



Chief Executive
Andrew Travers

Wandsworth Borough Council
Chief Executive's Group
The Town Hall, Wandsworth High Street
London SW18 2PU

Date: 1 October 2025

For further information on this agenda, or to find out how you can have your say on the issues being discussed, please contact the Democratic Services Officer: Marianna Ritchie, Democratic Services Manager on marianna.ritchie@richmondandwandsworth.gov.uk

FINANCE OVERVIEW AND SCRUTINY COMMITTEE

**THURSDAY, 9TH OCTOBER, 2025 AT 7.30 P.M.
ROOM 123 - THE TOWN HALL, WANDSWORTH HIGH
STREET, WANDSWORTH SW18 2PU**

Members of the Committee:

Councillor Stock (Chair); Councillor Critchard (Deputy Chair); Councillors Apps, Belton, Corner, Fraser, P. Graham, Hedges, Lee and Richards-Jones.

AGENDA

1. Minutes of the Previous Meeting

To confirm and sign as a correct record the minutes of the meetings of the Finance Overview and Scrutiny Committee held on 25 February and 3 July 2025.

2. Declarations of Interests

To receive any declarations of disclosable pecuniary interests, other registerable interests and any non-registerable interests relevant to any matters to be considered at the meeting.

- 3. London Borough of Culture - Legacy (Paper No. 25-339) (Pages 3 - 16)**
- 4. Medium Term Financial Strategy and Update on the Transformation Programme (Paper No. 25-340) (Pages 17 - 52)**
- 5. Capital Programme (Paper No. 25-342) (Pages 53 - 86)**
- 6. Work Programme (Paper No. 25-341) (Pages 87 - 102)**



PAPER NO. 25-339

WANDSWORTH BOROUGH COUNCIL

FINANCE OVERVIEW AND SCRUTINY COMMITTEE – 09 October 2025

Report by the Interim Deputy Chief Executive on London Borough of Culture Legacy

SUMMARY

Wandsworth is in the midst of delivering a successful London Borough of Culture programme. It has exceeded all expectations by delivering a broad and exciting range of events and projects across all wards, engaging a wide network of partners and creatives, and is raising the profile of Wandsworth.

The programme is starting to examine the legacy of Wandsworth being London Borough of Culture. From the work delivered so far, a simple framework based on – people, partnership, place and purpose, is beginning to emerge. This framework can serve as the foundation for developing a legacy delivery plan.

GLOSSARY

LBOC - London Borough of Culture

RECOMMENDATIONS

1. This report is submitted to the Finance Overview and Scrutiny Committee for information. No decisions are required on it by the Council, the Cabinet or regulatory or other committees. If the Finance Overview and Scrutiny Committee approve any views, comments, or recommendations on the report, these will be submitted to the Cabinet and/or the appropriate regulatory and other committees for their consideration.

INTRODUCTION

2. In October, the programme reaches the halfway point of our LBOC year, so focus is shifting to legacy. The attached slide deck outlines the programme's delivery to date and shares emerging thoughts on the LBOC legacy, built around four key pillars: People, Partnership, Place, and Purpose.

The primary goal of the programme's legacy is to build on the momentum of LBOC to create a more connected and engaged community. The programme invites the Committee to help develop this framework and look at how we shape a delivery plan.

DETAILS / BODY OF REPORT

3. LBOC is transforming the way we work as a Council. The programme has proven we can work at pace and quality by collaborating externally with a diverse range of partners to drive delivery and leverage new capacity. This is also reflected internally through our collaborative working across directorates – from Comms to Children Services to our key partners like Enable.
4. The programme needs to think creatively about how we prioritise and invest in the legacy areas that will give Wandsworth residents and the Council the greatest return.
5. The Council faces significant financial challenges next year. We need to look at how we leverage existing and planned projects to serve as part of the LBOC cultural legacy. For example, how does the work we are doing on regeneration directly contribute to our focus on place. We are also building an army of volunteers with a growing network of people willing and able to support our cultural offer.
6. Through a legacy delivery plan, we need to think about how this will feed into the planks of the Council's transformation and show that a vibrant cultural offer is central to our vision for the borough.
7. To support the information that will be presented to the Committee, the programme has invited two of the local LBOC Champions to share their personal experiences of the programme, being a champion, and their involvement in deciding on grant funding. This will provide direct insight into and illustrate the impact of our proposed 'People' focused legacy work.

COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE

8. It is expected that any future legacy plans will be funded from existing budgets and tie in with broader council priorities.

The Town Hall
Wandsworth
SW18 2PU

Ana Popovici
Interim Deputy Chief Executive

1st October 2025

Background papers

(Paper No. 25-339)



There are no background papers to this report.





WELCOME TO WANDSWORTH

London Borough of Culture

**LBOC: Building a
lasting legacy**

Oct 2025



A glimpse of the story so far...



Our journey in numbers



695 artists and creatives engaged so far



52 Wandsworth schools delivered LBOC projects in the first term



180 Wandsworth Arts Fringe events for and by everybody, across all wards



37,500 attendees over 4 of our largest events



315 volunteers already recruited, with numbers growing



£148,351 awarded by Local Champions in LBOC grants



195,000 views of WelcometoWandsworth.com



10 episodes of The Wandsworth Way. 30 local emerging writers creating the scripts.

Looking back to Look forward



Our London Borough of Culture is about celebrating our cultural heritage

and

Helping to build connections that bring Wandsworth residents together making them the authors of their own health and happiness.

We are beginning to shape our legacy through a simple emerging framework of:

- People
- Place
- Partnership; and
- Purpose



Legacy of people

Emerging outcome: To build a more connected and engaged community by empowering residents to contribute to the borough's cultural life.



We have...

...which means we are

Our objective is to...

recruited an army of Culture Heroes (volunteers)

creating a sustainable resource for the borough's cultural and voluntary & community sector

continue to grow this network and provide opportunities beyond LBOC to keep them active and engaged.

empowered local Champions to have a voice in decision making

pioneering a powerful new model for **community-led grant-making** which can be scaled across the Council

grow their remit and maintain their decision-making on cultural grants for the next year



Legacy of partnerships

Emerging outcome: To build new and lasting collaborations with creatives and businesses to help grow our current and future cultural offer

We have...

...which means we are

Our objective is to

continued our strong partnerships with leading anchor institutions and forged new partnerships

enhancing our capabilities and **boosting our capacity and reach, for example with in-kind support from TfL, JC Decaux, Sambrooks**

increase the number of local businesses that we partner with to help build and raise their profile

worked with local creatives to deliver some of the borough's largest events

supporting local organisations and creatives to flourish, strengthening Wandsworth cultural offer

review and reimagine our flagship projects and events such as Wandsworth Arts Fringe to ensure they showcase and grow our local creatives





Legacy of place

Emerging outcome: To raise the profile of Wandsworth by showcasing its strong cultural offer and bold new brand identity

We have...

...which means we are

Our objective is to



delivered regeneration work for eg. on the Alton / Winstanley Estates

using creativity to shape our neighbourhoods into more prosperous, healthy and connected places

continue supporting programmes to drive inclusive regeneration

created iconic and stand out moments within the programme such as Piccadilly Circus

building Wandsworth's profile as a place with a strong cultural and heritage offer within London

evaluate the year's successes and identify key flagship events that will boost visitors and support local businesses





Legacy of purpose

Emerging outcome: To demonstrate the value of culture within the borough and build our future pipeline of talent and skills



We have...

...which means we are

Our objective is to

worked with 5,000 children and engaged 495 young people in employment and leadership opportunities

linking young people directly to careers in the arts and creative industries and building a future pipeline of talent

continue to enhance our school offer and internships

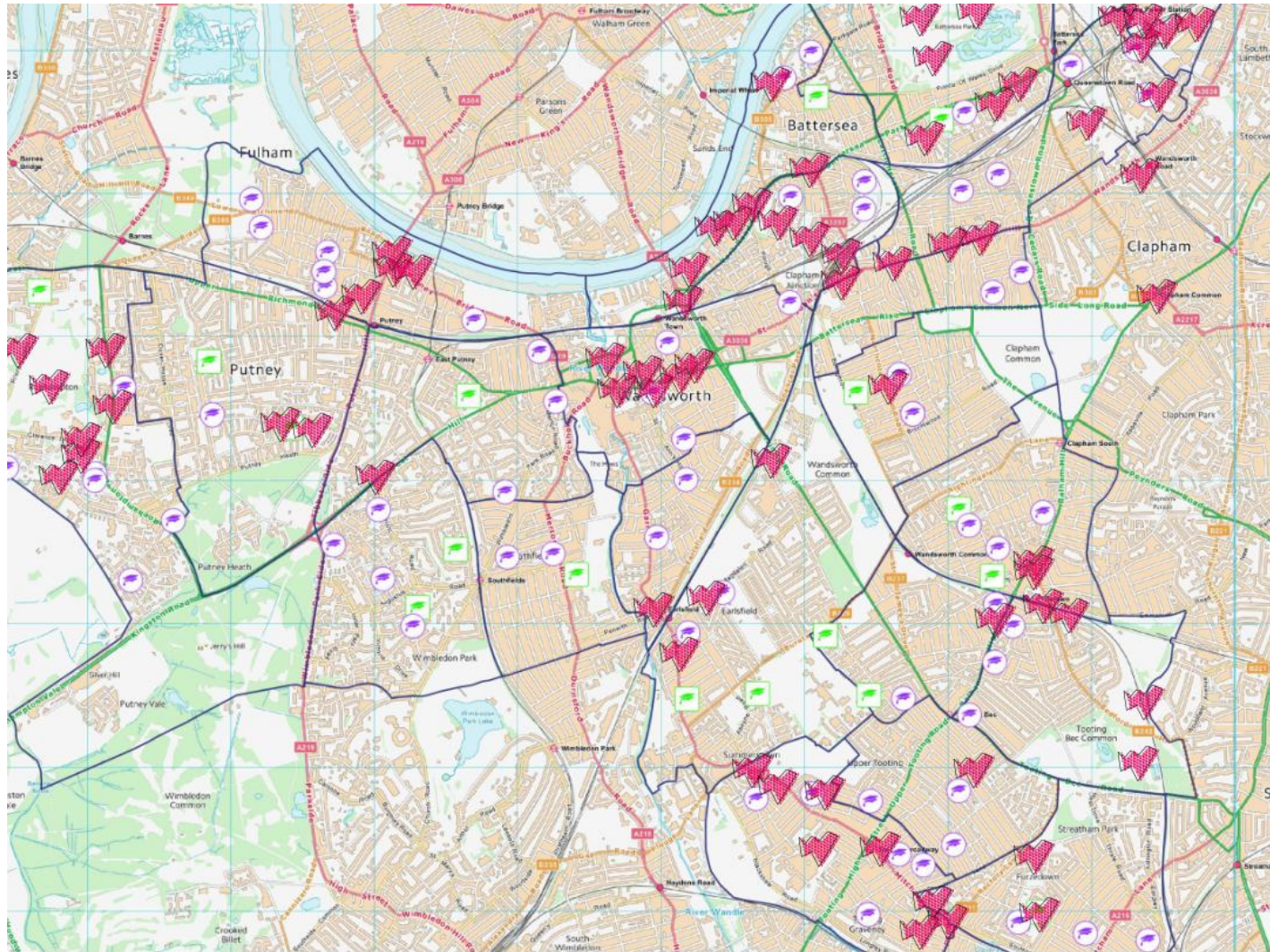
Used digital tools to create a one stop guide for all cultural opportunities and digitised our heritage collection

making Wandsworth's cultural offerings more visible and accessible, as well as preserving it for generations to come

transition the Welcome to Wandsworth website to the Wandsworth 'What's On' guide

Building connections & capacity across the borough

Delivered projects and events across all wards



LBOC has supported residents to engage with free events and Access for All

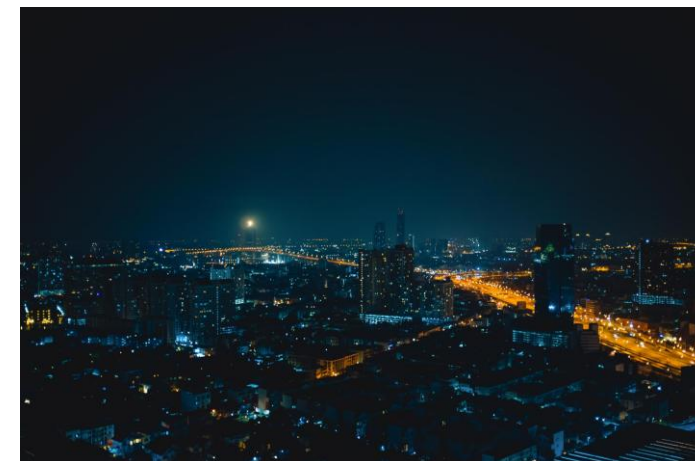
LBOC has featured across a minimum of 96 unique locations

LBOC is reaching parts of the borough that ordinarily may not engage and building connections

Developing our Emerging Legacy

As we reach the halfway point of the programme, we want to shape the initial ideas into a delivery plan and would welcome the Committee's involvement in developing these further so that we continue to:

- Enhance and embed the partnerships developed during the year
- Scale opportunities that involve and empower residents
- Continue building a connected, creative, and resilient community
- Provide grant funding to support grassroots organisations
- Ensure culture remains integral to Wandsworth's future





PAPER NO. **25-340**

WANDSWORTH BOROUGH COUNCIL

FINANCE OVERVIEW AND SCRUTINY COMMITTEE – 9 OCTOBER 2025

Report by the Executive Director of Finance on the Medium Term Financial Strategy and Transformation Programme

SUMMARY

The MTFs and Transformation Programme recommendations were agreed by Cabinet in September. The Finance Overview and Scrutiny Committee is being asked to consider the MTFs and Transformation Programme update as a forward-looking scrutiny exercise that supports budget setting and strategic planning (rather than as a retrospective review of Cabinet decisions). The Committee's role is to assess the financial assumptions, risks, and delivery mechanisms outlined and consider how these align with the Council's priorities.

1. RECOMMENDATIONS

1.1. This report is for information only. The Overview and Scrutiny Committee is recommended to report any findings, views, or recommendations arising from its review of this report to Cabinet as part of the upcoming budget setting process.

2. INFORMATION

2.1. As part of this process, OSC Members are reminded of the purposes of bringing this issue to the Committee:

2.1.1 Benefits of Scrutiny

- What benefits would scrutiny bring to this issue?
- Is the issue of significant concern to residents or service users?
- Will scrutiny lead to tangible improvements in services, policy, or accountability?
- Is this the right time to scrutinise the issue (e.g. pre-decision, emerging issue)?

2.1.2. Method of Scrutiny

- How could the committee best carry out work on this subject?
- Would it be best to consider a single item on a committee agenda, as a single item meeting, as a task and finish review, or as a standing panel?
- Is there performance data, complaints, or risk information to support scrutiny?
- Can the committee realistically undertake this work with available time and officer support?

2.1.3. **Desired Outcomes**

- What would be the best outcome of this work?
- Can scrutiny add insight or challenge that wouldn't otherwise occur?

2.1.4. **Engagement with Decision-Makers**

- Will scrutiny influence decision-makers or align with the Forward Plan?
- Will scrutiny engage partners (e.g. NHS, police, housing associations) or respond to external reviews (e.g. Ombudsman, regulator)?

The Town Hall,
Wandsworth
SW18 2 PU

Fenella Merry
Executive Director of Finance

1 October 2025

Background papers

There are no background papers to this report.

Appendices

Appendix 1: Cabinet report on the Medium Term Financial Strategy (and Transformation Programme)



Cabinet

Title: Medium Term Financial Strategy 2025/26

Paper No. 25-326

Date: 22nd September 2025

Cabinet Member for: Finance

Author: Fenella Merry, Executive Director of Finance
Andrew Travers, Chief Executive

1. Executive Summary

- 1.1. The Council has a reputation for constant, sound financial management. The Council's management of its finances, reserves and its commitment to making developers pay has enabled it to set the lowest council tax in the country and deliver excellent services to residents, including investing in libraries, leisure centres, CCTV and roads and pavements. A cornerstone of the Council's approach is the annual MTFS, published in the Autumn each year, and the annual budget setting process which takes place in March. This paper sets out the MTFS for 2025/26.
- 1.2. The context within which the Council delivers services to residents has changed. The impact of COVID and the cost of living crisis has led to more residents needing support and inflation continues to have an impact on the cost of delivering our services. Rapid digital advancements are also changing how residents live, work and access services as well as changing the approaches available to councils to deliver services. Wandsworth residents rightfully expect the Council to respond innovatively and adapt to these changes using all the levers it has available, including deploying its

financial resources to deliver transformation which will help with longer term financial sustainability.

- 1.3. The Council needs to work differently and innovate at scale to continue to make a difference to Wandsworth. To achieve this step change, whilst still maintaining excellent services to residents, time limited additional capacity and external challenge is needed as well as a systematic, modern approach to transformation. The MTFs relies on investment in a Council wide Transformation Programme which will lead to new ways of working through innovation, challenge and harnessing digital and technological advancements. This transformation towards a more forward looking, innovative Council will unlock new opportunities for growth for Wandsworth, ensure residents who need it get our support earlier and are able to engage with services quickly and effectively. This will ensure the Council continues to deliver for residents whilst identifying efficiencies that support the ongoing financial sustainability of the Council.
- 1.4. This report updates the MTFs and the Council's four financial frameworks to reflect current estimates of spend and income. It highlights where there are risks and pressures and identifies mitigating actions where appropriate. There are a number of significant changes in the national economic and policy landscape that could affect a range of Council services and best estimates of their impact are included here.

2. Recommendations

- 2.1. To approve the Council's Medium Term Financial Strategy for 2025/26 as set out in Appendix 1 to this report.
- 2.2. To approve the allocation of £1.9m of the existing Financial Resilience Reserve to establish a new 'Transformation Programme Delivery Fund' with delegated authority to the Chief Executive and Deputy Chief Executive, in consultation with the Executive Director of Finance, to draw down on the fund in line with the Council's Financial Regulations.

3. Details

- 3.1. The aim of the Medium Term Financial Strategy (MTFS) is to model income, expenditure and resource requirements and to demonstrate how the Council's financial plans and strategies contribute to the achievement of its corporate objectives. It continues to form part of the Corporate Plan which was agreed in September 2022 with the latest actions and key performance indicators agreed by Cabinet in July 2025 (Paper No. 25-256). Other elements of the Corporate Plan include a six month and annual update on progress and performance. All of the elements are then linked together online to produce a "virtual" Corporate Plan which is available on the Council's website.

MEDIUM TERM FINANCIAL STRATEGY 2025/26

- 3.2. The Council continues to exercise strong financial



management across its services and decision making which puts Wandsworth in a strong position to tackle any financial challenges ahead. Reserve balances are being deployed both to invest in services and to close the budget gap. The focus over the past few years has been on maximising efficiency and delivering savings, including through digital enhancements, in order to protect front line services.

