

# HARLOW COUNCIL Capital Programme

2025/26 to 2027/28



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# PART 1 – INTRODUCTION & CONTEXT

## 1.1 Executive Summary

The Non-Housing Capital Programme (NHCP) and the Housing Capital Programme (HCP) have both been prepared in line with the council's Corporate Plan and Housing Revenue Account Business Plan missions and priorities and these programmes ensure that all projects are fully funded and deliverable.

## 1.2 Budget Setting

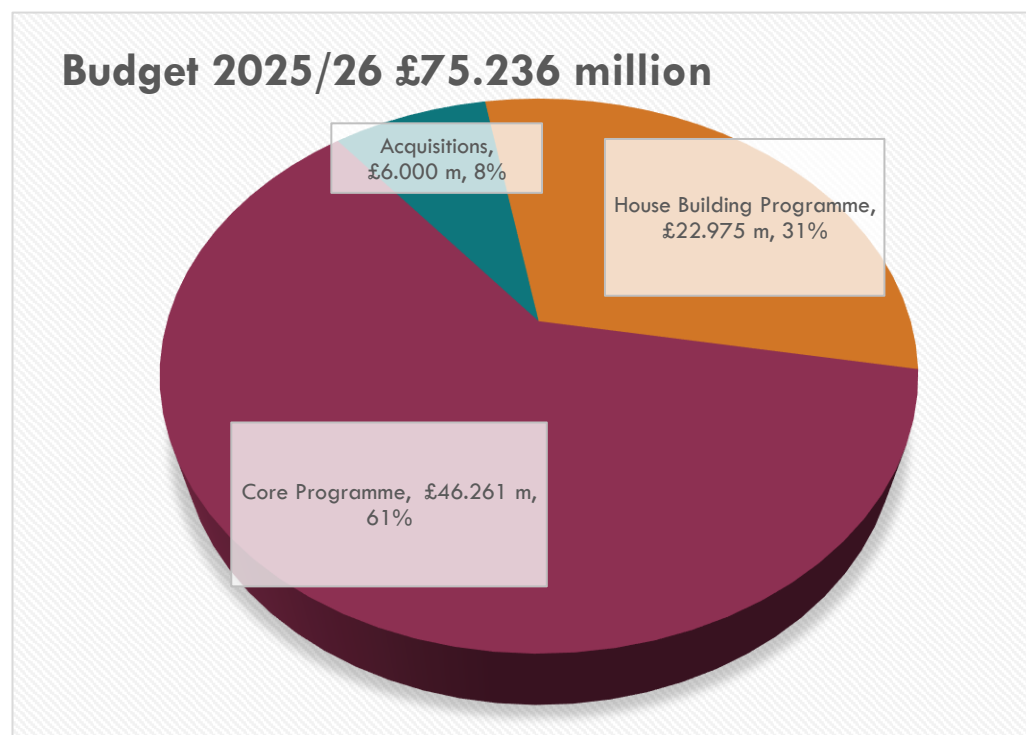
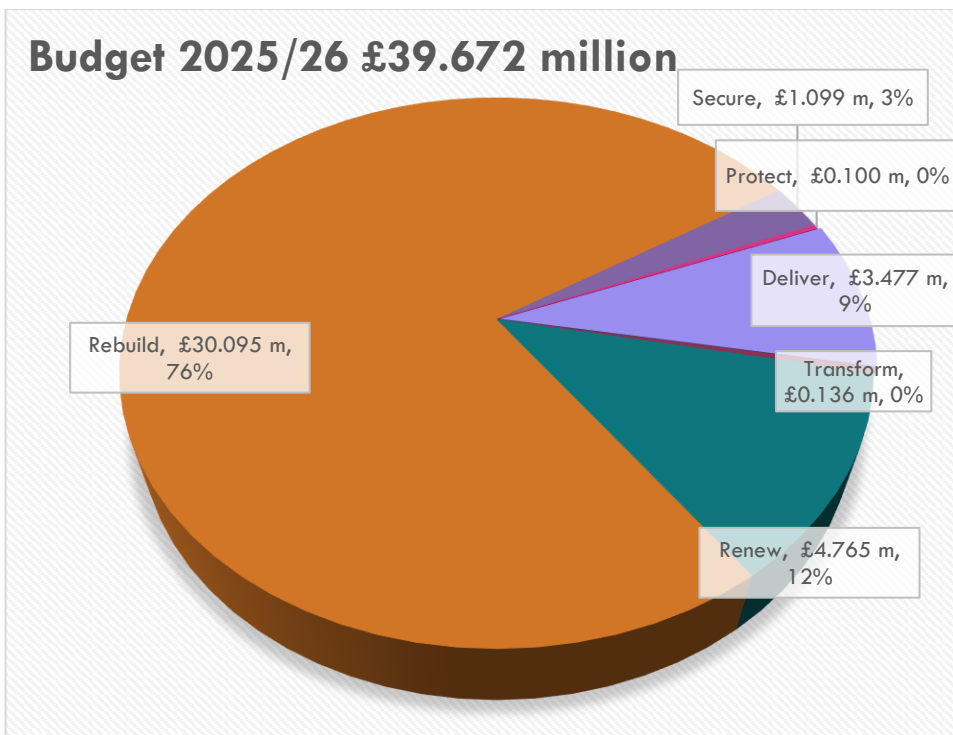
Over recent months, cabinet members and Officers have carried out an extensive review of the current capital programmes and robust scrutiny of new proposed projects to ensure ambitious but deliverable capital programmes are produced.

