



London Borough of Waltham Forest
CAPITAL INVESTMENT STRATEGY
2023/24-2033/34

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1

PURPOSE OF THE CAPITAL INVESTMENT STRATEGY – COUNCIL PRIORITIES

1.1 Introduction

Waltham Forest is a vibrant borough, rich in culture and diversity. It is nationally recognised as a great place to live and for businesses to call home. In every corner of our borough, you will find people coming together and contributing to their communities in different ways.

However, nationally and locally we recognise the challenges we all face are growing in complexity. Rising costs of living, economic uncertainty, and higher mortgage rates are making it harder for our residents to live in good quality affordable homes in safe neighbourhoods or to have access to the help and services they need locally.

In February 2024 we adopted our plan for a more equal borough: Mission Waltham Forest. The Plan recognises that not everyone in Waltham Forest has an equal chance in life and sets out the Council's plan for a fairer borough by 2030. It is our commitment to residents to tackle the fundamental challenges facing them and drive the change within the Council that is needed to achieve this.

Through our Capital Investment Strategy, the Council plays a leading and proactive role in implementing Mission Waltham Forest's goals across the borough. This Capital Investment Strategy is ambitious, setting out plans to deliver £745.9 million of investment into our communities across the borough over the next 10 years. Its plans are cross-cutting and focused on what is most important to residents, such as investing in developing new affordable homes, improving Council-owned homes, new health facilities, creating new and safe communities and new high-quality education facilities.

Our plans will deliver substantial benefits for local people: building over **3,017 new homes**, of which over half will be affordable homes; creating **1,116 new jobs** and **638 apprenticeships and work placements**; alongside improving Council services for residents.

However, we recognise that local government finances continue to face challenges, with increasing demand for services alongside diminishing resources. In addition, the construction industry has been hit hard by high inflation and rising costs. We've worked hard with our partners over the past 12 months to keep our investment delivering, within a robust, well-managed assurance framework.

These local and national challenges mean we will have to make tough decisions, prioritising our capital investment plans to ensure we protect the Council's financial position, whilst continuing to deliver the things that matter most to our residents.

Despite the many challenges, we've also had some major successes during 2023/24: completing Juniper House, which will be home to the borough's first higher education offer; seeing our first residents move into Coronation Square, a new neighbourhood which will transform the heart of Leyton; and the acquisition of 197 high-quality homes at Osier Way in Leyton, kickstarting our Borough of Sanctuary ambitions.

Across the Council we continue to take a strategic and proactive approach to maximise the use and value of our land and property, recognising the significant role our physical assets can play in delivering Mission Waltham Forest.



Cllr Grace Williams
Leader of
Waltham Forest Council



Cllr Ahsan Khan
Deputy Leader and
Cabinet Member
for Housing and
Regeneration

**£745.9
million
investment
planned into our
communities over
the next 10 years**





2

STRATEGIC CONTEXT AND THE IMPORTANCE OF THE CAPITAL INVESTMENT STRATEGY

The Capital Investment Strategy is a document of strategic importance to the Council. It demonstrates that our substantial investment plans are aligned to and deliver the borough's priorities, and that they are affordable.

2.1 Our plan for a more equal borough: Mission Waltham Forest

MISSION WALTHAM FOREST

sets out the Council's plan for a more equal borough by 2030. It is our commitment to all our residents to tackle the fundamental challenges facing them and drive the change within the Council that is needed to achieve this.

At the heart of Mission Waltham Forest is our vision for the borough:

A more equal borough, where everyone can make the most of their strengths to live the life they want to lead.

WALTHAM FOREST



MISSION WALTHAM FOREST identifies a core set of Missions for the change we want for our communities and the change we need to make as a Council, guided by the following principles:



A MORE EQUAL FUTURE

We believe inequality in all its forms holds people back from being the best they can be. We will leave no stone unturned to ensure everyone can fulfil their potential and improve our understanding of the barriers facing communities.



COMMUNITY POWERED

We believe in the power of communities coming together to help each other. Communities will have more involvement in shaping the places they live and the services they use.



EVERY CONVERSATION COUNTS

We believe building strong relationships can be life changing. We will build trust with residents by ensuring we are there at the right time when residents need us and there are no closed doors for those who need our help.



AMBITIOUS FOR OUR RESIDENTS

We believe in recognising residents for their aspirations and strengths, doing 'with' not 'to' them. We will help people to help themselves and each other, working alongside them to build their resilience and live the life they want to lead.



STRONG AND HONEST PARTNERSHIPS THAT LAST

We believe in making a real and lasting difference by working as one with our partners. We will tackle the root causes of issues and take a longer-term, joined-up approach to supporting communities.



To deliver on our vision for Waltham Forest, we have created **Borough Missions** and **Council Missions**.

Borough Missions

Our **Borough Missions** focus on the issues that matter most to our residents and set out how we will respond to these. They will help us to create a more equal future for Waltham Forest in 2030.

Our Borough Missions:

Ensure every family and every child are given every opportunity



We will ensure every family and every child can access the services and support they need so all children can thrive.

Build an economy that works for everyone



We will shape a more inclusive local economy that attracts businesses and talent while unlocking opportunities for residents.

Make Waltham Forest a great place to live and age well



We will ensure all residents can make the most of their strengths and live healthier, longer, and more independent lives.

Tackle the housing crisis head on



We will deliver a new generation of homes that are affordable to buy and affordable to live in.

Lead the way for a net-zero borough



We will tackle the Climate Emergency head on, paving the way for net zero in Waltham Forest.

Safe, green neighbourhoods where everyone can thrive



We will ensure every resident feels safe in their homes and neighbourhoods and feels included and welcome.



Council Missions

Our **Council Missions** set out how we must transform how we work to deliver our Borough Missions and our vision. Our Council Missions do not mean business as usual. They will help us become an organisation that is more resilient, dynamic, and capable of adapting to the ever-evolving needs of our communities.

Our Council Missions:

A focus on services designed around residents



We will constantly work to improve the design and quality of Council services and push ourselves to provide experiences and services residents deserve.

A preventative approach for stronger communities



We will embed a joined-up approach to prevention, offering support in the right place, at the right time, in the right ways.

An inclusive workforce that reflects our community



We will build a culture of inclusion by closing pay gaps; our workforce will be as diverse as our community at every level.

A firm financial footing



We will achieve financial security by balancing the books and adopting a well-managed, sustainable approach to investment.



2.2

Local government finances

Local government finances are under severe strain due to high inflation, higher energy costs and increases to the National Living Wage, combined with rising demand for statutory services.

Waltham Forest is a well-run Council that prides itself on sound financial management, but we are not immune to the crisis in local government finances. The number of people accessing adult social care is growing every year and more children are falling under the care of the Council. Furthermore, the housing and cost-of-living crises are forcing more residents to access our services.

If we are to continue to offer high-quality services in the face of growing demand while ensuring long-term financial sustainability, we must continue to have a robust approach to financial management. This includes making well-informed financial decisions and taking a long-term view of our strategic investments to prioritise those that benefit our communities and have clear outcomes. Prudent financial decisions will ensure we are not taking unnecessary risks that could impact the long-term financial sustainability of the Council.



2.3

Current economic conditions and our response

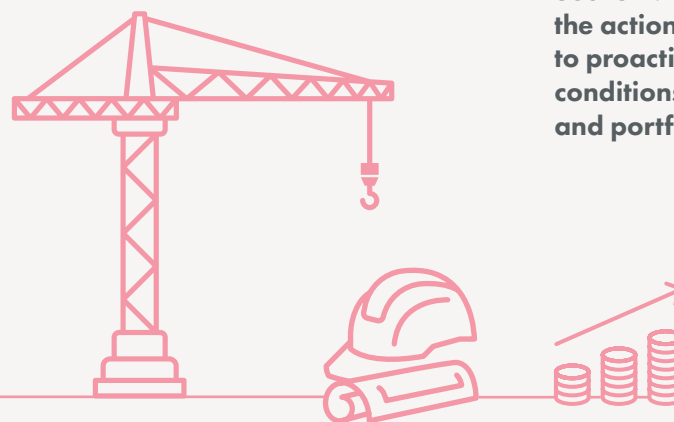
In recent years, the UK construction industry has been under significant pressure from global factors and the impact of Brexit, which have led to labour and materials shortages, cost increases and supply chain disruptions.

Recent inflationary pressures, higher mortgage interest rates, the end of the Government's Help-to-Buy scheme and the Building Safety Act mandate to add secondary staircases in all new builds over 18 metres tall have brought further challenges to delivering new larger housing developments.

The Council's capital investment portfolio includes several significant residential-led regeneration projects, which are highly susceptible to the pressures facing the construction industry. Despite robust cross-portfolio risk management, we are now seeing an impact on delivery of our major development schemes, as well as private sector developments in the borough.

Current Bank of England forecasts expect economic recovery from late 2024 onwards. As such the Council continues to develop its investment pipeline to ensure readiness for improved market conditions. In the meantime, the risk of higher construction costs and increased borrowing costs placing more pressure on both General Fund (GF) and Housing Revenue Account (HRA) finances continues to be proactively and robustly managed.

Section 7 of this document sets out the actions taken by the Council to proactively manage economic conditions at project, programme and portfolio levels.



2.4

Capital Prioritisation Framework: Ensuring we maximise value for money from our investment plans

A key measure the Council is taking to achieve our Mission of ensuring **a firm financial footing** is by embedding a new Capital Prioritisation Framework to guide strategic decision-making around our current and future capital investment.

The focus of the prioritisation framework is the consolidation of the existing capital programme, including the completion of major capital schemes in construction phases, many of which are transformational for the borough and will help us achieve our Borough Missions.

The framework will ensure that new investments are focused on delivering key resident priorities, and that business cases are developed that support sound financial management of both the GF and HRA.

The prioritisation framework established includes a set of indicators. Schemes must meet one or more of these indicators to be prioritised for capital investment, as follows:

Continued investment in the delivery of capital schemes that are in construction phases.



For any new investment not meeting the above criteria, that it protects the Medium Term Financial Strategy (MTFS).



Continued delivery of new affordable housing and our residents' priorities, where they are deliverable within the financial affordability parameters of the Council.



Projects and programmes which are fully or majority funded by external grants and other funding sources should continue to deliver.

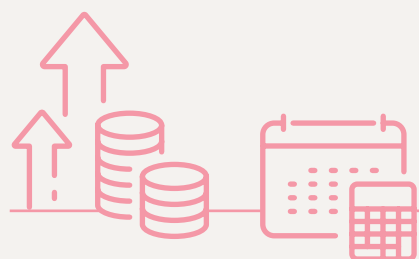


Continued investment into initiatives which ensure the Council meets its legal, statutory and health and safety obligations (e.g. Decent Homes standards and the Building Safety Act requirements).



Section 5 of this Capital Investment Strategy has been aligned to the prioritisation framework indicators to highlight the reasons for continued investment in each project or programme within the capital portfolio and how they deliver the ambitions of Mission Waltham Forest.

These indicators have been used to reset the current capital programme and review the capital pipeline of projects for the next 10 years, prioritising investment in schemes which meet the above indicators.



2.5

The importance of the Capital Investment Strategy

This document provides an annual appraisal of the Council's Capital Investment Portfolio, aligned to its resident and corporate priorities established within Mission Waltham Forest.

It demonstrates the Capital Investment Portfolio's achievements in 2023/24, significant investment plans for future years and sets an updated multi-year budget.



This Capital Investment Strategy:

- Sets out how the agreed Capital Investment Portfolio is aligned with and contributes to the delivery of Mission Waltham Forest priorities. It also recognises emerging priorities and external factors which could shape future delivery plans.
- Provides an updated profile of the borough's population, housing, employment and other features which shape our investment decisions.
- Demonstrates both the physical and social Return on Investment which we have delivered in 2023/24 and what we aim to deliver from our capital investment longer term.
- Reports progress and successes in the delivery of the rolling investment portfolio in 2023/24 and plans for future years.
- Sets out an updated multi-year budget forecast, reported to Cabinet as part of the annual Budget setting process.
- Outlines the funding strategy for the Capital Investment Portfolio, presented to Cabinet as part of its Budget.
- Details the delivery assurance and prioritisation framework in place to support strategic planning and delivery of the Capital Investment Portfolio.



The Council recognises the significant contribution its Capital Investment Strategy and delivery portfolio make to supporting the local economy.

The importance of having a meaningful and comprehensive Capital Investment Strategy is recognised in The Chartered Institute of Public Finance & Accountancy’s (CIPFA) revised Prudential Code (December 2021).

The updated code strengthened the important requirement that all councils should have a Capital Investment Strategy which aligns capital delivery plans to their organisational objectives.

Changes to the code also require that the Capital Strategy forms part of the Council’s revenue, capital, balance sheet and medium and long-term financial planning, demonstrating an affordable and sustainable Capital Investment Programme, and ensuring that investments cannot be made for commercial returns.

The Council confirms in this strategy that none of its investments are solely for commercial or treasury management purposes. All planned investment decisions are made to deliver Mission Waltham Forest priorities, including service delivery, regeneration, and home building.

In response to these CIPFA requirements, the Council recognises how the Capital Investment Strategy and investment portfolio contribute to delivering the organisation’s strategic objectives and desired outcomes established in Mission Waltham Forest.

Furthermore, the Council understands that capital investment proposals emerge from local, regional, and national priorities, enabling Service Directorate policies and plans, which translate corporate priorities into tangible investment schemes. We also recognise that most importantly, the Council’s Capital Investment Strategy and its revenue impact form an essential element of the Council’s MTFs and long-term financial plans.

Figure 1 illustrates the integration and alignment of our Capital Investment Strategy to enable delivery of corporate priorities and the cross-Council enabling policies and strategies which also support their delivery.

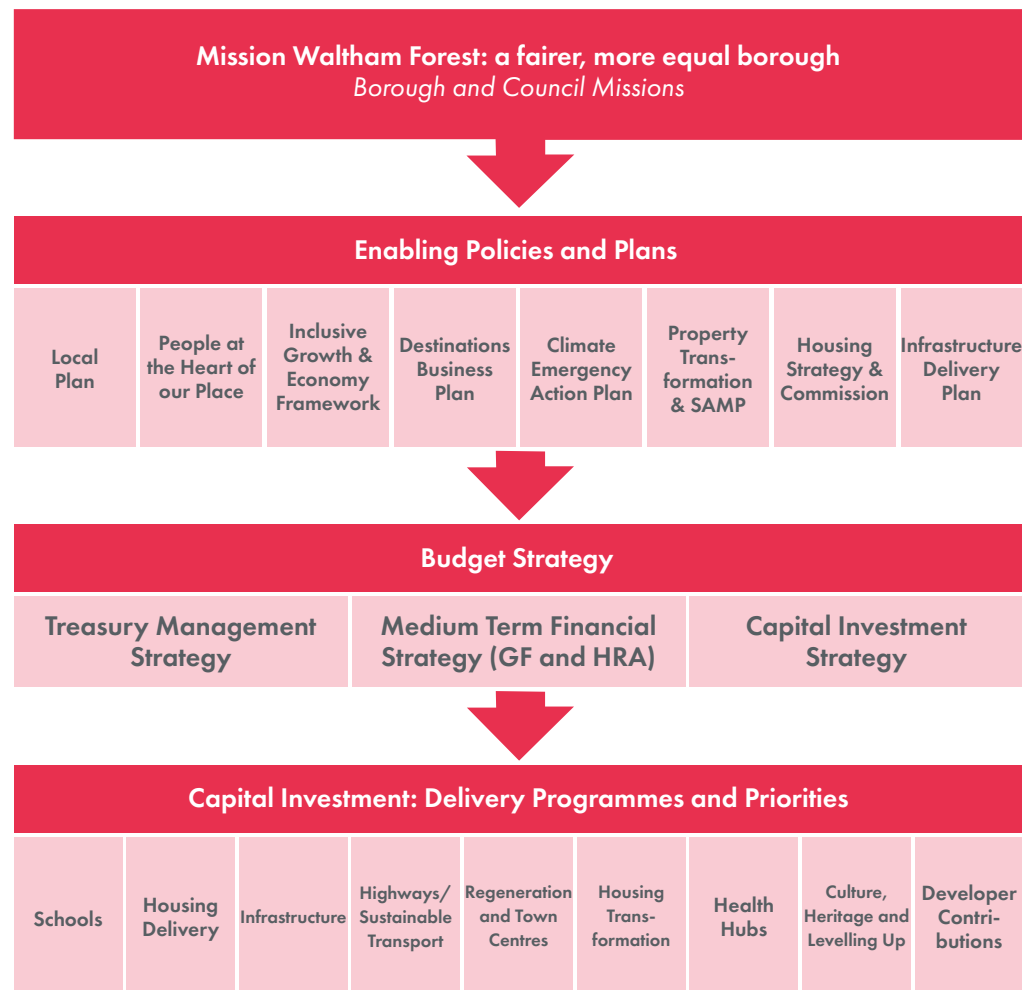


Figure 1: Flow and interdependencies between the Capital Investment Strategy and wider corporate strategies

This Capital Investment Strategy operates on a long-term, 10-year planning and delivery timeline. It is a dynamic document, which is continually reviewed to respond to new and emerging priorities, whilst providing robust delivery and financial assurance. There are several internal and external drivers that set the longer-term context for the Council's strategic capital prioritisation, resourcing, delivery, and assurance arrangements:

I. Inclusive Growth and Economy Framework:

The Council is developing an Inclusive Growth and Economy Framework, which will set out our vision for a thriving economy that gives everyone the opportunity to fulfil their potential and ensures that the benefits of Waltham Forest's growth are shared equally. The framework will be based on the following three pillars and underpinned by a suite of delivery plans:

- 1 **Stronger Communities** – focused on prevention and creating a more joined-up approach to delivering People and Place services.
- 2 **Shared Growth Values** – ensuring the human, environmental and investment values that guide growth are transparent and shared with everyone more fairly.
- 3 **Place-based Growth** – exploring what inclusive growth looks like in each of the 16 local areas identified in the Local Plan.

II. Climate Emergency: In November 2022, Cabinet endorsed the Climate Action Plan. The plan sets out Waltham Forest's vision for achieving net zero carbon emissions by 2030. The action plan sets out 20 actions, across four areas, which we will take to make this happen.



Energy Efficient Buildings:

That ensure all residents can live comfortably and affordably.



A Place for People not Cars:

Where residents can travel affordably, safely and easily using active travel, like walking and cycling, and sustainable mass transport, like bus and rail.



Consuming Less, Recycling More:

Where we produce less waste, use less plastic, and meet our needs in new collaborative ways through sharing, reusing and repairing.



A Greener, More Resilient Borough:

That promotes nature, health and wellbeing and increases the resilience of communities to future heatwaves and floods.

The current capital programme has £4 million of funding allocated to deliver initiatives across the borough which support the delivery of our net zero ambitions. This funding is in addition to green investment into Council homes, sustainable transport and electric charging points. In 2023 alone, 280 new homes were built to carbon net zero standards.



III. Housing Strategy: The Council's new Housing Strategy 2024–2028, which was approved by Cabinet in January 2024, sets out the overarching goal of “improved and fairer access to high-quality and genuinely affordable homes, which provide a foundation for residents to live a happy and healthy life”. Beneath this goal sit four long-term outcomes the strategy aims to achieve:

- Homelessness and rough sleeping are prevented so that they become rare, brief and non-recurrent.
- Residents can access homes that meet their needs as their circumstances change.
- Every home in the borough is healthy, safe and affordable to heat.
- Development enhances neighbourhoods and supports stronger, fairer and safer communities.

A series of intermediate outcomes also form part of the strategy, which is supported by further detailed strategies covering the areas of Homelessness and Rough Sleeping, Housing Compact, Private Rented Sector and Supported Housing.

IV. Community Safety: Residents consistently identify fear of crime and violence as a top concern. The Capital Investment Strategy can support community safety by developing sites which are associated with anti-social behaviour (e.g. car parks, derelict buildings); through town centre and estate regeneration; by ensuring that new developments design crime out of the borough, including through exemplar design, target-hardening new developments and refurbishments, securing Developer Contributions, and ensuring effective stewardship of new destinations and major residential developments.

We continue to work closely with community safety groups and the Police to exploit opportunities to use our investment strategy to design crime out of the borough, including through exemplar design, target-hardening new developments and refurbishments, securing Developer Contributions, and ensuring effective stewardship of new destinations and major residential developments.



