

MAYOR OF LONDON

The Mayor of London's Capital Spending Plan for 2010-11

February 2010

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Section 1: Statutory capital spending plan

Background

- 1.1 The Mayor is required, under section 122 of the Greater London Authority (GLA) Act 1999, as amended by the Local Government Act 2003, each financial year to prepare a capital spending plan for the GLA's four functional bodies: the Metropolitan Police Authority (MPA), the London Fire and Emergency Planning Authority (LFEPA), Transport for London (TfL) and the London Development Agency (LDA).
- 1.2 The statutory procedure requires the Mayor to send a copy of the Final plan to the London Assembly and each of the functional bodies before 15 January each year, inviting them to submit written comments to him within 21 days. Before finally determining the plan, the Mayor considers any comments submitted and makes such revisions as he sees fit, having had regard to the responses made.
- 1.3 The plan has to be sent to the Secretary of State (CLG) before 28 February and copies sent to the Assembly and the functional bodies.

Capital spending plan

- 1.4 The format of the capital spending plan and its contents are set out in section 122 of the GLA Act 1999, as amended by the Local Government Act 2003. The plan is to be in four sections, which the Act describes in some detail. They can be categorised as follows:

Section A – a statement of the resources each functional body will have for capital expenditure by virtue of capital grants and capital receipts.

Section B – a statement of the resources each functional body will have for capital expenditure by virtue of borrowing.

Section C – a statement for each functional body of total expenditure for capital purposes that the Mayor expects the body to incur and the total amounts which the Mayor expects to be treated as borrowing in the year.

Section D – a breakdown of this total capital spending showing how much the Mayor expects the body to meet out of capital grants; its capital receipts; amounts to be met from borrowing; and how much out of revenue.

Section 1: Statutory capital spending plan

1.5 The table below sets out the Mayor's statutory capital spending plan for 2010-11.

Table 1 – Final Statutory Capital Spending Plan 2010-11

Section		MPA	LFEPA	TfL	LDA
		£m	£m	£m	£m
A	Total external capital grants	101.5	4.1	235.0	127.7
	Opening balance of capital receipts	19.0	-	-	-
	Total capital receipts during the year	20.0	3.1	65.0	9.9
	Total external capital grants/receipts	140.5	7.2	300.0	137.6
B	Minimum s.120(1) grant	-	-	-	-
	Total borrowings during the year	90.0	9.1	405.0	154.4
	Total borrowings in the form of credit arrangements entered into or varied	-	-	-	-
	Total borrowings and credit arrangements	90.0	9.1	405.0	154.4
C	Total capital expenditure anticipated during the year	259.2	21.4	2,976.7	292.0
	Total credit arrangements anticipated during the year	-	-	-	-
	Total capital spending for the year	259.2	21.4	2,976.7	292.0
D	Funding: capital grants	101.5	4.1	235.0	127.7
	Funding: capital receipts/reserves	33.5	3.1	64.8	9.9
	Funding: borrowings and credit arrangements	90.0	9.1	696.0	154.4
	Funding: revenue contributions	34.2	5.1	1,148.9	0.0
	Funding: Crossrail specific contributions	-	-	832.0	-
	Total funding	259.2	21.4	2,976.7	292.0

1.6 Although the statutory capital spending plan has to be approved by the Mayor, each functional body is responsible for preparing and approving its own detailed capital spending programme. The following sections provide a breakdown of the functional bodies' current programmes.

Section 2: Metropolitan Police Authority

- 2.1 The Metropolitan Police Service's capital spending plan reflects the approved MPA Capital Strategy which focuses on the:
- Need to meet statutory requirements, or those resulting from a public enquiry
 - Compliance with health and safety enforcement notices
 - Essential replacement or upgrade of core infrastructure upon which other elements of the investment programme depend
 - Impact on delivery of Metropolitan Police Service (MPS) strategic objectives
 - Continuation or completion of projects where significant investment is already committed or where the MPA is already contractually committed
 - Delivery of significant capital or revenue savings
 - Delivery of business benefits with particular emphasis on performance improvement
- 2.2 The Strategy is supported by individual property, information technology and transport strategic plans, as well as developed asset management programmes.
- 2.3 Funding sources for the capital spending plan comprise Government grants, third party contributions, reserves, capital receipts, revenue contributions, other third party income and borrowing.
- 2.4 The proposed capital expenditure for 2010/11 is £259.2m and a summary of the capital plan is included in the MPS business plan. Details of the seven-year capital programme for 2010/11 to 2016/17 are shown in the main 2010-13 Policing London Business Plan.
- 2.5 The GLA's budget guidance requires that a borrowing and capital spending plan commencing in 2010/11 and spanning at least three financial years is prepared. To enable efficient and effective planning of investment requirements, the MPA/MPS has recognised that a more long-term perspective needs to be adopted. Therefore, the capital programme covers a seven-year period. The programme is reviewed on an annual basis.

