

REPORT TO: CABINET

DATE: 20 JULY 2017

TITLE: CAPITAL PROGRAMMES OUTTURN REPORT
2016/17

PORTFOLIO HOLDER(S): COUNCILLOR MIKE DANVERS,
PORTFOLIO HOLDER FOR RESOURCES

LEAD OFFICER(S): CORPORATE MANAGEMENT TEAM
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This is not a Key Decision

It is on the Forward Plan as decision number I007280

This decision is not subject to Call-in procedures for the following reasons:

The recommendations are within the scope of the budget which has been approved by Full Council.

This decision will affect no ward specifically.

RECOMMENDED that Cabinet:

- A** Notes the outturn of the Council's Housing and Non-Housing Capital Programmes as at 31 March 2017 detailed as follows:
- (i) Housing Capital Programme expenditure of £18,734,000 against an approved revised budget of £21,366,000.
 - (ii) Non -Housing Capital Programme expenditure of £4,874,000 against an approved revised budget of £7,043,000.
- B** Approves the carryover of Housing Capital programme schemes to 2017/18 of £2,855,000 to meet capital commitments.
- C** Approves the carryover of Non-Housing Capital Programme schemes to 2017/18 of £2,058,000 to meet capital commitments. The carryover includes grant or other funding to support these commitments of £426,000
- D** Recognises the operational performance which has been achieved across all Council services during 2016/17.

REASON FOR DECISION

- A** To ensure that Cabinet may review performance against the Council's

approved 2016/17 Housing and Non-Housing Capital Programmes.

BACKGROUND

1. Detailed budget monitoring reports are formally reviewed each month and reported to Cabinet quarterly to facilitate a close supervision over the Council's financial position throughout the year.
2. In February 2016, Full Council approved a Housing Capital Programme for 2016/17 totalling £20,910,000 and a Non-Housing Capital Programme totalling £4,284,000.
3. The Housing Capital Programme in 2016/17 continued to deliver significant investment plans for the Council's housing assets and builds upon the Decent Homes standard; improving energy efficiency, addressing issues of compliance to statutory regulation and maintaining a programme of disabled adaptations to council dwellings.

SUMMARY OF THE 2016/17 CAPITAL PROGRAMMES' FINANCIAL PERFORMANCE

4. During 2016/17 changes to the Housing capital programme were approved by Cabinet as detailed in table 1 below:

TABLE 1 - Housing Capital Programme 2016/17 Outturn

2016-17 Budget Stage	£000s	Date Approved
Original budget	20,910	4 Feb 16
Carryovers from 2015/16	3,824	21 July 16
	24,734	
2016/17 Revisions (Quarter 1)	(-)1,000	15 Sept 16
2016/17 Revisions (Quarter 2)	(-)1,100	8 Dec 16
2016/17 Revisions Revised Estimate	(-)1,500	2 Feb 2017
Additions – Disabled Adaptations	200	
Other variations	32	
	21,366	23 March 2017
Contribution from Priority Estates	33	
Current Budget	21,399	
Outturn 2016/17	18,734	
Variance from Revised Budget	2,665	
To be offset by carryover requests	2,855	
Saving to Housing Capital Programme	(190)	

5. A detailed comparison of the programme and the specific areas in which carry forward requests have been made are detailed in Table 2 below:

TABLE 2 - Housing Capital Programme Expenditure 2016/17

	Approved Budget Feb 2016	Current Approved Budget	Outturn 2016/17	Variance Outturn to Current Budget	Carry overs	Note – para 6
	£000s	£000s	£000s	£000s	£000s	
Internal Works	8,948	7,732	8,244	512	204	iv
Windows & Doors	508	2,419	3,193	774		iii
Damp	0	80	78	-2		
External Works – Roofing	4,305	3,530	2,011	-1,519	1,518	i/ ii
Contingent Major Repairs and Other Works including Garages	652	1,155	1,123	-32		
Electrical Upgrades and Fire Safety	1,523	1,622	588	-1,034	628	v
Energy Efficiency and Fuel Poverty	2,459	2,138	2,088	-50	150	v
Disabled Adaptations	812	1,106	1,365	259		
Surveyors Fees – allocated at year end	1,261	1,219	0	-1,219		
Housing IT Development	442	399	44	-355	355	vi
TOTAL	20,910	21,399	18,734	-2,665	2,855	
Capital Receipts – RTB	-1,356	-2,497	-2,152	345		
Major Repairs Reserve	-10,777	-10,859	-11,054	-195		
Leasehold and Other Contributions	-1,218	0	0	0		
Grant Funding		-33	-33	0		
Direct Revenue Contribution	-7,559	-8,010	-5,495	2,515		
TOTAL FINANCING	-20,910	-21,399	-18,734	2,665		

