

2025/26 Period 9 Capital Monitoring Update

SUMMARY

The cross-cutting capital programme is aligned to the priorities established in Mission Waltham Forest and includes investment into schools, highways and streetlighting, property, area regeneration, our response to the Climate Emergency, the delivery of new and affordable homes including Temporary Accommodation (TA), and significant investment into existing council-owned homes via the HRA.

The overall forecast for the 2025/26 capital programme is £171.958 million, made up of £106.403 million General Fund forecast and £65.555 million HRA forecast. This is a decrease of £43.837 million compared to the 2025/26 budget of £215.795 million approved by Cabinet in December 2025, as a result of budget corrections and adjustments to forecasts to align planned expenditure with the latest delivery plans.

Table 1 below sets out the 2025/26 forecast capital programme against the approved budget (including Q3 additions/virements) and expenditure to the end of Q3 by directorate and service area. The following section provides explanations for the 2025/26 forecast variances against the approved annual budgets for each directorate and service area.

2025/26 forecast capital programme against revised budgets by directorate and service area

Directorate	Service Area	Approved Budget 2025-26 (Dec 2025)	Additions Q3	Forecast 2025-26	Budget / Forecast Variance	Actuals Q3
		£m	£m	£m	£m	£m
Chief Executive's						
Resident Experience & Digital		0.923	0.000	0.682	(0.241)	0.044
Sub-total		0.923	0.000	0.682	(0.241)	0.044
Adults Services						
Culture & Registrars		1.073	0.311	0.964	(0.420)	0.359
Adult Social Care		2.114	0.000	2.931	0.817	1.583
Sub-total		3.187	0.311	3.895	0.398	1.942
Children's Services						

APPENDIX 1

Traded Services	0.868	0.000	0.868	(0.000)	0.311
Sub-total	0.868	0.000	0.868	(0.000)	0.311
Resources					
Law & Governance	0.001	0.077	0.077	(0.001)	0.000
Sub-total	0.001	0.077	0.077	(0.001)	0.000
Neighbourhoods and Environment					
Highways & Parking	10.789	2.993	12.563	(1.218)	4.974
Neighbourhoods	6.876	3.042	5.171	(4.748)	1.100
Community Safety & Public Protection	0.101	0.000	0.101	(0.000)	0.002
Sub-total	17.766	6.034	17.835	(5.966)	6.076
Place					
Schools Programme	7.899	0.000	6.567	(1.332)	4.741
Regen, Planning & Strategic Property	33.193	0.403	22.760	(10.837)	14.294
Capital Strategy, Delivery & Estate	28.311	2.009	14.195	(16.125)	6.786
London Secure Children's Home	0.000	3.700	0.275	(3.425)	0.043
Housing (General Fund)	49.727	10.816	38.999	(10.728)	18.550
Sub-total Place GF	113.732	119.131	6.112	82.796	(42.447)
Housing Delivery & Assets (HRA)	67.135	2.402	64.750	(2.385)	42.396
Housing Operations (HRA)	0.423	0.000	0.805	0.383	0.402
Sub-total Place HRA	67.557	2.402	65.555	(2.003)	42.798
Sub-total Place GF & HRA	186.688	19.330	148.351	(44.450)	87.212
Contingency					
GF Contingency	6.362	(1.702)	0.250	(4.411)	0.000
Sub-total	6.362	(1.702)	0.250	(4.411)	0.000
FUND					
GF	148.237	21.649	106.403	(63.483)	52.787
HRA	67.557	2.402	65.555	(4.404)	42.798
Total Capital Programme	215.795	24.051	171.958	(67.888)	95.585

The following section provides explanations for the 2025/26 forecast variances against the approved annual budgets (including Q3 additions and virements) for each directorate and service area shown in Table 1 above.

Chief Executive's Directorate – £0.241 million variance

Resident Experience & Digital – £0.241 million underspend

There is a forecast underspend of £0.241 million against the approved budget is due to slippage of £0.181 million on the Oracle Stabilisation Programme, £0.04 million on the Intranet to SharePoint Migration project and £0.02 million on the Public Service Telephone Network (PSTN) project, in line with the latest delivery plans.

Adults Services Directorate – £0.398 million variance

Adult Social Care – £0.817 million overspend

There is a forecast overspend of £0.817 million against the approved budget for Adult Social Care. This budget is fully funded by the Disabled Facilities Grant (DFG), which funds adaptations to help disabled individuals live safely and independently in their homes. The revised forecast is based on the 2025/26 DFG funding allocation of £2.93 million. The annual budget will be updated to reflect the latest DFG funding allocation.

Culture & Registrars – £0.420 million underspend

There was an addition of £0.311 million to the Culture & Registrars capital programme during Q3 for the Walthamstow Assembly Hall Acoustic works project. The forecast underspend of £0.420 million relates to re-profiling of spend to 2026/27 on the William Morris Gallery project, in line with the latest delivery plans.