- 3.3. Since budgets were last approved demand pressures have continued, as have the ongoing challenges around the economic climate including inflation. In addition the Government has released a number of consultations and policy statements across a range of Council services which could have an impact on their delivery and funding.
- 3.4. The financial outlook for the **Council's General Fund revenue framework** is a significant change since the last update in February (Paper No. 25-88). The primary driver of this is a series of national funding reforms, the proposals for which have now been released although their impact on individual councils is not fully clear at this stage. The implications of the changes could be significant.
- 3.5. The Council has submitted a detailed response to the Government's funding reform consultation and will continue to lobby for a fair and sustainable settlement as there are some elements of the proposed new formulae that do not fully reflect the cost of either delivering services or living in London. Effective transitional protection should be implemented to better mitigate where there are funding losses.
- 3.6. In addition to the funding reforms, escalating demand and rising costs for statutory services continue to exert pressure on the budget, in particular social care and homelessness. Nationally the funding levels available are insufficient to meet the increasing complexity of need and the financial demands faced by the sector. Locally, this has resulted in a persistent and growing funding gap.
- 3.7. In response, the Council is launching an ambitious Transformation Programme, building on the foundations of the previous Change Programme. This programme will not only support the delivery of a balanced MTFs but also advance the Council's vision of becoming a fairer, compassionate, and more sustainable borough.
- 3.8. The MTFs outlines how this, coupled with council tax income and the planned use of reserves will help bring the Council's General Fund revenue financial position into balance in the period to 2028.
- 3.9. Whilst the Government has confirmed the ability to apply future council tax increases totalling 4.99% each year, no decisions have been made yet. Future decisions will continue to be informed by the Council's overall financial position, including its impact on residents, and will form part of the recommendations in the overall budget report brought to Cabinet in February/March of each year. The Council will require the further use of reserves if plans developed over this period do not close the

existing gap. The strategy also acknowledges that the likelihood of increasing financial pressures continuing beyond 2028/29 will depend largely on how the funding redistribution will be implemented.

- 3.10. The Council's **Housing Revenue Account framework** was last reported in January 2025 within the HRA Budget (Paper No. 25-13). This update sets out the impact of ongoing inflationary pressures and highlights the increasing need to invest in the existing stock to ensure it meets the decent homes and other building/fire regulation standards plus moves towards being "greener" overall.
- 3.11. The latest update of the **General Fund capital framework** is presented elsewhere on this agenda (Paper No. 25-327) and highlights the scale of the current capital programme plus the financing of the programme, in particular the significant use of developer contributions as the Council continues to make developers pay for investment that benefits local communities. All capital receipts received to date have been applied in full and, without additional funding sources being identified, the existing capital programme will require borrowing to partially fund it. The cost of borrowing (both principal and interest) is a revenue cost and any further increase in the programme would therefore put impact on the General Fund revenue framework position highlighted above.
- 3.12. The **Dedicated Schools Budget framework** was presented to June 2025 Children's Overview and Scrutiny Committee (Paper No. 25-223) which reported a deficit position due to overspends relating to Special Education Needs and Disabilities (SEND), with the annual position predicted to increase this deficit further. To mitigate the continued growth in this deficit, schools, the Council, parents and partners are working to ensure the system provides the best possible outcomes for the borough's most vulnerable young people in an effective and financially sustainable way. The Government has announced plans for reform of the SEND system, details of which will be set out in a White Paper in the Autumn, and has recognised that local authorities will need support during the transition. In the meantime, the Dedicated Schools Grant "statutory override" has been extended until March 2028. Any funding deficit in the DSB is a risk to the General Fund revenue framework at the point the override comes to an end. The Council continues to engage with the Government in relation to high needs funding issues.
- 3.13. The Council will continue to plan to protect front line services, with a focus on delivering the Administration's priorities, whilst seeking to manage cost through modernised services and a significant transformation programme. The Council will continue to lobby Government for fair and sustainable funding settlements.

TRANSFORMATION PROGRAMME

- 3.14. The Council is recognised as a "strong performing Inner London borough". Wandsworth is London Borough of Culture for 2025. The Council's Adult Social Services were recently judged as "Good" by the Care



Quality Commission. Through innovative partnerships, such as Apple and Dolly Parton's Imagination Library, the Council has been able to bring additional resources to residents. There has been a continued focus on key services such as 83% of calls answered within seven rings which is an improvement from last year. Adoption of modern approaches to digital and data have led to real benefits for residents including £4.6m of previously unclaimed benefits for residents using the Low Income Family Tracker data tool. Through constant, sound financial management and making sure developers pay, the Council has been able to set the lowest council tax in the country and invest in libraries, leisure centres, CCTV and roads and pavements

- 3.14 However, the context within which the Council delivers services to residents has changed. The impact of COVID, inflation increases since 2020 and the cost of living crisis has led to more residents needing support. Rapid digital advancements are also changing how residents live, work and access services as well as changing the approaches councils can use to deliver services. There is an increasing importance that Wandsworth capitalises on opportunities to deliver inclusive growth for the borough, its residents, partners and businesses.
- 3.15 Wandsworth is evolving and the Council needs to work differently and innovate at scale to continue to make a difference to its residents. To achieve this step change, whilst still maintaining excellent services to residents, time limited additional capacity and external challenge is needed as well as a systematic, modern approach to transformation. The Council is investing in a council wide Transformation Programme which will lead to new ways of working through innovation, challenge and harnessing digital and technological advancements. This transformation will unlock new opportunities for growth for Wandsworth, ensure residents get support earlier and are able to engage with services quickly and effectively. This will ensure the Council continues to deliver for residents and will identify efficiencies that support the ongoing financial sustainability of the Council and help to absorb the impact of any external changes such as the Fair Funding Review.
- 3.16 This will be an ambitious programme with a scale that reflects the need to make significant financial savings alongside leveraging technology to deliver better services. The initial "discovery" phase will scope out the detail of the programme with the expectation of generating revenue savings to help close the ongoing budget gap.
- Purpose**
- 3.17 Delivery of a balanced MTFs will require focus and grip across the organisation. The aim of the newly proposed Transformation Programme will be to provide the necessary co-ordination alongside consolidated reporting and communications to achieve this. The programme will be structured to join up delivery across eight portfolios described in [Appendix 2](#) which will be further developed over the coming months.

Outputs



- 3.18 Each portfolio will develop a business case with analysis of options and proposed changes. The impact analysis will assess costs, benefits, sustainability, equality, prevention, legal, and procurement. Following scrutiny and approvals, business cases will move into implementation with rigorous monitoring of progress, costs, and benefits. Savings and financial benefits will be reflected in future budgets and MTFS updates.

Capacity

- 3.19 Delivery of the MTFS through the Transformation Programme is a priority and resource will need to be aligned to reflect the importance of this work. Capacity will primarily come from existing staff prioritising transformation however resource analysis has highlighted gaps in skills and capacity which need to be addressed to successfully deliver transformation at this scale. This reflects lessons learned from the Change Programme (which was a series of 35 small, discrete projects in contrast to the more ambitious organisation-wide transformation now being taken forward). Our workforce needs to be equipped with the right finance and digital skills. Specific skills include: business case development, cost-benefit analysis, benefits realisation, organisation design, user experience design, and business analysis. Some gaps warrant recruitment of new staff; others are a temporary, specialist requirement where external support will be more appropriate.

Consultancy

- 3.20 External support is required in the short-term to develop the business cases, underlying analysis, and implementation plans, as skills and capacity at the level required are not available in house. An initial diagnostic phase will take place over four months, with work to commence in the Autumn. This phase will focus on developing business cases and demand modelling (to meet the budget). Following approvals, there will then be a longer “implementation” phase with external support. Alongside specialist skills, this will bring momentum, fresh thinking, and best practice from other organisations, with a requirement to upskill Council staff and deliver social value.

Funding

- 3.21 The ambitious scale of the transformation will require further investment over the next couple of years however an initial budget of £1.9m for transformation has been developed to deliver the initial “discovery” phase based on resource analysis and market testing. This includes external costs for transformation business case development as well as bringing in new skills and implementation support.
- 3.22 It is proposed to allocate £1.9m of the existing Financial Resilience Reserve to fund this programme. The flexible use of capital receipts to fund the transformation will also be considered where available and appropriate.

4. Financial Implications

These are built into this report.

5. Legal Implications

None specific to this report.



6. **Equalities Implications**

- 6.1 A full Equality Impacts Needs Assessment (EINA) will be carried out as appropriate for any new or revised policy or service that results from the work of the Transformation Programme, ensuring that impacts are identified and appropriate mitigations put in place. Each EINA will consider socio-economic impacts as well as the nine protected characteristics set out in the Equality Act 2010. EINAs will be reported to relevant Committees for awareness and discussion of the impact of any proposed changes.

7. **Supporting the Wandsworth Environment and Sustainability Strategy**

- 7.1 Both the revenue and capital budgets of the Council incorporate funding to meet the demands of improving the Council's environmental footprint.

Accompanying papers

Appendix 1 – Medium Term Financial Strategy 2025/26

Appendix 2 – Transformation Programme



MEDIUM TERM FINANCIAL STRATEGY 2025/26

1. The Council's MTFS is a four-year financial projection which is integrated within the decision making powers of Cabinet. The MTFS is both driven by and informs decisions on approving improvement plans to deliver the Council's objectives having prudent regard to risk management.
2. The mechanisms by which the management of resources is controlled are detailed in Annex A.

NATIONAL CONTEXT

3. The Council's financial and service planning is shaped by national economic conditions and public expenditure frameworks. The local government sector experienced significant funding reductions during the austerity period of the 2010s. Although there were some funding increases in the early 2020s, Wandsworth's real-terms funding remains approximately 20% lower than pre-austerity levels.
4. Over the past few years an increasing number of councils have indicated they are facing financial difficulties with many cutting back services and using reserves (where available) in order to ensure they can meet their statutory duties. A number of councils, including in London, have received exceptional financial support from the Government in order to avoid issuing section 114 notices. However, as exceptional financial support is effectively a permission to borrow rather than additional funding it does not solve the underlying structural funding pressure. The proposals around fair funding reforms will further exacerbate problems for a number of local authorities.
5. It is also clear that national government intervention is required to fix not just the sector's structural funding deficit but the causes of demand pressures such as the housing crisis and broken care market.
6. Following the very high period of inflation in 2022 and 2023, inflation fell in 2024 but has since increased to 3.8%. The Bank of England expects inflation to fall to 2.7% by September 2026, but this would still be above its target of 2%. In addition, increases in the National Minimum Wage, London Living Wage and employers' national insurance contributions will continue to put above inflation pressure on contractors' costs.
7. On 11 June 2025, the Government published its Spending Review, setting departmental budget limits through to 2028/29. This included a commitment to real-terms growth in local government revenue funding (defined as Core Spending Power) averaging 2.6% annually over the next three years. The CSP projections assume that all councils will increase council tax by the maximum permitted each year of 2.99% for the main element and 2% for the adult social care precept. Council tax increases are expected to



account for 80–90% of the overall CSP growth, with the remainder coming from Government contributions.

8. It is within this national context and the impact it is having on each of the Council's four frameworks that this MTFS is set.

GENERAL FUND REVENUE BUDGET FRAMEWORK

9. The MTFS last approved in December 2024 assumed a mix of council tax increases, efficiency savings and use of reserves to balance the General Fund revenue budget between now and 2028. Since then there have been updates to reflect:
 - budgets approved as part of the council tax setting exercise in February (Paper No. 25-89);
 - the 2024/25 outturn position where the Council's net General Fund expenditure overspent by £1.3m (Paper No. 25-250);
 - all budget variations this year to date which include investment in temporary accommodation, CCTV monitoring and the Winstanley York Rd regeneration;
 - estimates for future service and inflation pressures;
 - latest estimates of future government funding; and
 - a roll forward of estimates into 2028/29 to cover a four year period.
10. The estimates made are subject to a number of assumptions that will continue to be refined but will form the basis of action planning at this early stage in the budget setting process.

Particular risk factors

Loss of Government grant funding

11. Over half of the Council's General Fund revenue expenditure is currently derived from Government funding, making the Council's financial position particularly sensitive to the proposed national funding reforms and resetting of the business rates retention system, both due to be implemented from 2026/27.
12. Several service areas receive substantial targeted central government support which will continue to sit outside the general grant allocations. The Council still spends £190m on General Fund services funded by specific grants or subsidies:
 - a) A significant portion relates to **Housing Benefit** which is subject to change due to the ongoing rollout of Universal Credit. While Universal Credit has been implemented for all new claims, the Department for Work and Pensions began a managed migration in April 2024 to transition remaining working-age



claimants from legacy benefits. The Council is reimbursed by Government for Housing Benefit payments and receives a specific grant for administrative costs. This grant is expected to decline over time, although administrative costs are unlikely to reduce proportionately due to system maintenance and the continued need to administer a council tax support scheme for all residents.

- b) The **Public Health Grant**, introduced in 2013/14, is £33.7m for 2025/26 (up from £31.7m in 2024/25). Wandsworth continues to have a relatively high grant allocation and, although a revised allocation formula was developed in 2015, it has not been implemented and is not expected to be adopted in 2026/27. The grant is deployed in full across Council services each year to support public health outcomes.
 - c) The **Local Authority Better Care Grant** combined the Improved Better Care Fund and Adult Social Care Discharge Fund in 2025/26 to continue to assist with pressures in adult social care. The current year's funding is £20m (no change from 2024/25). There is a requirement to spend this funding on meeting adult social care needs, reducing pressures on the NHS and ensuring the local social care provider market is supported. The Council must pool this funding with the NHS via the South West London Integrated Care System.
13. On 20 June 2025, following an initial consultation in December 2024, the Government launched its Fair Funding Review 2.0 (FFR 2.0). This aims to update the methodology for distributing the Spending Review defined funding pot among local authorities. Although the original Fair Funding Review began in 2016, it was never implemented and so the last significant update to the distribution formula and data was in 2013.
14. Several changes in local government finance have occurred since 2013, making the impact of FFR 2.0 difficult to predict, and MHCLG has yet to release any modelling at an individual authority level. A Policy Statement is due at the end of October which should provide more detail on how the timing and transition changes are to be implemented, and draft funding allocations will be confirmed in the provisional local government finance settlement in December.
15. As part of FFR 2.0, the Government proposes to introduce multi-year (likely three year) funding settlements from 2026/27. Whilst each local authority's funding will continue to be determined by an assessment of its "needs" (spend) and "resources" (income) relative to the rest of the country, the distribution formulae and data that feed into it will be amended. In addition, for the first time, the resources element will be based on an assumed (notional), rather than actual, level of council tax. This is proposed to be approximately £2,000 in 2026/27 and will increase each year. If, as in Wandsworth's case, an authority's council tax is below this level (Wandsworth is currently £507.37), then the actual council tax income will be lower than this notional level set.



16. Government grant within CSP for each council will be the difference between its “needs” and “resources”. The Council’s current council tax is well below the assumed average rate, and the changes to the “needs” part of the formulae are also adversely impacting the Council. Wandsworth is still receiving transitional protection for grant losses introduced in 2013/14 which means current grant levels are higher than would otherwise be received. In addition, several grants currently listed separately are proposed to be consolidated into the new funding distribution. These include the Social Care Support Grant and the New Homes Bonus, both of which have historically benefited Wandsworth. While funding for social care will be incorporated into the new “needs” formula, no dedicated funding stream has been proposed to reflect the growth in new housing.
17. Overall these factors taken together suggest a likely significant drop in the Council’s overall future funding. The Government has made it clear that councils should plan to use available reserves and deliver transformation to help mitigate their losses. However at this stage it is not clear how it intends to address below notional council tax i.e. if/how councils will be expected to mitigate grant losses through higher council tax, as no changes have been proposed to the council tax referendum limits.
18. The Government is aware of the scale of the potential financial impact its redistribution will have on some councils and is therefore proposing a phased approach to implementation, only moving to full use of the new formula by 2028/29. It is also proposing to offer further protection by applying “funding floors”, confirmed for at least the first three years (to align with the current Spending Review period). Historically funding protections have been applied over longer periods where necessary.
19. The funding floors proposed range from zero (i.e. cash flat grant) to negative (i.e. cash loss) of 5% or 7% for those authorities expected to be disproportionately affected by the changes (which includes Wandsworth). The consultation also proposes that any protection offered through a funding floor assumes local authorities use their full council tax increase flexibility each year which means that grant funding will reduce over time as CSP replaces grant with council tax increases.
20. There is significant uncertainty around the overall impact of both the funding review and potentially significant impact of the business rates reset which is to be implemented at the same time. Government is currently considering the consultation responses and full impact and timing of its proposals, and may make changes as a result. This makes it difficult at this stage to quantify the overall funding loss to Wandsworth but it could be in the region of £25m to £39m per year by the end of the MTF period (2028/29). This risk which will need to be kept under constant review as the exact transition and funding floors to be applied plus impact of business rates will all have an impact, hence the wide range.
21. The Fair Funding Review consultation closed on 15th August with the Council submitting a detailed response highlighting the significant impact for Wandsworth. The Council will continue to lobby for a



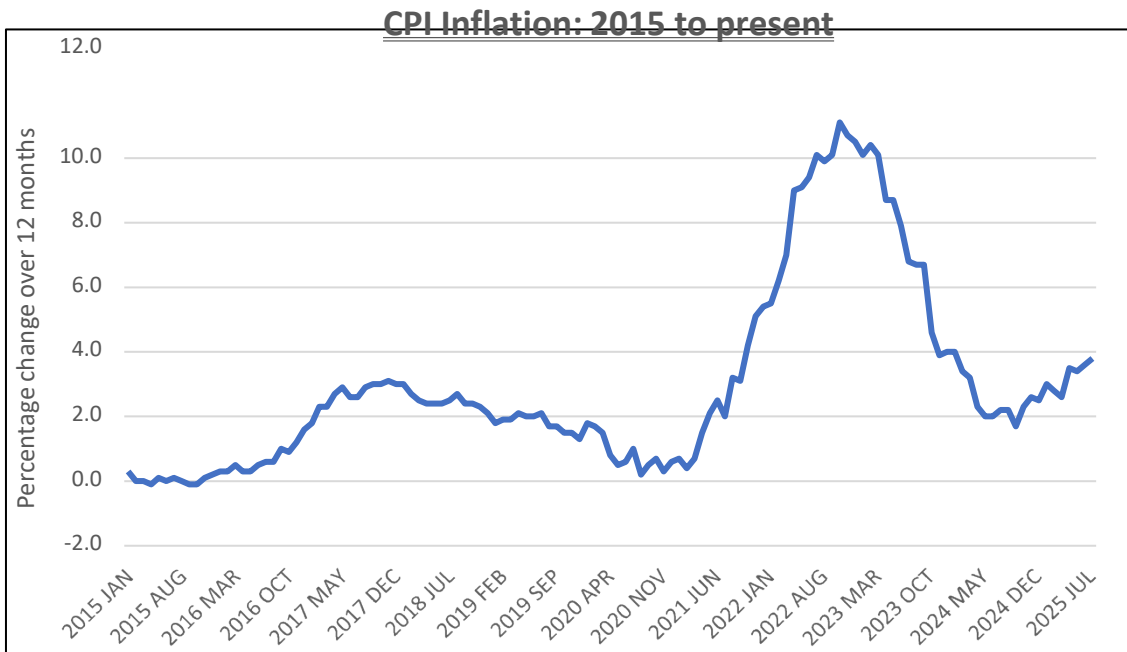
sustainable funding settlement and continue to exercise strong financial management in preparing for any changes.