V. The Local Plan: The Local Plan has been approved by government-appointed inspectors for adoption and is set to be endorsed by Cabinet and Full Council in February 2024. The plan establishes a spatial strategy for inclusive and sustainable growth in the borough to deliver the homes, jobs and infrastructure that our communities need and sets out the planning policies that will be used to shape developments and guide decisions on where, how much, and what kind of development is granted planning permission. The Local Plan has two parts:

- Waltham Forest Local Plan Part 1 (Strategic Policies) – LP1

Part 1 of the Local Plan sets out the spatial vision and planning policies to direct development proposals across the borough. It has been endorsed by the Planning Inspectorate ahead of adoption in early 2024.

- Waltham Forest Local Plan Part 2 (Site Allocations) – LP2

Part 2 of the Local Plan identifies sites where inclusive and sustainable planned growth may be delivered and sets our expectations for delivery, including quality of design. During 2022 the Plan went through extensive public consultation, with further consultation planned in 2024 ahead of examination and adoption.

Our Capital Investment Strategy will make a continued and direct Council contribution to delivering the borough's growth agenda established in the Local Plan.

Delivery Assurance

Supporting our delivery plans, the Council has developed and continually refines its **Delivery Assurance Framework**. Sections 6 and 7 of this document set out the robust financial and delivery management arrangements in place that form the foundations of our successful delivery programmes.

This framework is a critical component of the Capital Investment Strategy and makes sure that both organisational priorities and robust financial management are at the forefront of delivery. It ensures that politicians and officers of the appropriate seniority and technical expertise are part of decisions on how capital investment is allocated and controlled.

Placing the strategic goals – together with our residents and businesses – at the heart of our decision making ensures that we maximise the impact of our Capital Investment Portfolio.

By managing project delivery, risk and finance strategically on a portfolio basis, we allow flexibility to consider alternative project delivery models, project interdependencies and maximisation of outcomes.



3

BOROUGH PROFILE

Analysis and understanding of the current and future profile of Waltham Forest is a key driver for the Capital Investment Strategy. By responding to our borough profile and our strategic objectives, we ensure that our investment plans are placed to deliver the maximum breadth and depth of outcomes to build a strong future for our communities.

The Council recognises that the impact of current market conditions and recent high inflation have created uncertainty and the potential to result in a slowdown of the future anticipated economic and population growth for the borough. We continue to manage and adapt to the challenges caused by these external factors, recognising that the Council's capital investment decisions can act as a stimulus for local growth, the housing market and population.

3.1

About the area and key indicators

Waltham Forest is in the northeast of London, formed of a network of town centres with Leyton and Leytonstone in the south, Walthamstow in the centre and Chingford in the north. The urban south is more densely built-up with higher population density, while the suburban north is less densely populated and has more green space.

The borough continues to experience increased demand on land for residential and employment uses. The Local Plan identifies 16 Strategic Locations to which inclusive and sustainable growth will be directed. There are eight neighbourhood centres (figure 2), seven district centres and Walthamstow, the borough's major centre. To the south, the borough extends to the border of Hackney, Newham, Stratford and the Queen Elizabeth Olympic Park where there are important interrelationships.

Waltham Forest provides access to the two largest green spaces in London: Walthamstow Wetlands in the Lea Valley Park and Epping Forest. Metropolitan Open Land and Metropolitan Green Belt account for 27% of the borough.

The borough's green and blue assets include the River Lea, Metropolitan Open Land in the Lee Valley, Walthamstow Wetlands (520 acres of urban wetland, opened to the public in October 2017) and reservoirs to the west, and in the north, Epping Forest and the Metropolitan Green Belt. The borough also has a network of open green spaces, including 44 parks (three have achieved green flag status).

Across the borough there are 117 statutory Listed Buildings, 15 Conservation Areas, 21 Archaeological Priority Areas and 171 locally listed buildings, with a review of the Local List currently under way.

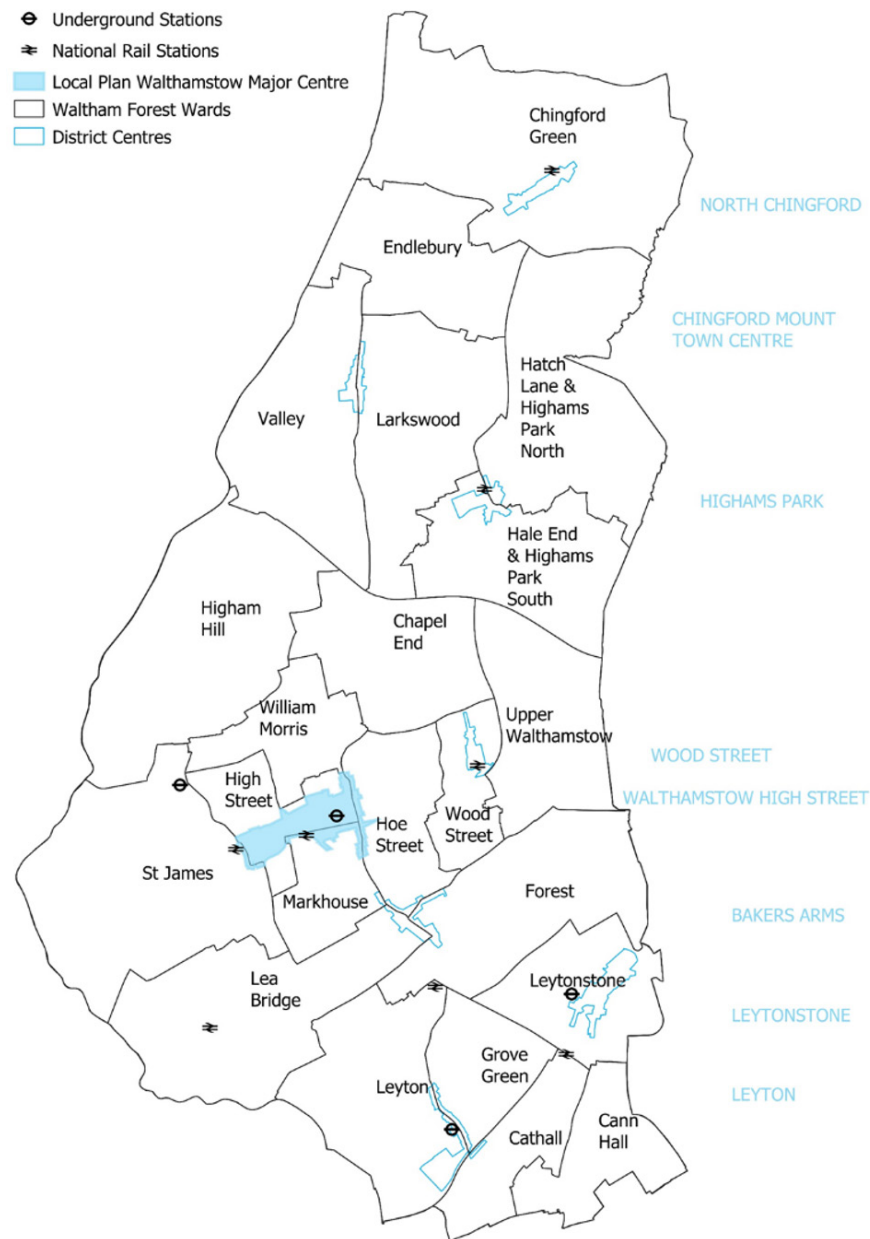



Figure 2: Map of Waltham Forest neighbourhood centres. Contains OS data © Crown copyright and database right (2017) Map produced by Insight & Intelligence Team

Key borough statistics for Waltham Forest - UK Census 2021

People

Population of **278,000** on census day 2021 - an increase of 20,000 (7.8%) over a 10-year period




Median age of our residents is compared to England's average age of 40 years old

35



Waltham Forest is ranked **18th** most diverse borough in England and Wales; 47% of residents are from a minority ethnic background

40% of Waltham Forest's residents were born outside of the UK. Waltham Forest is now ranked 24th in England and Wales. 15% of Waltham Forest's residents have arrived in the UK during the last decade



Waltham Forest is currently ranked **82nd** most deprived borough nationally


Source: (ONS Census 2021)

Housing

The number of households in Waltham Forest has risen to **102,900** in 2021, an increase of **6,039 households** over 10 years




The average house price in the borough was **£501,675** in August 2023. This is an increase of 94% over 10 years

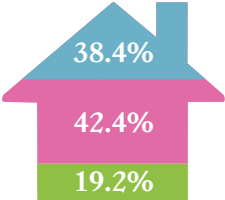


Source: (UK House Price Index (data.gov.uk))

As of 2021, Waltham Forest is the **15th** most densely populated of London's 33 local authority areas



Housing tenures



38.4% of households in the borough own their homes with a mortgage or through shared ownership
42.4% private rented
19.2% rented from the Council or a Housing Association
(ONS July 2023)

Business and Employment


12,935 businesses (ONS March 2023)



The largest industry group in the borough is **construction** (18%), followed by professional, scientific and technical (15.7%) and retail (10.3%) (ONS March 2023)



91.1% of businesses in the borough are micro-businesses with less than 10 people (ONS March 2023)



Unemployment

11,865 people claiming unemployment benefits (6.1% of working age population) in December 2023 (ONS December 2023)





4

RETURN ON INVESTMENT

4.1 Total Return on Investment Framework

Key to our capital investment programmes is the Return on Investment our projects achieve for the communities of Waltham Forest in terms of social, economic and environmental outcomes. As established in Mission Waltham Forest, we want to create a fairer and more equal borough, a place of opportunity where everyone can realise their ambitions and live the life they want to lead.

We want to ensure that we maximise the return from every pound spent through the Council's investment programmes: delivering not only world-class buildings, community infrastructure and neighbourhoods, but also ensuring that as many benefits as possible are generated for our residents, businesses and places.

This means more affordable and high-quality homes, access to quality learning, skills development and employment within the borough and beyond, while benefiting from a thriving local economy and making sustainable improvements to tackle the climate emergency – such as increasing green cover, expanding our Electric Vehicle (EV) charging network and more.

To demonstrate the wider impact of the Council's investment programmes, we have developed a Total Return on Investment Framework, building on the Council's Social Value Policy 2021–2025. This policy sets out how the Council maximises added value for money through its purchasing of goods and services to generate benefits "not only to the organisation, but also to society and the economy, whilst minimising damage to the environment."

All of our priority impact measures are regularly monitored across the Capital Investment Portfolio by collating project-level data on the physical benefits that will be delivered, together with information from the Council's suppliers recorded on the Social Value Portal and monitoring information on Developers Contributions agreed through the Planning process (i.e. via Section 106 agreements).

The Council is working closely with our current development partners and contractors to develop innovative solutions to maximising Social Value delivery through our investment programmes. We've also worked hard to enhance how we maximise the use of Developers Contributions over recent years, ensuring that benefits are retained locally and that residents are at the heart of decisions around how they are used.

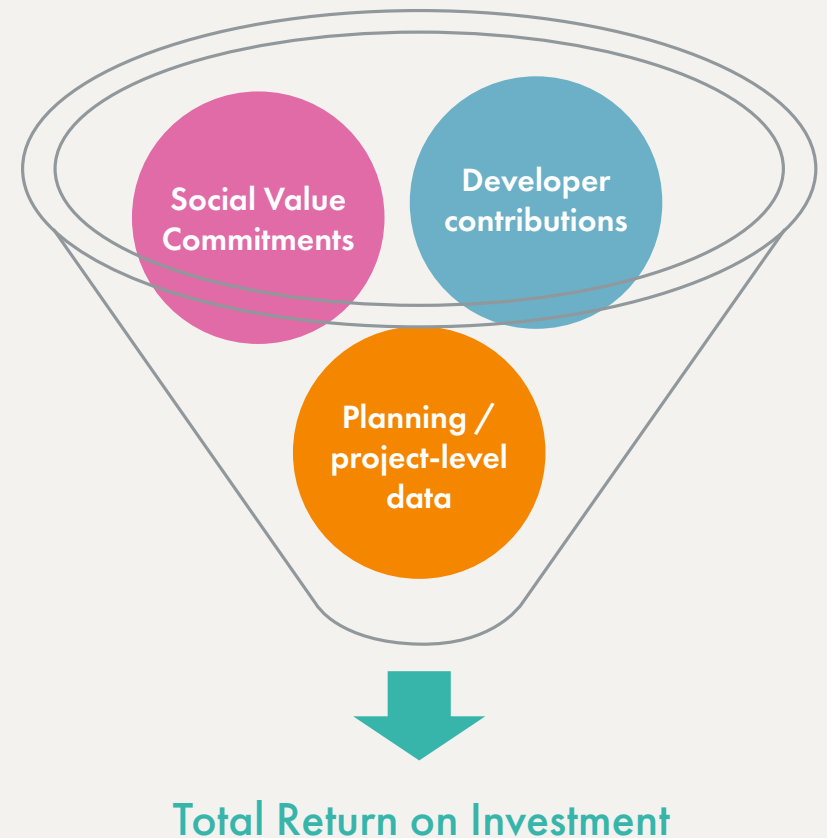


Figure 3: Data captured through Capital Investment Portfolio monitoring to provide Total ROI outputs/outcomes

How the Capital Portfolio delivers *Mission Waltham Forest*

- Building new nurseries
- Education
- Schools

Ensure every family and every child are given every opportunity



- Jobs and supply chain
- Employment opportunities
- Apprenticeships

Build an economy that works for everyone



- Health centres
- Leisure centres
- Parks and open spaces

Make Waltham Forest a great place to live and age well



Safe, green neighbourhoods where everyone can thrive



Tackle the housing crisis head on



- Refugee housing
- Affordable homes

Lead the way for a net-zero borough



- Environmental ROI
- Highways
- Trees

- Public realm
- LUF
- CCTV
- Designing out crime

Capital Portfolio outputs and social Return on Investment

As part of the Total Return on Investment Framework, the Council has developed priority impact measures to assess outputs and Return on Investment from its Capital Portfolio.

This includes:



Delivery of high-quality homes (including social rented and affordable homes)



New community and cultural spaces



New commercial space (that can support local businesses and the creation of long-term local jobs)



Employment opportunities for local people, such as temporary construction jobs, apprenticeships, work experience placements



Environmental impact measures supporting the Council's Climate Action Plan, which sets out how the Council is tackling the Climate Emergency, including more energy efficient buildings and urban greening, green transport infrastructure and supporting building a greener, more resilient borough.

4.2

Delivered Return on Investment to date (2021/22–2023/24)

The Council established its Return on Investment Framework in 2021/22. Since then, Council investment has delivered:

Homes



463 new homes delivered this year, of which:



117 are London affordable rent, **36** are social rent and **188** are shared ownership.

These homes have been delivered across five sites; Central Parade, Leyton Green, Juniper House, Osier Way and Coronation Square.

The total delivered from 2021 to date is:



1,160 new homes, including **322** social rent, **117** London affordable rent and **267** shared ownership homes, providing residents with a greater choice of local, quality affordable housing.

Employment opportunities



178 employment outcomes delivered this year, including:



134 local construction and supply chain jobs



43 local work placements and **1** apprenticeship

The total number of employment opportunities delivered from 2021 to date is **958**.

These opportunities include:



689 local construction and supply chain jobs



160 local work placements



109 local apprenticeships

Environmental outcomes

This year, *Enjoy Waltham Forest* celebrated its 10th year of delivery, the benefits of which have been substantial over the 10-year period, including:



34 additional trees planted across the borough via Council capital schemes, in addition to over **6,000** additional trees planted via wider initiatives such as s106 from development and parks initiatives.



1,988 additional bike hangar spaces



55 kilometres of segregated safe and green cycle lanes provided across the borough



663 Electric Vehicle charging sockets



22 School Street Zones, supporting 15,000 pupils to travel to schools safely and sustainably

4.3

Total forecast Return on Investment up to 2033/34

Homes



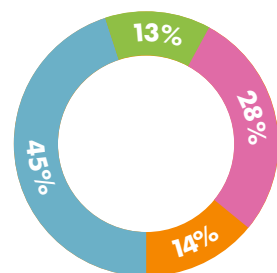
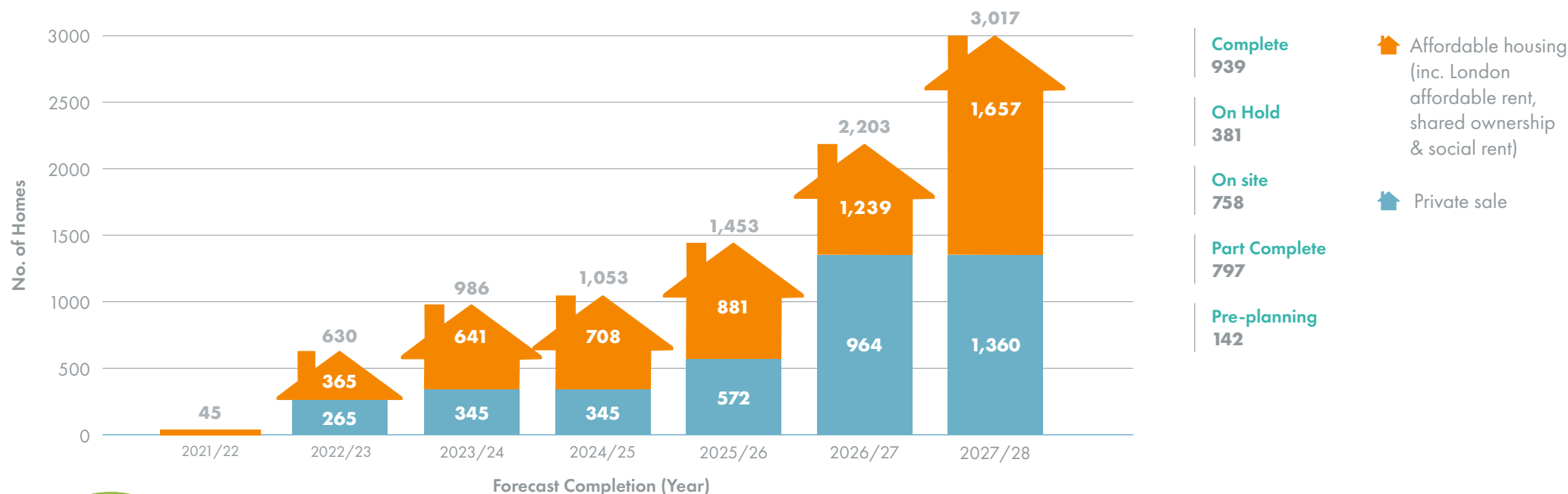
3,017
new homes

The Council is forecast to deliver a total of 3,017 new homes through direct Council investment (including grants to Housing Associations) and use of Council surplus land; of which c.1,657 will be affordable homes (413 social rent, 390 affordable rent, 854 shared ownership). The delivery of these homes is expected to be completed by 2027/28.

390
affordable rent

854
shared ownership

Cumulative Housing Forecast



Forecast Housing Type

- Private sale 1,360
- London affordable rent 390
- Shared ownership 854
- Social rent 413



Employment opportunities
forecast up to 2033/34



1,116
**local construction
and supply chain jobs**
(full-time equivalent)



328
**local work
placements**



310
local apprenticeships

4.3

Total forecast Return on Investment up to 2033/34

Wider portfolio/other ROI



£376.3m

Potential
£376.3 million
Gross Value Added (GVA)
to the local area as well as
a range of direct and
indirect benefits



c.19,000 sqm
of new cultural and
community floorspace



c.5,900 sqm
of new commercial space
to support businesses and
create new, long-term local
employment opportunities



1,213
additional trees planted
across the borough from
Council capital schemes



3,784
additional cycle
storage spaces



38,245
tonnes of carbon reduction
committed through
social value contracts



360
hours committed
to climate change and
carbon reduction training



22
new green spaces



6
boiler-free developments
that use more sustainable
technologies networks and
air source heat pumps



9
developments
underway with projected
BREAM "Very Good"
and above status

4.4

Case studies

Fellowship Square 2023

Meet David Ellick, labourer at the Fellowship Square site



Jobs

Hello, my name is David Ellick and I'm from Leytonstone.

I work just behind Waltham Forest Town Hall, I'm a labourer. I work around the whole Fellowship Square site, putting up signs, reconstructing fencing, and making sure everyone is safe on site.