Children's Services – £0.00 million variance

There is no forecast variance against the Children's Services directorate budget, which relates to the Waltham Forest Music Service's Music Hub Investment Programme (fully grant-funded by Arts Council England).

Resources – £0.001 million variance

Law & Governance – £0.001 million underspend

There was an addition of £0.077 million to the Law & Governance capital programme during Q3 for the Councillor IT Kit Upgrade project. The minor forecast underspend is due to deletion of the remaining budget for the Mortuary Logistics Service project, which has now completed.

Neighbourhoods and Environment – £5.966 million variance

Highways & Parking – £1.218m underspend

There is a forecast underspend of £1.218 million against the approved budget for Highways & Parking. The key reasons for this variance are as follows:

- £1.262 underspend on the DfT-funded Local Electric Vehicle Infrastructure (LEVI) programme, due to reprofiling of spend to future years in line with the current delivery programme.
- £0.537 million budget deletion and £0.079 million slippage across several Environment Agency-funded projects, in line with the current delivery programme.
- £0.125 million underspend across various Traffic Management projects.
- £0.124 million underspend on the Sustainable Transport programme, due to re-profiling of spend on the Zero Emission Delivery project to future years and a budget deletion.
- £0.545 million addition on Highways projects funded through developer contributions (CIL/s106).
- £0.361 million addition on TfL-funded Bus Priority and Cycleways Network development projects.

Neighbourhoods – £4.748 million underspend

There was an addition of £3.042 million to the multi-year Neighbourhoods capital programme during Q3 following the Climate & Environment service securing Warm Homes: Local Grant funding from the Department for Energy Security and Net Zero. This grant will be used to deliver energy performance and low carbon heating upgrades to low-income homes in the borough over the next three years, with £1.826 million of the funding forecast to be spent by the end of 2025/26.

There is a forecast underspend of £4.748 million against the approved 2025/26 budget for Neighbourhoods. The key reasons for this variance are as follows:

- £2.269 million forecast spend on the Low Hall Depot project reprofiled to future years in line with the latest delivery programme.
- £1.216 million forecast spend on the government-funded Warm Homes: Local Grant programme re-profiled to future years in line with the agreed delivery programme.
- £0.773 million forecast spend on the Civica App replacement project reprofiled to future years in line with the latest delivery programme.
- £0.384 million forecast spend on the Climate Emergency fund reprofiled to future years up to 2029/30.
- £0.104 million spend on several developer contributions-funded Parks projects reprofiled to 2026/27.

Community Safety & Public Protection – £0.00 million variance

There is no forecast variance for Community Safety & Public Protection, with the remaining budget on the CCTV Operations Centre project forecast to be spent by the end of 2025/26.

Place – £57.668 million variance

Schools Programme – £1.332 million underspend

In December 2025 Cabinet approved the revised Schools Capital Programme 2025–2029 and allocation of available resources. There is a forecast underspend of £1.332 million against the 2025/26 approved budget for the Schools Programme due to reprofiling of spend up to 2028/29 across all workstreams in accordance with the approved delivery plans and total programme funding available.

Regeneration, Planning and Strategic Property – £10.837 million underspend

There is a forecast underspend of £10.837 million against the approved budget for Regeneration, Planning and Strategic Property. The reasons for this variance are as follows:

- £2.151 million underspend on Walthamstow High Street due to reprofiling of spend to 2026/27 in line with the latest construction delivery programme.

- £1.899 million underspend on the St James Quarter project, due to a virement to the Walthamstow Cultural Quarter project and reprofiling of spend to 2026/27 in line with the current delivery programme.
- £1.824 underspend on Chingford Mount due to reprofiling of spend to 2026/27 in line with the current delivery programme.
- £1.122 million underspend on Hatherley Mews due to reprofiling of spend to 2026/27 in line with the current delivery programme.
- £0.689 million underspend on the Station Forecourt Public Realm Scheme due to reprofiling of spend to 2026/27 in line with the current delivery programme.
- £0.541 million underspend on Walthamstow Cultural Quarter due to reprofiling of spend to 2026/27 in line with the current delivery programme.
- £0.537 million underspend on Memorial Park due to a budget correction and minor reprofiling of spend to 2026/27 in line with the current delivery programme.
- £0.469 million variance on Leyton Sports Ground due to reprofiling of remaining budget to 2026/27 pending a formal decision on how the project will proceed.
- The remaining variance relates to reprofiling of spend across c.30 projects within the Regeneration, Planning and Strategic Property programme in line with the latest delivery programmes.