6. The year-end variance of £2.665 million includes the following factors:
- A carryover totalling £1.5 million in respect of external works arising from significant outside contractor performance failure and delivery issues, leading to delays in work commencement and completion during 2016/17. This is in addition to the £3.5 million previously approved by Cabinet.
 - A carryover in respect of unplanned capital works of £18,000 being the remaining costs of adaptations to a council dwelling to facilitate the Priority Estates removal programme.
 - An increased budget allocation for work to windows and doors with an

outturn of £2.641 million net of fees, (Quarter 2 £2.419 million).

- d) A carryover of internal budget of £204,000 to extend two temporary accommodation properties due to planning permission being required. The work will provide an additional two units and accommodate 8 people.
 - e) Carryovers to accommodate electrical upgrades (£356,800) are required due to the programme having to be revised due to contractor delivery of performance issues. These works have been included in new business case capital works for HTS (Property and Environment) Ltd (HTS) and are due to be completed by November 2017.
 - f) Carryovers are required for Fire Risk Compliance (£271,000) due to an annual review of Fire Risk Assessment (FRA) in December 2016. This requires a revised procurement timetable for medium and long term priorities due to changes in tender specification. The works to be concluded in September 2017.
 - g) Carryovers are also requested for Fuel Poverty schemes (£150,000) which relate to a number of elements including cladding and loft insulation and revised procurement timetable due to changes in the specification by January 2018.
 - h) A carryover in the Housing IT budget of £355,000 to support the enhanced repairs reporting functionality and the introduction of a Digital Tenancy Service. Timetable to be aligned to Corporate Customer Access and IT strategy.
7. Following Cabinet approval on 26 March 2016, Kier Harlow Ltd was awarded housing works packages under the SCAPE National Minor Works Framework up to a value of £4,885,000 in 2016/17. This is EU procurement compliant and covers internal work to properties including windows and doors, disabled adaptations and garages. (Annex A4).
8. From 1 February 2017 HTS, the Council's subsidiary company became responsible for housing and environmental work under a new contract. HTS completed the fixed price work within the Housing Capital Programme relating to internal works and undertook preparatory work on the 2017/18 housing programme.

FINANCING

9. Direct revenue contributions from the HRA were planned to be £7,559,000. However, largely as a result of the underspend against the revised budget and the carry forward requests contained within this report actual revenue

contributions will be £5,495,000. This lower direct revenue financing requirement in 2016/17 and the carryover requests will impact on the 2017/18 revenue contribution required.

10. The original capital programme was based upon a forecast of 60 Right to Buy (RTB) Sales in 2016/17. As at 31 March 2017, 84 RTB disposals had been completed. The impact of the additional sales on the financing of the Housing Capital Programme increases the capital receipts from RTB sales to £2,152,000 compared with an original estimate £1,356,000.
11. Leasehold contributions were originally to be accounted for within capital financing, however, during 2016/17 it was determined that leasehold contributions would be reported as revenue in the HRA. The change impacts on the level of direct revenue contribution required from the HRA to support the housing capital programme. The actual leasehold contribution of £63,000 was substantially lower than the estimated amount of £1,218,000. The lower contribution is a direct result of the carryover of £5 million of the external works budget. The programme of work will be reviewed in 2017/18 and re-profiled to future years. (Annex A1)
12. The Major Repairs Reserve had a nil balance as at 31 March 2016. The notional depreciation charge for dwellings in the HRA for 2016/17 was £11,054,000 and was applied to fund the Housing Capital Programme, resulting in a nil closing balance on the MRR at 31 March 2017. The MRR can only be used to repay debt or to fund capital expenditure. The Council is currently reviewing these balances in line with the review of componentization requirements and future use.