When I was off work through Covid, I went to the job centre in Chingford and they mentioned that there was a construction course in Hackney that I could do which I was interested in, so I took the six weeks course and enjoyed it basically. My previous job was a Goldsmith, I made rings, chains, bracelets, repairs and other jewellery too. It's definitely a career change for me.

I thoroughly enjoy my job now and it's what I wanted to do. I'm looking at going into carpentry as well or maybe bricklaying or something else, that's what I'd like to do. I've always been interested in the building trade as such, I've wanted to see how a building goes up and how it's made so eventually, I might be able to build my own house and know exactly what I need to do. I'm hoping that there's more development so it brings up the area so even more people can enjoy it.

I've been travelling in and out of London for over 20 years and I didn't really want to travel and take London transport all the time where it was a bit inconvenient for me, so I wanted somewhere much more local to me, now it only takes me 20 minutes to cycle into work.



I like working in Fellowship Square and walking past the fountain, but I can't enjoy it that much obviously because of work, but it's nice to pass by and see the kids playing with all the families about which you don't see all the time!

I would definitely encourage other people to apply for local construction jobs. I've been trying to get some of my family members to apply for a local job too as it's much easier for them to get to rather than having a long commute. I think it's nice for people to work in their own area, travelling is difficult for a lot of people nowadays so if half the people were to work in their own area, London transport would be much easier for people too.

4.4

Case studies

Juniper House 2023

New tenants at Juniper House



Housing

The first residents have moved into their new homes in the Skyline building opposite Walthamstow Central Station. Built by award-winning housebuilder The Hill Group, on behalf of Waltham Forest Council, the new development comprises 91 homes of which 50% are affordable, including three- and four-bedroom properties for local families.

The transformation of old vacant Council offices into one of Waltham Forest's flagship developments is part of our aim to build more high-quality homes in the borough and improve the lives of residents. It's the third residential building by the Council's Capital Delivery team to be completed this year, with the first phase delivering a total of 226 high-quality new homes to the borough, of which more than half (65%) are affordable.

New Juniper House resident, Chloe said: **"I moved to Juniper House having previously lived in the area. I never thought I'd be able to afford to live in such a prime location on my own, so it's been amazing being able to make this happen. Juniper House is in the perfect location, really close to the busier town centre but also walking distance to Walthamstow Village. There's already a brilliant sense of community amongst the residents, and it's great to support local businesses and facilities Walthamstow has to offer. Walthamstow is a great hub of activity and manages to balance the variety of city life with nature. The Wetlands, Epping Forest and the Village are all nearby and provide a great change of scene."**





5

PORTFOLIO DELIVERY

5.1 Delivering MISSION WALTHAM FOREST and prioritising our Capital Investment

The multi-year Capital Investment Portfolio set out within this Capital investment Strategy and forming part of the Council's overall Budget for 2024/25 totals £745.9 million over the next 10 years (2023/24–2033/34).

The priority for the Capital Investment Strategy is to deliver the Council's political and strategic priorities that are established within Mission Waltham Forest. To ensure we maximise the value of the investment we make for our residents, whilst also ensuring financial sustainability for the Council, we have established a Capital Prioritisation Framework, supporting sound decision making on our investment plans. Figures 4 and 5 align our multi-year financial investment to the indicators established in the Prioritisation Framework set out in section 2.4 of this document:

- **Theme 1:** Continued investment in the delivery of capital schemes that are in construction phases.
- **Theme 2:** Delivery of new affordable housing (including strategic acquisitions of affordable homes) and our residents' priorities, where they are deliverable within financial affordability parameters of the Council.
- **Theme 3:** Investment into initiatives which ensure the Council meets its legal, statutory and health and safety obligations.
- **Theme 4:** For any new investment not meeting the above criteria, that it protects the MTFS.
- **Theme 5:** Continuity of projects and programmes which are fully, or majority funded by external grants and other funding sources.

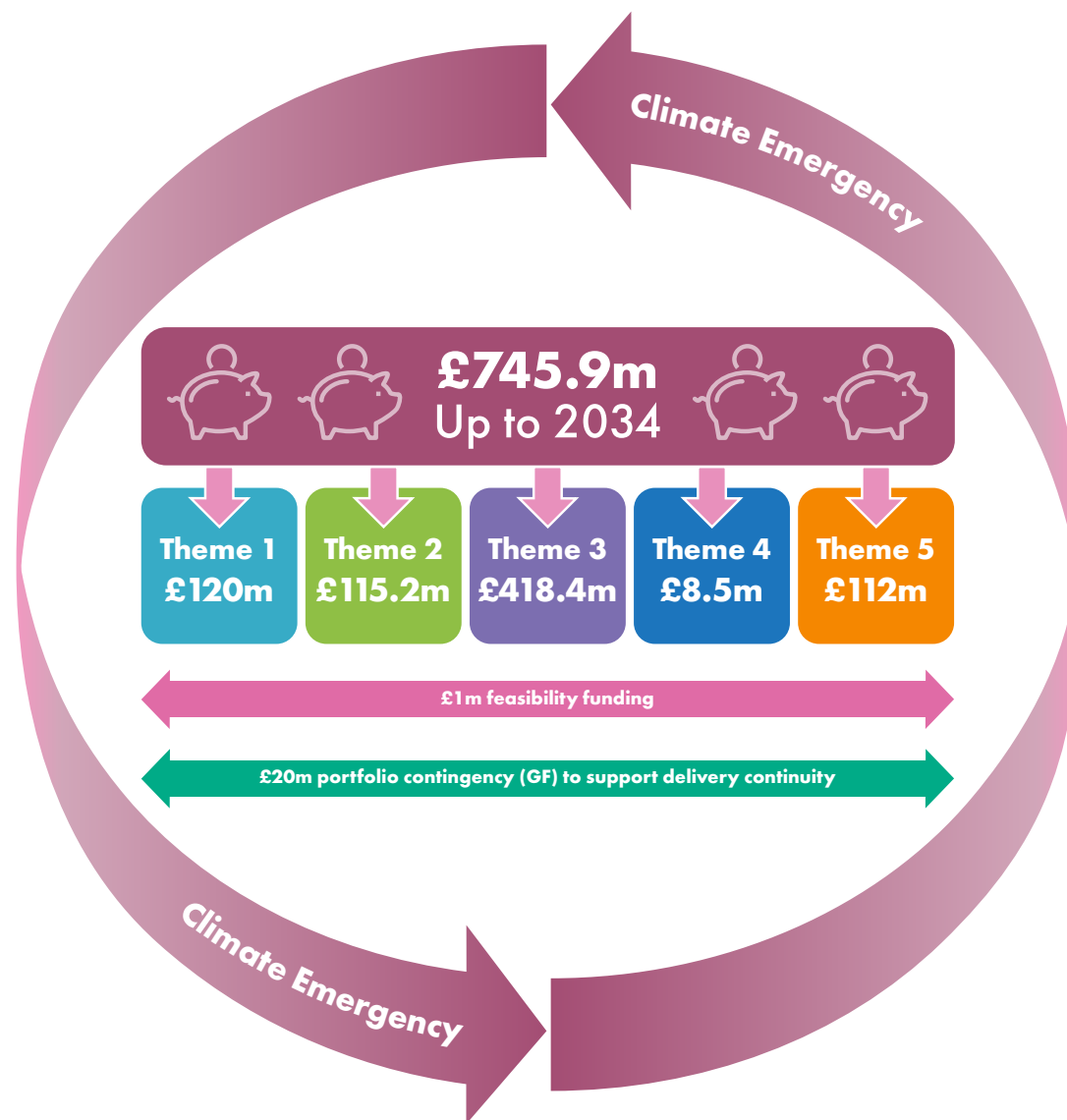


Figure 4: Infographic of the Council's overall Budget over the next 10 years (2023/24–2033/34)

THEME	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	2030/31 £000	2031/32 £000	2032/33 £000	2033/34 £000	TOTAL £000
1. On site / in contract	73,937	35,709	9,228	1,128	0	0	0	0	0	0	0	120,001
2. Deliver affordable housing / residents' priorities without putting pressure on MTFS	82,358	27,423	2,448	1,000	1,000	1,000	0	0	0	0	0	115,229
3. Statutory / legal / health & safety / essential infrastructure	39,982	52,844	40,922	33,078	34,042	34,528	35,203	35,892	36,595	37,311	38,042	418,438
4. MTFS: positive financial return / alleviating pressure	331	7,320	800	0	0	0	0	0	0	0	0	8,451
5. Externally funded	30,505	39,764	21,334	19,716	723	0	0	0	0	0	0	112,043

Feasibility works	823	151	0	0	0	0	0	0	0	0	0	974
Contingency (GF & HRA)	1,807	19,493	1,165	500	500	500	500	500	500	500	500	26,465
TOTAL	229,743	182,705	75,896	55,422	36,265	36,028	35,703	36,392	37,095	37,811	38,542	801,602
Adjustment - Sales from GF to HRA	(32,479)	(23,220)	0	0	0	0	0	0	0	0	0	(55,699)
CAPITAL PROGRAMME EXCL. SALES FROM GF TO HRA	197,264	159,485	75,896	55,422	36,265	36,028	35,703	36,392	37,095	37,811	38,542	745,903

Table 5: Capital Budget to 2033/34 by Capital Prioritisation indicators

The Capital Prioritisation Framework has been designed to ensure that all the Council's £745.9 million capital investment up to 2033/34 delivers the priorities established in Mission Waltham Forest. We also leverage our investment to create social value, such as employment opportunities for local people, community investment funds and more.

To support the Council's cross-cutting response to tackling the Climate Emergency, a £4 million fund has been established to support the development of innovative projects to respond to this priority. Additionally, over the next 10 years c.£50 million out of the total HRA planned investment will support the decarbonisation and energy efficiency of our housing stock through installation of green technologies, such as air source heat pumps and energy efficiency improvements. Housing is recognised to be responsible for 46% of the borough's overall CO2 emissions.

Over the course of the strategy £26.6 million (£20 million GF and £6.5 million HRA) is held as contingency as part of a robust risk management and assurance strategy, supporting delivery of our capital investment plans. Contingency funding is prioritised for schemes in their construction phases, which are susceptible to the impact of rising inflation during construction delivery, and essential investment into our existing Council-owned estate and will only be drawn down if essential.

Table 6 sets out the annual investment sponsored by each of the Council's Directorates and Services, demonstrating where organisational accountability for delivering our Capital Investment Strategy is located across the Council. Services within the Place Directorate are responsible for delivering 93% of the total £745.9 million of planned investment.

Investment through the HRA to maintain Council-owned homes makes up £380.4 million (51%) of the overall Capital Programme. A further £176.8 million (£126.8 million HRA and £50 million GF) of our total investment is into the delivery of affordable homes, £65.9 million GF (9%) for regeneration activities, £60.5 million GF (8%) into schools and £35.7 million GF invested into infrastructure, highways, parks and Council service improvements.

The rolling nature of our Capital Investment Portfolio provides the Council with the opportunity to consider new and additional investment into programmes and projects which deliver our organisational and political objectives. As such, the exact mixture and breakdown of funding is continually reviewed to optimise the investment.

Additionally, new investments are expected to support our response to emerging priorities. Through this Capital Investment Strategy and its multi-year budget the Council confirms that 100% of its current and future investment plans relates to the Council's service delivery requirements, which include regeneration and housing delivery activity. It confirms that there are no plans to make investments solely for financial return.



Capital Programme

DIRECTORATE	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	2030/31 £000	2031/32 £000	2032/33 £000	2033/34 £000	TOTAL £000
STRONGER COMMUNITIES DIRECTORATE												
ICT	6,571	5	0	0	0	0	0	0	0	0	0	6,576
COMMUNITIES	592	220	0	0	0	0	0	0	0	0	0	812
sub-total	7,164	225	0	0	0	0	0	0	0	0	0	7,389
PEOPLE DIRECTORATE												
ADULT SOCIAL CARE	171	0	0	0	0	0	0	0	0	0	0	171
sub-total	171	0	0	0	0	0	0	0	0	0	0	171
NEIGHBOURHOODS AND ENVIRONMENT DIRECTORATE												
NEIGHBOURHOODS	13,434	5,675	600	600	723	0	0	0	0	0	0	21,032
CLIMATE EMERGENCY FUNDING	1,547	1,000	1,448	0	0	0	0	0	0	0	0	3,995
sub-total	14,981	6,675	2,048	600	723	0	0	0	0	0	0	25,027
PLACE DIRECTORATE												
REGENERATION, PLANNING AND DELIVERY	7,704	18,281	9,570	348	0	0	0	0	0	0	0	35,903
PROPERTY AND DELIVERY	35,924	34,982	13,729	176	176	0	0	0	0	0	0	84,987
SCHOOLS PROGRAMME	13,837	16,718	11,164	18,768	0	0	0	0	0	0	0	60,486
HOUSING DELIVERY/ OPERATIONS (GF)	7,511	2,203	0	0	0	0	0	0	0	0	0	9,714
HOUSING DELIVERY/OTHER (HRA)	50,131	56,841	6,754	2,628	1,500	1,500	500	500	500	500	500	121,854
HOUSING ASSETS (HRA)	91,978	27,786	31,966	32,902	33,866	34,528	35,203	35,892	36,595	37,311	38,042	436,069
sub-total	207,085	156,812	73,183	54,822	35,542	36,028	35,703	36,392	37,095	37,811	38,542	749,015
CONTINGENCY												
CONTINGENCY (GF)	342	18,993	665	0	0	0	0	0	0	0	0	20,000
sub-total	342	18,993	665	0	0	0	0	0	0	0	0	20,000
TOTAL CAPITAL PROGRAMME	229,743	182,705	75,896	55,422	36,265	36,028	35,703	36,392	37,095	37,811	38,542	801,602
Adjustment - Sales from GF to HRA	(32,479)	(23,220)	0	0	0	0	0	0	0	0	0	(55,699)
CAPITAL PROGRAMME EXCL. SALES FROM GF TO HRA	197,264	159,485	75,896	55,422	36,265	36,028	35,703	36,392	37,095	37,811	38,542	745,903

Table 6: Capital Budget to 2033/34 by Directorate and Service Area

5.2

The future delivery pipeline

The Waltham Forest Local Plan sets out a spatial strategy vision, strategic objectives and a planning policy framework for development in the borough until 2035.

It positively plans for inclusive and sustainable growth to meet the borough's needs for new homes, jobs and infrastructure, whilst also:

- securing high-quality exemplar design
- protecting and enhancing the character of local areas
- providing new and improved green spaces and public realm for all residents
- responding to the Climate Emergency
- improving air quality
- significantly reducing surface water flood risk
- creating safer spaces and reducing fear of crime
- maximising the number of local jobs and employment space
- delivering a whole range of community infrastructure, including health facilities, a new hospital, public transport/station improvements, facilities for young people and new cultural amenities

The spatial strategy plans for the delivery of 27,000 new homes and 52,000 sqm of employment space. This will include the development of new high-quality, genuinely affordable homes.

The emerging new Local Plan is in two parts:

- **Waltham Forest Local Plan Part 1 (Spatial Strategy and Planning Policies)**
- **Waltham Forest Local Plan Part 2 (Site Allocations)**

Part 1 of the Local Plan has undergone independent examination by the Planning Inspectorate and will be adopted, subject to Cabinet and Council approval, in February 2024.

Part 2 of the Local Plan identifies sites where this planned growth may be delivered and sets our expectations for delivery, including quality of design. It will undergo further public consultation during 2024 before being submitted for its own independent examination.

In addition, a suite of Supplementary Planning Documents (SPDs) to support the implementation of the Local Plan and provide further guidance on its spatial strategy and planning policies for key priorities such as green spaces, design quality and sustainability, Developer Contributions and the Leyton strategic location will also be refined and further consulted on in 2024.

Supplementary Planning Documents (SPDs) support the Local Plan by providing additional advice and guidance about how adopted planning policies will be applied on topics or in specific areas of the borough. SPDs provide the vision and framework for key themes critical to our vision for inclusive growth across the borough such as green spaces and places, industrial sites, Developer Contributions and for priority growth areas such as Leyton Mills.

Infrastructure Delivery Plan

The Council's **Infrastructure Delivery Plan** is an essential document to support the successful implementation of the Local Plan. It ensures that planned and inclusive growth is supported by the delivery of the infrastructure needed, in the right places at the right time. This includes physical infrastructure such as transport, waste, and energy supply, but also social facilities such as schools, healthcare, culture and green and blue infrastructure such as sport pitches, playgrounds, parks, forest, river, wetlands and reservoirs.

It sets out the likely funding required to deliver the infrastructure needed, funding responsibilities and funding gaps which may require addressing. A key component of the Infrastructure Delivery Plan is the Infrastructure Delivery Schedule which sets out the key projects required to support the borough's sustainable, inclusive growth to 2035.



Master planning and exemplar design

Exemplar design

A priority for the Council is ensuring that the development coming forward is of the highest quality and has a lasting and positive legacy for our residents and communities. In addition to high-quality design and build, Waltham Forest's approach to exemplar design considers human, social, environmental, and financial value across the whole of the development cycle to ensure happy and healthy lives in new developments.

This principle will be a key component of Mission Waltham Forest and as such applied across our future capital investment plans.



Area Frameworks

To support the implementation of both our Local Plan and Mission Waltham Forest, the Council has developed Area Frameworks which provide the local level context for growth and investment in the borough's key neighbourhoods. Extensive and continued engagement with residents has ensured that local priorities have fed into the development of each area plan.



Chingford Mount Town Centre Framework

The Chingford Mount Town Centre Framework is helping to realise continued investment and improvements in Chingford Mount town centre over the next 15 years. The Framework sets out the potential to deliver up to 190 new homes, improved community, health and social infrastructure, upgraded leisure, parks and green spaces, more accessible public realm in the heart of Chingford Mount (Albert Crescent) and new and upgraded workspaces. These improvements will help Chingford Mount to realise its potential as a thriving and attractive town centre. The Framework has provided the basis for the Council securing £8.43 million from the Government's Levelling Up Fund for delivering enhancements over the next two years to the public realm of Chingford Mount and Highams Park town centres, as well as parks and open space improvements to Chase Lane, Memorial and Rolls Parks and Chingford Rugby Club. These improvements will help boost the town centre economy, improve community safety and cohesion, as well as contribute to positive health and wellbeing outcomes.



South Leytonstone Area Framework

The Area Framework for South Leytonstone sets out the programme for investment and improvement in Cann Hall and Cathall wards and the area’s integration with Leytonstone and Leyton town centres and Queen Elizabeth Olympic Park. This includes maximising the impact of the transformation of Leyton Underground Station, the continued commitment to regenerate Avenue Road, enhancements to parks and public spaces, improved walking and cycling connectivity, optimisation of Council and wider public sector assets and investment in the High Road and range of offer for the community.



Leytonstone Area Framework

The Leytonstone Area Framework focuses on a programme of investment in one of the borough’s main town centres, with the delivery of up to 1,600 new homes over the coming 15 years, alongside improvements to the High Road, continued expansion and diversification of the town centre offer, public realm and green link enhancements. It also looks to invest in community and heritage infrastructure and more active retail frontages along the High Road to improve walkability and vitality of the town centre.



Walthamstow Cultural Quarter and Development Framework

Walthamstow is the borough’s cultural and civic heart and main town centre. The Council has secured £17.2 million from the Government’s Levelling Up Fund to deliver a programme of investment over the next two years in Cultural Spaces, transforming the public realm in the High Street, Hoe Street and St James Street integrating with enhancements to key Cultural Hubs at Vestry House Museum, Hatherley Mews and Chestnuts House. This programme complements the completion and launch of Soho Theatre Walthamstow which will be the centrepiece of the borough’s new Cultural Quarter. Cultural investment will complement the development of University of Portsmouth’s campus and offer, as it builds up to support a cohort of over 4,000 students by the end of the decade. Major investment is already underway at 17&Central/The Mall, including facilitation of a new step-free access entrance to Walthamstow Central Station, as well as the phased mixed-use regeneration of St James Quarter, delivering hundreds of new homes, health facilities, retail and commercial space. Longer-term opportunities for the town centre’s growth are set out in the Development Framework, supporting continued investment along the extent of the High Street.





Lea Bridge Area Framework

The Lea Bridge Area Framework continues to guide major regeneration and investment plans in one of the borough's key growth areas. This includes phased mixed-use regeneration around Lea Bridge station, a programme of enhancements and intensification to the borough's largest and most diverse industrial area and a programme of improvement projects designed to create a fairer and more equal neighbourhood that realises the local benefits from new development. Improvement projects are underway such as at Markhouse Corner and Perth Road which incorporate enhancements to the public realm, climate adaptation initiatives and new play space, continuing investment at Lea Bridge Library and plans for further community infrastructure.