Business rates retention

- 22. Business rates are set nationally by Government and the income is used to fund the local government finance settlement. A portion of business rates can be retained by councils to incentivise local growth. Over time, various changes to multipliers and reliefs have been introduced to support businesses. For 2025/26, the small business multiplier remains frozen, and business rate relief for the retail, hospitality and leisure sector continues, albeit at a reduced rate. Councils are compensated for any loss of income resulting from these changes. The Council’s 2025/26 budget assumes retained business rates income of £65m.
- 23. On 8 April 2025, the Government launched a consultation on resetting the business rates baseline, its first since the business rates retention system was introduced in 2013/14. The consultation paper indicates that the reset’s impact will be considered as part of transitional support accompanying broader funding reforms. This adds a level of complexity to the modelling, particularly the interplay of business rates with the Fair Funding Review and the GLA’s funding (which impacts on how much business rates income London boroughs retain). Consequently, any financial assumptions regarding the reset will continue to be monitored and updated as further information becomes available.

Inflation and interest rates

- 24. Following the very high period of inflation in 2022 and 2023, annual increases in the Consumer Price Index (CPI) fell in 2024, dropping to a low of 1.7% in September 2024. However, it has since increased and is currently 3.8%:



25. The impact of this inflation remains in our base costs as prices are about 25% higher now than they were in 2020. The revised framework now reflects the Bank of England's latest forecasts of inflation which are anticipated to lower to 2.7% by September 2026, and to reach its target of 2% by June 2027.
26. When the 2025/26 budget was set, the rate of inflation was expected to fall, however we have continued to see high inflation on demand led services (adults, children's and homelessness). The agreed pay award in 2025/26 has increased costs by an average of 3.2%.
27. Overall, current assumptions suggest that the inflation provision for 2025/26 of £19.6m is broadly sufficient. However, rising costs associated with increases in the National Minimum Wage and employers' National Insurance contributions are expected to impact contractors delivering services on behalf of the Council. This may place upward pressure on the cost of contract tenders and extensions.
28. The Bank of England's base interest rate impacts on the Council's returns on its investments and cash balances. This has recently dropped to 4% and is now expected to fall more slowly than previously anticipated. Higher treasury investment income is now being forecast as a result, in the short term in particular, but is still forecast to drop in the medium term as the impact of the reduction from its peak of 5.25% in August 2023 plus lower cash balances feeds through.
29. Crucially, the cost of inflation continues to outstrip income increases, council tax rises are effectively capped and many of the Council's charges are governed by statute. This continues to create a shortfall as many increases in income are not keeping pace with rising costs.

Income

30. Income generated from services currently funds around a quarter of General Fund gross expenditure. The Council's 2025/26 budget includes £139m of income from fees and charges, including statutory charges over which the Council has no control (e.g. some planning fees and social care contributions). Some income streams will always be subject to external economic, social and demographic factors beyond the Council's control and therefore not guaranteed. For instance, £46m of this income relates to parking (both charges and penalties) which is a relatively volatile source of funding.
31. The Access for All policy impacts on income generated as a wide range of concessions are now offered to support low income households to access Council services.
32. The position will continue to be monitored to ensure that income budgets are set at realistic levels, particularly when considering any future charge increases and their reasonableness.

Cost of living crisis



33. The continuing impact of the cost of living crisis puts additional financial pressure on individuals which means they may be less able to pay bills and require further support from the Council (including through accessing statutory services), which in turn could adversely impact the Council's financial position.
34. The impact for residents continues and the Council and its partners will continue to do more to help prevent hardship. The Council has so far committed £15m of its own funding to support a range of initiatives, as well as delivering other initiatives funded by Government grants. Longer term support is being delivered through implementation of the recommendations of the Cost of Living Commission and the Access for All policy which provides equitable access to what living in the borough has to offer.
35. The Council is due to receive £3.6m of Household Support Fund grant from the Government in 2025/26 (£4.3m in 2024/25) which is being used to fund key cost of living initiatives for households in financial crisis. The Government's funding reform proposals include the creation of a new Crisis and Resilience Grant, which would merge the Household Support Fund and Discretionary Housing Payments, to help councils support financial resilience and crisis response. At this stage it is assumed there will be no overall reduction in this funding for 2026/27.

Rising homelessness

36. The Homelessness Reduction Act 2017 came into effect in April 2018 and extended the range of statutory duties to a wider cohort of households. In addition, the ongoing challenge of the national housing crisis is continuing to have a significant impact on the Council's statutory homelessness services.
37. As reflected in regular financial monitoring and housing activity reports (most recently Paper No. 25-257) the past year has seen further growth in the number of residents presenting as homeless and a significant increase in the cost of temporary accommodation. Whilst officers continue to bring forward and implement plans to manage demand and costs, as well as explore new avenues for increasing housing supply, there remains a trend and the ongoing risk of other external factors having an impact and leading to further rising homelessness and increased costs. This position is not unique to Wandsworth, but one that is having an impact nationally, and is particularly acute across London as the combination of the cost of living crisis and supply/demand imbalance in the private rented sector is causing significant concern.
38. In order to mitigate these pressures as much as it can, the Council is taking positive action to boost the local supply of affordable housing, for instance through taking a more robust approach to affordable housing delivery in the application of planning policy and the delivery of 100% social rent homes within its "Homes for Wandsworth" self-build programme, alongside pro-actively leveraging external funding sources (where appropriate) to assist in growing stock through acquisitions targeted specifically at providing alternatives to the most expensive forms of temporary accommodation.



Welfare reform

39. National changes to the welfare benefits regime have been introduced which are having an impact on social housing tenants and private sector tenants. The social sector size criteria, introduced from April 2013, applies a percentage reduction to Housing Benefit for those qualifying tenants who are under occupying social housing. Further, the total welfare benefit cap, applied to all out of work households, was introduced in September 2013 at a rate of £26,000 per annum in London. Reduced in December 2016 to £23,000, it was increased in April 2023 for the first time since its introduction and is currently set at £25,323 in London (a 10.1% increase).
40. Around 60% of households affected by the benefit cap are housed in the private rented sector, with only limited security of tenure, allowing landlords to recover possession within a relatively short timescale if they are minded to do so. In addition, the full impact of other planned welfare reforms (direct payments and Universal Credit) are not yet known, but it is clear that a high rent inner London borough such as Wandsworth will see an above average number of its residents affected. This, exacerbated by the cost of living crisis, could lead to a further increase in homelessness, increased rent arrears and more demand on other Council support services.
41. Following a four year freeze the Local Housing Allowance (LHA) (the maximum level of financial help with rent that private sector tenants can receive) was uplifted by the Government in April 2024 and relinked to the 30th percentile of local rent costs. This increase was welcomed as originally LHA was designed to cover the lowest 30% of market rents but was covering only 3% of properties in London (and even less in Wandsworth), increasing the risk of homelessness. However, it was again frozen from April 2025 and there has been no announcement on the level for 2026/27. Meanwhile private sector rents have continued to increase due to market demand.
42. The Council has received confirmed funding of £0.79m of Discretionary Housing Payment grant in 2025/26, down from a high of £1.31m received in 2020/21. This will be used to help alleviate short term funding issues for residents but there is no indication at this stage that demand will reduce in line with available funding which will put pressure on Council budgets.

Social care – adults

43. Nationally the social care sector continues to face a number of challenges as outlined by a recent report from the Association of Directors of Adult Social Services. In 2024/25, 80% reported overspending on adult social care budgets, totalling £774m nationally, the highest recorded in the past decade.
44. In Wandsworth, the service has recently received the highest rating of “good”, from the Care Quality Commission. Financial pressure on care service budgets continues in relation to increased demand, more complex care needs and increased costs of care services across all client groups. Increased demand together with the cost of living impacting the care provider market as well as those who need and work in care means that this area of



expenditure, one of the largest areas of expenditure in the Council's budget, continues to be a challenge.

45. The drive to provide more care out of hospital settings and financial pressures affecting local NHS services also pose a further risk to adult social care service budgets. Changes to the way services are accessed and preventative services, such as reablement and other intermediate care, seek to proactively mitigate the risk of increased demand, together with partnership working with health services through the Local Authority Better Care Grant and Better Care Fund. However national changes to the operating and funding models of health services pose a risk to local authorities. Proposed changes to funding within the new funding formula may also leave the Council to fund higher care costs in the longer term.
46. In 2025/26, activity levels continue to increase across all areas of care and client groups with a 2.4% yearly increase in people receiving services by March 2025. Activity patterns remain uncertain and along with demographic growth it is difficult to predict demand.
47. To mitigate this, the Council continues to focus on a strength-based approach to keeping residents healthy and independent, helping to prevent, reduce or delay the need for social care. The Transforming Social Care programme is implementing a range of initiatives to help manage future demand for services to improve efficiency, including the use of digital technology, integrated health and care services and a more strategic approach to mental health commissioning.

Social care – children

48. In November 2022 OFSTED found Wandsworth's Children's Services to be "good". This followed a sustained period of significant investment (both financially and in service improvements) and the Council's position is much improved since 2015.
49. A breakeven position is currently being projected in this financial year however there is continued pressure within demand led budgets in key areas that need to be managed to maintain a balanced budget position. The main areas of pressure are not unique to Wandsworth and are predominately linked to rising complexity of need, continued growth in demand for children with special educational needs and disabilities, and a placements market unable to meet need and demand both locally and nationally.
50. There is also a national challenge recruiting social worker positions with permanent workers and local authorities. Whilst the Council uses more expensive agency workers to cover vacant positions to ensure caseloads are managed safely and effectively, it has had huge success in this area with agency and staff turnover figures at the lowest levels in ten years.

Pressure on the Dedicated Schools Budget



51. Schools' expenditure is met from the Dedicated Schools Grant (DSG) however the Council's General Fund holds the funding risk where DSG proves insufficient to meet statutory requirements. The Dedicated Schools Budget (DSB) currently contains a level of central costs from the Council and these costs will be under increasing review with the planned (delayed) implementation of a national funding formula for schools which reduces funding resources to schools in London.
52. Further, there are ongoing pressures on the funding of high needs special education provision within the DSB as the borough sees an increase in children with complex needs. There is a DSG deficit carried forward into 2025/26 of £21.2m and a forecast deficit in-year position of £7.5m for the current year. A clear action plan, owned by the Council and co-produced with partners (including schools and health), aims to recover the deficit.
53. The Government has announced plans for reform of the SEND system, details of which will be set out in a White Paper in the Autumn, and has recognised that local authorities will need support during the transition. In the meantime, Government has announced an extension to the DSG "statutory override", which was due to end in March 2026, until March 2028. On expiry of the override, the Council's General Fund revenue reserve balances would need to be used to cover any accumulated DSB deficit. The cumulative DSG deficit is therefore a future risk.

Pension Fund valuation

54. The latest available valuation of the Pension Fund is as at 31st March 2022 and indicated that overall, the Fund was 116% funded (up from 105% in 2019). This rate is largely driven by Wandsworth's pre-2016 liabilities. By contrast, the Better Service Partnership (post-2016) funding level increased by just 1% to 102% as it is primarily active members who are accruing new liabilities. Consequently, the current contribution rate increased from 18% to 19.1% to apply from 1st April 2023 to 31st March 2026. This is considered a trade off between costs now and the risk of cost increases later. There is currently a planned draw down of £0.85m per annum from the Pensions Resilience Reserve to fund this increase.
55. The latest valuation as at 31st March 2025 is currently being analysed and will apply from 2026/27. Each 1% change in the contribution rate would have a General Fund impact of around £0.7m per year. Any changes from the valuation will be built into the 2026/27 budget and the Pensions Resilience Reserve used where appropriate.

Balancing the budget

56. The Council is committed to making Wandsworth fairer, compassionate and more sustainable. The revised budget framework includes the financial impact of the key priorities within the Corporate Plan 2022-26 (such as the commitment to pay the Living Wage in Council contracts, expansion of food waste collection and the Cleaner Borough Plan, further investment in community safety and the introduction of a private sector



housing licensing scheme) that have already been agreed by the Council. It is important to frame discussions about future priorities in the context of the Council's overall financial position and to take mitigating actions where possible, for instance repurposing service budgets where appropriate to better reflect the Council's priorities and exercising constant sound financial management.

Size of the funding gap

57. Whilst there are efficiency savings in the pipeline that will offset some of the pressures, there continues to be a significant gap between income and expenditure over the MTF5 period resulting largely from service demand pressures in the 2025/26 base budget plus treasury income falling and future years' inflation:

Year	2026/27 £'000	2027/28 £'000	2028/29 £'000
Current Council Tax Requirement 2025/26	74,387	74,387	74,387
Inflation	13,633	27,125	39,375
Service Committee budget changes	2,995	3,785	4,540
Treasury changes including capital investment	3,108	4,227	6,058
Efficiencies	-4,216	-4,050	-4,915
Removal of temporary budgets	-5,123	-5,299	-5,130
Removal of reserve use to balance budget	11,281	11,281	11,281
Total	96,066	111,457	125,597

Budget Gap	21,679	37,070	51,210
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Budget Gap as at March 2025	22,209	31,662	39,798
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58. In addition national funding reforms will exacerbate this position further, estimated to range between £25m and £39m by 2028/29. Unlike in previous years when the budget gap had been building up significantly over the medium term, current assumptions predict a growing challenge from 2026/27.
59. The Council has a statutory duty to balance the budget year on year and will continue to exercise sound financial management including the efficient use of reserves, raising income and delivering efficiencies in order to do so.

Council tax increases

60. The Localism Act 2011 replaced the capping regime for excessive council tax increases with local referenda, and in June the Government confirmed the council tax referendum threshold for the three year Spending Review period to be 2.99%. In addition, social care authorities have been given the flexibility to increase council tax in respect of the social care precept which will provide funds to protect adult social care spending. The Council applied this flexibility in 2025/26 by applying a social care precept of 2% whilst freezing the main element of the council tax.



61. Council tax increases of 4.99% each year for the next three years are being assumed by the Government in its funding reform proposals. For Wandsworth this is equivalent to additional council tax income of £11.8m a year by 2028/29 (1% council tax generates £0.75m income each year).
62. Decisions on council tax are taken annually in March as part of setting a balanced budget for the coming year and will continue to take all matters into account, including the impact on residents of any increases and other financial support the Council can offer those households in financial need.

Use of reserves

63. The Council maintains a number of reserves and balances aimed at both protecting against financial risks and providing opportunities for targeted investment. The Council has high reserve balances compared to other boroughs. All are earmarked for specific purposes (except the General Fund Reserve which is effectively used as an in-year contingency) and their level and continuing need are subject to annual review. Total reserves available for council tax setting purposes, excluding general contingency, are £194m at the start of 2025/26.
64. There is planned use of these balances in 2025/26 of £28m of which £16m is to deliver specific Council priorities (via use of the Cost of Living Reserve, the Refugee and Homelessness Support Reserve, and Access for All) and £12m is to fund the current budget gap, resulting in projected year end reserve balances of £166m.
65. This balance includes two reserves specifically established to mitigate the impact of spending and these will continue to be used in the first instance to fund a budget shortfall:
 - i) The **Financial Resilience Reserve**: established in 2014/15 to manage the risk of a deficit arising from a shortfall in Government funding in future years. Current balance of £97.1m.
 - ii) The **Service Transformation Reserve**: established in 2010/11 to mitigate the impact of a plan for significant levels of service redesign (in particular to cover redundancy costs). Current balance of £7.2m.
66. There will continue to be the need for the planned use of reserves to balance the budget and the proposed funding reforms could have a material impact on their use in the short term in particular. A full review of all reserve balances and their planned use will therefore be required alongside a fundamental change to the way the Council operates via the Transformation Programme which will tackle the longer term budget gap and mitigate reserve use in the short/medium term where possible.

Conclusion

67. To summarise, service demand pressures are high and show little sign of abating and levels of inflation remain higher than predicted 12 months ago. In addition, the national Fair Funding Review proposals could potentially be significant for Wandsworth.
68. The Council is in a strong financial position to deal with these challenges as significant reserve balances can be deployed to mitigate against the impact of rising costs and/or grant loss. Current reserve levels enable a planned drawdown to deliver a balanced budget and protect services in the short-term. However, it is clear the Council will require significant ongoing reductions in spend levels or increases in income to maintain its financial sustainability by closing an ongoing and increasing funding gap.
69. The Transformation Programme will be used to drive change throughout the organisation. The ambition of the transformation will require some external technical and specialist support which is not currently available in house but will help to deliver a more efficient and effective Council.
70. Overall, the future local government finance position still remains very uncertain and projections are difficult to make. The Fair Funding Review could be significant for Wandsworth and the Council will continue to lobby the Government about its proposals, to include a fair distribution of needs formula and a sustainable approach to transitional support. The outcome will not be confirmed until December. Beyond that, there are still risks relating to service delivery pressures and cost inflation, without compensating increases in income, that signal an ongoing and significant budget gap.

COUNCIL HOUSING BUDGET FRAMEWORK

71. The Housing Revenue Account (HRA) 30-year business plan models the cycle of works necessary to maintain the existing stock to decent homes standard and to fund investment in the delivery of new housing stock. This financial plan, which is updated annually, plots projected available revenue and capital resources.
72. The HRA Budget Framework was last approved in January 2025 (Paper No. 25-13) with the next update of the HRA business plan currently scheduled to be reported to Cabinet in November 2025 which will include revisions to the HRA capital cashflows and likely capital budget variations for approval.
73. The HRA outturn position at the end of 2024/25 showed an actual reserves level, across both revenue and capital, of £153m compared to a budgeted closing balance of £178m. Further detail covering the outturn position can be found in the Housing Committee's outturn 2024/25 report (Paper No. 25-191).



74. Current controls on the approved HRA framework were set on the basis that projected HRA reserves should not be forecast to fall by more than £40m by the end of March 2028 from the previously estimated level of £211m without the approval of full Council. Assessment against this parameter is controlled through forecasting and the budget variations reports presented to Cabinet each cycle. The HRA financial framework controls will be next reviewed and formally updated by full Council following the HRA budget review in February 2026.
75. Whilst total HRA reserve balances of £153m are still significant, the level has reduced since the high in April 2019 of £343m due to the strategic planned investment in both of the regeneration schemes and the significant development schemes through the Homes for Wandsworth programme to deliver 1,000 new council homes for social rent.
76. Furthermore the HRA has significant levels of future surpluses forecast in the short term, but these need to be viewed with caution as they are in no way guaranteed. The current position involves a raft of assumptions on future spend and income levels which if varied can have a significant effect on available resources. It remains important, therefore, that the HRA business plan continues to be based the delivery of appropriate key priorities and remain viable over the short, medium and longer term and isn't stretched through over commitment. Relevant risk factors are set out below.