Details	Original Estimate £000's	Outturn £000's	Variance £'000s
Balance at 1 April 2016	0	0	0
Depreciation Charge 2016/17	(-)10,777	(-)11,054	277
Capital Financing	10,777	11,054	(-)277
Estimated Balance at 31 March 2017	0	0	0

NON-HOUSING CAPITAL PROGRAMME

13. As with the Housing Capital Programme, the original Non-Housing Capital Programme has varied during the year as previously reported and has been summarised in table 3 below:

TABLE 3 – Non-Housing Capital Programme 2016/17 Outturn

2016-17 Budget Stage	£000s	Date Approved
Original budget	4,284	4 February 16
Carryovers from 2015/16	2,762	21 July 16
	7,046	
Approved changes to programme	(58)	
Approved budget	6,988	8 December 16
Approved changes to programme	55	
Revised budget	7,043	2 February 17
Outturn 2016/17	4,874	
Variance from Revised Budget	2,169	
To be offset by carryovers	2,058	
Underspend 2016/17	111	

14. Details of expenditure relating to projects are contained within Annex A to this report, together with financing implications related to these.

The outturn and financing of the 2016/17 Non-Housing Capital Programme is summarised in Table 4 below:

TABLE 4 – NON-HOUSING CAPITAL PROGRAMME 2016/17

	Approved Budget 2016/17	Current Approved Budget	Outturn 2016/17	Variance Outturn to Current budget	Notes Para 18/Annex
EXPENDITURE	£000s	£000s	£000s	£000s	
Governance	15	0	0	0	
Finance	481	586	217	-369	i/ A8-9
Community Wellbeing	781	1,715	1,081	-634	ii/A10-13
Place	2,736	3,478	2,518	-960	iii/A14-20
Place: Town Park	0	334	299	-35	A21
GF Garages	271	280	109	-171	iv
Latton Farm	0	650	650	0	
TOTAL	4,284	7,043	4,874	-2,169	
FINANCE					

Capital Receipts	-201	-201	-201	0
Asset Disposals	-874	-807	-911	-104
Earmarked Resources	-17	-1,184	-1175	9
Direct revenue contribution	-320	-620	-215	405
DFG Grant	-300	-615	-496	119
Renovation Loan	-5	-5	-17	-12
Prudential borrowing	-2,567	-3,611	-1,859	1752
TOTAL	-4,284	-7,043	-4,874	2,169

15. Major variances are due to:

- a) Carryovers in Finance/IT totalling £370,000 to facilitate on-going planned IT work. (Annex 8)
- b) Carryovers from Community Wellbeing of £741,000 to enable completion of schemes to the Nichols Field Pavilion, Pets Corner, the Playhouse and Leah Manning Centre. (Annexes A10-A13)
- c) Carryovers in Place Services of £947,000 to complete various schemes that support the landlords' statutory duties in respect of commercial and other non-housing properties, including the Town Park HLF scheme.
- d) Underspend against garage budgets within the whole capital programme due to other priorities.

16. Carryovers including grant funded schemes committed to in 2016/17 which are work in progress or will commence in 2017/18 total £2,058,000 as detailed below.

TABLE 5 - Non-Housing Capital Programme – Carryovers 2016/17

Schemes		£000's	£000's
Finance/IT:			
Windows Migration		40	
VM Software – IT		275	
Civica upgrade	Reserve funded	55	
Total Finance/IT			370
Community Wellbeing			
Pitch Regeneration (estimated)	Grant funded	347	
Tennis Courts/MUGA Nichols Field		46	
Pets Corner Learning Centre		12	
Pets Corner Stable Block and Gift Shop Roof		39	
Town Park Showground Lighting		64	

Town Park Walled Garden		31	
Town Park WC – Changing Places	Grant funded	80	
LMC Lighting and Minibus		80	
Playhouse Boiler and refurbishment		42	
Total Community Wellbeing			741
Planning Delivery Grant	Grant funded	7	
Biodiversity Security Infrastructure		5	
Latton Bush Centre:			
Various schemes		65	
Commercial Properties			
Stow and Bush Fair Re-roofing		36	
Leah Manning Garages		11	
Spurriers Flats		19	
Barnmead Pavilion		55	
Security Measures		8	
Stewards Farm (cladding)		7	
Bush House Office Refurbishment		18	
Other:			
River Way Car Park		64	
Unadopted street lighting		5	
Townwide Flood Alleviation		2	
ECC Flood Alleviation	£24K Grant funding	48	
Bandstand decking		1	
Town Park WCs		5	
GIS Software		19	
Water Treatment		14	
Town Centre Public Realm		344	
Paddling Pool Plant Rooms		8	
Neighbourhood Shopping Centres		41	
Town Park HLF		64	
Mead Park Health & Safety	Grant funded	102	
Total Place Services			947
Total Carryovers		2,058	2,058

17. The 2016/17 Non-Housing Capital Programme also included works fully funded from grant income:

- a) Enterprise Zone – work to the utilities infrastructure, £658,000.
- b) Prentice Place – commencement of the regeneration and development of the retail and housing area, £263,000. Approved by Cabinet on 31 March 2016.