Leyton Mills

The Leyton Mills strategic location offers the borough's most significant inclusive growth and green investment opportunity. The Corporation of London's ambition to relocate New Spitalfields Market presents a unique opportunity to create a transformative new green mixed-use neighbourhood on the site and surrounding area to the south and west of Leyton Town Centre. The Leyton Mills Development Framework completed in January 2022 established the best balance of development and land uses on the key sites to benefit current and future residents and businesses. It sets out culture-led, coherent, high-quality masterplanning approach building confidence in Leyton's future with plans for new homes, commercial and cultural floorspace, industrial floorspace and new job opportunities. The framework aligns with current and planned investment around Leyton Town Centre, including Coronation Square and the transformation of Leyton Underground Station. The framework is now being developed into an SPD to give it weight in planning terms. This is being prepared jointly with the London Legacy Development Corporation (LLDC) to aid in the transition of planning powers in the area back to the borough in late 2024.



Blackhorse Strategic Industrial Location (SIL)

The Blackhorse Strategic Industrial Location Masterplan Framework was completed in collaboration with the Greater London Authority (GLA), landowners and businesses and signed off by the GLA in June 2022. It takes a strategic approach to planning for inclusive growth in the area and ensures that the borough can maintain industrial capacity and provide much improved workspaces in the most appropriate locations, whilst also delivering much-needed new homes, public open spaces and supporting infrastructure. The Masterplan Framework helps ensure there is a coordinated approach to industrial intensification and future growth in the area and is fully integrated into the Local Plan's wider spatial vision for industrial capacity across the borough. The Framework sets out a vision and spatial principles to guide the evolution of the area, promoting an industry-first approach and introducing other uses to create a vibrant mixed-use neighbourhood. In 2023 hybrid (part outline, part detailed) planning consent was granted for the regeneration of Uplands Business Park. These long-term plans aim to bring forward up to 1,800 new homes and re-provide 18,000sqm of high-quality industrial space, significant new publicly accessible green open space, community infrastructure and a mix of other uses including restaurants, cafes and shops.



Property Transformation Strategy and Strategic Asset Management Plan

The Council's **Property Transformation Strategy** is the Council's Asset Management Plan. The strategy underpins the Capital Investment Strategy by setting the direction of the Council's portfolio of assets over the medium term.

The strategy sets out the two broad business outcomes for the Council:

1. **Service transformation:** Recognising the role and opportunity the Council's land and property provide to support the Council's service transformation ambitions.
2. **Economic Growth and Resilience:** How the property portfolio will be optimised to support the borough's vision for economic growth and establishes how these priorities will be delivered throughout the property life cycle.

The Strategic Asset Management Plan (SAMP):

The **SAMP** is a detailed companion document to the Property Transformation Strategy and establishes the Council's approach to the management of its property portfolio. The aim of the SAMP is to build upon the principles set out within the Property Transformation Strategy (PTS) and to establish a plan for the use of the Council's Property Assets to contribute to the delivery of its business outcomes and economic growth priorities.

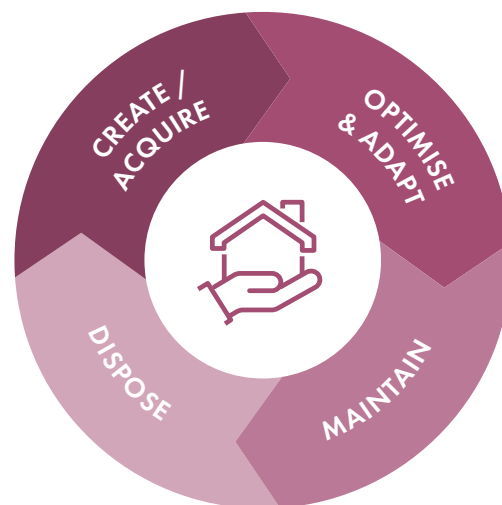


Figure 7: Objectives of Property Transformation Strategy and Property Life Cycle

The future delivery pipeline of Council-owned sites

Supporting the future delivery of the Local Plan, the Council has also established a pipeline of sites which could be released for the delivery of new and affordable homes or to support other local growth aspirations. The development of the Council-owned pipeline is managed via the Council's Strategic Land Delivery Board. This board's purpose is to identify appropriate delivery routes and funding mechanisms in addition to cross-Council working on unlocking barriers stalling development. Many of the sites managed via the board are identified for growth in the draft Site Allocations document.



5.3 Portfolio delivery

To implement the Capital Prioritisation Framework the Council has undertaken a robust, cross-portfolio review of its entire Capital Investment Portfolio. This review has seen a project level review of the entire portfolio to ensure it only progresses schemes which meet the indicators established within the Prioritisation Framework.

Detailed analysis has considered how schemes deliver the resident priorities established in Mission Waltham Forest, capacity to deliver schemes within the Council's overall GF and HRA budgets, external funding secured, the current delivery stage of schemes, external risks from economic conditions such as rising costs of capital borrowing, scheme viability and the overall risk to the Council.

Sections 5A-5E provides delivery updates on our strategic priority projects and programmes which meet Capital Prioritisation indicators and as such continue to be delivered within the Capital Investment Portfolio. It provides commentary on our delivery successes during the 2023/24 financial year and future plans. The Council recognises the important role our capital investment plays in long-term economic resilience and achieving Mission Waltham Forest.

Section 5F sets out significant partner-led schemes the Council is closely supporting delivery of, given the significant benefits to residents these schemes deliver.

Additionally, **Sections 5G** and **5H** highlight a number of schemes the Council has previously planned to progress into delivery stages but at present do not meet Capital Prioritisation indicators. These projects remain strategic priorities for the Council and as such, form part of a pipeline of priority projects for future delivery in improved economic conditions, subject to deliverability and affordability parameters being met.

Despite significant challenges facing the construction industry, a number of the Council's key capital investment projects were successfully completed during 2023/24, as well as significant milestones reached on other schemes, which will be transformational for the borough.



Achievements in 2023/24 



Lea Bridge Library gardens opens

Coroner's Court & Lodge renovation completed

Central Parade completed

Leyton Green Partnership completed 47 new homes

Families and Homes Hub 'topped out'




Coronation Square built 107 homes 



Juniper House completed



Fellowship Square Sensory and Commemorative Gardens completed (Dec 2023/Jan 2024) 




£39 million Levelling Up Funding secured

Willowfield School expansion started on site

High Needs Centre and Family Resilience Centre started on site



Kelmscott School 2FE expansion completed 



Acquisition of 197 homes at Osier Way as part of the Refugee Housing Programme 

In January 2023, the Government announced two Levelling Up Fund bids from the Council were successful, followed by a further award of infrastructure funding in March 2023. Waltham Forest received the highest amount of funding from the Department for Levelling Up, Housing and Communities (DLUHC) of any London borough, with approximately £39 million awarded in total to projects in Walthamstow, Chingford Mount and Higham's Park and Leyton Underground Station.

In Spring 2023 the Council celebrated the opening of **Lea Bridge Library Gardens**. The gardens provide a sanctuary for local residents and wildlife with spaces to play and relax, enhancing the multi award-winning renovated community and library facilities already in active use.



Figure 8: Lea Bridge Library Gardens: People's Pavilion 2023
Photo © Luke O'Donovan

In June 2023, the Council completed the direct delivery of 21 new affordable homes and commercial space within the existing **Central Parade** Estate near Walthamstow High Street. This project successfully refurbished an unused space into two new four-bedroom family homes for social rent and transformed a rundown garage site into 19 affordable homes plus commercial space. The development is 100% affordable due to a successful funding bid from the GLA's Affordable Housing Programme.



Figure 9: Finished homes at Central Parade, Walthamstow

The final phase of the **Leyton Green Partnership Project** – which included the extension of Belmont Park Special School – was also completed in June 2023 with the delivery of 47 new homes. The sale of these homes (which include 17 shared ownership homes) will part fund the Leyton Green Short Breaks Centre previously delivered in 2020, providing respite care for young people with mild to severe disabilities and learning difficulties.



Figure 10: New homes delivered as part of the Leyton Green Partnership Project

June 2023 also saw the **Families and Homes Hub** ‘topped out’ as the frame and roof to the 11th floor of the building were completed, marking a major milestone in its construction. Significant progress has also taken place at **Soho Theatre Walthamstow** this year, with the building being removed from Historic England’s ‘At Risk’ register and the Theatres Trust’s ‘At Risk’ list.

As part of the **Schools Investment Programme**, the construction of a new two-storey teaching block and activity studio extension at Willowfield School started on site during Summer 2023, as well as works to construct a new High Needs Centre and Family Resilience Centre in Leytonstone. Phase 2 of the Kelmscott School 2FE expansion – including a new classroom and Social Inclusion Unit – was completed in Autumn 2023.

In October 2023, the Council completed its largest direct delivery project to date – **Juniper House** – and the first residents moved into their new homes in the scheme. A further 107 homes were also completed at **Coronation Square** this year, including 65 for shared ownership.



Figure 11: Exterior of completed Juniper House/Skyline development

Delivery at **Fellowship Square**, which received a further two awards^[1] in 2023, has continued at pace this year: a sensory garden for people with autism and dementia was opened and the new commemorative garden completed, along with improvements to Chestnuts Field and major progress on the first block of new homes.



Figure 12: Construction of the new gardens at the rear of Fellowship Square

2023 also saw the completion of the extensive renovation and upgrade of the **Coroner’s Court and Lodge** at Queen’s Road, addressing structural issues and providing crucial spatial reconfiguration and technical upgrades. Significant progress was also made on the renovation of **Walthamstow Public Mortuary**, which is due to be completed in Spring 2024.

The strategic acquisition by the HRA of 197 new, high-quality residential units at Osier Way in Leyton, as part of the **Refugee Housing Programme**, together with the acquisition of further homes completed by the Council at the Leyton Green Partnership project, Juniper House and the Jazz Yard (developed by the Council’s housing company, Sixty Bricks), has significantly increased the number of high-quality affordable homes available to residents in the borough.



Figure 13: Computer-generated image (CGI) of new homes at Osier Way

^[1] RIBA East London Regional Award 2023, Civic Trust Awards 2023

Mission Waltham Forest: How our strategic projects deliver our Missions

Our strategic projects (not an exhaustive list)

Project	Borough Missions					Council Missions				
	Ensure every family and every child are given every opportunity	Build an economy that works for everyone	Make Waltham Forest a great place to live and age well	Tackle the housing crisis head on	Lead the way for a net-zero borough	Safe, green neighbourhoods where everyone can thrive	A focus on services designed around residents	A preventative approach for stronger communities	An inclusive workforce that reflects our community	A firm financial footing
Fellowship Square (Phase 2)	✓	✓		✓		✓				
Coronation Square	✓	✓		✓		✓				
Soho Theatre Walthamstow	✓	✓	✓							
Juniper House / Skyline	✓			✓	✓	✓				
Enterprise Resource Planning (ERP)							✓			✓
Families and Homes Hub (Sunflower House)	✓			✓		✓	✓	✓		
Refugee Housing Programme	✓			✓				✓		
Marlowe Road Regeneration	✓		✓	✓	✓	✓				
Lea Bridge Station Sites				✓	✓					
Low Hall Depot					✓		✓			
Housing Asset Services	✓	✓	✓	✓	✓	✓		✓		
Developing new Health Hubs			✓				✓	✓		
Chingford Mount Crematorium		✓					✓			
Coroner's Court refurbishment and Walthamstow Public Mortuary development		✓					✓			✓
Schools Investment Programme	✓				✓			✓		
Sustainable Transport Programme	✓				✓	✓				
Levelling Up Fund Programme	✓	✓	✓		✓	✓				
Leyton Underground Station		✓				✓				
University of Portsmouth London Campus	✓	✓								
17&Central (The Mall) and Walthamstow Central		✓		✓		✓				

Figure 14: Chart demonstrating how all of our strategic capital investment plans are contributing to the delivery of Mission Waltham Forest



5a

SCHEMES IN DELIVERY

The following section of the strategy sets out the key projects within the capital programme that are currently in delivery stage and have therefore been prioritised for continued investment. The Council has committed over £120 million of investment to ensure the delivery of these schemes, recognising the significant benefits the completed projects will deliver for residents and the contributions they will make towards delivery of our Mission Waltham Forest objectives.

Fellowship Square (Phase 2)

📍 Walthamstow



Completion: **Winter 2025**

Fellowship Square is a once-in-a-lifetime opportunity to create a vibrant, new cultural neighbourhood in the heart of the borough, whilst protecting our cherished historic buildings.



Delivery of physical & social benefits



c.575 new homes, including 152 shared ownership and 114 affordable rent



c.377 local construction and supply chain jobs to be created (with 92 jobs already achieved)



c.41 apprenticeships and 115 work placements for local people



154 new trees to be planted



12,515 tonnes CO2 carbon reduction committed through social value contracts



Up to £18 million social value payments committed



Potential £60 million GVA of social and economic return on investment

It is an exemplar of how the Council is using its assets to create high-quality new community spaces and drive local regeneration and growth. The redevelopment has already paved the way for better public spaces for everyone to enjoy and continues to be recognised nationally, having secured a further two awards in 2023*.

Despite the challenging economic conditions affecting construction and housebuilding, project delivery has continued at pace with the Council's Development Partner, Countryside Partnerships, scheduled to open the first new homes at Fellowship Square – prioritised for Waltham Forest residents – in Summer 2024.

* RIBA East London Regional Award 2023, Civic Trust Awards 2023



Figure 16: CGI of Henry Moore's The Arch (installation subject to planning)

Delivery in 2023/24



- ✓ A sensory garden for people with Autism and Dementia opened Winter 2023

- ✓ A new Sustainable Urban Drainage Wetlands created in Chestnuts Field, mitigating flood risk and increasing biodiversity

- ✓ A new all-weather footpath from the Feel Good Centre to the Town Hall was completed Winter 2023

- ✓ New and improved pedestrian and cycle access to Fellowship Square from Forest Road

- ✓ Essential utilities works across the site including new water, electricity and gas routes to serve new homes

- ✓ New commemorative garden completed, built on the site of a former car park.

Plans for 2024/25–2033/34

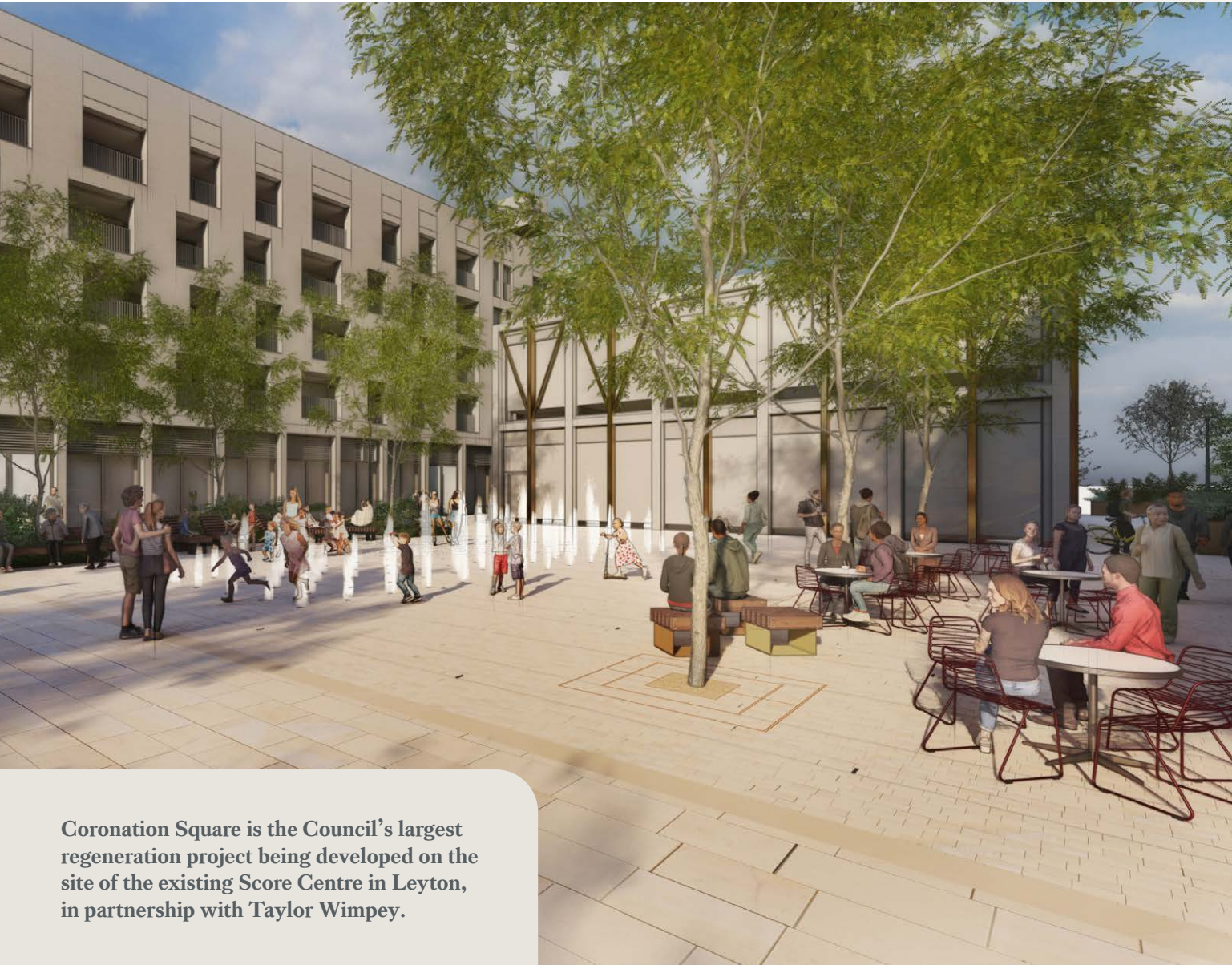


- **Spring 2024**
 - Official opening of the sensory and commemorative garden
 - Willow House planning application for 130+ new homes to be submitted

- **Summer 2024**
 - First new homes to complete
 - Further Chestnuts Field public realm improvements
 - Construction of Civic Building to commence

- **Summer 2025**
 - Civic Building to open
 - Final Chestnuts Field improvements complete

- **Winter 2025**
 - New homes to complete

Completion: **Autumn 2027**

Coronation Square is the Council's largest regeneration project being developed on the site of the existing Score Centre in Leyton, in partnership with Taylor Wimpey.

Delivery of physical & social benefits



750 new homes, including 272 shared ownership and 86 affordable rent



250 local construction and supply chain jobs and an additional 686 supply chain jobs to be created



9,295sqm new community / culture floorspace, and 1,762sqm new commercial floorspace



4.9% carbon reduction



New Market Square to be designed around cultural activities



200 additional new trees planted



Potential £54 million GVA of social and economic return on investment



1,390 new cycle storage spaces created, 357 delivered so far



14 additional electric vehicle charging points

The scheme will create a new neighbourhood in Leyton, including:

- 750 new homes (50% affordable)
- New commercial facilities around a new public square
- Reprovision of the sports, nursery, and community facilities at the existing Score Centre
- A new health hub
- A new District Heating Network with capacity to serve the development and an additional 1,500 new homes close to the site

Following completion of the first residential block in December 2022 (which is now fully occupied), a further 107 new homes were completed in 2023, including 65 for shared ownership.



Figure 18: CGI of Coronation Square market place, opening 2025

Delivery in 2023/24



- ✓ 107 new homes completed
- ✓ 42 steel roof trusses installed to complete the sport and leisure centre roof structure
- ✓ Nursery and sports and leisure centre internal fitouts commenced
- ✓ Market Hall frame complete
- ✓ District Heating Network plant installed

Plans for 2024/25–2033/34



- **Summer 2024**
 - Sport & leisure centre and nursery completion
- **Winter 2024**
 - Block C & D residential completions
- **Spring 2025**
 - Market Square and Block D & E2 commercial units opening
- **2025**
 - Market Hall opening
- **Spring 2026**
 - Health hub opening
- **Winter 2026**
 - Block A & B residential completions
- **Autumn 2027**
 - Block E1 commercial units opening



Completion: Late 2024

Soho Theatre Walthamstow sees the refurbishment of the former EMD Cinema, a Grade II* listed Building in Hoe Street, Walthamstow.