This enhanced process means that services were asked to submit initial capital project business cases, that went through a number of stages.

Gateway 1 is the first stage in the bidding process or creation of potential projects. The process determines whether a project should be recommended to proceed to the next stage.

Gateway 2 is the second stage in the bidding process, which sends feedback and gathers additional information to decide if project should be approved for the capital programmes.

Key officers and cabinet members then reviewed the existing programme and new projects in its entirety to confirm available capital resources and complete the programme.



## 2.1 Summary

The Non-Housing Capital Programme has been prepared in conjunction with the Budget guidelines that were approved by Cabinet in July 2024 and the Asset Management Plan. The total proposed NHCP for 2025/26 is £39.762 million which represents the biggest NHCP the council has ever undertaken.

## 2.2 NHCP Revised 2024/25

Set out below is a summary of the changes to the NHCP approved by Cabinet throughout the 2024/25 financial year up until period 9.

### Period 9 Movement in the Non Housing Capital Programme

Budget Stage	Budget £'000s	Cabinet
2024/25 Original Budget	32,782	15/02/2024
2023/24 Total Year End Budgets reprofiled	14,409	11/07/2024
2024/25 Current Budget	47,191	
2024/25 Budgets Reprofiled at Period 4	(4,767)	12/09/2024
2024/25 Budgets Reprofiled at Period 5	(120)	24/10/2024
2024/25 Budgets Reprofiled at Period 7	(13,502)	10/12/2024
2024/25 Budget Proposed Reprofiled Period 9	(1,781)	13/02/2025
2024/25 Budget Allocations	8,300	
<b>2024/25 Revised Budget</b>	<b>35,321</b>	

Explanations of changes have been reported in the Period 9 Performance, Finance and Risk Report, which will be reported to Cabinet on 13 February 2025. The majority of the reprofiling in period 4 was from the Council House Build Programme and from the Levelling Up Fund and Towns Fund in period 7. It is expected that further reprofiling will be required, with the final slippage confirmed at the end of the financial year.

Revenue implications of the revised 2024/25 budget take effect for the financial year in 2025/26 and have been fully covered within the MTFP.

## 2.3 NHCP Budget 2025/26

In February 2024, the Cabinet approved the MTFP for the period 2024/25 to 2027/28. Set out below are the changes to the 2025/26 NHCP Budget since the MTFP was approved.

### NHCP Adjustments to Estimates in the MTFP 2025/26

Budget Stage	Budget 2025/26 £'000s	Budget 2026/27 £'000s	Budget 2027/28 £'000s
Original Budget as per 2024/25 MTFP	20,687	2,911	1,446
2024/25 Budgets reprofiled at Period 4	4,767		
2024/25 Budgets reprofiled at Period 5	120		
2024/25 Budgets reprofiled at Period 7	13,502		
Proposed 2024/25 Budgets reprofiled for Period 9	1,781		
New Scheme/Bids 2025/26	4,210	1,254	2,016
Disabled Facilities Grant Reprofiled	488	488	488
Towns Fund Allocation Reprofiled	(380)		
Levelling Up Fund Allocation Reprofiled	(1,862)	500	
Funding realigned	(3,648)	(361)	95
Re-Profiling of Existing Schemes	8	1,904	1,810
<b>Original Budget as per 2025/26 MTFP</b>	<b>39,672</b>	<b>6,697</b>	<b>5,854</b>

Reprofiling has been requested in the latest Period 9 Performance, finance and risk report. The final 2025/26 will be revised should this not be approved. Funding has been realigned on some existing schemes, and some schemes have been reprofiled to future years that are not a priority and to allow funding for new projects.