Section 2: Metropolitan Police Authority

- 2.6 The capital programme has in part been funded each financial year by the generation of capital receipts from the disposal of redundant or obsolete property and other tangible capital assets. The present downturn in the property market has resulted in a reduction in the level of capital receipts that will be available. Consequently the size of the capital programme that is deemed affordable has also fallen. However, to this can be added specific funds in respect of counter-terrorism initiatives, and assets to support the policing of the 2012 Games, as well as third party contributions for named projects. This would result in expected levels of expenditure of between £118m to £172m per year over the seven-year programme period.
- 2.7 The capital programme has been built upon the MPA being able to afford £40m of borrowing per year to support capital investment. This level of borrowing has been determined in accordance with the indicators set down within the Prudential (Code) borrowing framework. The MPA has reviewed its borrowing capacity and has agreed that a further £60m be made available as a contingency sum to ensure that key investment opportunities are not missed. It has been agreed that this additional £60m will be used to support the capital programme (£50m in 2010-11 and £10m in 2011-12) pending a review of the present asset disposals programme.
- 2.8 Borrowing is presently constrained by the Mayor's borrowing limits for the GLA Group as a whole, and the resultant capital financing charges and their impact on the revenue budget.
- 2.9 It has also been agreed that capital and revenue reserves will be used in 2010-11 to enable core infrastructure projects to be delivered. This results, with the additional borrowing, in the planned expenditure level increasing from £172m to £259.2m.
- 2.10 The MPA has recognised that given the uncertainties associated with resources, capacity issues, and the time required to plan major schemes, that managing the capital programme represents a significant challenge. Tight management of the capital programme is required to ensure spend in any particular year does not exceed the resources available. It is also essential to limit 'slippage' in order that unused resources taken forward for completion of schemes will not raise concerns on the ability/capacity to deliver future projects.
- 2.11 Work continues on achieving the best match between investment needs and strategic objectives, with proposals for increasing capacity being assessed. However, concern over capital receipts and borrowing levels has meant that affordability of the programme in general terms, as well as its impact on the medium term budget has been a critical consideration. Review of the Authority's asset disposal and borrowing policies are underway to ascertain the opportunities for expanding the capital programme to meet the underlying demand for investment. The scope for securing specific grants e.g. EU development funds is also being explored.

Section 2: Metropolitan Police Authority

- 2.12 An element of over-programming has been incorporated into the plan to enable dynamic management of the capital programme. Processes are being strengthened to enable projects to be fast tracked when others are delayed, thereby making best use of available finances while ensuring expenditure is contained within the approved budget. Steps will be taken to ensure that delivery and timing issues are addressed with the objective of improving the capacity levels of the provisioning departments.
- 2.13 The detailed capital spending plan supporting the following tables can be found via the link <http://www.mpa.gov.uk/committees/finres/2009/091119j/06/>.
- 2.14 Table 2 summarises the current implications of the proposed capital programme and spending plans against likely funding sources including affordable borrowing levels.

Section 2: Metropolitan Police Authority

Table 2 – MPA Capital Plan

Final Capital Plan	Budget 2009-10	Proposed 2010-11	Proposed 2011-12	Proposed 2012-13
	£m	£m	£m	£m
Main Programme	193.7	236.4	140.4	141.2
Olympic Security Directorate (note 1)	27.1	34.8	12.7	17.5
Counter-Terrorism (note 1)	10.3	25.5	2.0	2.0
Total Programme	231.1	296.7	155.1	160.7
less: Over-programming (note 2)	-15.0	-37.5	1.2	-6.8
Capital Spending Plan	216.1	259.2	156.3	153.9
Funding Sources				
Police Capital Grant	38.4	38.4	38.4	38.4
Other Grants & Third Party Contributions	2.9	2.7	2.1	3.6
Capital Reserves	42.4	13.5	0.0	0.0
Capital Receipts	20.0	20.0	40.0	40.0
Partnership Funds/RCCO	16.8	22.0	8.5	12.4
Service Improvement Funds	8.2	12.3	2.6	0.0
Specific Grant:				
2012 Olympic and Paralympic Games	27.1	34.8	12.7	17.5
Counter-Terrorism	10.3	25.5	2.0	2.0
Borrowing (note 3)	50.0	90.0	50.0	40.0
Total Funding	216.1	259.2	156.3	153.9