Inflation

77. Due to recent and continued higher levels of inflation experienced over the last couple of years expenditure budgets are continuing to come under increasing pressure. This has been a key driver behind the cause of the overspend seen in the previous financial years. The business plan currently assumes long run inflation on general running costs of 2.5% and pay of around 2.8%. Additionally, general inflation assumptions on repairs and maintenance expenditure is estimated at 3%. In the short term higher inflation rates than those assumed in the business plan will squeeze available resources more than planned. Although with inflation matched to CPI estimates it is likely that in periods of higher inflation, additional rental income could be expected.

Rent increases

78. The Government's mandated Rent Standard assumes future rent increases for social rent properties of CPI + 1% each year in line with the ten year social rent settlement which was agreed in the 2025 Spending Review to give registered providers more certainty over future income levels. Additionally, the Government is currently consulting on the re-introduction of Rent Convergence that will potentially allow for actual rents to move towards Government defined "formula rents" more quickly after a cap on rent increases was previously imposed during the recent period of very high inflation in 2023/24. The consultation was seeking comments on a range of incremental options that would allow rents to increase by an additional £1 or £2 per week above the current statutory formula. The



consultation closed in August 2025, and the outcome is expected to be announced as part of the Chancellor's Autumn Budget statement.

79. Within the business plan any additional convergence income would be of benefit to the HRA. If forthcoming it is currently anticipated this will be applied to cover the additional financial burdens of new regulations within the social housing sector and go towards ensuring more financial resource is made available for day to day operational management and longer term investment.
80. It is however of significance and should be noted that despite the financial certainty the new statutory ten year rent regime is designed to give, if future rent increases deviate in any way from that assumed in the business plan, available resources would be significantly impacted.

Repairs and vacant properties

81. New regulatory requirements around building and fire safety, and damp and mould (Awaab's Law) are having a considerable impact on the expenditure levels in the HRA. Additionally the recent grading by the Regulator has identified a need to carry out full stock condition surveys across the entire stock which will inevitably drive an increased requirement for remedial repairs. This has begun to be evidenced in the current year's expenditure forecast which at Q1 is showing an estimated overspend across repairs and maintenance spend of £12.4m for 2025/26.
82. The cost of bringing void properties back into use is also one of the biggest pressures to repairs budgets, both across capital and revenue. Additional revenue budget provision was added to the repairs base budget in 2023/24 which then still significantly overspent, and which then continued again into 2024/25. Early indications contained within the forecast stated above show that this is again continuing into 2025/26.
83. The business plan makes assumptions on void levels based on normal tenancy turnover rates and relet times of about 2% of rent roll per annum. Currently void losses are predicted to be significantly above this level with foregone rent of about 3% predicted in the current year due to the number of voids which is above the levels previously considered as business as usual. The HRA business plan assumes expenditure levels on voids reduces in the short term in line with the return to lower turnover levels although it does need to be recognised that these activity targets are on the low side due to the development of new properties and the 'churn' that creates when moving existing tenants to appropriately sized properties and additional financial resource therefore needs to be identified in the next budget update.
84. The business plan makes assumptions that the voids level will begin to return to the base assumption level during the framework period as previous issues have been addressed and are more closely managed but any longer term impact on rental income will have a detrimental impact on the business plan.

Interest rates



85. The HRA had opening balances totalling £153m at the beginning of 2025/26. The interest earned on these balances is reinvested into the HRA to support the long term financial viability of the business plan. Higher interest rates mean that cash balances should be generating more income, but the reduction in reserve levels mean there is less available to invest negating any benefit of higher interest rates. Interest rates are expected to drop over the period of the framework.
86. Given the scale of borrowing required to finance capital expenditure in the HRA the risk around interest rate movement is more closely linked to the cost of future borrowing to support the regeneration schemes and other developments rather than the income generated through investing cash balances. Consequentially, increases in interest rates will have a negative impact on the business plan. All borrowing undertaken to support HRA investment in 2024/25 was internally borrowed from the General Fund and this is anticipated to continue for 2025/26 which mitigates the need to borrow from the Public Works Loans Board whilst rates are higher than allowed for within the business plan.

Maintaining existing stock, carbon reduction and fire safety

87. The business plan currently includes provision within the plan for the annual capital bids for repairs and improvements at approximately £40m per annum. Maintaining the capital programme at investment levels consistent with those assumed in the stock condition survey is critical to keeping the housing stock decent. The business plan assumes a 4% increase for each year of the framework period and 2.5% per annum thereafter.
88. Stock decency has been identified as being below the full decency target and therefore it is anticipated that a higher level of investment will be required in the longer term as the Council is fully committed to maintaining its existing stock to the highest standard. For the first time a full new stock condition survey is underway with 100% of individual tenanted properties to be inspected over a five year period. Whilst the costs of carrying out the surveys are known and budgeted for, the impact on the capital programme is not known. Early financial modelling is underway based on the sample of surveys completed so far (approximately 1,000 properties surveyed to date). The outcome of these surveys will form the basis of more accurate capital investment requirements in the business plan once available.
89. It should be noted that the Government is currently consulting on a revised Decent Homes Standard. Whilst the Council is in broad agreement with the aims it is proposing to move away from decency being based on the age of a property to being based on condition. The Council would always carry out works based on condition, not just age, but this may have an impact on the how capital works are programmed and therefore impact on costs. In response to this consultation the Council has specified the need for new burdens funding to meet any consequential rising cost.
90. The Council has a policy of becoming carbon neutral and net zero by 2030. It has been previously estimated that the cost of significantly



improving the energy efficiency of the housing stock could be in the region of £225m based on a high level statistical assessment. The business plan includes provision already within the plan for the annual capital bids for repairs and improvements (which already consider a scheme's energy efficiency wherever possible) but no additional provision above that level. Given the cost and the scale of the climate change emergency it is hoped that external grant funding will be made available to Councils to assist with meeting the costs of decarbonisation commitments. In addition to this the Council is currently responding to the minimum energy efficiency standard (MEES) Government consultation which is proposing a target of all homes reaching EPC C or equivalent by 2030. Early modelling estimates this could cost approximately £33m.

91. The Council has committed to a programme of building safety works and will be commissioning a series of structural surveys across the high rise portfolio (148 blocks). These will vary in nature from visual surveys to intrusive surveys depending on the construction of blocks. A procurement exercise is underway for visual surveys with a contract estimate of approximately £0.8m. Intrusive surveys are being carried out on large panel system blocks and notice of intentions are being served. It is estimated that this will cost a further £0.8m, though some costs will be recovered through recharges to leaseholders. A programme of annual fire risk assessments is now in place.
92. Retrofitting fire safety measures in the Council's housing stock could come at significant expense. Other than the provision previously made in the capital programme for fire safety works, there is currently no further notable provision in the business plan for any additional remedial works. Any requirements would again therefore need to come forward as part of the annual capital bids programme or seek additional revenue budgets as appropriate.

Regeneration and Council led development

93. Following the exit of the private sector partner from the Winstanley/York Road Joint Venture the position on both of the regeneration schemes continue to be worked on to inform the longer-term financial modelling within the business plan. At this stage, therefore, the business plan continues to assume total investment levels in line with those previously reported within existing commitments, albeit with amendments to scheme timings and cash flows where necessary. Once both schemes are reviewed a clearer understanding of future cash flows will be possible and be built into future iterations of the business plan.
94. Finally, as approved in September 2022 (Paper No. 22-252) the Homes for Wandsworth development programme is now going to deliver 100% social rent properties. The estimated revised net cost of the new approach was £332m which included £85m of agreed/approved Greater London Assembly (GLA) funding. Based on further positive discussions with the GLA, it is hoped that as much as an additional £50m can be secured through a mix of GLA grant, section 106 affordable housing funding and retained receipts from Right to Buy sales to continue to support the delivery of new housing development. The actual amounts available from the GLA will depend on the



developments taken forward for delivery and the negotiated amounts secured under the 2021-26 Affordable Housing Programme.

GENERAL FUND CAPITAL FRAMEWORK

95. Paper No. 25-327 elsewhere on this agenda sets out the latest proposed General Fund capital programme. This proposes a Committed Capital Programme of £261.5m and Development Pool of £162.2m, totalling £423.7m.

General Fund Capital Programme	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£000	£000	£000	£000	£000	£000
Health	6,132	2,693	1,400	1,249	708	12,182
Environment	14,704	2,288	512	400	0	17,904
Transport	37,841	30,935	18,064	13,336	360	100,536
Children's	41,967	39,720	0	0	0	81,687
Finance	17,511	10,619	6,465	2,904	2,399	39,898
Housing	4,096	2,916	1,830	250	250	9,342
Development Pool	10,694	64,674	45,716	16,736	24,346	162,166
Total Programme	132,945	153,845	73,987	34,875	28,063	423,715
Grants & Contributions	21,565	7,527	6,133	708	708	36,641
S106 & Neighbourhood CIL	33,813	48,649	1,830	250	250	84,792
Strategic CIL	38,390	57,006	39,478	8,840	5,660	149,374
Earmarked Reserves	768	1,247	596	709	0	3,320
Revenue Funding	444	138	541	541	0	1,664
Capital Receipts	6,488	6,990	296	226	0	14,000
Borrowing	31,477	32,288	25,113	23,601	21,445	133,924
Total Financing	132,945	153,845	73,987	34,875	28,063	423,715

96. The balance of usable capital receipts held by the Council have been applied in full to finance 2024/25 capital expenditure. Opportunities to generate additional receipts will continue to be explored, driven by the asset portfolio within the Transformation Programme, with consideration given to applying the flexible use of capital receipts to help fund the transformation. In the absence of any alternative funding sources, borrowing will need to be used to fund the programme. Internal borrowing to date is £10.624m which means borrowing could total £145m over the period although inevitably there will be programme slippage which has not been factored in here. The revenue impact of this has been included in the General Fund revenue framework.



Capital grants and reimbursements

97. Grants and reimbursements expected to support the General Fund programme over the five years are £270.8m. The most significant of these are Section 106 and Community Infrastructure Levy (CIL) contributions from developers totalling £234.2m.

Realisation of investments

98. The Council has had an active policy of rationalising underused assets and has used the proceeds extensively over time to support a significant capital programme despite receiving little in the way of Government supported capital expenditure allocations. The amount of the Council's investments at any time reflects daily variations in routine cash flows as well as capital spending, debt redemption and new capital receipts. As at 31st March 2025 the Council had cash investments of £568m but these relate almost entirely to current liabilities and to General Fund and HRA reserves for contingencies and specific purposes although could be redirected to help fund a capital programme as desired. The only investments available specifically for financing the general capital programme are those arising from capital receipts, which are neither payable to the Government nor used within the HRA, and specific elements within the Renewals Fund Reserve which were previously set aside to finance capital projects.
99. All available capital receipts have been used to fund the capital spend as at the end of 2024/25. Forecast capital receipts include the estimates of sales of General Fund sites totalling £14m up to 2029/30. A limited sum of HRA receipts able to be used freely for General Fund purposes has been included in overall receipt totals. This may increase in later years, particularly for any General Fund regeneration schemes, but these will be added in as appropriate in due course.
100. The Government introduced the Flexible Use of Capital Receipts in 2016 to give local authorities the freedom to use capital receipts to help fund the revenue costs of transformation projects and release savings. The Council has approved a flexible use of capital receipts strategy which may be used to alleviate some of the pressures currently being experienced on revenue resources, however any such use would reduce the availability of resources for capital spending. So far, this flexibility has not been used.

Revenue financing of capital

101. The revenue consequences of the existing capital programme, and of additions to the HRA and General Fund capital programmes in January, are modelled in the 30-year HRA Business Plan and General Fund revenue scenario and budgeted for on the basis of affordability at the time of approval by Cabinet for inclusion within the council tax setting report and MTFS.
102. Whilst investment realisation (which incurs a revenue cost due to loss of investment income) is the preferred form of revenue financing,



Council will continue to consider borrowing for all investment but particularly when considering “invest to save” schemes where other funding is not available. Borrowing for regeneration and the delivery of increased levels of social housing in the HRA will be required this year. Growth in the capital programme has a direct revenue impact either through reduced cash balances earning less income from investments or directly through the cost of borrowing. Whilst some allowance has been made in future General Fund revenue estimates it is worth noting that there is currently relatively low approved capital spend in the later years of the framework and any decisions regarding further capital expenditure therefore need to be made whilst considering its impact on the General Fund revenue position which has a significant projected funding gap.

Treasury management strategy

103. The Council’s anticipated investment position for the period 2025/26 to 2026/27 takes into account estimates of major cash flow movements. This assumes some external borrowing for HRA regeneration in future years as well as borrowing to fund the General Fund capital programme. The current working assumption is for cash balances to change from an opening balance at the start of the year of £568m to around £500m over the next few years, largely as a result of planned spend in relation to capital investment plus future revenue grant funding levels. Assumptions on other capital schemes within the period that have not yet been approved are not included at this time.

Prudential borrowing /divestment

104. The ‘Prudential Code’ issued by the Chartered Institute of Public Finance and Accountancy sets parameters within which an authority can afford to finance debt. The Council, under its Treasury Management Policy, has determined that divestment of usable capital receipts is generally financially advantageous compared with undertaking additional borrowing. However, as receipts diminish there will be a requirement to undertake borrowing to fund capital investment in the borough. The Council must, under Section 3 of Part 1 of the Local Government Act 2003, set an authorised borrowing limit and operational boundary for the year. This limit refers only to gross borrowing, ignoring investments, and it reflects the maximum amount that the Council has decided it will allow borrowing to rise to within the year. The limit in Wandsworth therefore reflects the existing outstanding debt, including deposit facilities offered to other bodies and external funds. A fresh decision on prudential borrowing limits is made each year. A limit of £210m has been set in March 2025 for 2025/26 reflecting forecasted borrowing and allowing for other possible requirements. When the budget was set, new long-term borrowing of £158m was planned during this financial year – across both HRA and General Fund, with the majority of that investment being to deliver affordable housing within the HRA. As General Fund receipts diminish, there will also be a need to borrow for the General Fund – initially internal borrowing from cash balances and externally in the future.



Particular risk factors

Uncertainty over future capital receipts estimates

105. A prudent approach is adopted to the anticipation of capital receipts, with disposals generally only included after the assets are released from operational use and available for marketing. One of the portfolios within the Transformation Programme will look to ensure assets are used most effectively and could potentially generate future capital receipts to fund the investment needed for the programme under the flexible capital receipts strategy.
106. In the past the Council has pursued the acquisition of capital assets where it could demonstrate clear benefits for an area and where it was financially prudent to do so. If this is to continue, in all cases a full financial appraisal would be undertaken to assess the risks and benefits of an acquisition which includes, in the case of income-producing property, whether it would produce an adequate return reflecting the relative risk of holding property compared with holding money in the bank.

Impact of recession on income streams

107. Funding of the Council's approved capital programme includes the use of a significant amount of section 106 and CIL receipts already received. There is a continued risk in the current economic climate that future receipts will drop and the Government's proposals for reform of the planning system may also have an impact. Future spending plans will need to be kept under constant review.

DEDICATED SCHOOLS BUDGET FRAMEWORK

108. The overall Dedicated Schools Budget is mainly funded by the Dedicated Schools Grant (DSG), which is a ring-fenced specific grant that must be used in support of the Schools Budget as defined by the School and Early Years Finance (England) Regulations 2017. The DSG is made up of four separate funding blocks – schools, early years, high needs, central services.
109. The regulations include the delegation of funding to schools and impose restrictions on central expenditure such as Special Education Needs and pupil admissions unless approved by the Wandsworth Schools' Forum.
110. The funding passed on to schools (which forms part of the Schools Block) is calculated using a Local Funding Formula (LFF). From 2023/24, the Department for Education stipulated that individual local authorities' LFFs should be moved a minimum of 10% closer to the National Funding Formula (NFF) every year. The Wandsworth LFF was adjusted to meet these requirements in 2023/24 and 2024/25.

111. Schools' funding is subject to a per pupil Minimum Funding Guarantee (designed to give protection to schools' funding levels) set at a rate of positive 0.5% per pupil for 2025/26 before any pupil premium or other grants are allocated. This was the maximum amount permissible. The Council's estimated DSG for 2025/26 is £199.501m after academy recoupment and business rates deductions.

112. The Dedicated Schools Budget for 2025/26 is as follows:

	Original Budget 2025/26 £'000
EXPENDITURE	
Early Years Funding	44,203
Early Years Central Retained	1,078
Primary Schools Formula Funding	78,748
Secondary Schools Formula Funding	6,111
Growth Fund	529
Centrally Retained De-Delegated Funds	484
Central Schools Services Funding	2,759
High Needs Funding	65,591
Pupil Premium Funding to Schools	6,329
Other Grant Funding to Schools	14,479
	220,310
INCOME	
Dedicated Schools Grant	199,501
Pupil Premium	6,329
Other Income	14,479
	220,310

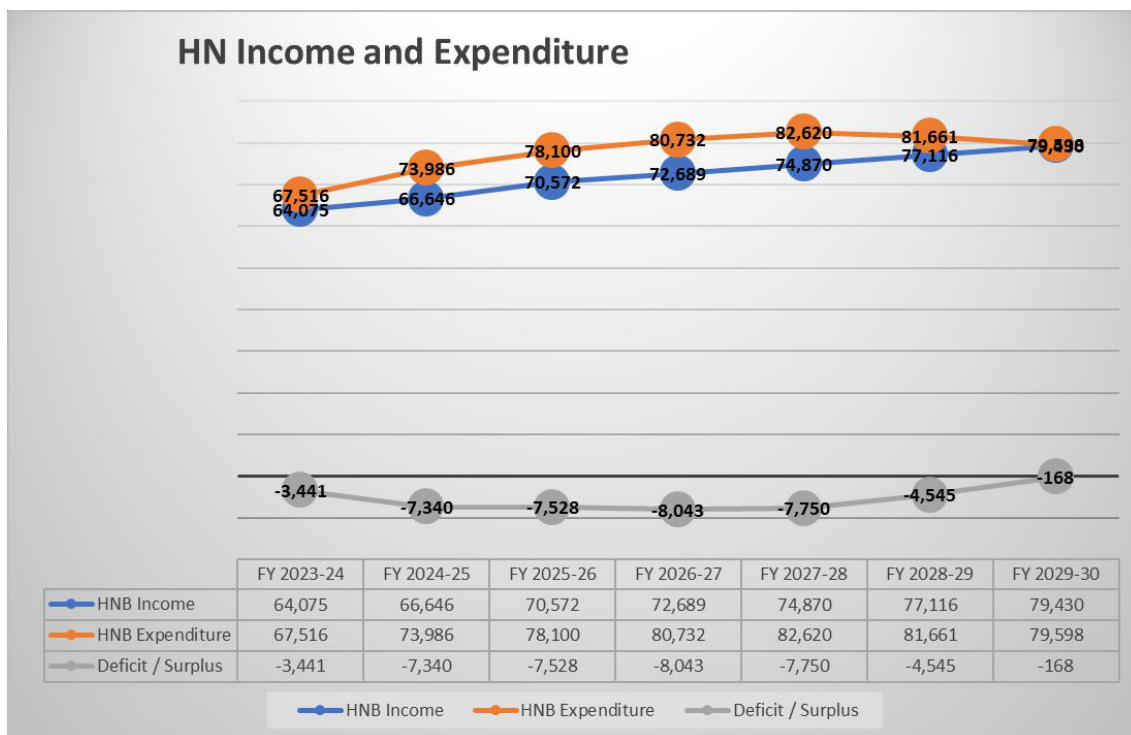
113. There are currently 27 academies in Wandsworth that are funded via recoupment from Wandsworth's DSG and an academy special school, the latest conversion having taken place April 2025. The Council's DSG has been adjusted to reflect this as well as any other schools that convert to academy status during the year.