# PART 2 – NON-HOUSING CAPITAL PROGRAMME

## New Schemes/Projects

There is a need for continuing capital investment and as part of the budget, new capital projects are included in the NHCP. A list of new projects is set out below which reflect the corporate missions. A comprehensive business case has been prepared to support each

<b>New Schemes (2025/26)</b>	<b>Budget 2025/26 £'000s</b>	<b>Budget 2026/27 £'000s</b>	<b>Budget 2027/28 £'000s</b>
Telecare Dispersed Alarm Units	-	77	-
<b>TRANSFORM TOTAL</b>	<b>-</b>	<b>77</b>	<b>-</b>
Pardon Brook Bank Stabilisation	30	120	-
Parndon Wood Nature Reserve	25	60	65
Town Park Showground Lighting Phase 2	54	-	-
Barbara Castle Health Centre Fire Alarm	25	-	-
Replacement AHU controls	50	-	-
Paddling Pools and Splash Parks	20	400	80
Playhouse Fire and Security	125	-	-
Playhouse Water Hygiene	-	73	581
Equipped Playgrounds	100	100	100
Waste Vehicles	250	-	-
Town Wide Tree Surveys and Associated Works	100	100	100
Smoke Detector replacements	90	-	-
Allotment Capital Redevelopment	-	125	125
Provision of Off Street Parking	800	-	-
<b>RENEW TOTAL</b>	<b>1,669</b>	<b>978</b>	<b>1,051</b>
Harvey Centre - Specific Units	265	-	750
Harvey Centre – Escalator	180	-	-
Regenerating Market Square	700	50	65
<b>REBUILD TOTAL</b>	<b>1,145</b>	<b>50</b>	<b>815</b>
Innovation Park	870	-	-
<b>SECURE TOTAL</b>	<b>870</b>	<b>-</b>	<b>-</b>
Protect of Premises	100	150	150
<b>PROTECT TOTAL</b>	<b>100</b>	<b>150</b>	<b>150</b>
Hybrid working & collaboration	386	-	-
ICT - Firewall Investment	40	-	-
<b>DELIVER TOTAL</b>	<b>426</b>	<b>-</b>	<b>-</b>
<b>NEW SCHEME TOTAL</b>	<b>4,210</b>	<b>1,254</b>	<b>2,016</b>

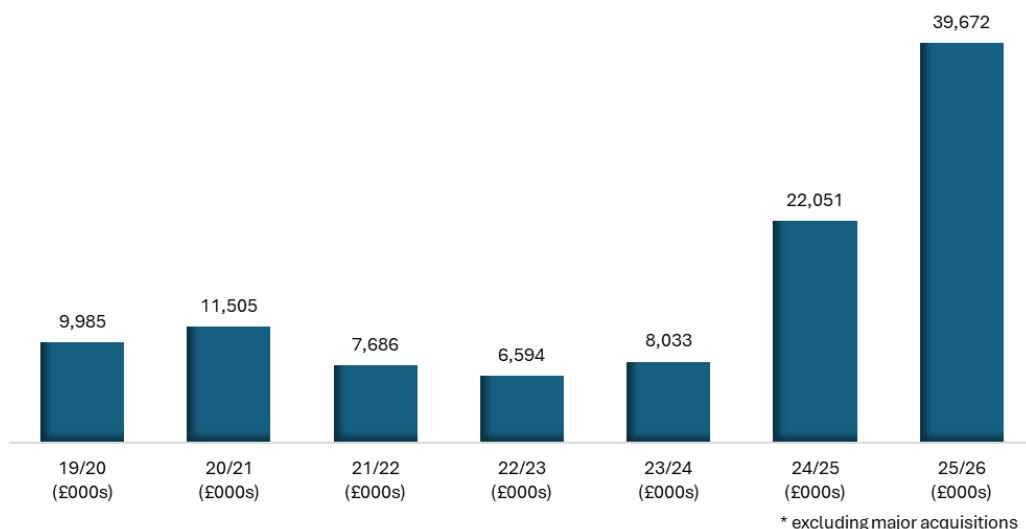
project with each project supported by Cabinet and the Executive Management Team (EMT) as part of the capital budget setting process. The overall NCHP is set out as below.