Capital Strategy, Delivery and Estate – £16.125 million underspend

There is a forecast underspend of £16.125 million against the approved 2025/26 budget for Capital Strategy, Delivery and Estate. The key reasons for this variance are as follows:

- £6.992 million underspend on the Chingford Mount Crematorium project due to a budget correction and re-profiling of spend to future years in line with the latest delivery programme.
- £2.116 million underspend on the Families & Homes Hub project due to re-profiling of spend to future years in line with the latest delivery programme.
- £1.807 million forecast spend reprofiled to future years on St James Health Centre in line with the current delivery programme, which remains subject to agreement of lease terms with the NHS.
- £2.069 million forecast spend on the Fellowship Square programme re-profiled to future years in line with the latest delivery programme.

- £1.113 million underspend on Coronation Square regeneration project due to a budget correction and £0.88 million forecast spend being re-profiled in line with the current delivery programme.
- £1.014 million underspend on the Rolls Park clubhouse project due to a budget correction and £0.86 million forecast spend being re-profiled in line with the latest delivery programme.
- The remaining variance relates to reprofiling of spend across several smaller schemes within the Capital Delivery and Estates programme.

London Secure Children's Home – £3.425 million variance

In October 2025 Cabinet approved an initial project delivery budget of £3.70 million to cover design, technical and management costs associated with delivery of the London Secure Children's Home on behalf of London Councils and the Department for Education (DfE), to be fully funded by the DfE. The forecast underspend of £3.425 million relates to re-profiling of spend to future years in line with the current delivery programme up to March 2027.

Housing General Fund – £21.544 million underspend

There was an addition of £10.816 million to the Housing General Fund programme during Q3 for the General Fund element of the Ministry of Housing, Communities and Local Government (MHCLG) Local Authority Housing Fund (LAHF) Acquisition Programme Round 3. This programme funds the acquisition of new council homes and is supported by grant funding from MHCLG.

The reasons for the forecast underspend of £21.544 million against the approved 2025/26 budget are as follows:

- £12.0 million forecast spend on the TA Acquisition Programme re-profiled to 2026/27 as a result of delayed GLA confirmation of the grant rate and programme deadline.
- £8.307 million forecast spend on the Priory Court regeneration scheme reprofiled into future years, in line with the expected delivery programme and cashflow forecast for the project.
- £1.183 million virement to the Housing Delivery (HRA) programme, relating to the HRA-funded element of the MHCLG LAHF Acquisition Programme Round 2, which has previously been reported under the Housing General Fund programme.

Housing Delivery & Assets (HRA) – £4.787 million underspend

There is a forecast underspend of £4.787 million against the approved budget for the Housing Delivery & Assets (HRA) programme. The key reasons for this variance are as follows:

- £1.364 million forecast spend on the Avenue Road regeneration scheme re-profiled into 2026/27, pending a formal Cabinet decision on the revised delivery route for the scheme.
- £0.829 million budget deletion relating to the Pocket Living Resettlement Housing Programme, which is now complete.
- £0.650 million virement to the Housing Digital Programme (reported under Housing Operations).
- Budget virements and reprofiling of spend across c.25 projects within the Housing Assets Main Programme and Building Safety programmes based on current forecasts and available HRA resources, resulting in a £4.543 million underspend against the approved budget for these programmes.
- The above underspends are offset by a forecast overspend of £1.416 million on the Marlowe Road Regeneration scheme, funded through a virement from the Main Programme budget, as well as a £1.183 million virement from the Housing General Fund programme relating to the HRA-funded element of the MHCLG LAHF Acquisition Programme Round 2, as noted above.

Housing Operations (HRA) – £0.383 million overspend

There is a forecast overspend of £0.383 million against the approved budget for Housing Operations (HRA). The key reasons for this variance are as follows:

- £0.509 million addition to the Housing Digital Programme, funded through a £0.650 million virement from the Housing Delivery & Assets (HRA) budget, of which £0.509 million spend profiled in 2025/26 and the remaining £0.141 million profiled in 2026/27.
- £0.020 million addition for the St Margaret's & St Columba Court estate improvement project, funded through a virement from the Housing Investment Group (HIG) Contingency (reported under Housing Delivery & Assets).
- The above additions are offset by £0.141 million of forecast spend on the Estate Parking Controls project being reprofiled to 2026/27, as well as minor variances across several smaller estate improvement projects.

General Fund Contingency – £4.411 million variance

During Q3 2025/26, virements totalling £1.702 million were made from the General Fund contingency budget to other projects within the capital programme, following approval by the Capital Strategy and Asset Management Group (CSAMG).

There is a forecast underspend of £4.411 million against the approved 2025/26 budget as a result of these virements, which includes £0.700 million for a new Facilities Management contingency budget in 2026/27, as well as re-profiling of provisionally allocated and unallocated budget to future years.

The provisionally allocated and remaining unallocated contingency budget will continue to be held at portfolio level and vired to project budgets only where necessary, subject to CSAMG approval.