114. Local authorities across the country have struggled to manage the pressures of growing numbers of Education, Health and Care Plans (EHCPs) and this has been a key pressure for Wandsworth, leading to overspends in the DSG in the past three years.

115. Due to the incredibly sensitive nature and compounding effect of the variables with the SEND / high needs budgets, trying to manage DSG forecasting over five years is extremely challenging. Latest forecasts include assumptions, both on managing demand and growth, and including an average of 3% high needs funding increases for the next three years. The forecast indicates that the in-year deficit is projected to increase over the next two years before beginning to reduce in financial year 2028/29.



- 116. A suite of management actions have been implemented to try to mitigate this position, focussed on managing demand and controlling price. Central to these strategies has been increasing SEND provision within the borough via the expansion of our special schools and resource bases.
- 117. A DSG recovery strategy update was presented to the Children’s Committee in June 2025 (Paper No. 25-223). The latest projections are shown below, which are based on successful outcomes for the management actions applied.



- 118. There is definitely risk that the number of children who require an EHCP continues to grow despite any dampening effect of the strategies. This could lead to a significantly worse position that outlined.

Government funding

- 119. We are currently awaiting the publication of the Schools White Paper, expected in Autumn 2025, which will outline the Government’s proposed reforms to the SEND system in England. This follows confirmation during the June 2025 Spending Review that SEND reform will be a central focus of the paper. The paper is likely to address the challenges within the SEND system and may propose structural changes aimed at improving outcomes while ensuring financial sustainability for local authorities.
- 120. Separate from High Needs, future years’ school budgets are expected to increase slightly. The June Spending Review announced that total core school funding is increasing by £4.5bn between 2025 and 2028. The review suggested this would be a real terms increase of 0.9% per pupil annually.

DSG deficit



121. Whilst schools' expenditure is met from the DSG the Council's General Fund holds the funding risk where DSG proves insufficient to meet statutory requirements. There is a DSG deficit carried forward into 2025/26 of £21.2m in addition to the forecast deficit in-year position of £7.5m for the current year. A clear action plan, owned by the Council and co-produced with partners (including schools and health), aims to recover the deficit. A sensitivity analysis shows the impact of only small movements in variables. For instance, a 5% increase in funding rather than the 3% modelled would see an in-year DSG surplus from 2028/29 onwards. Conversely, using forecasts of EHCP growth coming down due to a falling school age population, in-year deficits would begin to reduce in 2028/29.
122. A "statutory override" is in place until March 2028 but once this expires any deficit on the DSG will need to be covered by General Fund revenue reserve balances.

September 2025



ANNEX A TO THE MEDIUM TERM FINANCIAL STRATEGY

The mechanisms by which the management of future resources is controlled

1. The powers of Cabinet to add to existing financial commitments when considering proposals for service improvements foreseen in the Corporate Plan are exercised through the financial frameworks and delegation powers set out in the Council's Constitution and are re-set by the Council each year.
2. The MTFS gives numerical expression to a wide range of contributing policies and processes embedded within corporate decision structures including partnership funding and sustainability issues and integrates with other key strategies including human resources, IT and risk management and the development of the corporate transformation programme. The strategy consolidates the adopted options from sensitivity scenarios and models balances and resource requirements which underlie its financial frameworks, after consideration of the range of different planning assumptions set out in the development budget, Housing Revenue Account review, Dedicated Schools Budget plan, capital programme review and treasury management review, all of which have prudent regard to risk management.
3. The development budget is a four-year forward projection of service revenue budgets based on reported decisions and unavoidable commitments, with the current and next year budgets reconciled to detailed cost-centre level budgets. These budgets are reported in management statements used by service managers for business planning and budgetary control. The development budget is maintained incrementally so that all changes for service developments are explicitly reported. As part of setting the council tax requirement, an assessment is made for the impact of inflation and a report summarises the in-year developments as the basis for approval of the budget requirement, the medium-term outlook, and for consultation with the local business community.
4. The Council has four financial frameworks which are reset each year. These are:
 - **General Fund Revenue** based on the development budget, including levies precepts and partnership funding arrangements;
 - the **Housing Revenue Account (HRA)** based on the 30 year HRA business plan after consultation with the Borough Residents' Forum;
 - the **General Fund (Non-HRA) Capital Programme** based on the approved capital schemes, Treasury Management strategy, Asset Management strategy, capital resources projection, and an annual process for prioritising additions which recognises cost in use and sustainability issues; and
 - the **Dedicated Schools Budget** reflecting the Government's Dedicated Schools Grant.
5. The frameworks not only contain currently approved spending but also set the financial parameters within which Cabinet may add to commitments during the next year in the context of the reserves, Government grant, capital receipts, etc. anticipated in the medium-term outlook.



6. As regards the funding of future service improvements there is an initial presumption that Executive Directors will contain new expenditure within existing budgets. This approach is fundamental to the key corporate objective to keep council tax low. To the extent that this is not immediately possible, there is a well established and forward-looking process of budget reviews initiated by the Leader of the Council to provide scope for implementing new initiatives and to progress the objectives set out in the Corporate Plan.
7. Decisions on whether to confer approved budget status to plans for improvement/investment in the Corporate Plan are taken during the year under the budget variation approval process. Cabinet considers service proposals for budgetary developments in the context of the forward projection of the Council's budget requirement and council tax levels, the present value of reserves, the HRA 30-year business plan and the projected level of uncommitted capital resources. The financial frameworks are monitored monthly and reported quarterly to Cabinet. In addition to supervising the parameters for additional spending available to Cabinet, there are triggers for Member-level reporting of material variances against the approved revenue budget.
8. There is thus a clear decision chain from the corporate objectives and investment priorities in the Corporate Plan, through the approval processes for implementing new developments, into the development budget and onward to the financial information system and operating level management statements. The sensitivity of the strategy to external factors is monitored by the Executive Director of Finance, including prospects for central Government funding and specific grants, inflation, interest rates, tax base and developing risks. The Council has a recognised approach in providing for existing, and predicting future, risks. It has arrangements for rapid and effective intervention should modest unforeseen costs or income shortfalls arise, however further actions will always be required if the costs or shortfalls continue.
9. In order to maintain the real terms value of its income, the Council needs to appropriately charge for services. Where appropriate charges for specific services are set, seeking wherever possible, to recover the cost of the service. This is applied alongside the Council's "Access for All" policy which aims to make key Council services and local activities more affordable for all and ensure that everyone who lives in Wandsworth can access the opportunities which make Wandsworth special.
10. All new or significantly amended services and policies, including significant reductions in grants and budgets, undergo an Equality Impact Needs Assessment. These EINAs are then reported as part of any decisions to Cabinet. As such, individual services conduct an EINA on any reductions contained within the overall Council budget, including considering the impact on different socio-economic groups.
11. The Council is taking advantage of common procurement and joint working in many areas and is monitoring a range of service transaction costs in order to improve efficiency.

Appendix 2 – the Transformation Programme

The eight following portfolios have been identified, and initial objectives and scope have been outlined. This will be refined over the coming weeks with input from our consultancy partner, once appointed.

Portfolio	Sponsor	Description
Adult Social Care and Health	Jeremy DeSouza	Promote independent and healthy lives, and review thresholds, structures and processes, and commissioning strategies. Promote neighbourhood integration with health and seek to optimise outcomes from overall health and social care funding. Use data and AI for targeted commissioning and more efficient processes.
Children’s Services	Ian Dodds	Target early help to enable children, young people and their families to thrive. Use data and AI for targeted commissioning and more efficient processes. Implement the government’s social care reform agenda, reviewing thresholds, structures, processes, and commissioning strategies. Reform SEND provision to remain within DSG funding.
Resident Services	Paul Chadwick	Create focussed, seamless and efficient ‘day-to-day’ services for residents and businesses, across all forms of housing tenure. Review provision and explore opportunities for greater efficiency, income-generation and commercialisation.
Place and Growth	Paul Moore	Deliver a widely-defined growth programme to provide better neighbourhoods, more housing and increased economic opportunity, including higher pay and greater participation in the labour market. Maximise council income through higher council tax and business rate taxbases, and via CIL and section 106 income.
Corporate services (quality and efficiency)	Fenella Merr y	Improve the quality and cost-effectiveness of corporate services, supported by enhanced data and artificial intelligence.
Early intervention and prevention of increased service demand	Sam Olsen	Through connection and engagement with residents, deliver a data-driven programme of early intervention focussing on the prevention of increased demand for health and social care, homelessness and children’s social care.
Single resident and business interface	Jon Evans	Implement a single customer interface for all council services based on the most cost-effective contact and fulfilment methodologies, using data and AI.
Assets	Dave Worth	Based on analysis of all assets in council ownership, devise and implement a strategy for ‘utilise, develop, dispose’ to enable rationalised asset use for service delivery, for development, and disposal to generate capital receipts.



PAPER NO. **25-342**

WANDSWORTH BOROUGH COUNCIL

FINANCE OVERVIEW AND SCRUTINY COMMITTEE – 9 OCTOBER 2025

Report by the Executive Director of Finance on the Capital Programme

SUMMARY

The Capital Programme recommendations were agreed by Cabinet in September. The Finance Overview and Scrutiny Committee is being asked to consider the Capital Programme to scrutinise its delivery performance, funding strategy, and alignment with Council priorities. This is a forward-looking exercise to support effective budget-setting and financial governance. The Committee plays a role in understanding how schemes are assessed and prioritised, and are justified in the context of sound financial management.

1. RECOMMENDATIONS

1.1. This report is for information only. The Overview and Scrutiny Committee is recommended to report any findings, views, or recommendations arising from its review of this report to Cabinet as part of the upcoming budget setting process.

2. INFORMATION

2.1. As part of this process, OSC Members are reminded of the purposes of bringing this issue to the committee:

2.1.1 Benefits of Scrutiny

- What benefits would scrutiny bring to this issue?
- Is the issue of significant concern to residents or service users?
- Will scrutiny lead to tangible improvements in services, policy, or accountability?
- Is this the right time to scrutinise the issue (e.g. pre-decision, emerging issue)?

2.1.2. Method of Scrutiny

- How could the committee best carry out work on this subject?
- Would it be best to consider a single item on a committee agenda, as a single item meeting, as a task and finish review, or as a standing panel?

Capital Programme

- Is there performance data, complaints, or risk information to support scrutiny?
- Can the committee realistically undertake this work with available time and officer support?

2.1.3. Desired Outcomes

- What would be the best outcome of this work?
- Can scrutiny add insight or challenge that wouldn't otherwise occur?

2.1.4. Engagement with Decision-Makers

- Will scrutiny influence decision-makers or align with the Forward Plan?
- Will scrutiny engage partners (e.g. NHS, police, housing associations) or respond to external reviews (e.g. Ombudsman, regulator)?

The Town Hall,
Wandsworth
SW18 2 PU

Fenella Merry
Executive Director of Finance

1 October 2025

Background papers

There are no background papers to this report.

Appendices

Appendix 1: Cabinet report Capital Programme.



Cabinet

Title: Update of the General Fund Capital Programme

Paper No. 25-327

Date: 22nd September 2025

Cabinet Member for: Finance

Details of Executive Director: Fenella Merry, Executive Director of Finance

EXECUTIVE SUMMARY

- 1.1. 1.1.Wandsworth is a great place to live where residents enjoy high quality services. As part of a decade of renewal the Council is committed to investing in communities and the capital programme reflects initiatives to make the borough a more attractive place, securing libraries and leisure facilities for many years to come. This paper is the latest review of the General Fund approved capital programme incorporating revised budget profiles on schemes to reflect both the programme's actual spend in 2025/26 and latest estimates of likely spending profiles.
- 1.2. A Committed Capital Programme of £261.5 million and Development Pool of £162.2 million is proposed. The revised General Fund capital programme detailed in Appendix B is recommended for adoption by the Council.

GLOSSARY

CCP – Committed Capital Programme
CIL – Community Infrastructure Levy
DfE – Department for Education
HRA – Housing Revenue Account
NCIL – Neighbourhood CIL
PSDS – Public Sector Decarbonisation Scheme
TfL – Transport for London

RECOMMENDATIONS

2. The Cabinet is recommended: -
- (a) to approve the additions to the General Fund Capital Programme as set out in Appendix A, paragraph 2;
 - (b) to recommend the Council to adopt the capital programme set out in Appendix B; and
 - (c) to recommend the Council to approve the updated “use of flexible capital receipts strategy” in Appendix C.

INTRODUCTION

3. The current approved capital programme, detailed in Paper No. 25-84, was approved by the Executive on 4th March 2025 following consideration by the Finance Committee on 25th February 2025.
4. This report considers the latest position on spending and extends the future years’ rolling programme on by one year.

SPENDING

5. The capital budget profiles in the current approved programme in Appendix B have been updated to reflect actual outturn in 2024/25, the latest scheme costs, virements, approved budget variations and budget variations requested in this committee cycle. The changes are shown in the following table (and discussed further in Appendix A), and cover the five year period of the capital framework:

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£000	£000	£000	£000	£000	£000
Programme as per Paper No. 25-84	140,123	103,933	65,035	36,221	28,283	373,595
Approved additions to the programme	9,018	1,219	3,049	1,373	0	14,659
Proposed additions to the programme	0	0	0	232	0	232
2024/25 slippage carried forward	23,155	21,496	0	0	0	44,651
Revised cash flows between years	-37,635	30,857	9,403	-2,951	326	0
Reductions identified in this report	-1,716	-3,660	-3,500	0	-546	-9,422
Revised programme following review of schemes	132,935	153,845	73,987	34,875	28,063	423,715
Of which Revised Committed Capital Programme	122,241	89,171	28,271	18,139	3,717	261,549
Of which Revised Development Pool	10,694	64,674	45,716	16,736	24,346	162,166

FINANCING THE GENERAL CAPITAL PROGRAMME

6. The potential sources of finance for the Council's capital programme are: -
- (a) grants earmarked for particular schemes or services, and obtained only on condition that a corresponding addition is made to the programme;
 - (b) Government capital grants not earmarked for particular schemes or services;
 - (c) Strategic Community Infrastructure Levy (SCIL), Neighbourhood Community Infrastructure Levy (NCIL) and Section 106 payments;
 - (d) Carbon Offset funding;
 - (e) Usable capital receipts and reserves (currently invested and generating revenue income);
 - (f) contributions from Council revenue accounts; and
 - (g) borrowing.
7. There currently appears to be no prospect of the Government issuing wholly unearmarked capital grants, and grants continue to be earmarked for particular schemes or services. Currently, the major sources of finance for the Council's general capital expenditure are earmarked grants, developer contributions and realisation of investments. Contributions from Council revenue accounts are rarely available to fund the General Fund capital programme because of the impact on Council Tax.
8. Whilst investment realisation (which incurs a consequential revenue cost due to loss of investment income) is the preferred form of revenue financing, the Council will continue to consider borrowing to fund investment where other funding is not available. Internal borrowing, unlike external borrowing which involves a physical loan, makes use of Council reserves that have not yet been required for their original purpose and may therefore be preferable in the short to medium term.
9. The balance of usable capital receipts held by the Council were applied in full to finance 2024/25 capital expenditure. Opportunities to generate future receipts will continue to be explored, but scope for generating receipts may be limited as they arise from the disposal of assets, which must be carefully assessed to ensure any sales align with long term service delivery.
10. The Council will try to identify alternative funding sources, if resources are entirely depleted then the Council will need to consider borrowing (based on current cash balances this would likely be internal rather than external borrowing) in order to fund any further capital investment. The detail of this and further financing of the capital programme are presented alongside the Medium-Term Financial Strategy elsewhere on this agenda.
11. The following table summarises the revised programme after the changes identified in this report, by committee and the proposed financing for the five year programme:

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Health	6,132	2,693	1,400	1,249	708	12,182
Environment	14,704	2,288	512	400	0	17,904
Transport	37,841	30,935	18,064	13,336	360	100,536
Children's	41,967	39,720	0	0	0	81,687
Finance	17,511	10,619	6,465	2,904	2,399	39,898
Housing	4,096	2,916	1,830	250	250	9,342
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Revenue funding	444	138	541	541	0	1,664
Application of Capital Receipts	6,488	6,990	296	226	0	14,000
Borrowing Requirement	31,477	32,288	25,113	23,601	21,445	133,924
Total Financing	132,945	153,845	73,987	34,875	28,063	423,715

DELIVERY OF CAPITAL PROJECTS

12. The Council's capital programme has three key stages with schemes placed in one of these three defined areas: Pipeline, Development Pool, Committed Capital Programme. This ensures that only when a scheme is ready to be delivered and appropriate planning, partnership agreements and funding streams are in place will it progress to Committed Capital Programme. Further information is outlined in Appendix D.

FUTURE CAPITAL SCHEMES

13. Further, proposed additions to the General Fund capital programme for future years will be considered at the February 2026 meeting of the Cabinet and the subsequent Council meeting. Any further commitment to capital investment will need to be balanced with any ongoing revenue impact.

14. The Government introduced the Flexible Use of Capital Receipts in 2016 to give local authorities the freedom to use capital receipts to help fund the revenue costs of transformation projects and release savings. The regime was originally intended to run until the end of 2021/22, this was subsequently extended to 2024/25, and following a further announcement in November 2024 the regime has been extended to 2029/30. There are a wide range of projects that can qualify, and it is for individual local authorities to determine whether or not a project qualifies for the flexibility. So far the



Executive Director of Finance has not used this option, nevertheless this remains a potentially useful flexibility and could contribute to alleviating some of the pressure on revenue resources. As outlined in the MTFs paper elsewhere on this agenda, the Transformation Programme is being launched to deliver ambitious savings to meet the challenges of the financial pressures in the coming years. The capital receipts flexibility may be used to fund the programme costs and therefore it is requested that the “strategy for flexible use of capital receipts”, contained in Appendix C, to be approved by full Council annually (with the last one received and approved in September 2024).