## **Non Housing Capital Programme 2024/25 to 2027/28**

<b>SCHEMES</b>	<b>Revised 2024/25 £'000s</b>	<b>Reprofiled 2025/26 £'000s</b>	<b>Budget 2025/26 £'000s</b>	<b>Budget 2026/27 £'000s</b>	<b>Budget 2027/28 £'000s</b>
Garages	197	-	136	136	136
<b>TRANSFORM TOTAL</b>	<b>197</b>	<b>-</b>	<b>136</b>	<b>136</b>	<b>136</b>
Environment	1,656	805	2,398	1,623	2,532
Culture and Communities	777	689	874	1,238	1,276
<b>RENEW TOTAL</b>	<b>2,433</b>	<b>1,493</b>	<b>3,272</b>	<b>2,860</b>	<b>3,808</b>
Regeneration - Town Centre	693	90	2,995	1,800	815
Council House Build Programme	100	4,077	(3,607)	-	-
Towns Fund	11,712	3,931	6,392	-	-
Levelling Up Fund	1,093	8,727	7,491	500	-
Acquisitions	13,270	-	-	-	-
<b>REBUILD TOTAL</b>	<b>26,868</b>	<b>16,824</b>	<b>13,271</b>	<b>2,300</b>	<b>815</b>
Facilities and Assets - Commercial	3,015	214	885	-	-
<b>SECURE TOTAL</b>	<b>3,015</b>	<b>214</b>	<b>885</b>	<b>-</b>	<b>-</b>
Public Protection	205	50	50	20	45
<b>PROTECT TOTAL</b>	<b>205</b>	<b>50</b>	<b>50</b>	<b>20</b>	<b>45</b>
Facilities and Assets	2,344	1,468	1,299	1,170	900
Corporate Services and Improvement	209	120	140	160	100
Contingency	50	-	450	50	50
<b>DELIVER TOTAL</b>	<b>2,603</b>	<b>1,588</b>	<b>1,889</b>	<b>1,380</b>	<b>1,050</b>
<b>TOTAL NON-HOUSING CAPITAL PROGRAMME</b>	<b>35,321</b>	<b>20,170</b>	<b>19,502</b>	<b>6,697</b>	<b>5,854</b>

# PART 2 – NON-HOUSING CAPITAL PROGRAMME

Non-housing capital programme totals £



The programme sets out the council ambitious plans and shows huge investment for the Town. The graph demonstrates how this is comparable to the previous six years.

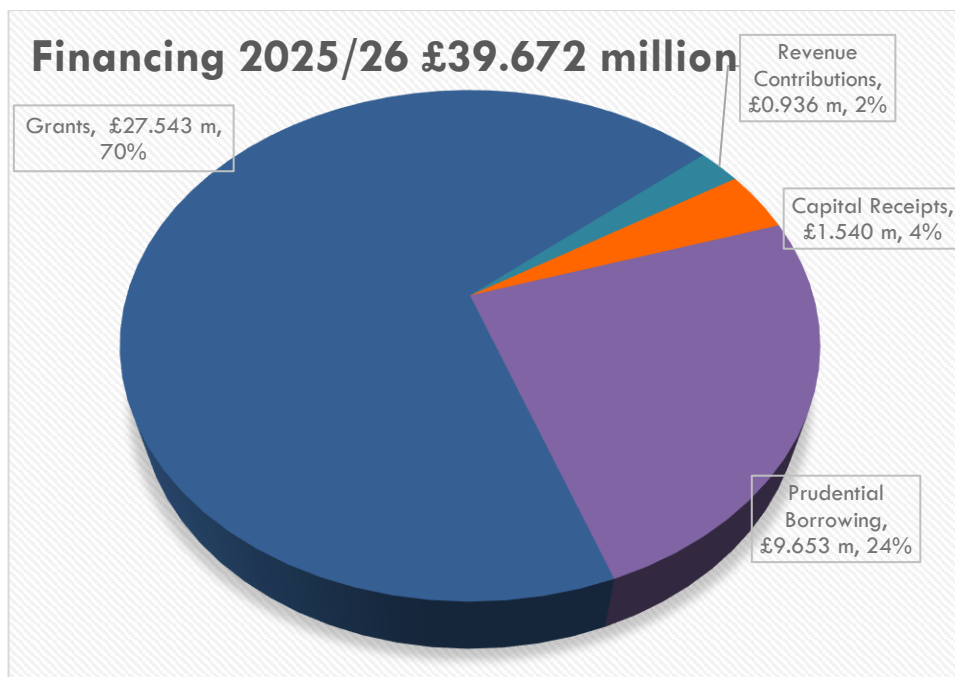
## 2.4 NHCP Capital Programme Financing

The table below shows how the NHCP will be financed over the life of the MTFP. It is expected the majority of the programme will be funded by government grant funding, predominantly for the Towns Fund and Levelling Up Fund projects. The remaining small elements will be financed through Disabled Facilities Grant and revenue contributions housing garages.