Notes:

1. The staging of the Olympic and Paralympic Games in 2012 will require major investment in infrastructure and equipment to provide effective policing of all events. Bids have also been prepared in respect of equipment, etc. required for counter-terrorism purposes. Both areas of activity have been subject to considerable scrutiny to ensure expenditure is limited to that which is strictly essential in delivering effective policing.
2. An element of over-programming has been incorporated into the capital budget to ensure that the best use is made of the resources available to finance the spending plan. Sponsoring departments within the MPS will ensure expenditure is maintained within the approved totals..
3. Borrowing of £90m in 2010-11, £50m in 2011-12 and £40m in 2012/13 will support capital investment and is deemed affordable in accordance with the indicators set down within the Prudential Code borrowing framework.

2.15 The impact of changes to 2010-11 and 2011-12 from last year's plan are:

Table 3 – Year on Year Changes to Previously Agreed MPA Spending Plans

Changes in Capital Spending Plan	2010-11	2011-12
	£m	£m
Main Programme	69.7	21.3
Olympics	0.7	0.9
Counter-terrorism	13.3	-5.4
Net changes	83.7	16.8

Section 2: Metropolitan Police Authority

Table 4 – Capital expenditure by provisioning group

Provisioning Group/Major Initiative	Budget 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Property Services (PS)	69.7	77.9	50.6	49.4
Directorate of Information (DoI)	102.0	121.7	73.4	72.3
Transport Services	14.8	18.6	16.0	20.5
Misc. Equipment	0.6	0.6	0.5	1.0
C3i Programme	2.0	2.5	1.9	0.0
Safer Neighbourhoods	14.9	40.6	0.0	0.0
Main Programme	204.0	261.9	142.4	143.2
Olympics	27.1	34.8	12.7	17.5
Overprogramming	-15.0	-37.5	1.2	-6.8
Grand Total	216.1	259.2	156.3	153.9

Table 5 – Capital expenditure by service objective

Service Objective	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Build confidence in the police by delivering on the pledge and improving people's experience of our services.	26.0	23.5	20.2
Lead and manage our Service to ensure the most efficient, effective and economical use of all the resources entrusted to us.	98.2	79.0	64.9
Enhance our Counter Terrorism capability and capacity while developing our approach to preventing violent extremism.	47.9	12.7	6.8
Plan for and effectively police major events in London and prepare for the 2012 Olympic and Paralympic Games.	46.6	13.3	18.1
Reduce serious and organised crime by disrupting criminal networks.	1.3	0.0	0.0
Reduce serious violence and protect young people.	11.6	6.0	6.0
With our partners, make neighbourhoods safer by responding to local priorities and tackling crime and antisocial behaviour.	64.4	18.9	43.0
Corporate Requirement	0.7	1.7	1.7
Total Major Initiatives	296.7	155.1	160.7
Over-programming (note 1)	-37.5	1.2	-6.8
Total Capital Programme	259.2	156.3	153.9

Notes:

1. See Table 2, note 2.

Section 2: Metropolitan Police Authority

Table 6 – Capital expenditure by business group

Business Group	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Territorial Policing	72.7	29.1	29.8
Specialist Operations	26.5	1.9	2.5
Specialist Crime Directorate	2.3	0.2	0.2
Central Operations	7.2	4.2	8.8
Directorate of Information	4.0	2.0	2.0
Directorate of Information – Infrastructure	1.9	2.1	6.0
Human Resources	10.4	0.1	0.1
Corporate Property Services	14.0	17.6	11.2
Corporate Directorate of Information	83.2	63.6	58.9
Corporate – All Business Groups	18.8	17.3	21.7
Resources	4.6	2.3	0.0
Olympics	34.8	12.7	17.5
Counter Terrorism	16.3	2.0	2.0
Total Business Groups	296.7	155.1	160.7
Over-programming	-37.5	1.2	-6.8
Total Main Programmes	259.2	156.3	153.9

- 2.16 The financing costs in the revenue budget relate to Minimum Revenue Provision and external interest payments as shown in the table below.

