths in the quarterly reporting, capital bid process, guidance available to staff and the 10 year capital programme.

141. The auditors highlighted the inconsistent approaches taken by senior

management when reviewing the capital position each quarter before it is reported to the corporate finance team. No formal, consistent processes are in place across departments to monitor the capital position quarterly and meetings between finance officers with capital responsibilities and the various Heads of Services or project officers are not being formally recorded. The ability of the central finance team to perform effective review is impacted due to departments not submitting returns on time.

142. The auditors made the following recommendations which have all been accepted by the council
    - A standard approach should be set with clear guidelines as to each party's responsibilities in the process of completing forecasting for capital projects. This should include the detail of information required to be held for each project and the level of management required to sign off each quarter's return
    - The council should undertake a review of the skills of the finance officers involved in the capital projects process, consider providing training for all officers involved and ensure finance areas are covered to assist in attempting to improve the current information being provided
    - Finance officers with capital responsibilities should attend the appropriate departmental meeting where capital projects are reported or receive the monthly update reports compiled for the departmental capital boards meetings as part of the forecasting process
    - All meetings with project managers should be minuted to cover the issues for each capital project and decisions on actions to be taken.
    - The central capital team should monitor the receipt of the departmental capital quarterly returns and report to the appropriate departmental finance manager any failures to meet deadlines.

143. The work to implement the recommendations will be lead by officers from finance and corporate services but will require significant input from project officers across the council. Implementing the recommendations will assist in providing an accurate projected outturn position for the council.

**Community impact statement**

144. This report describes the current capital position on the council's capital programme. The projected expenditure reflects plans designed to have a beneficial impact on local people and communities, which will be considered at the time the services and programmes are agreed. It is important that resources are used efficiently and effectively to support the council's policies and objectives.

145. Each project within the capital programme will be considered with regard to its impact on age, disability, faith/religion, gender, race and ethnicity and sexual orientation.

146. The council's capital programme is designed to deliver projects of value to local people.

**Resource implications**

147. This report forms part of the council's budget framework and outlines the current position on the capital programme.

148. Staffing resources are generally contained within the council's current establishments and where additional or specialist resources are needed these will be subject to separate reports.

**Legal implications**

149. The legal implications of this report are identified in the concurrent report of the director of legal services.

**Financial implications**

150. This report fully explores the financial implications of the capital programme for the general fund and the housing investment programme at quarter 2 of 2014/15. The report also presents an updated position on the refreshed capital programme over the period 2014/15 to 2023/24 on the predicted resources and expenditure across this period.

**Consultation**

151. Consultation on the overall programme has not taken place. However, each of the individual projects is subject to such consultation as may be required or desirable when developed. Some projects may require more extensive consultation than others, for example projects with an impact on the public realm. Projects funded by grant or s106 may require consultation as a condition of funding.

**SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

**Director of Legal Services**

152. The council has a duty to maintain a balanced budget throughout the year and, accordingly, members are required to regularly monitor the council's financial position. Section 28 of the Local Government Act 2003 imposes a duty on the council to monitor its budgets throughout the financial year, using the same figures for reserves as were used in the original budget calculations. The council must take necessary appropriate action to deal with any deterioration in the financial position revealed by the review.

153. The Capital Programme satisfies the council's duty under the Local Government Act 1999 which requires it to make arrangement to secure the continuous improvement in the way its functions are exercised, by having regards to the combination of economy, efficiency and effectiveness.

## BACKGROUND DOCUMENTS

| Background Papers | Held At | Contact |
|---|---|---|
| Quarter 1 Capital Monitoring for 2014/15 and Capital Programme Refresh for 2014/15-2023/24 | 160 Tooley Street, London SE1 2QH | Jay Nair, Senior Finance Manager, Finance and Corporate Services |
| **Link:** http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4862&Ver=4 | | |

## APPENDICES

| No. | Title |
|---|---|
| Appendix A | General fund summary monitoring position |
| Appendix B | Housing investment programme summary monitoring position |
| Appendix C | Budget virements and variations at quarter 2 2014/15 |
| Appendix D | General fund programme detail |

## AUDIT TRAIL

| | | | |
|---|---|---|---|
| **Cabinet Member** | Councillor Fiona Colley, Finance, Strategy and Performance | | |
| **Lead Officer** | Duncan Whitfield, Strategic Director of Finance and Corporate Services | | |
| **Report Author** | Jay Nair, Senior Finance Manager, Finance and Corporate Services | | |
| **Version** | Final | | |
| **Dated** | 6 November 2014 | | |
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| **CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER** | | | |
| **Officer Title** | | **Comments Sought** | **Comments included** |
| Director of Legal Services | | Yes | Yes |
| Strategic Director for Finance and Corporate Services. | | N/a | N/a |
| **Cabinet Member** | | Yes | Yes |
| **Date final report sent to Constitutional Team** | | | 6 November 2014 |