After the above is taken into account, the NHCP is funded from prudential (internal) borrowing. The revenue implications of the borrowing have been factored into the General Fund Revenue Account and is fully committed over the life of the MTFP. Any additional schemes that may arise in future years have not yet been financed through the MTFP. Remaining elements of the NHCP will be financed through capital receipts and prudential borrowing.

FINANCED BY	Revised 2024/25 £'000s	Reprofiled 2025/26 £'000s	Budget 2025/26 £'000s	Budget 2026/27 £'000s	Budget 2027/28 £'000s
Grants - Towns Fund	(11,712)	(3,931)	(6,392)	-	-
Grants - Levelling Up	(1,093)	(8,727)	(7,491)	(500)	-
Grants - Other	(625)	-	(1,003)	(1,003)	(1,003)
Revenue Contributions - Other	(197)	-	(936)	(136)	(136)
Capital Receipts	(2,006)	(4,077)	2,537	(200)	(200)
Borrowing - Town Centre	(693)	(90)	(2,295)	(1,750)	(750)
Prudential Borrowing	(18,996)	(3,346)	(3,922)	(3,108)	(3,766)
<b>TOTAL FINANCING</b>	<b>(35,321)</b>	<b>(20,170)</b>	<b>(19,502)</b>	<b>(6,697)</b>	<b>(5,854)</b>

# PART 2 – NON-HOUSING CAPITAL PROGRAMME



	2023/24 Actual £000s	2024/25 Estimate £000s	2024/25 Revised Estimate £000s	2025/26 Estimate £000s
Capital Receipts B/Fwd	(3,786)	(5,786)	(7,823)	(10,057)
Capital Receipts Received	(4,131)	0	(4,240)	0
Capital Receipts Used	94	2,908	2,006	670
Flexible Use of Capital Receipts	0	0	0	2,000
<b>Capital Receipts C/Fwd</b>	<b>(7,823)</b>	<b>(2,878)</b>	<b>(10,057)</b>	<b>(7,387)</b>

## Capital Receipts

Part of the NHCP is funded from capital receipts, the known estimated availability of those receipts are shown below.

It is expected that our flexible use of capital receipts strategy (Appendix F) states that we intend to apply up to £2.0m of capital receipts for projects that meet the qualifying expenditure. This has been incorporated into the capital receipt forecasts.

## 3.1 HCP Summary

The Housing Capital Programme requires continued investment in council dwellings to improve and make the council’s housing stock safe. The Housing Core Programme has been updated to recognise priorities required by the enhanced regulatory landscape. The total proposed HCP is £75.236 million, which represents the biggest HCP the council has ever undertaken and includes a doubling of the core HCP.

## 3.2 HCP Revised Forecast 2024/25

Set out below is a summary of the changes to the Housing Capital Programme approved by Cabinet in December 2024. Explanations of changes have been reported in the Period 9 Performance, Finance and Risk Report, which will be reported to Cabinet on 13 February 2025. The majority of the reprofiling in period 4 was from the Council House Build Programme. Additional budget allocation was agreed in year for the property acquisitions. It is expected that further reprofiling will be required, with the final slippage confirmed at the end of the financial year. Revenue implications of the revised 2024/25 Budget take effect for the financial year in 2025/26 and have been fully covered within the HRA Business Plan.

### Period 9 Movement in the Housing Capital Programme

Budget Stage	Budget £'000s	Cabinet
2024/25 Original Budget	60,409	15/02/2024
2023/24 Total Year End Budgets reprofiled	9,431	11/07/2024
2024/25 Current Budget	69,840	
2024/25 Budgets Reprofiled at Period 4	(24,202)	12/09/2024
2024/25 Budgets Reprofiled at Period 7	6,835	10/12/2024
2024/25 Budget Proposed Reprofiled Period 9	(6,700)	13/02/2025
2024/25 Budget Allocations	7,114	
<b>2024/25 Revised Budget</b>	<b>52,887</b>	

### HCP Adjustments to Estimates in the MTFP 2025/26

Budget Stage	Budget 2025/26 £'000s	Budget 2026/27 £'000s	Budget 2027/28 £'000s	Budget 2028/29 £'000s
Original Budget as per 2024/25 MTFP	28,586	19,009	15,999	29,841
2024/25 Budgets reprofiled at Period 4	24,202			
2024/25 Budgets reprofiled at Period 7	(6,835)			
2024/25 Proposed Budgets reprofiled at Period 9	6,700			
New schemes	22,583	13,314	13,770	
Re-Profitting	0	0	0	0
<b>Original Budget as per 2025/26 MTFP</b>	<b>75,236</b>	<b>32,323</b>	<b>29,769</b>	<b>29,841</b>

## 3.3 HCP Budget 2025/26

The HCP has been prepared in conjunction with the updated Housing Asset Management Plan (AMP) and the HRA Business Plan based on robust data and evidence.