Delivery of physical & social benefits



970 seat refurbished live entertainment theatre with national profiling



Enhanced leisure and night-time economy including community and educational suite, bar and restaurant



Improvements to local public realm



73 local construction jobs and supply chain jobs delivered



425 tonnes CO2 carbon reduction committed through social value contracts



£6.7 million social value delivered, £4.5 million more than anticipated



Between £46 million - £60 million growth to local economy within 10 years

The new 970-seat local theatre with a national profile will be complemented by additional space for community and educational use, as well as a bar and restaurant, transforming Walthamstow Town Centre and its night-time economy.

The theatre opening is planned for 2025 and will be the centrepiece of a new Cultural Quarter in Walthamstow. Once work is finished, the venue's doors will open for a series of soft launch activities for residents across Waltham Forest, including tours, test activities and performances.

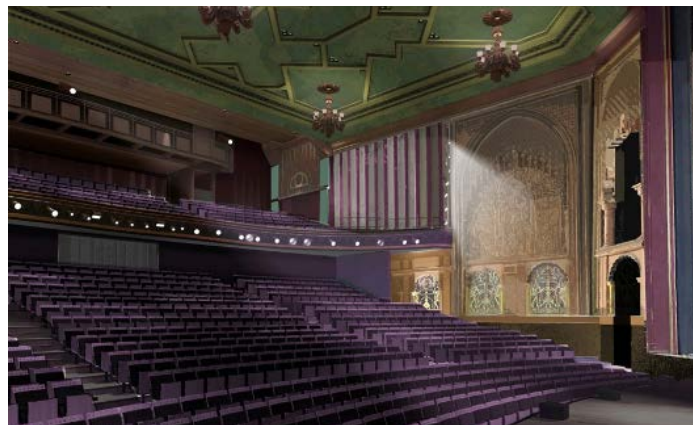


Figure 20 and 21: CGIs of finished theatre

Delivery in 2023/24



- ✓ Removal from Historic England's Buildings 'At Risk' register
- ✓ Removal from Theatres Trust's Theatres 'At Risk' list
- ✓ Restoration of historic finishes
- ✓ New-build circulation wings and back of house fly tower and technical areas completed
- ✓ Shell and core construction to commercial units completed
- ✓ Commercial unit let to a food and beverage outlet

Plans for 2024/25-2033/34



- 2024
 - Construction complete
 - Letting of remaining commercial units
 - Test events and community programme - from Autumn 2024
- 2025
 - Full performance schedule launched

Juniper House / Skyline

📍 Walthamstow

Juniper House (now called Skyline) has seen the transformation of former Council offices into a flagship residential-led development for the borough. The newly completed development comprises 91 high-quality homes, 50% of which are affordable, including three- and four-bedroom properties for local families.



Completion: **Summer 2023**

Delivery of physical & social benefits



91 new homes built, with 18 shared ownership and 23 social affordable rent



c.10 local construction and supply chain jobs, and c.14 apprenticeships delivered



Exemplar response to Climate Emergency built to net carbon zero standards



Boiler-free development using air source heat pumps



Landscape and planting scheme throughout development



£500k social and economic value delivered



Potential £16.9 million GVA of social and economic return on investment

Additionally, commercial space on the ground floor will be occupied by University of Portsmouth, acting as the launch pad for the borough's first higher education offer. The Juniper House Campus will open in Spring 2024, allowing for the first student cohort of approximately 150 international postgraduate students to enrol, commencing long term plans to create a higher education campus for 4,000 students in the borough.

Completed in October 2023, the development has been delivered to an exemplary standard of architectural design and is also carbon neutral through the use of air source heat pumps.



Figures 23 and 24: Interiors of a flat at Skyline

Delivery in 2023/24



- ✓ Residents moved into their new homes from September 2023
- ✓ Nursery building and external landscaping completed in October 2023.

Plans for 2024/25–2033/34



- **Spring 2024**
 - University of Portsmouth move into the building
 - Hoe Street business spaces interiors to be completed
- **Summer 2024**
 - Nursery interiors to be completed, when a service provider is confirmed

5.8

Enterprise Resource Planning (ERP) Programme

📍 Borough-wide

The Council has successfully transferred key Human Resources (HR), payroll, finance, customer support and employee analytics services onto Oracle Fusion Cloud, which launched in September 2023.

The adoption of Oracle has modernised the Council's finance, HR, procurement, customer support and expense systems. By automating, standardising and integrating business processes across different functions, the move will increase productivity and reduce costs at a time when there has never been greater pressure on the Council's resources. It will also allow the Council to evolve to meet the demands of the business and continue to deliver high-quality services to its residents.

Delivery in 2023/24



- ✓ Phase 1: Introduction of MyBudget, a new budgeting and financial forecasting tool in Spring 2023.
- ✓ Phase 2: Finance, Procurement, and HR & Payroll modules went live, completing in Winter 2023.

Plans for 2024/25–2033/34



- Phase 3 of the Programme is currently in-progress and will deliver six new modules for the Council, including a new recruitment system, new talent management functionality, and a new training/learning platform, all hosted in ERP.

Families and Homes Hub (Sunflower House)

📍 Wood Street

The Hub, which will be known as Sunflower House, will provide Waltham Forest residents with access to housing solutions advice, as well as some Youth Offending Services (YOS) and social care appointments in a safe and welcoming environment. The main 'shell and core' of the building is nearing completion and the design of the internal fit-out is underway. The Council will be procuring a fit-out contractor to complete the internal works in Spring 2024.

The residential element of Sunflower House started in 2022 and is expected to be completed in Summer 2024. The entire Hub should be completed by early 2025.



Figure 25: Construction works at the Families and Homes Hub (Sunflower House)

📅 Completion: **Summer 2024**

Delivery in 2023/24



- ✓ Continued construction of the building, which 'topped out' in June 2023
- ✓ Sales agent for shared ownership homes appointed
- ✓ Hub fit out design completed early 2024
- ✓ Procurement of fit out contractor Spring 2024

Plans for 2024/25 – 2033/34



- **Summer 2024**
 - Handover of Hub to shell and core
 - Completion of the residential units
 - First residents move in
- **Early 2025**
 - Families and Homes Hub opens

Delivery of physical & social benefits



67 affordable homes to be built, 29 social affordable rent and 38 shared ownership



c.73 local construction and supply chain jobs, three apprenticeships and five work placements for local people to be created



New modern, fit-for-purpose facility providing both families and housing services



£2.28 million committed social and economic value



58% carbon reduction



A new cycle path created



Sustainable scheme using air source heat pumps



Nearly 100sqm of solar electricity panels



5b

ENSURING WE CONTINUE TO DELIVER AFFORDABLE HOMES AND RESIDENT PRIORITIES WITHOUT PUTTING PRESSURE ON THE COUNCIL'S MTFS

As part of responding to the Housing Crisis the Council remains committed to the delivery of new and affordable homes, recognising the important part that having a good quality home plays in ensuring an equal borough for everyone. We also need to continue to respond to other strategic priorities that protect our long-term future, including our response to the Climate Emergency. £115.2 million of funding will support the delivery of new homes over the next 10 years.



Completion: 2026

In August 2023, the Greater London Authority (GLA) confirmed that the Council had been successful in securing funding from its Refugee Housing Programme to support the acquisition of 117 homes on a new development at Osier Way in Leyton. These homes are for refugees in housing need who arrived in the UK via specified Ukrainian and Afghan resettlement schemes, and forms part of the work the Council is doing as a Borough of Sanctuary.

A further 80 homes in the development have also been purchased by the Council and are being sold on the open market as shared ownership, with priority going to those who live and/or work in Waltham Forest.

Delivery in 2023/24



- ✓ Purchase of 117 homes for refugees and 80 homes for shared ownership

- ✓ Matching of eligible refugees in the borough – November 2023

- ✓ Refugee households moved into new homes on three-year fixed-term tenancies – January 2024

- ✓ Sales of 80 shared ownership homes launched – January 2024

Delivery of physical & social benefits



197 new, high-quality residential units acquired; 117 homes are for refugees in housing need and 80 homes will be shared ownership



£17.8 million funding secured from the Department for Levelling Up, Housing and Communities

Plans for 2024/25–2033/34



- 2024
 - Work to identify and house eligible refugee households will continue, with the aim of having all 117 homes occupied by the end of 2024

- April 2025
 - Target date for all shared ownership homes to be reserved

Completion: **Winter 2022**

All five Phase 1 Sixty Bricks housing developments are now complete, having delivered 299 homes, of which 74% (222 units) are affordable and over 85% (188 units) are for social rent. Residents report high levels of satisfaction with their new homes.

In June 2023 the Council agreed to purchase an additional 13 homes in the Jazz Yard development for shared ownership, increasing the provision of high-quality affordable homes prioritised to those people already living and working in the borough who are unable to afford to buy private sale homes.

In November 2022, Cabinet approved a budget for development and investment activities in relation to five priority Phase 2 schemes over the period 2022/23–2027/28. Due to the continued impact of inflation and challenging economic conditions Sixty Bricks, in partnership with the Council, have made strategic decisions to either temporarily pause or reprogramme Phase 2 schemes to ensure viability and ensure we maximise the delivery of affordable housing, which is a priority for the company.



Figure 27: New homes at the Jazz Yard development, South Grove

However, Sixty Bricks continues to develop its pipeline of schemes. Additionally, plans are in development to diversify its delivery model, including options to secure institutional investment and support the delivery of affordable homes in ways the Council cannot do in its own right.

Delivery of physical & social benefits



Phase 1



299 new homes built by the Council's housing company, Sixty Bricks, of which 188 are for social rent and 32 shared ownership



90 local construction and supply chain jobs, 16 apprenticeships and 12 local work placements delivered for local residents



A new health centre in the Jazz Yard, St James Street



New high-quality homes for social rent at Hylands Road, including a play area, landscaped communal garden and onsite cycle stores



Centenary House – completed in 2021 including a landscaped garden, under 5s play area and footpath to Rolls Park



Sansom Road social rented homes inc. 3 fully wheelchair-accessible homes and landscaped courtyard for use by residents



A new place space and green space at Lena Kennedy, and a new play area provided at the Jazz Yard.

Marlowe Road Regeneration, Wood Street

📍 Walthamstow

📅 Completion: **Summer 2025**

The Marlowe Road regeneration scheme commenced in 2016 and has already delivered 331 mixed-tenure homes, including 47 shared ownership and 98 social rent, as well as creating a new community hub for Wood Street, which includes a Multi-Use Games Area (MUGA) and outdoor events space for the local community. All Council residents who lived in homes at the old Marlowe Estate have moved into their new homes on site.

The final phase of the scheme started on site in March 2023 and is progressing well, despite challenges arising from current market conditions. This new phase will see additional housing built, including more affordable homes, as well as a redesigned public realm and tree-lined routes through the estate that are prioritised for pedestrians and cyclists.



Figure 28: Former Marlowe Estate tenants in their new home



Figure 29: New homes at Marlowe Road

Delivery in 2023/24

- ✓ Finalised the acquisition of 47 shared ownership units in Phase 2B/3 from the Council's development partner, Countryside Partnerships – Spring 2023
- ✓ On site construction progressing to programme, with the first new Council homes in Phase 2B/3 to be completed Autumn 2024

Plans for 2024/25 – 2033/34

- **Spring 2024**
 - Extension of the district heat network to the neighbouring Stocksfield Estate
- **Autumn 2024**
 - Handover of 65 social rented homes, 47 shared ownership homes and 146 homes for private sale
- **Autumn 2025**
 - Completion of improved public realm including walkways
- **2026**
 - Completion of pipework extension from on-site energy centre to Alliston House and Holy Family School

Delivery of physical & social benefits

-  **c.589 new homes**, including 50% affordable to be built
-  **Over 100 hours of training opportunities delivered** and over £700k charitable donation
-  **Six local construction jobs and 11 apprenticeships delivered so far**
-  **New enhanced green space and public realm** - community plaza, park and play area all in use
-  **New sustainable energy centre to supply new homes**
-  **200 additional trees planted to date**
-  **Potential £31.9 million GVA of social and economic return on investment**

Lea Bridge Station Sites is made up of three parcels of land on the junction of Orient Way and Argal Way, Leyton. It is one of the Council's key strategic sites with the potential to deliver much-needed housing.

While important progress was made on the Lea Bridge Stations Sites scheme towards the end of 2022 and early 2023, market conditions have continued to have a significant impact on delivery during 2023/24. The Council remains committed to the regeneration of Lea Bridge Station Sites and will continue to work with its delivery partner, London Square, to deliver a viable scheme in line with the ambitions of the Lea Bridge Area Framework.



Completion: **Late 2027/28**

Delivery of physical & social benefits



381 homes forecast, with 140 shared ownership and 73 affordable rent



c.45 local construction and supply chain jobs, 96 apprenticeships and 30 work placements for local people to be created



Improved entrance and station court to Lea Bridge Station



c.644 additional new trees planted



BREEAM forecast as 'Excellent'



Low carbon heat network



Potential £5m social and economic value



Potential £155m GVA of social and economic return on investment



Figure 30: CGI of new neighbourhood and homes at Lea Bridge



5c

SCHEMES MEETING STATUTORY / LEGAL / HEALTH & SAFETY REQUIREMENTS

The Council has a responsibility to maintain fit-for-purpose buildings which are safe and comfortable to live in, work from and visit. Over half the Council's capital investment over the next 10 years (£418 million) will be directed towards schemes that ensure we meet our statutory, legal, and health & safety duties. A substantial proportion of our overall capital investment will deliver ongoing maintenance and improvements to the quality of the Council's existing housing stock to ensure it meets Decent Homes standards and Building Regulations (including Fire Safety) requirements.

Low Hall is a key strategic site in the Lea Bridge growth area and a Designated Borough Employment Area in the Local Plan. It is home to Low Hall Depot, the Council's main operations depot for Highways, Parking, Environment and Parks.

The depot currently has many facilities and buildings which are at the end or beyond their useful life, which presents health and safety issues, as well as challenges to the provision of high-quality statutory and other services.

The project aims to deliver:

- A fit-for-purpose depot which can support the continued delivery of high-quality services for at least 25 years.
- New infrastructure to enable the use of electric vehicles for service delivery.
- A commercial investment opportunity for new creative/maker spaces along South Access Road by reducing the footprint of the existing depot, subject to Cabinet approval of a business case demonstrating a positive ROI.



Completion: **Summer 2026**

Delivery in 2023/24



- ✓ Cabinet approval of Depot refurbishment July 2023
- ✓ Appointment of Design Team and consultants December 2023

Plans for 2024/25–2033/34



- **Spring 2024**
 - Viability assessment for new commercial facilities
 - Cabinet decision on commercial facilities business case
- **Summer 2024**
 - Planning submission
- **Autumn 2024**
 - Contractor appointment
- **Winter 2024**
 - Construction to commence
- **Summer 2026**
 - Completion



Rolling investment programme

The Council's Housing Assets, Services and Maintenance team continues to provide our residents with high-quality and safe homes, which is a key priority for the Council. As such, we are continuing to make significant investment in Council housing and sheltered accommodation.

The Council's new Housing Strategy 2024–2028, which was approved by Cabinet in January 2023, sets out the overarching goal of "improved and fairer access to high-quality and genuinely affordable homes, which provide a foundation for residents to live a happy and healthy life". Through our capital investment programme the Council has committed c. £350 million of funding over the next five years and £550 million longer term to achieve the goals established in the strategy.



Figure 31: Domestic and communal electrical works

Figures 32 and 33: Upgrades to Council-owned properties

Delivery of physical & social benefits



Good quality, safe housing in support of people's physical and mental health



Programme designed to connect local people with jobs including:

- **Green Jobs in construction** with the London Academy of Sustainable Construction
- **Careers advice** (300+ students at Willowfield School)
- **Employability and IT literacy training** (delivered through key contracts in partnership with Housing)



New bathrooms for 2,000 homes and new kitchens for 1,000 homes



Upgrades to 1,500 fire doors



Redecoration, window and roof replacements and further enhancements to 2,000 homes



Participating in green construction job fairs and wider educational programmes

Delivery in 2023/24



- ✓ 2,002 domestic electrical upgrades completed in 2023/24 and a further 1,801 by Spring 2024.
- ✓ Completed 565 central heating upgrades in 2023/24 with 260 more planned by the end of Spring 2024.
- ✓ Repairs to 60 roofs.
- ✓ Installed 450 new front entrance fire doors.
- ✓ Completed 140 kitchens and 75 bathrooms.
- ✓ Delivered green and energy efficiency measures to 140 homes via the Social Housing Decarbonisation Fund.

Plans for 2024/25–2033/34



- **Responding to Climate Emergency:** £50 million has been allocated across 10 years to match-fund grants and to invest into new energy improvements, including external wall insulation, heat pumps and new technology.
- Improvements to sheltered housing at Winters Court planned to complete in the Summer 2024 including replacement of the communal heating.
- 100 programmed roof repairs in 2024.
- The continued delivery of Social Housing Decarbonisation Fund initiatives in Southfield Court to 40 properties during 2024.
- Progressing spend of the £50m climate emergency budget projected through to 2030. Using this to match-fund for external funding applications as far as possible to maximise works achievable.
- Improving the accuracy of our energy asset data to support works targeting (worst first) and to inform on estimated cost/investment required up to 2029.
- Central heating upgrades are taking a fabric-first approach to energy efficiency and will continue with the delivery of 2,500 new boilers or central heating systems to properties, together with the replacement of communal heating systems by 2029.
- New kitchens and bathrooms; a further 3,000 properties will benefit from new bathrooms and 2,000 from new kitchens by 2029.
- House and flat improvement works across the north and south areas of the borough; delivering environmental improvements, redecoration, window and roof replacements as well as fabric and structural enhancements benefitting 3,000 properties by 2029.
- Major voids work will continue at an estimated 750 properties between 2024–2029.
- Sheltered Housing improvement works will continue with new kitchens, bathrooms, communal heating and communal facilities fitted at Downlands Court.
- Property conversions works are planned to deliver additional bedrooms to 20 priority homes by 2029.
- Domestic and communal electrical works will continue extending asset lifespans and enhancing resident safety by upgrading consumer units, installing mains smoke alarms, rewiring and renewal of lateral mains and landlord electrical systems. This programme will cover 10,000 domestic and 500 communal electrical supplies by 2029.

Developing new Health Hubs

📍 Borough-wide



Ongoing Programme

A priority for the Council is to ensure we create healthy neighbourhoods where people can access the support they need. The Council is taking the lead in delivering new health hubs as part of a number of capital schemes it directly delivers and those delivered via its housing delivery company, Sixty Bricks.

The model sees the Council develop the site, with NHS partners occupying under a long-term arrangement. The focus is to provide high-quality primary care services, tailored to local community needs. Three sites across the borough have been prioritised, with the first health hub having opened in Sunderland Road, Walthamstow in 2022.

Positive discussions are ongoing with health partners to develop plans for an additional new health and wellbeing site in Chingford.



Delivery of physical
& social benefits



Three Council-owned health hubs in areas of need



Additional GP and primary care services for local people



High-quality new facilities with flexible space fit for delivering a range of health and care services according to local need

Plans for
2024/25–2033/34



- **2024** – A new primary care health hub will open as part of the Sixty Bricks Jazz Yard development in St James Street in partnership with St James Medical Centre
- **2024** – A new primary care health facility will open as part of the Coronation Square development in Leyton. Two GP practices will take occupancy and provide services at the facility.



5d

PROTECTING COUNCIL FINANCES

With local government finances under severe pressure, it is essential that the Council's capital investment does not add any further financial pressures to Council budgets. Where possible, our investment should generate a return on investment, or support the reduction of pressures. As we look to the future, all new capital investment decisions will be made with the aim of protecting the Council's financial position.

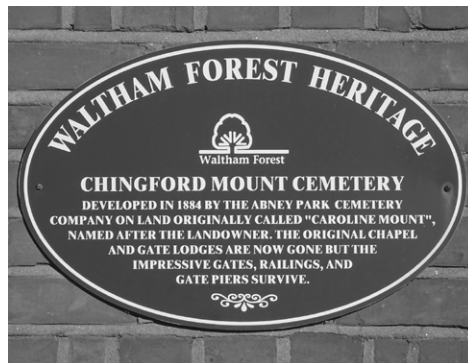
Projects identified in this section, totalling over £8 million of investment, are those focused on supporting Council finances by reducing service costs and/or generating additional income.