The Town Hall
Wandsworth
SW18 2PU

FENELLA MERRY
Executive Director of Finance

12 September 2025

Appendices

- Appendix A – Detailed changes to the capital programme
- Appendix B – Revised capital programme
- Appendix C – Flexible Use of Capital Receipts Strategy
- Appendix D – Delivery of Capital Projects

Background Papers

Previous capital programme report(s).

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council’s website (<http://www.wandsworth.gov.uk/moderngov>) unless the report was published before May 2001, in which case the Democratic Services Officer can supply a copy if required.

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DETAILED CHANGES TO THE CAPITAL PROGRAMME

Approved Additions to the Programme

1. £14.7 million of approved schemes are included as additions since the programme was approved in February and include:
 - Winstanley and York Road Place Programme (£5.8 million, Paper No. 25-255)
 - Neighbourhood Renewal Fund projects (£5.3 million, Paper No. 25-149)
 - TfL funded projects (£2 million, added under delegated authority)
 - PSDS4 Heat Decarbonisation and Energy Efficiency (£0.7 million, Paper No. 25-259)
 - Falcon Road Underpass (£0.5 million funded by National Rail contribution, approved under delegated authority)
 - Schools Condition Allocation projects (£0.3 million funded by DfE grant, approved under delegated authority)
 - Clapham Junction Masterplan (£0.1 million to be funded by grant and contributions, approved under delegated authority)

Proposed Additions to the Programme

2. In addition, approval for a further £0.2 million of additional budget is sought within this report:
 - a) Laptop & Desktop Refresh (£0.2 million to be funded by the renewals reserve) this scheme has an existing budget of £1.2 million fully funded from the Renewals Fund; budgets were originally added to both Richmond and Wandsworth programmes split 50:50 across the two boroughs, a revised a 62:38 split based on usage is considered to be more appropriate. Using the revised split, an additional £0.2m is recommended to be added to the Wandsworth programme.

2024/25 Slippage Carried Forward

3. Budgeted slippage from 2024/25 of £44.7 million has been added to the programme for 2025/26 and future years to better reflect revised estimated spend timeframes across the whole programme. The major areas of slippage (over £0.7 million) where expenditure did not meet budget aspirations are as follows:-
 - (a) Battersea - Nine Elms: School and Community Provision (£23.5 million)
Budget was added to the scheme in Paper No. 24-264 in order to enter into the main construction contract at the earliest opportunity. Works started in November 2024.
 - (b) General Fund Inflation Pot (£4.7 million) is a general capital contingency budget set up to reflect the price volatility and continuing inflation in the market for capital works. Any unused amount is rolled forward for use in future years (see section below).
 - (c) Nine Elms Park (£4.4 million) is the Council's contribution funded from developer contributions for the new linear park. The project is led by the external developers and the payments are made at trigger points of completion of the works. Delays in completion of the site means that payments are made later than expected.
 - (d) Cleaner Borough Plan – Waste Bins & Caddies (£1.6 million) covers a range of equipment orders placed as part of a profiled rollout of new Cleaner

Borough service with further batches of bins and caddies received during the early part of 2025/26 to align with the expansion timetable.

- (e) Waste Fleet Vehicles (£1 million) budget was part of the wider programme for the acquisition of new waste vehicles for the delivery of the Cleaner Borough Plan, including the rollout of the new food waste collection service and additional recycling capacity. The remaining budget is to be utilised for additional waste vehicles to meet demand for food waste collection, as well as any vehicle support required for the merging new Simpler Recycling legislative requirements.
- (f) Wandsworth Environment and Sustainability Strategy (£1 million) remains in the Development Pool which will be allocated to specific projects based on Climate Change Steering Group scrutiny forum decisions in due course as and when new bids for projects are received and supported.
- (g) St. Cecilia's Church of England School (Additional 1FE) (£0.9 million) this scheme is now expected to complete with a handover at the end of September.

Revised cash flows between years

- 4. In addition, cash flows have been amended to reflect the latest forecast of spending profiles and £37.6 million has been rephased from 2025/26 into future years. The major amendments (over £3 million) are as follows:
 - (a) Roehampton Community Hub (£5.8 million) scheme remains in the Development Pool and is not expected to progress to Gateway 2 until 2026/27, the budget has been rephased to align with this.
 - (b) Wandsworth Town Station - Accessibility and Second Entrance (£3.4 million) scheme remains in the Development Pool and is not expected to progress to Gateway 2 until 2026/27, the budget has been rephased to align with this.

Reductions Identified in this Report

- 5. £9.4 million expenditure budget has been removed from the programme. The Net Zero Decarbonisation Strategy budget has been reduced by £7 million as grant funded projects will be captured under the PSDS4 Heat Decarbonisation and Energy Efficiency scheme (Paper No. 25-259). UK Shared Prosperity Fund schemes in the General Fund have completed, the remaining £0.7 million funding has been reallocated to the Housing Revenue Account. £0.5 million budget has been removed from Empty Properties Grant as £0.25 million annual budget has been deemed sufficient, with the surplus therefore removed and funding freed up for alternative Affordable Housing uses as this is funded by S106 receipts. There are several smaller budget reductions reflecting the completion of schemes where the associated budgets are no longer required, and where budgets have been adjusted to align with revised funding allocations.

Inflation Budget

- 6. Paper No. 22-219 approved a specific General Fund capital contingency budget of £10 million to reflect the price volatility and continuing inflation in the market for capital works and is used for currently approved projects, where needed, under delegation of the Executive Director of Finance. The current balance is £8.1 million.

7. The aim of establishing the inflation pot was to avoid higher prices where contractors only guarantee their tendered prices for a set period of time following submission but delays in securing further funding approvals could risk these prices expiring to be replaced by even higher prices. This pot has been strictly managed and value engineering has been undertaken wherever possible schemes are reviewed on a case-by-case basis. It is proposed to retain this balance to allow for future inflationary pressures on schemes with the remaining budget reviewed in the next capital update to this committee in February.

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Appendix B - General Fund Capital Programme

Committed Capital Programme (CCP)

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
HEALTH						
Better at Home Improvement Scheme	90	90	90	90	90	450
Health Bus	50	0	0	0	0	50
Integrated Sexual Health and Substance Misuse Treatment Hub	980	1,029	0	0	0	2,009
Joint Integrated Community Equipment	673	1,281	871	871	330	4,026
Occupational Therapist DFG	288	288	288	288	288	1,440
Springfield Village Supported Housing Acquisition	4,051	5	151	0	0	4,207
Total Health Committee CCP	6,132	2,693	1,400	1,249	708	12,182
HOUSING						
Alton Renewal Plan - Alton Activity Centre Play & Access Improvements	1,902	300	0	0	0	2,202
Disabled Facilities Grants	1,484	866	0	0	0	2,350
Empty Properties Grant	250	250	250	250	250	1,250
Wandsworth Affordable Housing Programme	460	1,500	1,580	0	0	3,540
Total Housing Committee CCP	4,096	2,916	1,830	250	250	9,342

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
ENVIRONMENT						
LEISURE CENTRES AND SPORTS SERVICES						
Accessible Toilet/Change Area Refurbishment - Balham and Putney Leisure Centres	4	102	0	0	0	106
Air Handling Unit Upgrades - Latchmere, Putney and Tooting Leisure Centres	760	0	0	0	0	760
Balham & Wandle Leisure Centres - Replacement/refurbishment of Air Handling systems	52	0	0	0	0	52
Barn Elms Sports Centre- Replacement of Artificial Multi-Use Games Surface	193	0	0	0	0	193
BMS Controls Upgrades- Various Leisure Centres	200	238	0	0	0	438
Door Replacement- Leisure Centres	321	0	0	0	0	321
Heating Pumps and Motor Replacements Latchmere, Putney and Tooting Leisure Centres	285	0	0	0	0	285
Latchmere Leisure Centre - Replacement of significantly leaning overflow car park boundary wall	68	0	0	0	0	68
Latchmere Leisure Centre - Roof Structure Repairs	167	0	0	0	0	167
Latchmere Leisure Centre Intruder Alarm Replacement	0	66	0	0	0	66
Leisure Centres - Swimming pool improvements	4	0	0	0	0	4
Leisure Infrastructure Plan - Project Management	120	0	0	0	0	120
Lift Replacements at various leisure centres	791	0	0	0	0	791
Play Centre Installation- Putney Leisure Centre	0	291	0	0	0	291
Putney Leisure Centre Dryburgh Hall Kitchen refurbishment	0	80	0	0	0	80
Putney Leisure Centre: Heat Recovery and LED Lighting	344	7	0	0	0	351
Roehampton Leisure Centre - Renewal of roof coverings	67	0	0	0	0	67
Tooting Leisure Centre - Replacement of Failed Pool Basin Tiling	1	0	0	0	0	1

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
OUTDOOR FACILITIES						
Battersea Park - River Wall	50	57	0	0	0	107
Battersea Park : - Improvements funded from Formula E	75	100	48	0	0	223
Battersea River Wall – urgent stabilisation works	1,962	0	0	0	0	1,962
Boroughwide - Essential repairs to roads & paths across parks, open spaces :	70	70	64	0	0	204
Boroughwide Parks Railings and Pathways	205	0	0	0	0	205
Furzedown Recreation Ground Improvements	684	0	0	0	0	684
Garratt Park S106 Court & Gym Improvement works	111	0	0	0	0	111
Grass Playing Pitch Drainage	551	0	0	0	0	551
Harroway Gardens Playground	210	0	0	0	0	210
Harroway Gardens redesign and landscape	270	0	0	0	0	270
Heathbrook Park Playzone	371	205	0	0	0	576
Kimber Skatepark Refurbishment	30	0	0	0	0	30
King George's Park	13	0	0	0	0	13
Latchmere Recreation Ground Boundary Wall Repairs	0	52	0	0	0	52
Putney Park Lane improvements	93	0	0	0	0	93
Refurbishment and Replacement of Boundary Railings	0	20	0	0	0	20
Resurfacing of courts 1-10 at Battersea Park Millennium Arena	38	0	0	0	0	38
Resurfacing of Footpaths	274	0	0	0	0	274
Roehampton Playing Fields	69	62	0	0	0	131
Shillington Park - pathway lighting installation	63	0	0	0	0	63
Shillington Park Playground & Outdoor Gym Improvements	15	0	0	0	0	15
St Mary's Church Boundary Wall - Essential Repairs	8	0	0	0	0	8
Swaffield Rd Pocket Park	120	268	0	0	0	388
Tooting Common Lakeside playground refurbishment	249	119	0	0	0	368
Wandle Recreation Centre - Replacement of Netting and Fences for the Artific	49	0	0	0	0	49
Wandsworth Park Playground & Grassland Improvements	131	0	0	0	0	131
Wandsworth Play Strategy - Project Management	65	65	0	0	0	130
WESS Pocket Parks	380	0	0	0	0	380

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
LIBRARIES & HERITAGE						
Balham children's library refurbishment	120	0	0	0	0	120
Balham Library - Roofing Works	130	0	0	0	0	130
Battersea District Library Roof & Glass Dome repair and replacement	50	86	0	0	0	136
Putney Library	253	0	0	0	0	253
Wandsworth Town Library Fit-Out (Fairfield)	69	0	0	0	0	69
WESS Earlsfield Library - Replacement of Heating Plant, Pipework & Radiators	173	0	0	0	0	173
WESS Southfields Library - Replacement of Heating Plant	12	0	0	0	0	12
CEMETERIES & CREMATORIA						
Putney Vale Cemetery Chapel lifts	160	0	0	0	0	160
Wandsworth Cemetery Burial Space Extension	130	0	0	0	0	130
OTHER ENVIRONMENT SCHEMES						
Emerging environmental strategy fund	1,054	400	400	400	0	2,254
Cleaner Borough Plan – Waste Bins & Caddies	1,560	0	0	0	0	1,560
Garratt Park Depot Upgrade	414	0	0	0	0	414
Waste Fleet vehicles	1,046	0	0	0	0	1,046
Total Environment Committee CCP	14,704	2,288	512	400	0	17,904

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
TRANSPORT						
Alton Renewal Plan - Zebra Crossings and Parade Decoration	164	120	0	0	0	284
ASDA Clapham Junction	81	0	0	0	0	81
Battersea High Street Public Realm - phase 2	158	0	0	0	0	158
Blocked Gullies & ongoing renewal to improve condition	130	150	148	126	0	554
Boroughwide - Tree Works	89	0	0	0	0	89
Boroughwide highway bridges and structures works	360	0	0	100	0	460
Burntwood Lane	2,231	0	0	0	0	2,231
Clapham Junction Masterplan	150	0	0	0	0	150
Crossings - upgrades	320	320	360	360	360	1,720
Cycle Parking at Railway Stations	125	224	0	0	0	349
Cycle Parking Programme	97	0	0	0	0	97
Electric Vehicle Street lighting charging - OZEV	195	0	0	0	0	195
Falcon Road Corridor Study (Battersea Link)	60	302	0	0	0	362
Falcon Road Underpass	4,902	0	0	0	0	4,902
Flood Alleviation Works - SUDS	100	304	0	0	0	404
Garratt Lane BPRN Renewal	200	0	0	0	0	200
Heathbrook Youth Centre / Elays Network Scheme	38	0	0	0	0	38
Heaver Estate & Traffic Reduction Measures	110	0	0	0	0	110
Improvement to Battersea Park Station	500	8,339	5,502	0	0	14,341
Key Gateways	500	1,880	0	0	0	2,380
Lower Richmond Road Safety Corridor Review	99	0	0	0	0	99
Mobile CCTV to combat flytipping	45	0	0	0	0	45
Nine Elms Park	6,441	2,600	1,600	2,500	0	13,141
Old York Road improvements	1,821	0	0	0	0	1,821
One way streets conversion to two way cycling	100	40	0	0	0	140
Osiers Road S278	18	0	0	0	0	18
Pedestrian Crossings - at 10 locations borough wide	38	0	0	0	0	38
Putney High Street Public Realm & Environment Improvements	31	0	0	0	0	31
Queenstown Road Corridor Scheme (Nine Elms Element)	2,402	500	0	0	0	2,902

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Refurbishment of East Putney railway bridges	600	0	0	0	0	600
River Promenade Works (PRIF)	42	0	0	0	0	42
Riverwalk	419	1,232	0	0	0	1,651
Roads and Pavements	9,970	10,250	10,250	10,250	0	40,720
Signal controlled pedestrian crossings	10	0	0	0	0	10
Speed Indicator Devices	80	70	0	0	0	150
Street Signage Improvements	385	365	0	0	0	750
Tooting Town Centre - Phase 1	284	0	0	0	0	284
Totterdown Street pedestrianisation	138	0	0	0	0	138
Upper Richmond Road and Putney Stations	266	1,534	0	0	0	1,800
Upper Richmond Road Improvements	412	824	0	0	0	1,236
Wandsworth Bridge Cycleways	158	1,300	0	0	0	1,458
Wandsworth Town Centre Transformation Scheme	1,500	238	54	0	0	1,792
Wandsworth Town Station - Access to all	1,180	186	0	0	0	1,366
WESS Bike hangars	184	0	0	0	0	184
WESS E-cargo bike sustainable freight grants	23	0	0	0	0	23
WESS Electric Vehicle Charge Points	0	157	150	0	0	307
WESS Putney High St area Cycle improvements	150	0	0	0	0	150
WESS School Streets	535	0	0	0	0	535
Total Transport Committee CCP	37,841	30,935	18,064	13,336	360	100,536

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
CHILDREN'S						
PRIMARY EXPANSION						
Childcare Expansion Capital Grant	278	0	0	0	0	278
Battersea - Nine Elms: School and Community Provision	20,545	38,287	0	0	0	58,832
PRIMARY PLANNED MAINTENANCE						
Ark Putney School Lift	634	8	0	0	0	642
Brandlehow Primary Roof Works	362	0	0	0	0	362
Broadwater Primary Ceiling works	3	0	0	0	0	3
Conditions Survey	20	0	0	0	0	20
Design Development	40	0	0	0	0	40
Furzedown Primary - ASHP heating system	10	0	0	0	0	10
Furzedown Primary Dining Hall Relocation	1,371	0	0	0	0	1,371
Granard Primary School - Lighting and Fire Alarm Phase 1 works	30	0	0	0	0	30
Granard School Resource Base Expansion	1,100	551	0	0	0	1,651
Greenmead Sch-Replace Emergency Lighting	62	0	0	0	0	62
Heathmere Primary - Replacement Electrics/Alarm/CCTV	25	0	0	0	0	25
Hillbrook Primary School - Windows and Doors replacement Phase 1	15	0	0	0	0	15
Honeywell Schools - Reception relocation	2	0	0	0	0	2
Hotham School 3 Boilers to ASHP Phase 1	19	0	0	0	0	19
Paddock Primary internal and external doors	325	0	0	0	0	325
Paddock Primary Lower Roof	251	0	0	0	0	251
Paddock Primary School - Boiler Replacement phase 2	5	0	0	0	0	5
Penwortham Boiler Replacement	320	0	0	0	0	320
Penwortham Primary - Boundary Fence	49	0	0	0	0	49
Programme Contingency	100	0	0	0	0	100
Ronald Ross-Replace Emergency Lighting	25	0	0	0	0	25
Sellincourt Primary School - External Window Works Phase 1	10	0	0	0	0	10
Sellingcourt Primary-Asbestos	14	0	0	0	0	14

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Smallwood Primary Sch-WC refurbishment	12	0	0	0	0	12
Southmead Primary ASD Learning Space	5	0	0	0	0	5
St John Bosco College – extend Savio & Devereux base	5	0	0	0	0	5
Unallocated Schools planned maintenance	278	0	0	0	0	278
Westhill Primary School – Hot water system	27	0	0	0	0	27
SECONDARY EXPANSION						
St. Cecilia's Church of England School (Additional 1FE)	892	0	0	0	0	892
SECONDARY PLANNED MAINTENANCE						
Ernest Bevin Sixth Form Boiler works & roof cladding	458	0	0	0	0	458
Garratt Park - 3 Boilers to ASHP Phase 1	23	0	0	0	0	23
Paddock Secondary School - Playspace Perimeter Fencing	27	0	0	0	0	27
SPECIAL PLANNED MAINTENANCE						
Paddock Primary & Secondary Schools -Access Controls	67	0	0	0	0	67
HIGH NEEDS CAPITAL PROVISION						
Granard Primary new resource base	30	0	0	0	0	30
Paddock Special School expansion at Broadwater Primary	11,747	671	0	0	0	12,418
SEND Hub (Siward Road)	75	0	0	0	0	75
Swaffield Primary new resource base	18	0	0	0	0	18
OTHER EDUCATION FUNDED SCHEMES						
Schools LED Lighting Upgrade Programme	232	0	0	0	0	232
Urgent Health & Safety Works	40	0	0	0	0	40