The programme has been prepared in line with the council’s corporate plan and Housing Revenue Account Business Plan priorities with the focus on meeting the regulatory requirements, improving housing services and fully funding corporate missions.

The AMP is compiled from the stock condition survey which identifies the capital expenditure required to maintain the housing stock over the next 30 years. Expenditure is broken down over individual components which form the core capital programme.

The Council's Housing Core Programme continues to deliver a set of internal and external works to meet the identified short, medium and long-term asset management priorities outlined in the HRA Business plan. This programme is proposed to double in size for 2025/26 to reflect the council’s commitment to meeting its requirements, improving housing services and fully funding corporate mission.



# PART 3 – HOUSING CAPITAL PROGRAMME

## Council House Build Programme (CHBP)

The current CHBP has seen all schemes achieve planning permission and are on site in construction. The programme represents the biggest CHBP the council has ever undertaken with more new homes currently being constructed than at any time within the past 30 years. The schemes are listed below with the budget requirements for such schemes.

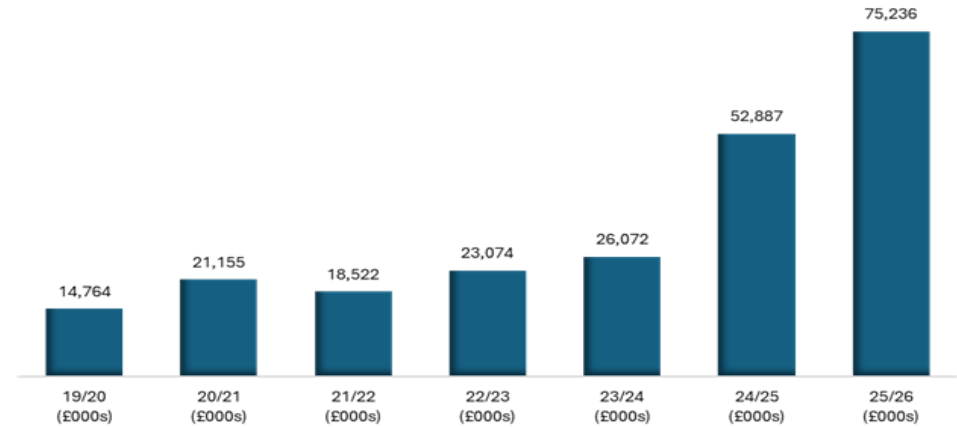
Council House Build Programme	Budget 2024/25 £'000s	Budget 2025/26 £'000s	Budget 2026/27 £'000s	Budget 2027/28 £'000s
Lister Hse (HDC) Perry Road	198	-	-	-
Elm Hatch (HRA)	100	1,900	450	780
The Yorkes	250	2,372	(622)	500
Arkwrights Garages	250	3,854	(1,104)	500
Woodleys Garages	2,750	224	(24)	-
Pytt Field	75	2,180	(180)	425
Sherards House	150	4,115	1,735	500
Land at Parnall Road	124	-	-	-
Staple Tye Depot	163	-	-	-
Potter Street N.O	75	632	43	-
Staple Tye Neighbourhood Renewal Scheme	10,500	2,091	5,309	300
<b>Total CHB Programme</b>	<b>14,635</b>	<b>17,367</b>	<b>5,608</b>	<b>3,005</b>

## Housing Capital Programme

The final programme shows considerable required investment into the council's existing housing stock as well as the construction of new homes.

The graph below demonstrates the significant increase in the overall HCP year on year with the most significant increase in 2025/26. The table which follows details the overall programme.