Table 7 – Capital financing costs

MPA Capital financing costs	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Minimum revenue provision and external interest	23.7	26.9	29.3
Total financing costs	23.7	26.9	29.3

- 2.17 The estimated incremental impact of the capital investment decisions on the council tax for MPA are set out below:

Table 8 – Incremental impact on council tax of capital investment decisions (£ per band D)

MPA Council tax impact	Proposed 2010-11	Proposed 2011-12	Proposed 2012-13
Incremental impact	1.45	0.28	1.10

Section 2: Metropolitan Police Authority

Protecting the Environment

- 2.18 Pressures on capital funding for MPS programmes of work can have significant sustainability implications. These implications can be both positive and negative. Scarcity of capital can limit the opportunity to implement mitigating measures for building energy and water efficiency, waste minimisation and recycling which have an associated initial capital investment, even though they usually generate future revenue savings. The Stern Review highlighted that it is almost certainly cheaper to take action to avert climate change now, than it will be in the future but this can be difficult to justify when core policing services are immediately threatened. However a reduced capital budget does offer the opportunity to innovate to create improved efficiency which will result in positive sustainability implications through the avoidance of resource use and reduction in waste. MPS processes require that all business cases are reviewed for environmental implications and going forward in 2010, this will be formally expanded to include the review of wider sustainability implications.
- 2.19 The most significant sustainability implications of programmes included in the Capital Plan are outlined below, although not limited to:

Climate Change Action Plan - The MPS is dedicated to reducing carbon dioxide (CO₂) emissions by 10% on 2005/06 levels by 2010. To deliver this CO₂ emissions target, the MPA has approved a three year £5.725m CCAP fund. A further £2.5m in 2011 and £2.5m in 2012 has been identified to support carbon reduction projects. The CCAP delivery plan primarily focuses on the largest 45 buildings within the MPA portfolio, as these are responsible for more than 70% of the estate's CO₂ emissions. At the end of 2008/09, emissions from energy used at these sites had reduced by 2.9% on the 2005/06 baseline year¹. Since the programme mobilised in 2007/08, a total of 57 energy saving projects have been ordered, with 36 already commissioned and completed. Total forecast savings for the 57 projects amount to 11,704 tonnes of CO₂ and £2.19m in energy cost savings. Typically CCAP carbon reduction projects have a payback of less than 10 years.

Main Fleet Replacement Programme - In 2008/09 carbon emissions resulting from the MPS road vehicle fleet increased by 3% on 2007/08 levels to 34,484 tonnes, primarily as a result of growth and increased utilisation. Carbon emission mitigating measures adopted by the MPS include the adherence to latest Euro standards, setting vehicle carbon emission limits and a recent trial installation of vehicle telematics to improve the efficiency of the fleet. The MPS continues to review vehicle technology in line with environmental commitments and is currently exploring options for use of alternatively fuelled and sustainable vehicles as part of the Fleet Replacement Programme, with a focus on electric vehicles. The MPS has led on a review of the GLA family vehicle fleet to identify scope for electric vehicles as part of the Mayor's Electric Vehicle Delivery Plan. The MPA have given approval for the MPS to lead on the establishment of a pan London public sector framework, and is currently working with the DfT to agree an appropriate funding mechanism as part of the Low Carbon Vehicles Public Procurement Programme.

¹ Applying constant correction factor.

Section 2: Metropolitan Police Authority

Eagle Data Centre - Supporting the delivery of the MPS Environmental Management Programme, the Directorate of Information monitors the development of this new data centre to ensure that sustainability implications are duly considered; efficiency and energy minimisation initiatives are implemented and environmental design standards are adhered to. However the best practice mitigating measure of free cooling will not be included at Eagle Data Centre due to capital constraints.

Corporate EDRM Capability Management, Corporate Print Management Solution and Virtualisation Programme - Desktops and Servers (1) - Also as part of the MPS Environmental Management Programme, the Directorate of Information is leading on these corporate programmes with strong implications for reductions in paper use and energy consumption. Both financial and environmental savings will result from a more efficient use of resources as well as improving productivity and ensuring enhanced compliance with legislation.