Committed Capital Programme (CCP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
OTHER CHILDREN'S SERVICES						
Balham Nursery - phase 1 roofing works	78	0	0	0	0	78
Eastwood Nursery - decking works phase 1	20	0	0	0	0	20
George Shearing Centre Football Pitch	423	0	0	0	0	423
Lady Allen Adventure Playground Refurbishment	435	0	0	0	0	435
Oakdene Children's Home improvements	241	0	0	0	0	241
Roehampton Family Hub Play and Youth Provision	25	0	0	0	0	25
Tooting Family Hub Play & Youth Provision	20	0	0	0	0	20
Various Retention Payments	100	203	0	0	0	303
Wandsworth Family Hub Programme	1,068	0	0	0	0	1,068
WESS Schools Garratt Park Sch Decarbonisation LED Lighting	3	0	0	0	0	3
WESS Schools Smallwood Prim Decarbonisation LED Lighting	3	0	0	0	0	3
Total Children's Committee CCP	41,967	39,720	0	0	0	81,687

Committed Capital Programme (CCP)

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
FINANCE						
OPERATIONAL BUILDINGS						
Emergency Plant and Equipment In Core Buildings	14	0	0	0	0	14
Minimum Energy Efficiency rating compliance work	333	0	0	0	0	333
Operational Plant and Equipment Renewal (OPER)	1,031	1,031	1,031	1,031	1,031	5,155
Operational Roof and Fabric Renewal (ORFR)	307	344	344	344	343	1,682
PSDS4 Heat decarbonisation and energy efficiency	700	3,675	3,675	0	0	8,050
SSA wide, Replace access control system hardware and software	249	0	0	0	0	249
Statutory Compliance and Remedial Works (SCRWCB)	818	825	825	825	825	4,118
Wandsworth Town Hall Medium Term Accommodation Strategy	150	0	0	0	0	150
WESS Operational Buildings EV Charging	30	0	0	0	0	30
Acquisition of Atheldene and Surrounding Sites	1,865	0	0	0	0	1,865
IT SERVICES						
ICT Infrastructure	304	378	0	0	0	682
IT Neat Boards	76	65	0	0	0	141
IT Private Cloud	62	0	0	0	0	62
Laptop & Desktop Refresh	297	9	390	504	0	1,200
SCHEMES IN THE NINE ELMS REGENERATION AREA						
Health Facilities	3,579	2,960	0	0	0	6,539
Utilities	174	0	0	0	0	174
GENERAL FINANCE & CORPORATE SERVICES						
Alton Renewal Plan - A Lighting Strategy and Lighting Interventions	0	80	0	0	0	80
Alton Renewal Plan - Art Interventions	0	52	0	0	0	52
Alton Renewal Plan - Shopfront Improvements on Danebury Avenue	112	0	0	0	0	112
General Fund Inflation budget	7,059	1,000	0	0	0	8,059
Loans to Other Bodies	100	0	0	0	0	100
Loans to Leaseholders	200	200	200	200	200	1,000
Public Realm Investment Fund unallocated (PRIF)	51	0	0	0	0	51
Total Finance Committee CCP	17,511	10,619	6,465	2,904	2,399	39,898

Committed Capital Programme (CCP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total Committed Capital Programme (CCP)	122,251	89,171	28,271	18,139	3,717	261,549
Financed By :						
Grants	19,481	4,227	2,883	708	708	28,007
S106 & NCIL	33,813	44,385	1,830	250	250	80,528
SCIL	34,217	21,235	15,130	8,010	360	78,952
Earmarked Reserves	768	74	390	504	0	1,736
Revenue Funding	444	138	541	541	0	1,664
Application of Capital Receipts	5,698	3,176	296	226	0	9,396
Borrowing Requirement	27,830	15,936	7,201	7,900	2,399	61,266
Total Committed Capital Programme Financing	122,251	89,171	28,271	18,139	3,717	261,549

Appendix B - General Fund Capital Programme

Development Pool (DP)	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
HEALTH						
Digital Switchover Telecare	0	950	0	0	0	950
Total Health Committee DP	0	950	0	0	0	950
HOUSING						
Trewint Travellers Site Upgrades	25	125	0	0	0	150
Winstanley and York Rd Place Programme	892	1,219	2,336	1,373	0	5,820
Total Housing Committee DP	917	1,344	2,336	1,373	0	5,970
ENVIRONMENT						
Battersea Reference Library Refurbishment	0	1,000	900	100	0	2,000
Climate Change - WESS	0	0	0	0	0	-
Combined Heat & Power Unit Repairs/Replacements Latchmere and Tooting	0	120	0	0	0	120
Leisure Infrastructure Plan - Enhance	2,000	2,000	2,000	2,000	2,000	10,000
Leisure Infrastructure Plan - Protect	1,928	7,313	5,735	2,578	2,296	19,850
Oasis Park	0	1,500	500	0	0	2,000
Parklets and Pocket Parks Extension	0	200	200	200	200	800
Peace Pagoda Works Phase 1	150	0	0	0	0	150
Tooting Common Capital Ring Drainage	0	300	0	0	0	300
Wandsworth Common Boardwalk	0	94	0	0	0	94
Wandsworth Environment and Sustainability Strategy (WESS)	0	3,000	1,000	1,000	1,000	6,000

Development Pool (DP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cleaner Borough Plan - Estates Waste & Recycling Bins	0	694	0	0	0	694
Wandsworth Play Strategy	0	1,828	1,371	0	0	3,199
Improving Wandle Recreation Centre	0	800	0	0	0	800
Providing better out-door gyms	0	230	0	0	0	230
Improving cycle provision – Queenstown Road Cycle Scheme	0	0	0	0	0	-
Improving the children’s play area at Battersea Park Library	0	200	0	0	0	200
Improving infrastructure at Battersea Park	0	50	0	0	0	50
Improving Battersea Park all weather pitch (AWP)	0	600	0	0	0	600
Provide improved athletics track at Battersea Park Millenium Arena	0	500	0	0	0	500
Provide better community facilities at Furzedown Recreation Pavillion	0	220	0	0	0	220
Enable better use of space by improving access to Tooting Triangle	0	300	0	0	0	300
Improve facilities at Balham Library	0	300	0	0	0	300
Total Environment Committee DP	4,078	21,249	11,706	5,878	5,496	48,407

Development Pool (DP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
TRANSPORT						
Alton Renewal Plan - Improved access to Richmond Park	0	225	0	0	0	225
Alton Renewal Plan - Pedestrian environment improvements	50	125	0	0	0	175
Alton Renewal Plan - Quiet cycle routes	25	250	0	0	0	275
Bike Hangars Expansion	0	1,000	500	0	0	1,500
Buildings Maintenance Fleet	0	750	0	0	0	750
CCTV Moving Traffic Enforcement Cameras	0	42	0	0	0	42
Controlled Parking Zone Improvement	0	100	0	0	0	100
Crossings - standards and compliance improvements	0	60	30	30	0	120
Cycle Lane Segregation	0	80	0	0	0	80
Granville Merton Brathways Rds Junction Improvement	0	150	0	0	0	150
Henry Prince Estate Footbridge	0	50	0	0	0	50
Highway Bridges and Structures Improvements	0	0	0	0	100	100
Preventing vehicle incursion on railways	0	150	0	0	0	150
Pride in Our Streets	0	0	0	1,000	2,000	3,000
Quiet Cycle Routes	0	750	0	0	0	750
Railway Bridges Enhancements and Improvements	0	1,000	500	500	0	2,000
Roads and Pavements	0	0	0	0	10,000	10,000
Tooting Town Centre Improvement fund	1,420	1,750	0	0	0	3,170
Wandsworth Town Station - Accessibility and Second Entrance	0	4,531	0	0	0	4,531
New push button crossing on the Henry Prince Estate on Garratt Lane	0	40	0	0	0	40
Replace defective lights under Balham Railway Bridge	0	30	0	0	0	30
Wandsworth Town Centre Transformation Scheme	0	3,262	19,738	0	0	23,000
Pride in Our Streets: Traffic Signs and Lines	0	2,875	0	0	0	2,875
Pride in Our Streets: Street Name Plate Renewal	0	1,000	0	0	0	1,000
Pride in Our Streets: LED Column Replacement Principal Roads	0	500	2,000	1,000	0	3,500
Pride in Our Streets: Right of Way Footpath Improvements	0	125	0	0	0	125
Total Transport Committee DP	1,495	18,845	22,768	2,530	12,100	57,738

Development Pool (DP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
CHILDREN'S						
Bradstow Special School	455	45	0	0	0	500
Conversion/Extension Foster Carers' Properties	143	0	0	0	0	143
Francis Barber PRU Relocation	320	0	0	0	0	320
Granard School Resource Base Expansion	0	229	0	0	0	229
Hospital and Home Tuition Service Medical PRU Site	150	0	0	0	0	150
Riversdale School Portacabin Replacement	1,525	275	0	0	0	1,800
SEND Hub (Siward Rd)	905	20	0	0	0	925
Granard Specialist Nursery Base	200	0	0	0	0	200
Unallocated High Needs Provision	224	0	0	0	0	224
Total Children's Committee DP	3,922	569	0	0	0	4,491
FINANCE						
IT Investment	0	423	206	205	0	834
Net Zero Decarbonisation Strategy	0	3,250	3,250	6,750	6,750	20,000
Roehampton Community Hub	0	11,200	5,450	0	0	16,650
Town Hall Annex - Great Employer Investment	0	5,850	0	0	0	5,850
Council Funded Decarbonisation Projects - Phase 2	282	0	0	0	0	282
Increasing public safety through the use of CCTV	0	231	0	0	0	231
Three mobile CCTV Cars	0	338	0	0	0	338
Turning the L'Affaire Pub on Wandsworth High Street into a community space	0	200	0	0	0	200
Enhancing user experience of the STORM Family Centre	0	30	0	0	0	30
Improving Doddington and Rollo Community Centre	0	90	0	0	0	90
Supporting Carneys Community Bike employment programme	0	25	0	0	0	25
Improve shopfronts at Ashburton Parade	0	80	0	0	0	80
Total Finance Committee DP	282	21,717	8,906	6,955	6,750	44,610

Development Pool (DP)	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total Development Pool	10,694	64,674	45,716	16,736	24,346	162,166
Financed By :						
Grants	2,084	3,300	3,250	0	0	8,634
S106 & NCIL	0	4,264	0	0	0	4,264
SCIL	4,173	35,771	24,348	830	5,300	70,422
Earmarked Reserves	0	1,173	206	205	0	1,584
Revenue Funding	0	0	0	0	0	-
Application of Capital Receipts	790	3,814	0	0	0	4,604
Borrowing Requirement	3,647	16,352	17,912	15,701	19,046	72,658
Total Development Pool Financing	10,694	64,674	45,716	16,736	24,346	162,166
TOTAL General Fund Capital Programme (CCP + DP)	132,945	153,845	73,987	34,875	28,063	423,715

Wandsworth Borough CouncilFlexible Use of Capital Receipts StrategySeptember 2025

1. The Flexible Use of Capital Receipts was last approved via Paper No. 24-283 in September 2024.
2. The Government introduced the Flexible Use of Capital Receipts in 2016 to give local authorities the freedom to use capital receipts to help fund the revenue costs of transformation projects and release savings. The regime was originally intended to run until the end of 2021/22, this was subsequently extended to 2024/25, and following a further announcement in November 2024 the regime has been extended to 2029/30.
3. Government guidance requires each authority intending to use the flexibility to prepare a “Flexible Use of Capital Receipts Strategy” to be approved by full Council and reported to the Ministry of Housing, Communities and Local Government. The Strategy should contain details of projects intending to make use of the flexibility, including amount of planned capitalisation using the flexibility, and the savings and service transformations expected to result. The guidance gives a wide range of projects that could generate qualifying expenditure, although the list is not intended to be prescriptive and it is for local authorities to determine whether or not a project qualifies for the flexibility.
4. Examples of qualifying expenditure include:
 - Activities which support or enable efficiency savings, improved service delivery or transformation as part of local government re-organisation;
 - Sharing back-office and administrative services with one or more other council or public sector bodies;
 - Investment in service reform feasibility work e.g. setting up pilot schemes;
 - Collaboration between local authorities and central government departments to free up land for economic use;
 - Funding the cost of service configuration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
 - Sharing Chief Executives, management teams or staffing structures;
 - Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
 - Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;

(Paper No. 25-327)



- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
 - Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others); and
 - Integrating public facing services across two or more public sector bodies (for example children’s social care, trading standards) to generate savings or to transform service delivery.
5. In addition to extending the regime, the updated 2025 directive permits use of receipts to finance all redundancy payments to be treated as qualifying expenditure, previously it was limited to statutory redundancy payments.
6. In August 2022, an amended direction was issued stating that capital receipts used must only be from disposals where the authority does not still retain some direct or indirect control of the assets. The updated 2025 directive sets out the Government’s expectation that community assets should be protected where possible and not disposed of in order that residents can continue to benefit from them.

Proposed Projects to be funded from Capital Receipts

7. The Council will potentially make use of this flexibility in relation to the investment costs incurred to deliver the ambitious Transformation Programme which aims to help to close the funding gaps in the latest Medium Term Financial Strategy. The programme will be structured to join up delivery across eight portfolios which will invest in changes to IT infrastructure and further digitalisation and deliver other invest to save projects such as office accommodation rationalisation, and wider demand management initiatives across children’s and adult social services and resident services.
8. An overall budget for transformation has been developed which will be tightly controlled and released as projects come forward. Whilst this is a combined programme across Richmond and Wandsworth Councils, the potential indicative budgets which may include qualifying expenditure under the flexible capital receipts strategy would be as follows:

Indicative Future Use of Capital Receipts Flexibilities					
	2025/26	2026/27	2027/28	2028/29	Total
	£m	£m	£m	£m	£m
Transformation Programme	2.3	4.7	2.3	0	9.3

9. Any unused element of the above anticipated capital receipts would be applied in the normal way to reduce the financing costs of the capital programme.

Impact on Prudential Indicators

10. The guidance requires that the impact on the Council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. The Council's current capital programme does not utilise the capital receipts that will fund the above indicative expenditure. Therefore, there will be no change to the council's Prudential Indicators.

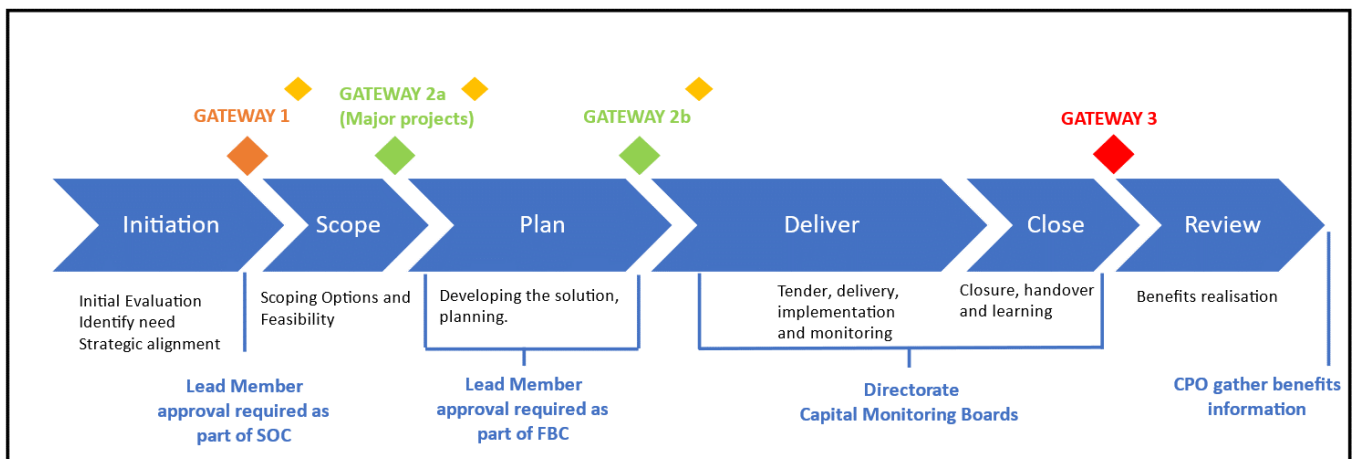
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DELIVERY OF CAPITAL PROJECTS

1. Following an organisational review of project and programme management, in part to address the issue of timely delivery of capital schemes, a new Corporate Project Office (CPO) was established at the end of 2023. The CPO has five key work streams for improving and standardising project and programme management across the organisation. These are:

- Introduce and embed a new corporate project and programme management approach, including a refresh of all resources and templates.
- Provide corporate project management capacity to specific major projects.
- Develop a bespoke training and development offer and identify and share organisational learning.
- Deliver a programme of project assurance against the new approach.
- Improve and standardise project reporting.

2. Alongside the initiation of the CPO, work was undertaken to review the Council's capital investment strategy and the financial approvals process. Officers developed a corporate, organisation-wide, project lifecycle which allows projects to progress regularly through the cycle. The lifecycle is shown below:



- ◆ Infrastructure Board
'Strategic Outline Case'
- ◆ Investment & Funding Board (IFB)
Major Projects
G2a 'Outline Business Case'
- ◆ Investment & Funding Board (IFB)
G2b 'Full Business Case'
- ◆ Project Board / SRO
'Project Closure Report'
Inc. lessons learned and benefits review
- ◆ Director's Board / Committee
(as required)

3. This process aims to improve the delivery of projects by increasing the amount of due diligence completed to ensure that projects are 'delivery ready' when they request funding. Ultimately this will lead to more delivery confidence as projects will not be delayed or slowed down after approvals have been made due to issues with capacity or unforeseen risks. The lifecycle proposes a 6 stage process with 3 key gateways to pass through, establishing a golden thread of governance, oversight and consistency for all capital projects.

Capital Monitoring Processes

4. The monitoring of capital investment (and funding) transitioned to align and support the lifecycle and gateways processes explained above. This enables a

clear and understandable marker (gateway) as to where capital projects and scheme are in terms of development, progression and delivery.

5. The Council's capital programme has three key stages with schemes placed in one of these three defined areas, as schemes progress through the lifecycle and gateways explained earlier they progress through these stages:
- **Pipeline** – the Pipeline recognises the schemes/priorities the Council wishes to consider for future capital investment but at this stage are not yet ready to be promoted to the Development Pool by way of Gateway 1. This could be due to a number of factors:
 - Scheme in in early stage of development
 - Scheme requires submission of a Strategic Outline Case to enable review and promotion to the Development Pool
 - Funding unavailable at the present time
 - Scheme is not considered a priority and/or strategic fit with corporate priorities
 - The Council will invite promoters to submit revised SOC's should any schemes undergo significant changes in support, funding, value for money or scope.
 - **Development Pool** – Further prioritisation through the Council's officer and Member forums has now taken place reflecting views of internal and external consultation. This prioritisation process has identified the capital investment scheme that are the greatest priority to the Council, within the resources available, and received indicative funding to enable them to be promoted for inclusion into the Development Pool having now passed Gateway 1. These schemes now need to conduct further analysis and submit a Full Business Case (FBC) to the Investment and Funding Board (IFB) for recommendation for Committee approval to confirm promotion from the Development Pool and gain formal approval (with formal budget allocation) into the Council's Committed Capital Programme (CCP). **Whilst schemes are within the Development Pool no detailed monitoring is undertaken as schemes have not progressed to the delivery phase and not started to incur expenditure. However, key milestones will enable checks and balances to occur to ensure schemes are developing towards Gateway 2.**
 - **Committed Capital Programme (CCP)** – Detailed capital monitoring, expenditure forecasting and income monitoring is undertaken at this stage on schemes which have passed Gateway 2 and have entered their planning and delivery phase and started to incur expenditure. The FBC provides the basis to understand the timeframes of project delivery, benefits realisation and financial expenditure and income phasing so appropriate monitoring can be undertaken.