Housing Capital Programme totals £



Housing Capital Programme 2024/25 to 2027/28

SCHEMES	Revised 2024/25 £'000s	Reprofiled 2025/26 £'000s	Budget 2025/26 £'000s	Budget 2026/27 £'000s	Budget 2027/28 £'000s
Internal Works	5,619	-	12,443	7,448	6,169
External Works	6,279	4,900	11,828	9,860	8,850
Damp & Structural Works	1,764	-	2,000	1,600	1,600
Other Works	8,700	-	1,600	1,300	1,300
Fire Safety & Compliance	5,834	1,800	9,570	8,230	8,210
Energy Efficiency Works	975	-	2,000	800	3,610
Housing IT	305	-	120	80	30
Garage Demolition Programme	1,351	-	-	-	-
<b>TOTAL CORE HOUSING CAPITAL PROGRAMME</b>	<b>30,826</b>	<b>6,700</b>	<b>39,561</b>	<b>29,318</b>	<b>29,769</b>
Acquisitions	7,426	-	6,000	-	-
Council House Building Programme	14,635	17,367	5,608	3,005	-
<b>TOTAL NON CORE PROGRAMME</b>	<b>22,061</b>	<b>17,367</b>	<b>11,608</b>	<b>3,005</b>	<b>-</b>
<b>TOTAL HOUSING CAPITAL PROGRAMME</b>	<b>52,887</b>	<b>24,067</b>	<b>51,169</b>	<b>32,323</b>	<b>29,769</b>

# PART 3 – HOUSING CAPITAL PROGRAMME

## 3.4 HCP financing

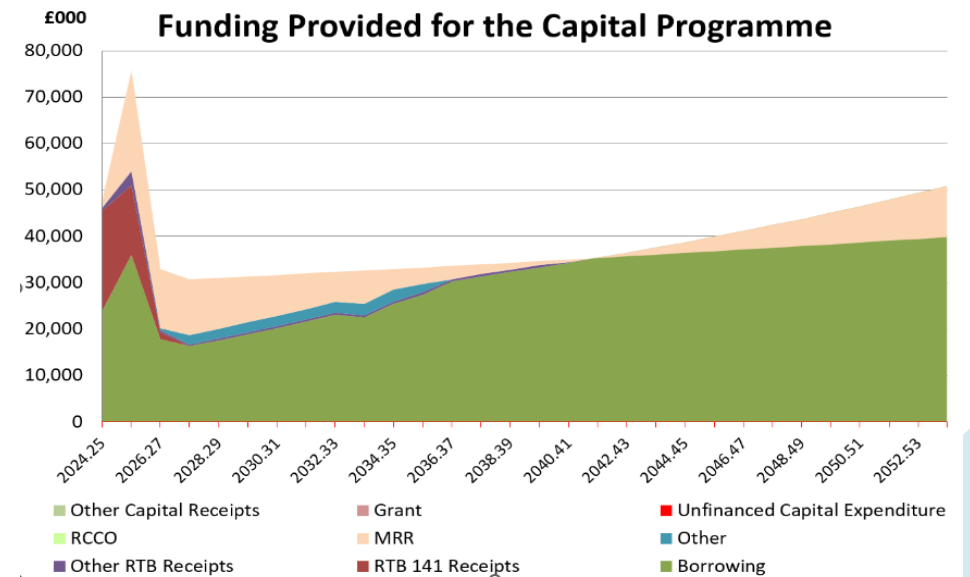
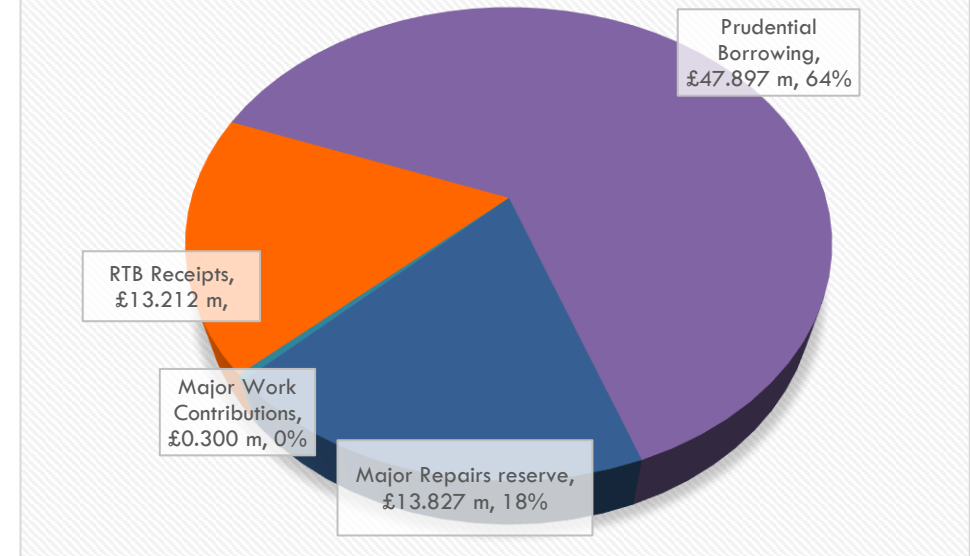
The HRA Business Plan shows the HCP has been prepared in accordance with the following principles:

That the HCP core projects are financed from contributions from the Major Repairs Reserve. Any shortfall will be financed from available housing capital receipts, direct revenue contributions and borrowing.