Chingford Mount Crematorium

📍 Chingford

The Chingford Mount Cemetery was established in 1884 and bought by the Council in 1977. Despite its size, the building and grounds now need to be upgraded to meet the needs of the growing local community. A new crematorium and adjoining chapel will also be built, providing the borough's first non-religious funeral services. Upon completion in Winter 2023 the scheme will provide:

- Easier funeral day logistics for residents, providing all necessary funeral services on one site.
- More opportunities for local businesses associated with funeral services.
- Enhanced green spaces, to provide a more tranquil and natural setting for bereaved families.
- Services provided by modern and green technologies.
- Cycle parking facilities.
- Additional revenue for the maintenance of the site.



Figures 34 and 35: Views of Chingford Mount Cemetery



Completion: Winter 2026

**Delivery in
2023/24**



- ✓ Design team appointed August 2023
- ✓ Stakeholder Engagement Strategy developed, with four drop-in sessions held to date
- ✓ Specialist and technical consultants appointed November 2023
- ✓ Stage 2 Design Report February 2024
- ✓ Planning preparation and environmental assessments by March 2024

**Delivery of physical
& social benefits**



New crematorium and adjoining chapel, providing all necessary funeral services on one site



BREEAM rating forecast to be 'Very Good' via offering on-site electric vehicle charging, bicycle storage facilities and solar panels

**Plans for
2024/25–2033/34**



- **Summer 2024**
- Planning submission
- **Spring 2025**
- Start on site
- **Winter 2026**
- Completion

Coroner's Court and Mortuary

Coroner's Court refurbishment and Walthamstow Public Mortuary development

📍 Queens Road, Walthamstow



Completion: Spring 2024



Delivery of physical & social benefits



Providing Waltham Forest with a unique and unparalleled state-of-the-art facility in Greater London



10 cycle storage spaces and four electric vehicle charging points



BREAAM rating 'Very Good'



A total of 75m² of new solar panels installed across the buildings

Phase 1 – Coroner’s Court refurbishment (newly named the East London Forensic Centre)

Completed in April 2023, the Coroner’s Court and Lodge in Queens Road has been fully renovated to boost the building’s capacity to:

- Accommodate an additional court, new first floor and Coroner’s office extension
- Address structural and condition issues in the locally listed lodge and existing coroner’s building
- Provide crucial ICT investment for the court’s digitisation, as well as upgraded utilities, intruder and fire alarm systems
- Reconfigure the layout to create courtrooms that are spacious and well lit

Phase 2 – Mortuary New Build

The previously condemned Walthamstow Public Mortuary is being renovated to become a contemporary, purpose-built mortuary, with completion anticipated in early Spring 2024. The new building will offer:

- Increased storage capacity and improved post-mortem facilities, providing Waltham Forest with a unique and unparalleled facility in Greater London.
- Enhanced public areas, including a family viewing room and separate staff and visitor entrances.
- Improved outside spaces with new landscaping.
- An increase in accessible parking spaces, as well as on-site electric vehicle charging stations and bicycle storage.
- Improved sustainability through design features such as solar panels on the roof.
- Revenue generation to re-invest in Council services.



Figure 37: Construction of the new Mortuary

Delivery in 2023/24



Coroners Court

- ✓ Coroners Court completed

Mortuary

- ✓ Contractor started on site Spring 2023
- ✓ Foundation works completed Summer 2023
- ✓ Building modules delivered Autumn 2023
- ✓ CT scanner unit delivered and installed Winter 2023

Plans for 2024/25–2033/34



- Completion Spring 2024 (with an opening event to follow)



5e

EXTERNAL GRANTS

The Council has a successful track record of securing and delivering transformational projects via external investment. This includes substantial GLA Affordable Housing grant to deliver a pipeline of new homes, Transport for London (TfL) grant to deliver green transport initiatives and in early 2023, £39 million of Levelling Up Funding to deliver regeneration projects across the borough. In addition we have a demonstrable track record of delivering school improvements, thanks to funding provided by the Department for Education (DfE).

Since projects delivered through external funding do not negatively affect the Council's financial position, their delivery continues to accelerate. The capital strategy includes £112 million of investment over the next 10 years provided by external sources.

Ensuring that everyone has access to quality learning, skills development and employment within easy reach is a key resident priority. The Schools Capital Programme supports this through investment in existing schools and providing new facilities across the borough.

Progress of the programme has continued despite significant market challenges during 2023/24; maintaining programmes and continuing to deliver much-needed mainstream and Special Educational Needs and Disability (SEND) / Alternative Provision (AP) school places.

Key projects in the current programme include:

- Kelmscott School 2FE expansion and Social Inclusion Unit, Walthamstow
- High Needs Centre and Family Resilience Centre, Leytonstone – offering educational opportunities and support to children excluded from mainstream school, combined with counselling and therapy services for children who have come into contact with the justice system and their carers.
- Willowfield School 1FE expansion, Walthamstow
- Yardley Primary School 1FE expansion, Chingford
- Whitehall School access project, Chingford

The programme also includes capital improvement works, which ensure our school premises remain in good condition and support the Council to meet its statutory duty to provide primary and secondary places and suitable premises for pupils with SEND.

- Rolling Programme – current four-year programme agreed by Cabinet 7th December 2023.

 Ongoing Programme


Figure 38: Whitehall School completed classroom extension



Figure 39: Kelmscott School (Photo © McAvoy and Miru)

Delivery of physical & social benefits



150 new secondary school places at Norlington School



15 place social inclusion unit at Holy Family School



47 new homes that will fund new social care facilities as part of the Leyton Green Partnership Project (17 of which are shared ownership)



112 local construction and supply chain jobs already achieved through Leyton Green Partnership Project



Creating places for additional 150 students and 15 place social inclusion unit at Willowfield school



Installation of a new platform lift to the main building at the Jenny Hammond Primary school



Figures 40 and 41: New teaching spaces at Kelmscott School (Photo © McAvoy and Miru)

Delivery in 2023/24



- ✓ Willowfield School works started on site Summer 2023 to construct a new two-storey teaching block and activity studio extension by Autumn 2024.

- ✓ Works to construct the new High Needs Centre and Family Resilience Centre started on site Summer 2023.

- ✓ Kelmscott School 2FE expansion works (Phase 2) to construct a new classroom and Social Inclusion Unit completed Autumn 2023.

- ✓ Jenny Hammond Primary School access project completed Autumn 2023.

- ✓ Planning consent achieved December 2023 for Whitehall School access project.

- ✓ Yardley Primary School 1FE expansion feasibility study undertaken.

- ✓ Capital improvement works undertaken to several schools, to replace items such as windows and roofs and maintain premises in good condition.

Plans for 2024/25–2033/34



- **Summer 2024**
 - High Needs Centre and Family Resilience Centre completion

- **Autumn 2024**
 - Further phase of remodelling works at Kelmscott School and overall project completion
 - Completion of Willowfield School 1FE expansion
 - Whitehall School access project completion
 - Progressing the Yardley Primary School 1FE expansion project, including an initial bulge project for delivery by Autumn 2024



Ongoing Programme



The Council is investing in more pleasant streets and neighbourhoods where people can walk and cycle to create a cleaner, greener and healthier borough for all. It is one of the Council's key missions to ensure people in every part of the borough can live healthier, longer and more independent lives. Our Mini-Holland programme continues to go from strength to strength, with over 55km of safe and green cycle lanes now in active use across the borough.

Delivery of physical & social benefits



55km of segregated safe cycle lanes provided across the borough already



2,500 electric vehicle charging points planned; 630 already delivered



22 School Street zones supporting pupils to travel safely and sustainably to school



Safer roads for pedestrians, cyclists and drivers



Increased provision of sustainable transport and cycling, with new segregated cycle lanes



Increased electric vehicle charging provision across the borough



Tree planting across the borough



11 Cycle Hubs for bike storage

Figure 42: Lea Bridge Road cycle hub

Delivery in 2022/23

- ✓ The flagship highways improvement scheme for Forest Road continues at pace; this project has now been taken through a successful public consultation process and is now in the detailed design stage.
- ✓ Harrow Road Phase 1 highways improvement completed; this included new crossings, enhanced traffic calming, junction improvements and increased green infrastructure and Sustainable Urban Drainage (SUDS). Phase 2 is expected to commence early January 2024.
- ✓ New walking, cycling and green improvements were completed in Davies Lane by Davies Lane School; this also included a planting day with the local community and Davies Lane pupils in December 2023.
- ✓ A segregated cycle track on High Road Leytonstone is due to be completed in early Spring 2024.
- ✓ Final stage of improvement works on Hoe Street due to be completed 2023/24. These works include the creation of new segregated cycle tracks, new and upgraded crossings, tree planting and kerbside restrictions to improve the flow of traffic and bus journey times.
- ✓ Construction on Sutherland Road for a new green corridor (consisting of rain gardens, SUDS, planting, improved paving materials etc) is due to commence January 2024.
- ✓ Ongoing work to secure funding for the Whipps Cross Road, Chingford Road, High Road Leytonstone walking and cycling infrastructure; plans to also improve green infrastructure, biodiversity and climate resilience.

- ✓ Three flood mitigation schemes completed, reducing flooding risk to almost 1,000 properties in South Chingford and increasing water quality and biodiversity in three parks.
- ✓ Brooke Road Flood Risk Management scheme completed, helping to increase surface water capacity and reduce risk to residential properties on Brooke Road and to St Mary's Church of England School.
- ✓ Completion of the Ester Road and Kings Passage scheme.
- ✓ Chestnuts Field Flood Mitigation Scheme design completed, and work commenced in Summer 2023 for a new wetland to reduce flood risk.
- ✓ Street Lighting design stage has started for upgrades for 3,000 LED lanterns being installed across the borough to save up £300k per year on energy costs.



Figure 43: Upper Leytonstone Esther Road planting and flood management works completed

Plans for 2024/25–2033/34



Forest Road corridor improvement to start works late Summer 2024



Increasing the number of electric vehicle charging points to 1,000 by April 2024 and 2,500 by March 2025



Provision of further 'School Streets'



Zero-emissions delivery (ZED) provision consolidation and provision awareness



Flood risk management



Climate Emergency agenda support



Rain gardens and other SUDS features to build climate resilience



Completion: **March 2025**

Chingford Mount and Highams Park

In the north of the borough, £8.43 million was awarded for investment in Chingford Mount and Highams Park. The Council’s bid builds on engagement through the Child-Friendly City and Safer Streets pilots that have looked to establish cross-generational priorities for investment to make the neighbourhood safer, more accessible and inclusive.

The securing of Levelling Up funding for Highams Park and Chingford Mount will see improvements to landscaping, biodiverse planting in public spaces, as well as investment in park buildings, play, sport and leisure equipment in Memorial Park, Rolls Park and Chase Lane Park. The programme also aims to create new green pedestrian links and wayfinding between the two town centres and the parks. Flood mitigation works will be completed by March 2024, followed by a phased public realm and play, sports and leisure works programme to be undertaken between Autumn 2024 and March 2025.

In January 2023 the Government announced the Council had been successful in securing Levelling Up funding for its ‘Walthamstow Culture for All’ bid and TfL/GLA bid for investment in underground stations. In March 2023, the Government announced Waltham Forest would receive a further £8.43 million of investment. Overall Waltham Forest has secured £39 million of government funding to transform key places across the borough.



Figure 44: Chingford Mount Festival promoting LUF programme and public consultation



Figure 45: Highams Park public consultation for LUF programme

Delivery of physical & social benefits



£39 million funding secured



Transforming Walthamstow, Chingford Mount and Highams Parks town centres



A new Underground Station box in Leyton providing step-free access and increasing capacity of the station



Up to £18 million GVA forecast for investment into public spaces, green spaces, pocket parks, play sports and leisure facilities



Revitalising three Heritage Assets



Improving community safety with £150k investment in CCTV



New public realm

Walthamstow

In Walthamstow Central, the Council's 'Walthamstow Culture for All' £17.2 million capital investment will unlock Walthamstow's potential as an inclusive, safe and welcoming cultural destination which will see enhancements to its Cultural Spaces and Cultural Hubs. Works will focus on the following sites:

Walthamstow Public Realm

The LUF programme for Walthamstow Public Realm includes: new commercial/community spaces; landscaping; planting; lighting and CCTV; public artwork in Hoe Street, High Street and St James Quarter to celebrate Walthamstow as a cultural destination and; the launch of Soho Theatre Walthamstow and support the hospitality and evening economy sectors. The programme will also focus investment to increase the green spaces across the borough and biodiversity through additional tree planting. There will also be the provision of sustainable urban drainage systems (SUDS) to reduce the risk of flooding. The full programme of works will be completed by the end of 2025.



Figure 46: Public realm improvements at Cairo Place

Chestnuts House

Chestnuts House is a Grade II* listed mansion building, largely unused for many years. It offers a unique opportunity to better support the growing creative community in Walthamstow. The Council is planning to undertake crucial repair works which will commence Summer 2024, helping Chestnuts House to become a centre for creative enterprise, innovation and incubation, complementing Walthamstow's Cultural Quarter and town centre offer.

Vestry House Museum, Walthamstow

The vision for Vestry House Museum in Walthamstow Village is to provide a welcoming heritage destination and community garden, where residents and visitors can find a place to create, rest and discover the rich stories of Waltham Forest. The refurbishment will create a multi-use site that increases access to culture, skills and education for young people and residents, whilst making the museum more financially and environmentally sustainable. Works are due to commence in Autumn 2024, with the refurbished museum opening in early 2026.

Hatherley Mews (Tramworks)

Situated in central Walthamstow next to Soho Theatre Walthamstow, Hatherley Mews currently comprises a mix of commercial and residential units varying in size. The vision is to make the Tramworks a vibrant and exciting destination for local businesses and residents and ensuring accessibility, whilst retaining the historic and cultural heritage of units and public areas. Refurbishment works will commence late 2024.



Figure 47: Vestry House Museum, Walthamstow



Working in partnership with TfL, the Council will enable delivery of significant improvements to Leyton Underground Station to provide step-free access and increase capacity. The Council worked with TfL/GLA to secure Levelling Up funding alongside the Council's £9 million commitment from Community Infrastructure Levy (CIL) contributions.

The upgraded station will benefit from a new entrance and ticket hall, located next to the existing station building. A new overbridge and staircases will increase station capacity and safety, and two new lifts will provide step-free access from street to platform level. Preparatory works commenced in October 2023, with construction works due to commence in the second half of 2024.



Figure 48: CGI of proposed improvements to Leyton Underground Station



5f

STRATEGIC PARTNERSHIPS

In addition to our direct capital investment the Council also works closely with external partners to deliver capital investment plans, which will be transformational to the borough and support the implementation of Mission Waltham Forest.

In addition, the Council continues to work with the NHS to secure government funding, which will be vital to provide a modern fit-for-purpose hospital at Whipps Cross.

University of Portsmouth London Campus

📍 Walthamstow

The Council is working in partnership with the University of Portsmouth (UoP) to deliver a once-in-a-generation opportunity to deliver the first higher education campus within the borough. The UoP London campus will accommodate at least 4,000 students, providing a wide-ranging higher educational offer to local students and beyond.



Figure 49: University of Portsmouth launches its London campus at Juniper House

Delivery in 2023/24



- ✓ An Admissions and Recruitment Centre in Walthamstow Library was opened in March 2023, with public drop-in sessions held every Wednesday.
- ✓ UoP London campus launch event held Summer 2023.
- ✓ Campus fit out commenced following completion of Juniper House in September 2023.
- ✓ Central House sale completed, allowing for the planning and design stage to commence.

Plans for 2024/25–2033/34



- **Spring 2024**
 - Juniper House campus to open, allowing for the first student cohort of approximately 150 international post-graduate students to enrol.
- **2025**
 - Central House reconstruction and interior works to start in 2025, with a forecast completion date of Autumn 2026. This will enable the University to operate at full capacity.

Delivery of physical & social benefits



The scheme will also see delivery of a range of other benefits including:



First higher education campus within the borough with aspirations for +4,000 student campus longer term



50 new employment opportunities for residents



1000 sqm. of new additional teaching space by 2026



£372m growth to the local economy over 20 years



Purpose-built student accommodation for international and domestic students

5.24 17&Central (The Mall) and Walthamstow Central Station

📍 Walthamstow

📅 Completion: 2029

Development is underway on Walthamstow Town Centre's largest regeneration scheme, which will transform the 17&Central shopping centre, deliver over 500 new homes, rejuvenate the Town Square and facilitate a step-free entrance to the Victoria Line underground station, part funded by investing Developer Contributions from the regeneration scheme.

The £200 million phased regeneration was developed as a public-private sector partnership between the Council, TfL and the shopping centre's owners and investment partners.

The first phase will deliver 495 new rental homes, 99 of which are targeted at key workers in the borough. The second phase, delivering the extension to the shopping centre, 43 further homes, re-design of the Town Square and enabling the construction of the new station entrance is targeted for delivery between 2025–28.

Delivery in 2023/24



- ✓ Development Agreements completed July 2022
- ✓ Demolition works commenced August 2022
- ✓ Piling and construction works planned commenced January 2023



Figure 50: CGI of new development at The Mall

Plans for 2024/25–2033/34



- 2024/25
 - Delivery of initial station box works
- Summer 2025
 - Completion of first phase and residents move in
 - Target commencement of second phase, subject to contracts
- 2029
 - Target completion of development



5g

THE CURRENT CAPITAL PROGRAMME PIPELINE

As part of establishing a Capital Prioritisation Framework, the Council has had to make strategic decisions about projects that do not currently meet its requirements for investment. Although undeliverable at the present time, a pipeline of priority projects has been established for future delivery. The projects remain strategic priorities for the Council, which will be progressed subject to deliverability and affordability parameters being met.

The current Capital Programme pipeline

 Borough-wide

ON HOLD: Priory Court, Walthamstow

In July 2023 planning consent was secured to deliver 83 new homes, including 21 for social rent, together with estate-wide public realm improvements that will benefit both new and existing residents within the **Priory Court** estate in Walthamstow. GLA affordable homes grant was secured to provide the social rent homes, with a target start on site date of March 2024. With the provision of the grant, the Council is developing appropriate funding arrangements which ensure delivery of the scheme whilst protecting the Council's MTFS. Subject to funding agreement and Cabinet approval, the Priory Court scheme is expected to be part of the 2024 capital programme.

ON HOLD: Church Lane Car Park, Leytonstone

In 2023 design works were progressed for a housing-led development on **Church Lane car park** in Leytonstone. Despite positive progress on the scheme development, significant Council funding would have been required to progress the scheme to delivery. Due to current economic conditions and the investment required, the Council has made a strategic decision to pause the development whilst it progresses works for Avenue Road and Priory Court. The scheme remains a priority for delivery in the future.

TO BE RESCOPED: Avenue Road Estate Regeneration, Leytonstone

In August 2023, the Council's delivery partner for the **Avenue Road Estate Regeneration** programme pulled out of the Development Agreement for the scheme following the company's decision to close its London Partnerships division in response to market conditions. Despite this setback, the Council considers this scheme a priority, recognising the important benefits the regeneration of Avenue Road will bring to local residents. £6 million of funding within the current capital programme has been allocated to ensure the scheme can be taken forward to delivery as soon as possible. Longer term, the Council will also consider options for the regeneration of the John Wigg and Fred Walsh towers in the Montague Road Estate, Leytonstone. This is in addition to the significant investment into building safety, repairs and improvement works underway. Residents will be consulted as part of any regeneration plans.

TO BE RESCOPED: Chingford Library (Hub)

During 2023 the Council progressed plans to redevelop the **Chingford Library** site, with the intention of delivering a mixed-use development providing new and affordable homes and high-quality library and community spaces for local residents. However, with challenging economic conditions development of the scheme has been paused. During 2024 the Council will continue to explore future options for the site, working with local residents and Councillors to explore potential options for medium-term meanwhile uses of the assembly hall and longer-term aspirations for redevelopment in improved economic conditions. The Library remains open for public use.



5h

SCHEMES REMOVED FROM THE CURRENT CAPITAL PROGRAMME

In implementing the Capital Prioritisation Framework, the Council has undertaken a strategic review of its entire Capital Investment Portfolio to establish which projects meet the established framework indicators. The following section sets out schemes which have been removed from the current capital programme due to them not meeting the requirements set out for capital prioritisation.