- c) Programme of development schemes including Priority Estates and external partner schemes - £1,240,000
18. Refurbishment of the Fernhill Travellers Site was undertaken by HCA (Homes and Communities Agency) and Essex County Council (ECC) in 2016/17 with a contribution from the Council of £86,000. The total cost of the scheme was £693,000 and was accounted for through the Non-Housing Capital Programme. (Annex A17)
 19. Capital receipts were received in respect of the disposal of Ram Gorse (£600,000) and overage from the Fifth Avenue Development (£270,000). The monies from Ram Gorse were used to purchase land at Latton Farm as part of an agreement with Harlow Rugby Club.
 20. Funding of the Non-Housing Capital Programme included grant funding from English Partnerships and HCA in respect of Nichols Field Pavilion £425,000 and £497,000 from the Department for Communities and Local Government (DCLG) To fund the completion of disabled adaptation to private dwellings.
 21. Income from garages allocated to the General Fund made a direct revenue contribution of £109,000.
 22. The Non-Housing Capital Programme outturn of £4,874,000 requires internal borrowing in 2016/17 of £1,859,000 (Original estimate £2,567,000) in respect of the core Non-Housing Capital Programme. In addition a loan of £1.5 million made to Harlow Properties Ltd was also financed from borrowing. The loan supports the development of infrastructure and site preparation of the Harlow Enterprise Zone approved by Cabinet on 23 January 2014.

Total internal borrowing is therefore £3,359,000.

The £2,058,000 carryover effectively defers additional borrowing of £1,492,000 to 2017/18 with the remaining £566,000 funded from grant income or reserves.

TABLE 6

	£000's
Borrowing to support Non-Housing Capital Programme as at 31 March 2016	3,809
New borrowing to finance shortfall in Non-Housing Capital Programme, 2016/17	3,359
Borrowing to support Non-Housing Capital Programme as at 31 March 2017	7,168

Risks and Opportunities

23. Key risks in the delivery of the five year Housing Investment Programme are the performance of contractors and the Council's capacity to deliver a housing capital programme revised in light of changing priorities and funding available from the HRA. The Council's management of the appointed contractor for these works has been subject to an Internal Audit which reported a 'Substantial Assurance' outcome in December 2016.
24. Housing capital funding is affected by reducing rents until 2020.
25. Key risks in the Non-Housing Capital Programme are centred on the outcome of the stock condition surveys and reviews including the result of the local plan review and the implications for future capital budgets.
26. An additional risk in the Non-Housing Capital Programme is the cost of removing asbestos as works are undertaken.

IMPLICATIONS

Place (includes Regeneration)

Contained within the report

Author: **Graeme Bloomer, Head of Place Services**

Finance (Includes ICT)

Contained within the report

Author: **Simon Freeman, Head of Finance**

Housing

Contained within the report

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

Contained within the report

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

None Specific

Author: **Brian Keane, Head of Governance**

Glossary of terms/abbreviations used

CLG	Communities and Local Government
RTB	Right to Buy
MRR	Major Repairs Reserve
SCAPE	National Minor Works Framework for procurement

ANNEX A

CAPITAL PROGRAMMES FINANCE REPORT, 2016/17 Update on the Status of Capital Projects