All other new build projects are financed from retained right to buy receipts and borrowing. Funding for the programme over the life of the business plan has been captured in the graph opposite.

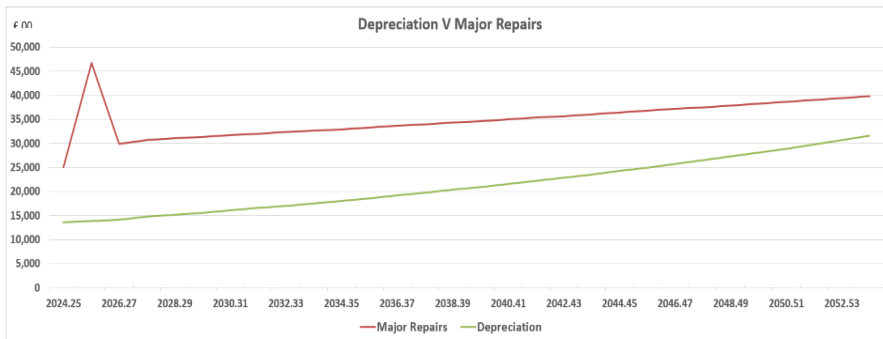
FINANCED BY	Revised 2024/25	Reprofiled 2025/26	Budget 2025/26	Budget 2026/27	Budget 2027/28
Major Repairs reserve	(13,601)		(13,827)	(14,142)	(14,702)
Major Work Contributions	(300)		(300)	(300)	(300)
RTB Receipts	(21,763)	(13,212)	-	(1,899)	-
Prudential Borrowing	(17,223)	(10,855)	(37,042)	(15,982)	(14,767)
<b>TOTAL FINANCING</b>	<b>(52,887)</b>	<b>(24,067)</b>	<b>(51,169)</b>	<b>(32,323)</b>	<b>(29,769)</b>

## Financing 2025/26 £75.236 million



## Major repairs Reserve (MRR)

In accordance with business plan assumptions the core element of the HCP should be financed from the MRR. The graph below shows how the MRR is compared to depreciation that is charged to the revenue account. It highlights there is sufficient balance within the major repairs reserve to fund future major works, but this does need to be considered with business plan in its entirety.



	2023/24 Actual £'000s	2024/25 Original £'000s	2024/25 Revised £'000s	2025/26 Estimates £'000s
Balance as at 1 April	(18,678)	(22,518)	(19,894)	0
Receipts Retained from RTB	(2,238)	(4,433)	(1,869)	(13,212)
Receipts Used to Finance New Builds	1,022	11,060	21,763	13,212
<b>Balance as at 31 March</b>	<b>(19,894)</b>	<b>(15,891)</b>	<b>0</b>	<b>0</b>

	2023/24 Actual £'000s	2024/25 Estimates £'000s	2024/25 Revised £'000s	2025/26 Estimates £'000s
Balance as at 1 April	(3,931)	(1,452)	(5,397)	(5,397)
Other Housing Capital Receipts Received	(1,477)	(1,919)	0	0
Other Housing Capital Receipts Used	11	1,764	0	0
<b>Balance as at 31 March</b>	<b>(5,397)</b>	<b>(1,607)</b>	<b>(5,397)</b>	<b>(5,397)</b>

## Housing Capital Receipts

The HRA Business Plan also assumes that new build projects will be financed from retained Right to Buy (RTB) receipts and borrowing.

Under the current rules 100 percent of the new build cost can be financed from retained RTB receipts for 2024/25 and 2025/26. The balance will be financed from borrowing unless other resources are available.

## 4.1 Glossary Terms

HDC	Harlow District Council
MTFP	Medium Term Financial Plan
HRA	Housing Revenue Account
HCP	Housing Capital Programme
NHCP	Non-Housing Capital Programme
AMP	Asset Management Plan
MRR	Major Repairs Reserve
RTB	Right to Buy
RCCO	Revenue Contribution to Capital Outlay
CHBP	Council House Build Programme
HTS	Harlow Trading Services