Schemes removed from the current capital programme

📍 Low Hall

STOPPED: The Lido, Low Hall



During 2023 the Council continued to undertake early works to deliver a new **Lido** and associated leisure facilities in the Low Hall area. The Council has regrettably had to stop delivery plans following completion of a detailed feasibility study and business case during the second half of 2023. This demonstrated that delivering the Lido project would have an unsustainable long-term impact on Council finances, at a time when investment must be prioritised towards schemes that deliver what is most important to our residents. Prudent financial decisions like this will ensure we are not taking unnecessary risks that could impact the long-term financial sustainability of the Council. Works completed to date offer the Council the opportunity to review its future options for the scheme in improved economic conditions.



6

FUNDING STRATEGY

6.1

Funding the Capital Investment Portfolio

The Council's proposed capital programme shown at Table 6 in section 5.1 totals £745.9 million. Table 51 shows how the Council intends to fund its investment programme.

FINANCING SOURCES	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
General Fund												
Government Grant	(21,276)	(34,690)	(20,444)	(18,768)	0	0	0	0	0	0	0	(95,178)
Other Contributions	(8,562)	(7,549)	(1,425)	(926)	(723)	0	0	0	0	0	0	(19,186)
Revenue Contributions	(4,640)	(3,540)	(40)	(22)	0	0	0	0	0	0	0	(8,242)
Capital Receipts	(1,377)	(960)	(1,222)	0	0	0	0	0	0	0	0	(3,559)
Self-Finance via Future Disposal	(16,823)	(5,748)	(614)	0	0	0	0	0	0	0	0	(23,185)
Prudential Borrowing - General Fund	(34,956)	(45,590)	(13,431)	(176)	(176)	0	0	0	0	0	0	(94,329)
Total GF Financing	(87,634)	(98,078)	(37,176)	(19,892)	(899)	0	0	0	0	0	0	(243,679)
Adjustment - Sales from GF to HRA	32,479	23,220	0	0	0	0	0	0	0	0	0	55,699
Total GF Financing adjusted for GF sales to HRA	(55,155)	(74,858)	(37,176)	(19,892)	(899)	0	0	0	0	0	0	(187,980)
HRA												
Government Grant	(23,645)	(7,896)	(1,000)	(2,368)	(1,000)	(1,000)	0	0	0	0	0	(36,910)
Other Contributions	(19,135)	(15,467)	(15,294)	(15,727)	(16,173)	(16,479)	(16,791)	(17,109)	(17,434)	(17,765)	(18,103)	(185,478)
Revenue Contributions	0	(3,000)	(3,120)	(3,214)	(3,310)	(3,376)	(3,444)	(3,513)	(3,583)	(3,655)	(3,728)	(33,941)
Capital Receipts	(18,727)	(5,369)	(3,931)	(500)	(500)	(1,058)	(500)	(500)	(500)	(500)	(1,092)	(33,177)
Prudential Borrowing - HRA	(80,602)	(52,895)	(15,375)	(13,721)	(14,383)	(14,115)	(14,969)	(15,270)	(15,578)	(15,891)	(15,619)	(268,419)
Total HRA Financing	(142,109)	(84,627)	(38,720)	(35,530)	(35,366)	(36,028)	(35,703)	(36,392)	(37,095)	(37,811)	(38,542)	(557,924)
Total Financing adjusted for GF sales to HRA	(197,264)	(159,485)	(75,896)	(55,422)	(36,265)	(36,028)	(35,703)	(36,392)	(37,095)	(37,811)	(38,542)	(745,903)

Table 51: How the Council intends to fund its investment programme

Treasury Management Strategy

The Council's Treasury Management Strategy supports the Capital Investment Strategy by ensuring that the Council's capital investment and associated borrowing is financially sustainable. It includes:

- New borrowing requirements and debt management arrangements
- A Minimum Revenue Provision (MRP) Policy Statement
- The Annual Investment Strategy
- The Treasury Management Policy Statement; and
- Prudential Indicators for Capital and Treasury Management.

Treasury and reserves

The Treasury Management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet its service delivery activity and the ambitious plans established in this Capital Investment Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The annual Treasury Management Strategy covers the relevant treasury/prudential indicators, the current and projected debt positions, MRP policy and the Annual Investment Strategy.

Reserves are an essential part of good financial management. They help the Council to manage unpredictable financial pressures and plan for future spending commitments. The level, purpose and planned use of reserves are important factors for the Council to consider in developing the MTFS and setting the annual budget. Earmarked reserves are funds set aside to meet known or predicted future spending or ringfenced by previous Council decisions, some of which are linked to the capital programme or provide resources that can be used to support capital schemes. Reserves will be monitored throughout the year as part of the routine financial monitoring and the level of reserves reported as part of the year-end accounting processes. Further details on reserves are available in the Council's Reserves Strategy.

Non-treasury and treasury investments

Treasury Investments arise from the Council's cash flows and debt management activity, and ultimately represent balances which could be invested until the cash is required for use in the course of business. For these types of investments, the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Policy and the Annual Investment Strategy. Non-treasury investments are made mainly for financial reasons and include non-current assets such as investment properties and loans to third parties. Such investments are only undertaken where the Council has the appropriate legal powers to do so and after an assessment of risk and financial sustainability.

Prudential indicators

The Council must set prudential indicators each year, which include parameters for borrowing, including the upper limits for the value, nature and maturity of the debt incurred as part of its Treasury Management Strategy. The Council's prudential indicators revolve around its capital expenditure plans and its Capital Financing Requirement.

Capital Financing Requirement

Expenditure which is financed by borrowing (be it internal or external) gives rise to an increase in the Council's Capital Financing Requirement (CFR). The CFR is therefore a measure of the Council's indebtedness and represents its underlying borrowing need; it will increase with unfunded capital expenditure and decrease as the Council makes MRP contributions. Table 52 shows the projected CFR from delivering our Capital Investment Strategy.

The CFR distinguishes between the amounts relating to the HRA and those that do not. This reflects the statutory requirement for the HRA to be a ringfenced account that is self-sufficient and does not subsidise, nor is subsidised by, other Council financing arrangements.

	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
CFR as at 31 March												
General Fund	339,213	348,632	348,231	305,202	296,157	286,973	277,669	267,945	258,216	248,032	238,201	
HRA	292,857	345,752	361,127	374,848	389,231	403,347	418,315	433,586	449,163	465,055	480,674	
Total CFR as at 31 March	632,070	694,384	709,357	680,049	685,388	690,319	695,985	701,530	707,379	713,087	718,875	
Annual change												
General Fund	(29,666)	9,420	(402)	(43,029)	(9,044)	(9,185)	(9,303)	(9,725)	(9,729)	(10,184)	(9,831)	(130,678)
HRA	80,602	52,895	15,375	13,721	14,383	14,115	14,969	15,270	15,578	15,891	15,619	268,419
Total annual change	50,935	62,314	14,973	(29,308)	5,339	4,931	5,666	5,545	5,849	5,708	5,788	137,740
Reason for change												
Prudential Borrowing	115,557	98,485	28,806	13,897	14,559	14,115	14,969	15,270	15,578	15,891	15,619	362,747
Self-Financed from Future Disposals	16,823	5,748	614	0	0	0	0	0	0	0	0	23,185
Capital Receipts - Schemes Funded from Future Disposals	(41,429)	(10,794)	(6,022)	(34,000)	0	0	0	0	0	0	0	(92,245)
Sales from GF to HRA	(32,479)	(23,220)	0	0	0	0	0	0	0	0	0	(55,699)
Other Changes												0
MRP Charge	(7,537)	(7,905)	(8,424)	(9,205)	(9,220)	(9,185)	(9,303)	(9,725)	(9,729)	(10,184)	(9,831)	(100,247)
Total change	50,935	62,314	14,973	(29,308)	5,339	4,931	5,666	5,545	5,849	5,708	5,788	137,740

Table 52: Projected Capital Financing Requirement

Capital Financing Requirement - General Fund

	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
General Fund CFR as at 1 April	368,879	339,213	348,632	348,231	305,202	296,157	286,973	277,669	267,945	258,216	248,032	368,879
Prudential Borrowing	34,956	45,590	13,431	176	176	0	0	0	0	0	0	94,329
Schemes Funded from Future Disposals	16,823	5,748	614	0	0	0	0	0	0	0	0	23,185
Capital Receipts - Schemes Funded from Future Disposals	(41,429)	(10,794)	(6,022)	(34,000)	0	0	0	0	0	0	0	(92,245)
Sales to HRA	(32,479)	(23,220)	0	0	0	0	0	0	0	0	0	(55,699)
MRP Charge	(7,537)	(7,905)	(8,424)	(9,205)	(9,220)	(9,185)	(9,303)	(9,725)	(9,729)	(10,184)	(9,831)	(100,247)
General Fund CFR as at 31 March	339,213	348,632	348,231	305,202	296,157	286,973	277,669	267,945	258,216	248,032	238,201	238,201

Table 53: Projected GF Capital Financing Requirement

Capital Financing Requirement - HRA

	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
HRA CFR as at 1 April	212,256	292,857	345,752	361,127	374,848	389,231	403,347	418,315	433,586	449,163	465,055	212,256
Purchases from GF	32,479	23,220	0	0	0	0	0	0	0	0	0	55,699
Less: Government Grants	(1,896)	(6,896)	0	0	0	0	0	0	0	0	0	(8,792)
Less: Capital Receipts	(8,730)	(4,869)	0	0	0	0	0	0	0	0	0	(13,599)
Net Prudential Borrowing - Purchases from GF	21,853	11,455	0	0	0	0	0	0	0	0	0	33,308
Other Prudential Borrowing	58,749	41,440	15,375	13,721	14,383	14,115	14,969	15,270	15,578	15,891	15,619	235,111
Capital Repayments												0
HRA CFR as at 31 March	292,857	345,752	361,127	374,848	389,231	403,347	418,315	433,586	449,163	465,055	480,674	480,674

Table 54: Projected HRA Capital Financing Requirement

Borrowing activity

The Council's forward projections for borrowing are summarised below. Table 55 shows the projected external debt against the CFR, highlighting any over or under borrowing.

	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000
Gross Projected Debt	509,319	576,699	597,492	574,574	586,495	598,204	610,816	623,480	636,293	649,007	661,877
Capital Financing Requirement	632,070	694,384	709,357	680,049	685,388	690,319	695,985	701,530	707,379	713,087	718,875
Under/(Over) borrowing	122,751	117,685	111,865	105,475	98,893	92,115	85,169	78,050	71,086	64,080	56,998

Table 55: Borrowing compared to the Capital Financing Requirement

As part of ensuring the financial sustainability of the Council and its investments, the Council sets a series of prudential indicators, including limits on levels of borrowing.

- **The operational boundary** – This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund 'underborrowing' by other cash resources.

- **The authorised limit for external debt** represents the maximum level of external borrowing. It reflects the level of external debt that could be afforded in the short term but may not be sustainable in the longer term. The authorised limit is presented to Full Council for consideration and approval, as part of the Treasury Management Strategy Statement.

The projected authorised limit and operational boundary are shown in Table 56.

	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000
Authorised limit:											
Borrowing	695,277	763,822	780,293	748,054	753,927	759,351	765,583	771,683	778,117	784,396	790,762
Operational boundary:											
Borrowing	632,070	694,384	709,357	680,049	685,388	690,319	695,985	701,530	707,379	713,087	718,875

Table 56: Comparing the authorised external debt limit to the operational boundary

Financial implications

The Council's proposed GF capital programme of £187.9 million is to be financed from five main sources:

- External funding
- Internal funding from revenue contributions / reserves
- Capital receipts
- Self-financed via future disposals
- Borrowing

Table 57 below, summarises the amounts of each of these sources during the planned investment profile.

GF FINANCING SOURCES	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
Expenditure	87,634	98,078	37,176	19,892	899	0	0	0	0	0	0	243,679
External Funding	(29,839)	(42,239)	(21,869)	(19,694)	(723)	0	0	0	0	0	0	(114,364)
Revenue Contributions / Reserves	(4,640)	(3,540)	(40)	(22)	0	0	0	0	0	0	0	(8,242)
Capital Receipts	(1,377)	(960)	(1,222)	0	0	0	0	0	0	0	0	(3,559)
Self-Financed via Future Disposals	(16,823)	(5,748)	(614)	0	0	0	0	0	0	0	0	(23,185)
Total GF Prudential Borrowing	(34,956)	(45,590)	(13,431)	(176)	(176)	0	0	0	0	0	0	(94,329)

Table 57: GF borrowing requirement

External funding

This comprises grants and contributions, totalling £114.4 million and is broken down as follows:

- **Grants (£95.2m)** are mainly from the Government and are usually given for specific uses, with attendant terms and conditions. Most of the grant income received is to enable the Council to fulfil its statutory duties in the area of schools, adult social care and disabled facilities. TfL grants fund infrastructure projects.
- **Other contributions (£19.2m)**
Although they could be from various sources including government, these are mainly provided by private developers in order to mitigate specific effects of new developments in the borough. Historically, these have been s106 receipts which, since 2014, have been largely replaced by CIL, which is much more flexible in its uses. Further details of how the Council has raised and used s106 contributions and CIL are in Section 6.3 of this strategy.

Internal funding

This comprises the following:

- **Direct revenue financing (£8.2m)** represents revenue contributions that have come directly from the Council's revenue budget, either in the form of reserves or underspends, as part of the MTFS. Revenue is used to fund capital projects that are expected to generate revenue savings in the future to help close the funding gap.
- **Capital receipts (£3.6m)** funding the portfolio are projected to come from housing and regeneration developments. The realisation of these receipts depends on prevailing market conditions at the time of sale. Each major scheme undergoes a rigorous business case to ensure that receipts are prudently forecast.
- **Self-financed via future disposals (£23.2m)** represents capital expenditure on schemes which are to be funded from future receipts from disposals linked to the same developments. The forecast receipts for these schemes over the period from 2023/24 to 2026/27 are £92.2 million, which reduce the GF CFR. For the timing of these receipts, please see Table 52: Projected Capital Financing Requirement.

Borrowing

The extent to which capital expenditure in the programme is not funded by grants, contributions or capital receipts is the Council's borrowing requirement, which can be satisfied internally or externally:

- **Internal borrowing** makes use of the Council's surplus cash balances and reserves derived from working capital, rather than having to borrow at high interest rates. It does not need to be repaid in the same way as formal externally borrowed funds. Although there is an opportunity cost of not having invested the surplus cash, it is still prudent on the part of the Council to take this course, given that investment returns are low and counterparty risk is eliminated.
- **External borrowing** involves sourcing funds on the open market. Most of the Council's borrowing is with the Public Works Loan Board (PWLb) due to its favourable rates for the public sector. The Council may seek external funding from elsewhere depending on the prevailing interest rates.

Revenue implications

Table 58 below summarises the revenue implications of the proposed capital programme on the GF.

REVENUE IMPACT	2023/24 Forecast £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	2031/32 Estimate £000	2032/33 Estimate £000	2033/34 Estimate £000	TOTAL £000
Capital Financing - Interest	12,513	11,688	13,858	14,538	14,547	14,557	14,557	14,557	14,557	14,557	14,557	154,483
Capital Financing - MRP	4,159	5,066	5,820	6,390	6,582	6,778	6,946	7,119	6,964	7,006	7,082	69,913
Sinking Fund adjustment	2,995	2,913	(12)	(761)	(962)	(1,168)	(1,336)	(1,009)	(353)	104	528	940
MTFS BUDGET ASSUMPTIONS	19,667	19,667	19,667	20,167	20,167	20,167	20,167	20,667	21,167	21,667	22,167	225,336

Table 58: Revenue implications of the multi-year GF Capital Investment Programme

Over the term of the Capital Investment Strategy (from 2023/24 to 2033/34), the GF revenue cost of the capital portfolio is budgeted to be a cumulative £225.3 million. This includes projected interest payable of £154.5 million and an allocation for the repayment of debt of £69.9 million – the MRP. This excludes the repayment of existing PFI related liabilities which have been budgeted for separately in accordance with their financial models.

In each year, revenue budget has been set aside to cover financing costs (MTFS budget assumptions). The difference between this amount and the net revenue position represents contributions to/from a smoothing reserve over the life of the programme. This enables the Council to manage its capital programme in a sustainable way. The MTFS budget is forecast to remain at £19.7m through to 2025/26, increasing by £1 million from 2026/27 to 2029/30, before gradually increasing to £22.2 million in 2033/34. This is projected to provide sufficient budget to cover the financing costs.



6.2

Risk management

Major regeneration and housing projects constitute most of the Council’s capital portfolio. These inherently carry risk, some of which is outside the Council’s control. The Council’s planning and governance processes have been developed in such a way as to mitigate these risks. Table 59 sets out these key risks and mitigation measures:

Risk	Mitigation
Local government financial pressures	Reduced funding and increasing costs and demand for services has created significant financial pressures for local government. As a result, the Council has developed a prioritisation framework used to review its schemes within the capital programme. It establishes a set of indicators which must be met for projects to remain in or be added to the capital programme. Careful monitoring and review will ensure the ongoing affordability of the programme and support the long-term financial sustainability of the Council.
Project viability	There are significant challenges to project delivery at present due to current market conditions. The Council reviews project viability at all key gateway stages via established project / programme and Council governance. Where appropriate, schemes will continue to be developed and will remain as pipeline schemes until they can demonstrate they are viable and meet the indicators set out in the Capital Prioritisation Framework.
Construction materials – cost rises	<p>The Council has undertaken impact assessments across the Capital Investment Portfolio during 2023/2024 to understand the potential programme/financial impacts of cost inflation and programme delays, particularly the rising cost of construction materials, which had increased significantly over recent years, although it has decreased by an average of 2.1% in the past 12 months (BEIS, November 2023).</p> <p>For its larger construction programmes the Council has entered into Development Agreements and fixed price contracts to protect their commercial terms and exposure to increased delivery costs. Budgets are closely managed at a project, programme and portfolio level through robust cross-Council governance, ensuring schemes continue to deliver within agreed budgets.</p>

Risk	Mitigation
Workforce	<p>Workforce availability and continuity is monitored carefully to ensure the delivery of capital schemes despite challenges resulting from Brexit and the Ukraine conflict.</p> <p>Regular and ongoing collaboration with delivery partners has confirmed that their construction workforce is mainly UK based or that workers residency is assured through the EU Settlement scheme, ensuring workforce availability and continuity.</p>
Inflation	<p>Capital delivery costs are vulnerable to inflation, which has been particularly high and currently sits at 3.9% (January 2024). The cost of construction materials has decreased by an average of 2.1% in the past 12 months (BEIS, November 2023), although this aggregated figure hides larger price movements for some specific products and materials.</p> <p>In costing the capital portfolio, an allowance for inflation and a level of contingency has been built into each scheme to mitigate this risk. The Council negotiates Development Agreements with protected commercial terms and fixed-price construction contracts wherever possible.</p> <p>Close monitoring of the portfolio through the governance and assurance processes set out in section 7 support the early highlighting and mitigation of further risks in relation to inflation.</p>
Interest rate increases	<p>The Council’s capital portfolio has a borrowing requirement and is therefore exposed to fluctuations in interest rates. The PWLB interest rate is currently 5.4% in January 2024, (in comparison to 4.7% 12 months earlier), which has an impact on the amount of interest payable by the Council. Interest rates are variable, and further rises could make the capital programme unaffordable.</p> <p>External borrowing is projected to increase by £138 million over the current year and the following 10 years – this increase relates to the HRA capital programme. HRA borrowing is undertaken within the affordability parameters of its 30-year business plan to mitigate inflation risks. The Council has used prudent interest estimates in order to mitigate this risk.</p>