Housing Capital Programme

- A1. The external works programme to council dwellings was programmed as an eight year programme. However and as previously reported, delays in leasehold consultation and issues with the contractor appointed have further delayed the works. It was also identified in the initial preparation work that non-standard roof construction may result in additional costs to mitigate fire risk but further investigation has determined that this is not a concern. These factors have contributed to the need to carry forward £5 million in to 2017/18 and as a result the programme will be reviewed in 2017/18 and re-scheduled accordingly.
- A2. Work to mitigate fire risks as part of the Council's statutory compliance duties outturned at £572,000 with a carryover of £271,000 to complete the scheme in 2017/18. The fire risk work includes work to loft hatches and trunking with a further budget for electrical upgrades of £357,000 in 2017/18.
- A3. Following Cabinet approval on 23 July 2016, Kier Harlow Ltd has been awarded housing works packages under the SCAPE National Minor Works Framework up to a value of £4,885,100 covering the 10 months of the JVCo contract to 31 January 2017. This is EU procurement compliant and covers internal work to properties including windows and doors, disabled adaptations and garages.
- A4. The SCAPE works packages have been aligned to link closely to local area investment planning. This will reduce the impact of delivering multiple works to tenants' properties and should alleviate potential issues with access whilst providing a more efficient service. The contract value is £4,885,000 plus an element of surveyors fees allocated to SCAPE schemes giving a total outturn of £6,127,000

SCAPE Works Packages	Work Content	Value (£'000)
Internal works	Kitchens, Bathrooms, Heating and Electrical work	1,260
External works	Windows and Doors	3,288
Related Assets	Garage Improvement Programme	446
Disabled Adaptation Works	Various major and minor adaptations	1,024
Non-Housing Capital Programme: Garages		109
	Total	6,127

- A5. Forming part of the 2016/17 housing capital programme are the Kier Harlow fixed price works allocated to Kier Harlow through the annual service charge. This work is undertaken in void properties to deliver improvements as follows:
- 85 kitchens,
 - 51 rewires,
 - 137 boiler / heating upgrades
- A6. Work to upgrade the district heating systems in the town and reduce fuel poverty continued with budgets of £2.1 million in 2016/17. £150,000 for fuel poverty work will carryover for completion in 2017/18. Schemes include work to Tanys Dell to remove the oil supply and replace it with gas, and to a number of sheltered schemes to upgrade the communal heating and install heat meters.

Non-Housing Capital Programme

- A7. The stock condition survey was split into four phases, 1; 2A; 2B and 2C. As well as these main phases, which report on the condition of the main elements of the various properties, Energy Performance Certificate (EPC) surveys were also carried out to identify what work is required to bring them up to the minimum standard when the new energy performance legislation comes into force in April 2018. There are 16 properties that currently fail to meet the minimum standard.

Individual surveys have also been carried out on the Kao Hockham Building, Mead Park Depot due to leases becoming due.

The Town Park Footbridge was not completed by the end of the financial year due to the complexities in resolving all issues relating to Network Rail. Specialist consultants who have the relevant permits to work on railway property have had to be engaged.

All site surveys have been completed for phases 1; 2A and 2B, Kao Hockham Building and Mead Park Depot. Phase 2C and the EPC surveys were commenced in January. The EPC surveys being completed by the end of the financial year. The phase 2C surveys were not completed by the end of the financial year, however, these have all now been surveyed and we are awaiting the final reports.

The coding for all the work elements has now been finalised and we are in the process of uploading the codes onto the Council's database. Once the coding has been uploaded, we will then be in a position for a pilot survey to be uploaded and the software checked to ensure that it will work.

The survey work once on the database will enable a 20 year programme to be drawn up covering the development or disposal of non-housing assets

and will help shape and inform the future capital investment requirements for the non-housing asset portfolio.

- A8. IT schemes in 2016/17 include continuing work to upgrade backup and disaster recovery software and to progress the Windows migration project (carryover £40,000). The planned works to improve the IT infrastructure will carryover to 2017/18 delayed by other work priorities.

Within the Revenue and Benefits service area work will continue on the Civica software upgrade (£55,000) that will enable the service to interact digitally with customers and automate a range of manual processes. This work is funded from grant and will carry over into 2017/18 due to other IT priorities.

- A9. Cabinet on 28 January 2016 approved the contract award under delegated authority for the upgrade of the Financial Management System, Agresso. The new financial management system went live in December 2016. The budget outturned in full in 2016/17.

- A10. In Community Wellbeing schemes in 2016/17 included work to refurbish the Playhouse totalling £558,000 and work to Pets Corner and the Town Park of £37,000. In addition there was expenditure of £44,000 to upgrade Townwide CCTV.

Carryovers will enable works to continue or complete at the Town Park, Leah Manning Centre and the Playhouse in 2017/18.

At Parndon Lock Meadows work continues in partnership with the Land Trust (£33,000) which is fully grant funded.