PAPER NO. **25-341**

WANDSWORTH BOROUGH COUNCIL

FINANCE OVERVIEW AND SCRUTINY COMMITTEE – 9 OCTOBER 2025

Report by the Director of Law and Governance on the Overview and Scrutiny Committee
Work Programme

SUMMARY

The Overview and Scrutiny Committees play a vital role in ensuring accountability and transparency within the local authority. Effective work programming is essential for the success of the Wandsworth Overview and Scrutiny Committees. By accessing relevant information, applying clear criteria for inclusion, and setting focused objectives, the committees can ensure they add value to the local authority and improve the lives of residents.

This report outlines the proposed changes to the OSC Work Programmes for discussion.

1. RECOMMENDATIONS

- 1.1. The Overview and Scrutiny Committee is asked to note the work to date on the work programme and consider the approach to its further development.

2. PROPOSALS FOR CONSIDERATION

- 2.1. In July, an informal closed work programming session was convened to begin scoping the OSCs' agendas for the upcoming cycle. The session was attended by OSC Chairs, Cabinet Members, Opposition Speakers, and key officers, and facilitated by Democratic Services. The purpose was to enable open and candid discussion about priorities for scrutiny, away from the constraints of formal committee meetings where officer-member dialogue can be more limited.
- 2.2. The session was designed to support a more strategic and member-led approach to scrutiny planning. Members were encouraged to raise concerns, suggest areas of interest, and debate which items were most pertinent for their OSCs. Officers provided feedback and context to help shape the programme. This collaborative format is intended to ensure scrutiny is both responsive and impactful.

- 2.3. At the July work programming sessions Members identified the following areas for potential inclusion in the work programme. A further work programming session with all OSC members will be held to review the following proposed items, consider prioritisation as well as the appropriate format for scrutiny:
- 2.3.1. Medium Term Financial Strategy
 - 2.3.2. Budget-setting
 - 2.3.3. Treasury Management
 - 2.3.4. Capital Programme
 - 2.3.5. Customer Service
 - 2.3.6. Change programme and transformation including digital transformation
 - 2.3.7. Cost of living and financial resilience
 - 2.3.8. VCS Strategy
 - 2.3.9. Economic development
 - 2.3.10. London Borough of Culture legacy
 - 2.3.11. Complaints
 - 2.3.12. Key Performance Indicator reporting

3. BACKGROUND

- 3.1. This report sets out guidance to help Members develop the OSC work programme. It is expected that for this year, there will be a combination of reports from officers presenting items to the OSCs that they are already prepared to bring, such as monitoring and other update reports, as well as others that have been requested in the past, and other matters that Members are interested in are welcomed.
- 3.2. Informal closed work programming sessions will be held with OSC members, officers and lead members to help develop the work programmes. Whilst it is expected that there will be some fluidity and flexibility as members raise concerns and identify areas they would like to focus OSC work during the meetings, and that members can also contribute to the work programme in this way, the most productive work programming will be done outside of the formal OSC meetings. This will enable members to debate items that they think are most pertinent for the OSC, and to receive open feedback from officers.
- 3.3. One of the methods the OSC may want to consider as part of the work programme to deep dive into issues is through the establishment of a Task and Finish Group. Task and Finish Groups should have clearly defined aims and outcomes.
- 3.4. Please note that limited resources means that the task and finish activity across the OSCs need to be carefully timetabled.

3. DETAILS

3.1. Sources of Information

To inform their work programme, the scrutiny committees could access a variety of information sources, including:

- 3.1.1. **Performance Information:** Data from across the authority and its partners to assess service delivery and outcomes.
- 3.1.2. **Finance and Risk Information:** Financial reports and risk assessments to understand the fiscal health and potential challenges facing the authority.
- 3.1.3. **Corporate Complaints Information:** Aggregated data on complaints to identify recurring issues and areas for improvement.
- 3.1.4. **The Forward Plan of Key Decisions:** Planning documents for forthcoming major executive decisions, particularly useful for pre-decision scrutiny.
- 3.1.5. **Reports from Ombudsmen:** Recommendations issued by relevant ombudsmen, such as the Local Government and Social Care Ombudsman

3.2. Objectives for the Committees

The objectives for the Wandsworth Overview and Scrutiny Committees through work programming should include:

- 3.2.1. **Improving Services:** Making recommendations to enhance service delivery and address identified issues.
- 3.2.2. **Policy Endorsement:** Reviewing and endorsing policies or proposed reconfigurations.
- 3.2.3. **Pre-decision scrutiny of Cabinet Decisions:** the committee will be able to examine decisions coming to Cabinet and consider making recommendations
- 3.2.4. **Gaining Insights:** Developing a better understanding of specific topics or updates on previously reviewed issues.
- 3.2.5. **Horizon Scanning:** Identifying and planning for long-term, cross-cutting issues and trends.

3.3. Criteria for Inclusion in the Work Programme

The process of shortlisting topics for the work programme should reflect the overall role of scrutiny within the authority. This may involve Members needing to debate and come to agreement over the inclusion of certain potential items for consideration over others, whilst understanding that scrutiny committees have finite resources and making decisions on how these are best allocated.

When considering whether an item should be included in the work programme, the scrutiny committee should consider the following questions:

3.3.1. **Benefits of Scrutiny**

- What benefits would scrutiny bring to this issue?
- Is the issue of significant concern to residents or service users?
- Will scrutiny lead to tangible improvements in services, policy, or accountability?
- Is this the right time to scrutinise the issue (e.g. pre-decision, emerging issue)?

3.3.2. **Method of Scrutiny**

- How could the committee best carry out work on this subject?
- Would it be best to consider a single item on a committee agenda, as a single item meeting, as a task and finish review, or as a standing panel?
- Is there performance data, complaints, or risk information to support scrutiny?
- Can the committee realistically undertake this work with available time and officer support?

3.3.3. **Desired Outcomes**

- What would be the best outcome of this work?
- Can scrutiny add insight or challenge that wouldn't otherwise occur?

3.3.4. **Engagement with Decision-Makers**

- Will scrutiny influence decision-makers or align with the Forward Plan?
- Will scrutiny engage partners (e.g. NHS, police, housing associations) or respond to external reviews (e.g. Ombudsman, regulator)?

The Town Hall,
Wandsworth
SW18 2 PU

Abdus Choudhury
Director of Law and Governance

1 October 2025

Background papers

There are no background papers to this report.

(Paper No. 25-341)



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London Borough of Wandsworth: Forward Plan of Key Decisions

Published on 5 September 2025.

When Key Decisions are to be made by the Cabinet or officers with delegated authority, the Council will give advance notice of a minimum of 28 clear days by publishing details of the proposed decision in the Forward Plan.

A key decision is one which is likely to result in significant expenditure or savings of £1,000,000 or more, or to have significant effects on those living or working in an area comprising two or more wards.

Additional information

For further information regarding the issues listed within the Forward Plan, or to find out how you can have your say on the issues scheduled for decision, please email wandsworth.democraticservices@richmondandwandsworth.gov.uk.

Title of Decision	Description	Reason decision is a Key Decision (financial / community impact)	Who is taking the decision: Cabinet or Executive Director	Cabinet meeting date if applicable	Will the decision be partly or wholly exempt?	Lead Officer contact details
Procurement of Integrated Sexual Health Service	Details the recommendation to re-procure Integrated Sexual Health Services using the Most Suitable Provider Process under PSR across the London Boroughs of Wandsworth, Richmond, Merton and Sutton	Financial	Cabinet	22 September 2025	No	Cabinet Member for Health <i>Steve Shaffelburg</i> <i>steve.shaffelburg@richmondandwandsworth.gov.uk</i>
Extension and variation of the Wandsworth Borough Wide Public Space Protection Order (PSPO) and introduction of new PSPO for dog control	Alcohol related ASB, psychoactive substances and Dog Control Orders and the inclusion of proposals for a NEW Public Spaces Protection Order for Dog Control Orders.	Both	Cabinet	22 September 2025	No	Cabinet Member for Environment, Councillor Graeme Henderson, Cabinet Member for Health <i>Thorsten Dreyer</i> , <i>Head of Arts, Parks and Events</i> <i>thorsten.dreyer@richmondandwandsworth.gov.uk</i> , <i>Zoe Lyons</i> <i>Zoe.Lyons@richmondandwandsworth.gov.uk</i> , <i>Steve Biggs</i> <i>steve.biggs@richmondandwandsworth.gov.uk</i>

General Fund Capital Programme Update	Review of and revision of the General Fund capital programme including cash flows	Both	Cabinet	22 September 2025	No	<i>Katherine Burston Katherine.Burston@richmondandwandsworth.gov.uk</i>
Medium Term Financial Strategy	Annual update of the Council's Medium Term Financial Strategy	Both	Cabinet	22 September 2025	No	<i>Katherine Burston Katherine.Burston@richmondandwandsworth.gov.uk</i>
Wandsworth Medium Term Office Accommodation Strategy	This report provides Cabinet with occupancy proposals for the Town Hall Extension and Town Hall and sets out two costed delivery options which reflect the Councils recent successful Salix funding application.	Financial	Cabinet	22 September 2025	No	Cabinet Member for Housing <i>David Sharp David.Sharp@richmondandwandsworth.gov.uk</i>
Care Technology Strategy and Procurement	This report seeks approval for the strategy and investment case to expand the Care Technology service and approval to undertake a procurement exercise for the provision of a managed care technology service in Wandsworth.	Financial	Cabinet	3 November 2025	No	Cabinet Member for Health <i>Nadine Hassler nadine.hassler@richmondandwandsworth.gov.uk, Claire Tew, Associate Director Assurance and Innovation claire.tew@richmondandwandsworth.gov.uk</i>

HRA Business Plan Update	Annual update of the HRA business plan and approval of revised HRA Capital Programme cashflows.	Both	Cabinet	3 November 2025	No	Cabinet Member for Housing <i>Mark Davies</i> <i>Mark.Davies@richmondandwandsworth.gov.uk</i>
Reviewing temporary accommodation charges	A review of the level of temporary accommodation charges	Both	Cabinet	3 November 2025	No	Cabinet Member for Housing <i>Ghazell Nasir</i> <i>Ghazell.Nasir@richmondandwandsworth.gov.uk</i>
Commercial cleaning and associated services contract	Award of contract for Commercial Cleaning & Associated Services across the council's operational property portfolio	Financial	Cabinet	3 November 2025	No	Cabinet Member for Finance <i>David Sharp</i> <i>David.Sharp@richmondandwandsworth.gov.uk</i>
Treasury Management Mid Year Review 2025/26	Overview of Treasury Management performance to date during the year	Both	Cabinet	3 November 2025	No	<i>Alicia Attoe</i> <i>alicia.attoe@richmondandwandsworth.gov.uk</i> , <i>Katherine Burston</i> <i>Katherine.Burston@richmondandwandsworth.gov.uk</i>

<p>Tree Supply, Planting and Aftercare Services Procurement - Contract Award</p>	<p>To award tree supply, planting and aftercare contracts</p>	<p>Both</p>	<p>Cabinet</p>	<p>1 December 2025</p>	<p>No</p>	<p>Cabinet Member for Environment <i>Thorsten Dreyer, Head of Arts, Parks and Events</i> <i>thorsten.dreyer@richmondandwandsworth.gov.uk, Liam Hutton, Arboricultural Manager</i> <i>liam.hutton@richmondandwandsworth.gov.uk</i></p>
<p>Procurement of Arboricultural Services (contract award)</p>	<p>To award contracts for arboriculture services</p>	<p>Financial</p>	<p>Cabinet</p>	<p>1 December 2025</p>	<p>No</p>	<p>Cabinet Member for Environment <i>Thorsten Dreyer, Head of Arts, Parks and Events</i> <i>thorsten.dreyer@richmondandwandsworth.gov.uk, Liam Hutton, Arboricultural Manager</i> <i>liam.hutton@richmondandwandsworth.gov.uk</i></p>

<p>Primary Care PH Locally Commissioned Services contract award, 2027</p>	<p>Commissioning of GP surgeries and pharmacies to deliver public health Locally Commissioned Services (LCS).</p>	<p>Financial</p>	<p>Cabinet</p>	<p>1 December 2025</p>	<p>No</p>	<p>Cabinet Member for Health <i>Shannon Katiyo</i> <i>Shannon.Katiyo@richmondandwandsworth.gov.uk</i>, <i>Benjamin Humphrey</i> <i>benjamin.humphrey@richmondandwandsworth.gov.uk</i></p>
<p>Biodiversity Action Plan</p>	<p>To adopt a new biodiversity action plan for Wandsworth</p>	<p>Community impact</p>	<p>Cabinet</p>	<p>12 January 2026</p>	<p>No</p>	<p>Cabinet Member for Environment <i>Thorsten Dreyer</i>, <i>Head of Arts, Parks and Events</i> <i>thorsten.dreyer@richmondandwandsworth.gov.uk</i>, <i>Sam Morgan</i>, <i>Parks Operations Manager</i> <i>sam.morgan@richmondandwandsworth.gov.uk</i></p>
<p>HRA Budget and Rent Setting report</p>	<p>Approval of HRA revenue budgets for 2026/27, HRA capital additions, annual rent decision and other non-dwelling HRA charges</p>	<p>Both</p>	<p>Cabinet</p>	<p>12 January 2026</p>	<p>No</p>	<p>Cabinet Member for Housing <i>Mark Davies</i> <i>Mark.Davies@richmondandwandsworth.gov.uk</i></p>

<p>Public Mental Health Action Plan</p>	<p>To approve the approach outlined in the Public Mental Health Action Plan for Wandsworth</p>	<p>Community impact</p>	<p>Cabinet</p>	<p>12 January 2026</p>	<p>No</p>	<p>Cabinet Member for Health <i>Shannon Katiyo</i> <i>Shannon.Katiyo@richmondandwandsworth.gov.uk</i>, <i>Graeme Markwell</i> <i>Graeme.Markwell@richmondandwandsworth.gov.uk</i>, <i>Ramyadevi Ravindrane</i> <i>ramyadevi.ravindrane@richmondandwandsworth.gov.uk</i></p>
<p>Contract for the Provision of Emergency Lighting Services in Residential Housing Blocks</p>	<p>Approval of the contract award for the testing, servicing, and maintenance of Emergency Lighting Systems at approximately 243 housing residential blocks including sheltered accommodation.</p>	<p>Financial</p>	<p>Cabinet</p>	<p>12 January 2026</p>	<p>No</p>	<p>Cabinet Member for Housing <i>Alice Woodford</i> <i>alice.woodford@richmondandwandsworth.gov.uk</i></p>
<p>Fire Alarms and Automatic Opening Ventilation Systems Boroughwide Maintenance Services in Residential Housing Blocks</p>	<p>Approving the contract award for the testing, servicing and maintenance of fire detection, fire alarms, and automatic smoke ventilation systems in sheltered and residential blocks of flats.</p>	<p>Community impact</p>	<p>Cabinet</p>	<p>12 January 2026</p>	<p>No</p>	<p>Cabinet Member for Housing <i>Alice Woodford</i> <i>alice.woodford@richmondandwandsworth.gov.uk</i></p>

Supply of Portable Computer to Wandsworth and Richmond Council	Approve the Contract Award of the supply of laptops, desktops, monitors and minor peripherals, parts and services.	Financial	Executive Director of Change and Innovation	First added 13 September 2024	No	Cabinet Member for Finance <i>Mark Chambers,</i> <i>Support Manager</i> <i>mark.chambers@richmondandwandsworth.gov.uk</i>
Council Tax Base and NNDR Forecast	Provides key figures to Executive Director of Finance for budget setting purposes.	Financial	Executive Director of Finance	First added 31 March 2025	No	Cabinet Member for Finance <i>Gaven Downton</i> <i>Gaven.Downton@richmondandwandsworth.gov.uk</i>
Transformation Consultancy Procurement	Approve contract award for consultancy to support transformation	Financial	Executive Director of Change and Innovation	First added 25 July 2025	No	Leader of the Council <i>Sam Olsen,</i> <i>Executive Director of Change and Innovation</i> <i>sam.olsen@richmondandwandsworth.gov.uk</i>
Appropriation Eastwood South (Toland Square) Estate	This report sets out a proposal for the Council to use its powers to appropriate the land identified for development and known as known as "Garages to the northeast corner of Eastwood South(Toland Square) Estate " for planning purposes	Financial	Interim Director of Place	First added 31 March 2025	No	Cabinet Member for Housing <i>Mark Eastmond</i> <i>mark.eastmond@richmondandwandsworth.gov.uk,</i> <i>Joe Richardson</i> <i>Joe.Richardson@richmondandwandsworth.gov.uk</i>

	<p>pursuant to Section 122 of the Local Government Act 1972 (LGA 1972) where section 203 of the Housing and Planning Act 2016 would be engaged to facilitate the development of the site which forms part of the Homes for Wandsworth development programme.</p>					
<p>Appropriation Garages North of 1 to 12 Theodore House Aubyn Square and adjacent to 1 to 4 Aubyn Square SW15 5NR</p>	<p>This report sets out a proposal for the Council to use its powers to appropriate the land identified for development and known as known as “Garages North of 1 to 12 Theodore House Aubyn Square and adjacent to 1 to 4 Aubyn Square SW15 5NR” for planning purposes pursuant to Section 122 of the Local Government Act 1972 (LGA 1972) where section 203 of the Housing and Planning Act 2016 would be engaged to facilitate the development of the site which forms part of the Homes for</p>	<p>Both</p>	<p>Interim Director of Place</p>	<p>First added 31 March 2025</p>	<p>No</p>	<p>Cabinet Member for Housing <i>Mark Eastmond</i> <i>mark.eastmond@richmondandwandsworth.gov.uk</i>, <i>Samuel Okwabi</i>, <i>Development Officer</i> <i>samuel.okwabi@richmondandwandsworth.gov.uk</i></p>

	Wandsworth development programme.					
Contract for the Provision of Residential Removals, Storage and Disposal Services	Approving the contract award of the contract to undertake removals from properties, storage sheds/lockers and garages to either final addresses, storage facilities or disposal.	Financial	Executive Director of Housing and Regeneration	5 September 2025	No	Cabinet Member for Housing <i>Alice Woodford</i> <i>alice.woodford@richmondandwandsworth.gov.uk</i>
Contract Award of Young People's Housing Support Services	A paper seeking approval for the award of two contracts for young people's housing support services in Wandsworth.	Financial	Executive Director of Children's Services	5 September 2025	No	Cabinet Member for Children <i>Adam Wills</i> <i>adam.wills@richmondandwandsworth.gov.uk</i>