Risk	Mitigation
Capital receipts	<p>The capital programme includes planned financing from capital receipts and future disposals totalling £129 million across both the GF and HRA schemes. There is a risk that some of these anticipated sums do not materialise due to wider prevailing economic conditions.</p> <p>The Council has developed a detailed approach to sales and marketing for units within several of its major residential-led schemes and procured external advice to support this approach in order to protect and realise maximum financial return for the Council.</p> <p>With the recent rises in the Bank of England Bank Rate to 5.25% (January 2024), the impact on borrowing for mortgages is also a contributing factor leading to a slowdown in the market.</p> <p>The Council's risk management strategy remains in place to review ongoing risks. Close monitoring of the property market and the Council's response to rate increases through review of its sales and marketing strategy continues to provide the required assurance. Decisions to fund shortfalls through borrowing, as well as capital prioritisation to ensure schemes remain affordable, are controlled by the Council's Section 151 Officer to ensure prudence.</p>
Legislative	<p>Changes in statute and regulations will impact capital projects, as they must comply with current legislation. This has the potential to impact existing scheme viability, development of new schemes and increase overall costs in order to meet new legislative standards.</p> <p>As mitigation, the Council horizon scans to remain aware of any changes to legislation which might affect projects and responds accordingly through proper governance channels. So far the risks encountered through changes to EU legislation post Brexit have been mitigated through robust assurance, delivery and contract management practices.</p>
Market conditions	<p>The portfolio is complex, and the successful delivery of various aspects depends to a large extent on the commercial environment. Examples are property rental income, capital receipts and future health of the property market. Assumptions are made which underpin projections. The Council relies on expert advice to mitigate this risk.</p>
Transfer	<p>Increasingly, major projects are not delivered by the Council itself, but by developers – either alone or jointly with the Council or its delivery subsidiary. Whilst using a developer transfers risk from the Council, this means extra costs and therefore a careful balance is required.</p>

Risk	Mitigation
Project delivery	<p>In the main, these are unforeseen delays and increases in costs. Apart from building in contingencies there are a range of measures that can mitigate the risks. Large schemes are also subject to Gateway Reviews, with projects 'reaffirmed' by Cabinet where major financial or key strategic decision making is required, providing additional assurance.</p> <p>Effective scrutiny of business cases at the outset and senior officer level project and portfolio governance will ensure robustness of projects included in the portfolio. During the life of the project, risks are monitored with risk registers being properly maintained and updated.</p> <p>Regular highlight reporting keeps key stakeholders informed to allow early intervention where necessary. In the case of complex major projects, professional experts are used at all necessary stages to ensure effective delivery.</p>
Portfolio delivery capacity	<p>The investment portfolio set out in this Capital Strategy totals over £745.9 million. A priority is to ensure sufficient project delivery expertise, enabling support and supply chain capacity is available to deliver the Council's investment portfolio outcomes, on time and to agreed costs.</p> <p>The Council has embedded arrangements which mean Senior Responsible Officers (SROs) and dedicated project delivery resources are allocated to key investment programmes and projects. Appropriate resource plans (and service level agreements) are developed to provide sufficient enabling expertise. Supply chain capacity will primarily be managed at the project and programme level with residual risks escalated through the Council's governance as necessary.</p>
Funding	<p>A significant proportion of the Council's schemes rely on grant funding and contributions from third parties. Any delays and/or non-receipt of this funding can lead to an adverse impact on the deliverability and/or financial viability of capital portfolio projects.</p> <p>The Council undertakes effective monitoring to ensure the relevant grants are drawn down together with regular dialogue with the relevant funding bodies to ensure all options are explored in the event grant funding is affected.</p>

Table 59: Portfolio-level risks and mitigation

6.3 Developer Contributions

The Council recognises that to maximise the delivery of its Capital Investment Portfolio each scheme will need to consider a range and mix of funding options to enable delivery. This could include borrowing, grants, self-financing or **Developers Contributions** including CIL, Section 106 (s106) agreements and Section 278 Highways Agreements.

CIL and s106 (collectively known as 'planning obligations' or 'Developer Contributions') income is used to help fund the provision of supporting infrastructure to mitigate the impact of development and maximise the benefits and opportunities from growth, such as employment opportunities, green and open spaces, new health or educational facilities or affordable homes. Several schemes documented throughout this strategy have received CIL or s106 funding to deliver supporting infrastructure requirements.

Equally, several larger schemes pay CIL or s106, contributing to wider infrastructure needs across the borough. This funding complements and adds to the Council's direct capital investment.

The Council has implemented and embedded robust internal governance arrangements with a Developer Contributions Board (DCB), which aligns to the Capital Investment Portfolio and Place Board, providing political and strategic direction to our capital portfolio. These boards ensure that the Council allocates its CIL and s106 funding to schemes which deliver the best outcomes for the borough, aligned to the Council's priorities. All applications for CIL funding are required to demonstrate value for money and a positive or neutral impact on the Climate Emergency, health, wellbeing and community safety. The Board's recommendations are agreed by Portfolio Lead Members (PLM) and Cabinet where necessary.

CIL collected from new developments within the borough is split into two pots: Strategic CIL (SCIL) and Neighbourhood CIL (NCIL). SCIL is intended to support the delivery of strategic pieces of infrastructure. NCIL is money that can be spent on anything that is concerned with addressing the demands that development places on an area, including but not limited to infrastructure. NCIL is required to be spent in consultation with the community in areas where development is taking place.

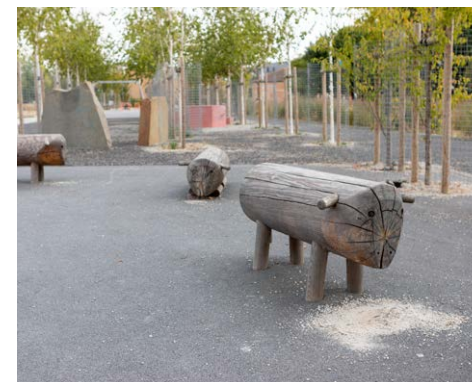
Three NCIL Collection Zones (north, central and south of the borough) have been embedded for use of NCIL funding. The three zones create an optimal balance between linking the growth benefits to a local area and allowing flexibility in delivering cross-ward boundary projects. NCIL collected within each of the zones is ringfenced towards future projects located within the same zone and spent on:

- the provision, improvement, replacement, operation or maintenance of infrastructure;
- or anything else that is concerned with addressing the demands that development places on an area.

Under an innovative new NCIL allocation pilot, ward members will shortlist project proposals with broad support and wide benefits with allocation approved by DCB and the PLM for Housing and Regeneration.

The Council also annually publishes its Infrastructure Funding Statement (IFS). This sets out the infrastructure projects and priority areas the Council used CIL funding to help deliver in the last financial year, including cultural spaces, green spaces and parks, highways and sustainable transport. The IFS also details all monies collected, allocated and spent within a given financial year and, prior to publication, it is approved by Cabinet and the PLM.

Significant CIL contributions towards investment in our rail and road transport infrastructure are to be match-funded by TfL and other external funding secured, including LUF. Section 5 of this document sets out strategic investments made by the Council, many of which have been supported by additional Developer Contributions where strict allocation criteria are met.





7

PORTFOLIO DELIVERY ASSURANCE

7.1 Delivery Assurance Framework

The Council continually enhances its Delivery Assurance Framework, which supports the strategic planning and delivery of its Capital Investment Portfolio. The Delivery Assurance Framework is managed by a robust internal delivery and leadership team, underpinned by a strong, well-established officer and member governance. It brings together four core functions that individually and collectively underpin the successful delivery of the Council's investment priorities. Figure 60 sets out these functions.



Figure 60: Capital Delivery Assurance Framework

The Council is currently delivering a substantial capital delivery programme with a large proportion of the programme already at the onsite construction phase. During 2023/24 economic and inflationary pressures facing the construction industry have continued to remain a significant risk to our delivery plans. In response, additional project and portfolio level measures have been put in place to ensure delivery continuity. This includes:

- Prioritising and assuring our schemes currently in construction phases and therefore most at risk of current economic and market conditions.
- Rephasing of delivery programmes to mitigate increasing costs.
- Forward purchasing and onsite storage of materials to mitigate delivery delays.
- Ensuring the construction workforce is primarily UK based and appropriately skilled.
- Commercial arrangements that constructively risk share with delivery partners.
- Early design freeze at the end of procurement to avoid additional costs from changes in scope.

- Robust financial modelling and close, regular budget management and robust governance arrangements to enhance risk management practices at project and portfolio levels.
- Additional financial contingencies at portfolio level prioritised for schemes in construction phases and robust governance to manage use.
- Using a diverse range of innovative delivery models and spread of delivery partners across the capital portfolio.
- The continued refinement of the Strategic Land and Delivery Board to provide corporate oversight and progression of the Council's future housing delivery pipeline, ensuring that schemes continue to progress through design and planning so they are 'oven ready' for construction.
- The corporate approval for the establishment of a Capital Prioritisation Framework (set out in Section 2) to ensure that investment decisions made deliver the highest priorities for our residents, with more robust focus on protecting the Council's financial position.

In 2023/24

During the past 12 months the Capital Portfolio Management Office (PMO), in collaboration with the sponsoring Capital Strategy and Asset Management Group (CSAMG) – chaired by the Director of Financial Services – have implemented enhancements to our Delivery Assurance Framework and portfolio management practices.

- Establishing the 'Capital First Review.' A detailed review and challenge of all project and programme level financial spend plans. This review ensures accuracy and an achievable overall portfolio level annual budget forecast, helping to support the Council with more prudent management of overall GF and HRA capital budgets.
- Moving to monthly financial and delivery monitoring reports to ensure we have more regular and accurate reporting and senior oversight.

- Quarterly reporting of capital portfolio level financial performance to the Council's Strategic Leadership Team and to Cabinet.
- Continuing to annually review the Capital Investment Strategy to ensure the Council is meeting the Chartered Institute of Public Finance and Accountancy's (CIPFA) prudential code and requirements for capital investment.
- Further enhanced the impact and Return on Investment reporting, ensuring that Social Value and physical outcomes delivered via our capital investment are captured through the Social Value Portal.

7.2 Capital Prioritisation Framework

To ensure the Council makes appropriate capital investment decisions it has established a prioritisation framework that is designed to support the decision making process for which capital investment projects and programmes are brought forward. This ensures that schemes developed are focused on delivering Council and resident priorities, but also that capital investment decisions made are firmly focused on protecting the Council's financial position.

To provide further assurance all new major capital investment decisions must receive Senior Leadership Team (Chief Executive and Strategic Director) approval in addition to decision making through the Council's capital governance processes. The Council continues to operate a rolling Capital Investment Portfolio, ensuring that decision making can be made at times when it is within the best interests of the Council. Figure 61 details the business case process for capital investment.

7.3 Portfolio delivery assurance and governance

The Council has well established corporate governance and capital portfolio monitoring arrangements. The Council's CSAMG is central to this. Meeting monthly, its purpose is to assure our capital investment and to ensure the financial assurance monitoring of the capital portfolio is integrated into the Council's budget monitoring cycle. This annual cycle of portfolio delivery assurance and governance are shown in figures 62 and 63 will continue and feed into the Council's financial management strategy and MTFS.

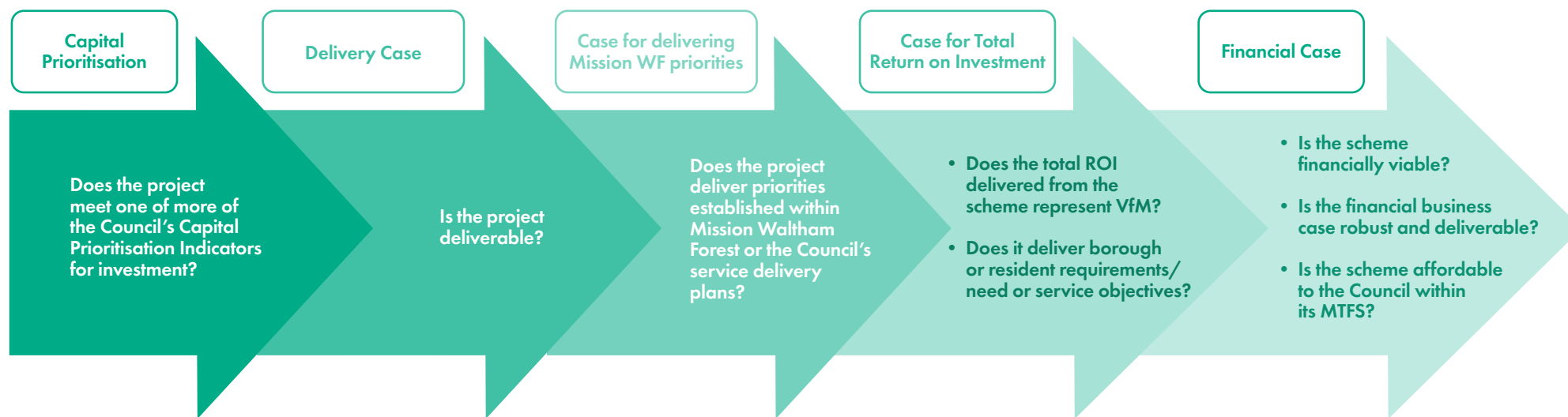


Figure 61: Capital prioritisation and business case framework

Capital Portfolio Governance

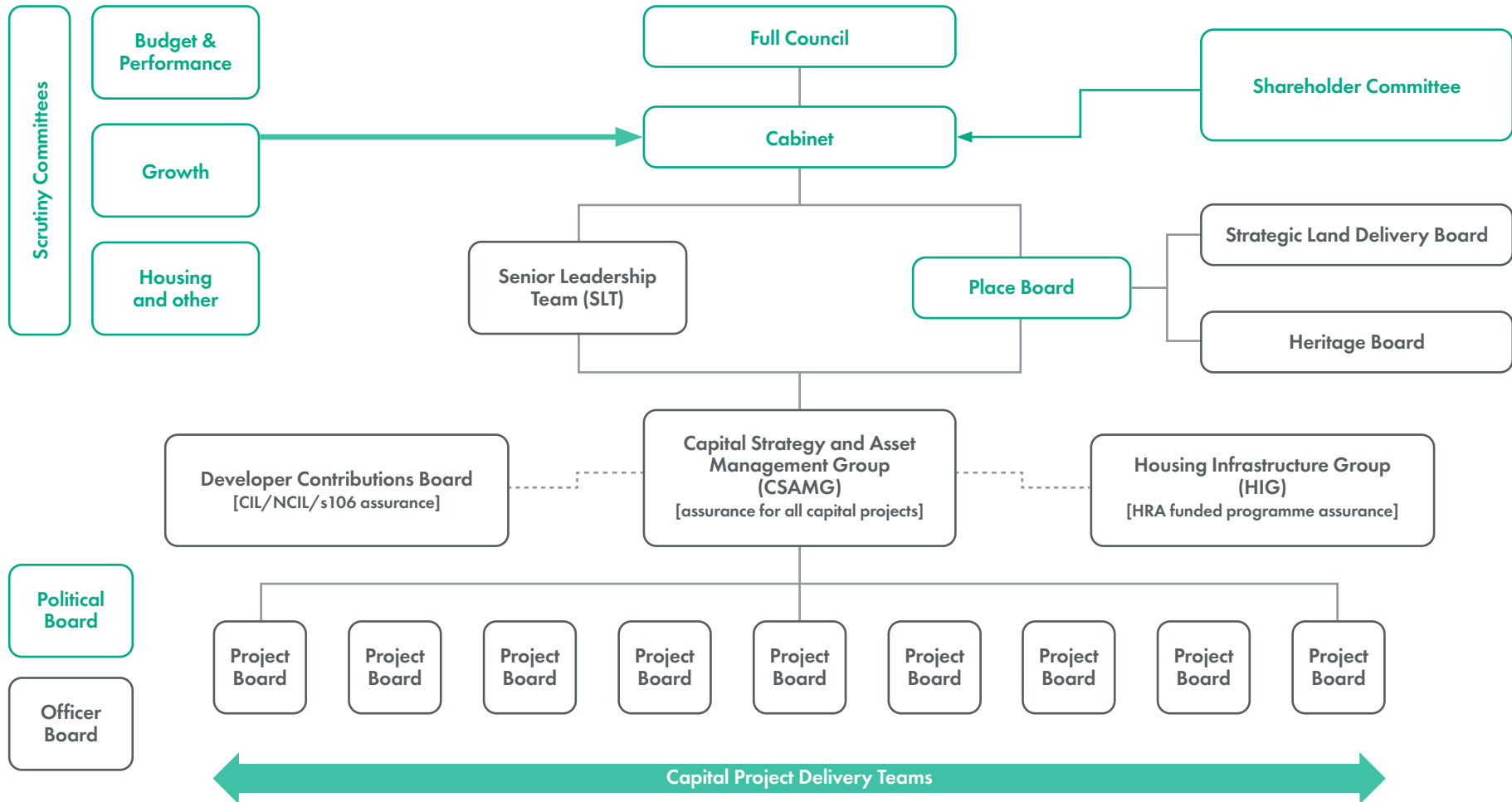


Figure 62: Capital portfolio and corporate governance flow

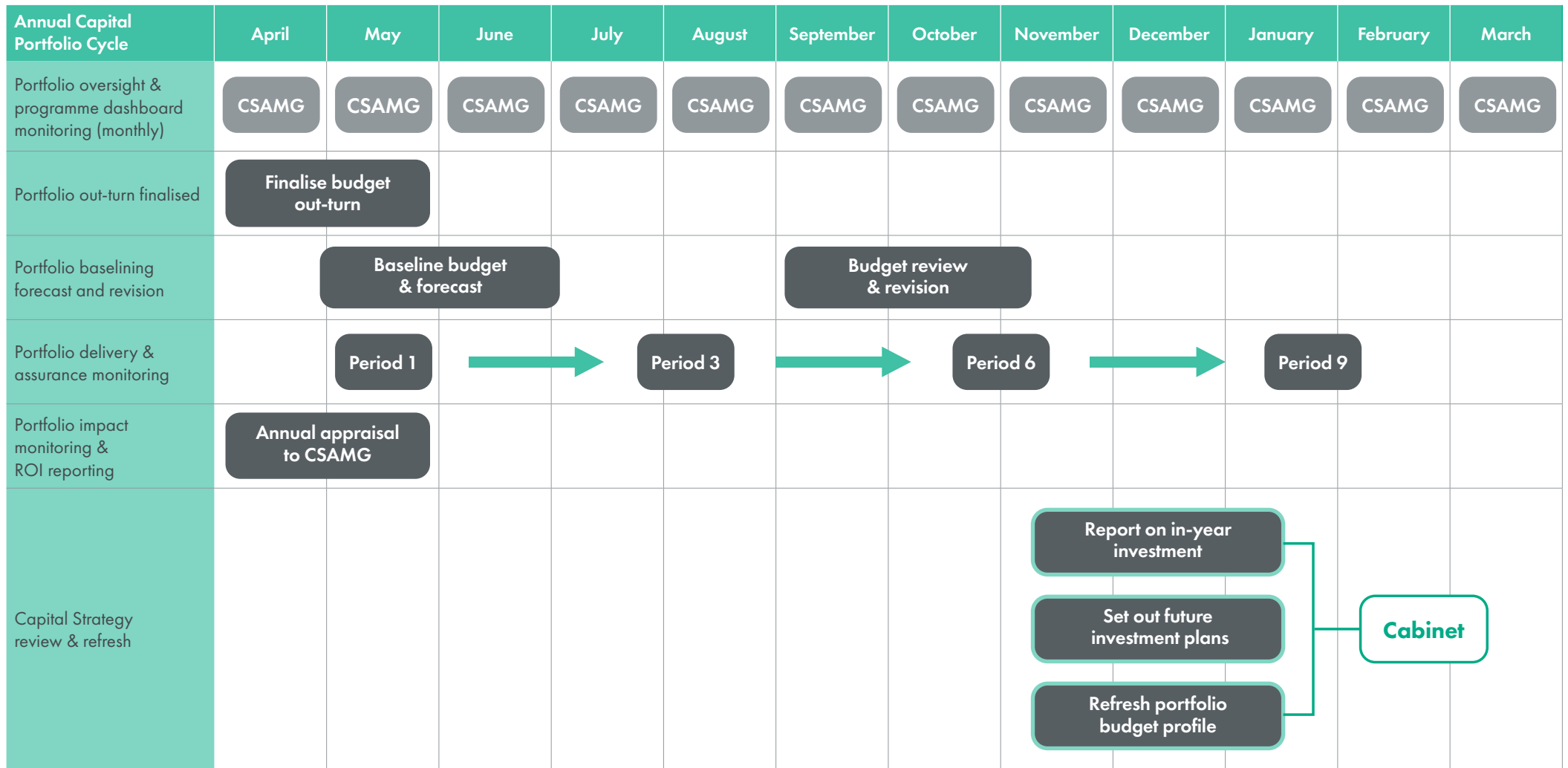


Figure 63: The Council’s annual cycle of portfolio delivery assurance

February 2024