- A11. Cabinet on 15 September 2016 approved an increase in funding to enable the refurbishment of Nichols Field Pavilion as part of the Pitch Regeneration programme. The increased outturn and additional funding are included in the Non-Housing Capital Programme 2016/17 and as carryovers both at year end and at revised estimate to enable the work to complete in 2017/18.
- A12. Cabinet 23 March 2017 approved a business case to erect a new stand-alone Changing Places, disabled access toilet located near the entrance to Pets' Corner in the Town Park. Work to install the toilet began in 2016/17 and will complete in 2017/18. It will be fully funded using a grant of £105,000 administered by "Shortbreaks for disabled children and Young People", accessed through Essex County Council (ECC).
- A13. Cabinet 23 March 2017 approved a business case for work to improve ponds and drainage on Council land in the Stort Valley (£24,000), grant funded by Essex County Council.

- A14. Virements to provide funding for the demolition of the Hummingbird Public House totalling £130,000 were included in the report to Cabinet 8 December 2016. Subsequent to the report, the tender return increased the cost to £150,000 so that the virements required and individually signed according to financial regulations are £68,000, £75,000 and £7,000 from the approved Windows and Doors, Asbestos Compliance and Ladyshot Pavilion budgets respectively. The scheme for Windows and Doors and for Ladyshot Pavilion are included in the 2017/18 estimates.
- A15. Health and safety work to the Town Park Playground outturned at £19,000 (budget £20,000) funded from reserves. In addition a contribution to work in front of the Town Park bandstand of £7,000 was received from the design contractors.
- A16. Offices 19b/19c/26/27 at Latton Bush Centre required extensive work to improve the standard of the work space. The current tenants offered to carry out the work at an estimated cost of £110,000 with the Council making a contribution of £33,000. The work ensures that the offices meet current DDA and building regulations. The Council's contribution was funded from part of the approved budget for the Old Dining Room and Kitchen at Latton Bush Centre with the remaining approved budget being used to refurbish the election team offices.
- A17. Fernhill Travellers Site scheme to refurbish 10 plots at Fernhill Caravan Site as detailed in the report to Cabinet 23 July 2015. A Tripartite Agreement between the Homes and Communities Agency (HCA), Harlow District Council (HDC) and Essex County Council (ECC) was signed in April 2016 setting out the contractual terms of the agreement. A Contractual Agreement between ECC and HDC dated 22 June 2016 describes the practical arrangements between the parties. The original Cabinet report requested approval for a funding contribution of up to £69,000 from HDC with an equal amount from ECC and a grant of £490,000 from HCA (total £628,000). The outturn of £693,000 is the HCA grant of £607,000 and HDC contribution of £86,000, as the work is managed by ECC who will therefore apply the ECC contribution directly.

The scheme completed in March 2017 having undertaken work to all the plots at Fernhill. ECC secured additional funding from HCA of £99,370 for this work which is reported in the Non Housing Capital Programme. The additional expenditure and funding will have a neutral impact on the programme. The HDC contribution remains unchanged at £86,000.

- A18. The approved budget for Disabled Facilities work to owner occupied properties is £800,000 plus carryover of £43,000, which is supported by a grant from Communities and Local Government (CLG). The amount of grant

received for 2016/17 is £615,000 (original estimate £300,000). The expenditure incurred in 2016/17 is £497,000 resulting in a carryover of grant funding to 2017/18. The Council has a statutory duty to carry out disabled facilities work to both tenanted and private properties.

- A19. Home Repairs Assistance Loans are made available by the Council to owner occupiers for work to improve homes which are repayable when the property is sold. Demand for such loans has increased in recent years. In 2016/17 expenditure incurred was £11,000 (budget £20,000) with loan repayments of £17,000. These latter are included in the direct revenue contributions to the non housing capital programme.
- A20. HTS Ltd will be carrying out the housing and environmental works from February 2017. As part of a new lease for Mead Park Depot, works are needed to meet regulatory requirements resulting in business cases for refurbishment works being included in the non housing capital programme. These include the installation of a new fuel pump metering station (£20,000) at the Depot and health and safety work to mitigate fire risks, purchase a new compactor and improve the lift. Expenditure in 2016/17 was £21,000 (original estimate £110,000) with further health & safety works carried over to 2017/18. Funding is by direct revenue contribution from the JVCo demobilisation budget.