Capitalised Minor Facilities Management (FM) Works and New Scotland Yard (NSY) Works - The MPS has implemented a number of processes to ensure that sustainability is included within design, build and major refurbishment projects. The Environmental Design Guidance continue to form part of the Gateway Project Management process, whereby environmental considerations such as minimisation of energy consumption are included at the feasibility stage to ensure that measures are incorporated as part of detailed design. Also, as part of the Mayor's Climate Change Action Plan (CCAP) outlined earlier, the MPS is committed to carbon emissions targets resulting from our building energy use. There are also sustainability implications associated with the Hendon Masterplanning project; this offers the opportunity to undertake a sustainability assessment of our largest energy consuming and waste producing site. Custody/Patrol Bases designs are required to comply with the environmental design standards which includes reducing carbon emissions by 20% through the implementation of energy efficiency and renewable technologies. Pressure on capital budgets for these programmes could limit the scope of sustainability features included in the design.

Section 3: London Fire and Emergency Planning Authority

- 3.1 The Authority's capital programme has been developed to support achievement of its overall objective of making London a safer city. Overall, the projected capital expenditure at this stage for the Authority in 2010/11 amounts to £21.4m.
- 3.2 The current planned programme is dependent upon the available funding which in turn will depend to a large extent upon the value and timing of the receipt secured from the sale of the old headquarters building at 8 Albert Embankment, and how members wish to apply this in the context of the medium term financial strategy and the asset management plan. Options for funding the forward programme including how any funding gap that arises from a delay in the expected receipt beyond 2010/11 might be addressed will be considered by LFEPA.
- 3.3 LFEPA's final capital plan is summarised below and set against likely funding sources.

Table 9 – Final Capital Plan

Final Capital Plan	Forecast 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Information Technology Projects	2.0	1.5	0.0	0.0
Control and Communication Projects	3.1	0.1	0.0	0.0
Community Fire Safety	0.5	0.4	0.0	-
New Respiratory Protection Equipment	1.5	2.9	-	-
New Headquarters and disposal of 8 Albert Embankment	0.4	0.1	-	-
Fire House	0.4	-	-	-
Resilience Projects	1.6	1.7	0.0	0.0
Refurbishments of Fire Stations	2.2	6.1	2.0	2.5
Extensions to Fire Stations	0.3	1.1	0.1	0.9
New/Replacement of Fire Stations	2.9	-	-	-
London Safety Plan – fire station refurbishments/rebuilds	1.3	3.4	2.6	0.2
Other Property Projects	2.8	1.7	0.4	1.5
Minor Improvements Programme	1.1	0.8	0.8	0.9
Sustainability Projects	1.4	0.9	0.8	1.4
Others	1.6	0.7	0.4	0.4
Total Projects	23.1	21.4	7.1	7.7
Funding:				
Capital Receipts	-	3.1	-	-
Borrowings (Supported and Unsupported)	18.5	9.1	7.1	7.7
Revenue contributions from reserves	-	5.1	-	-
Capital Reserves	0.5	-	-	-
Capital Grants	4.0	4.1	0.0	-
Total Funding	23.1	21.4	7.1	7.7

Section 3: London Fire and Emergency Planning Authority

3.4 The detailed programme is set out below broken down between new projects, ongoing projects and those nearing completion.

Table 10 – Capital Programme by Project

LFEPA Programme by Project	Forecast Outturn 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
NEW PROJECTS				
Data Centre Relocation	0.3	0.3	-	-
Information Technology Projects Sub total	0.3	0.3	-	-
Kentish Town Fire Station - Corporate Property	0.0	-	-	-
Refurbishment of Rear yard/Forecourts at Fire Stations	-	-	-	0.2
West Hampstead Fire Station – Refurbishing Cottages	-	-	-	-
Plumstead Fire Station - Refurbishment	-	-	-	-
Woolwich Fire Station – Rebuild	-	-	-	-
Lewisham Fire Station - Refurbishment	-	0.6	0.3	-
Fire Station Refurbishments Sub total	0.0	0.6	0.3	0.2
Biggin Hill Fire Station - Structural Alterations	0.0	-	-	0.0
Feltham Fire Station - Extension	0.2	-	0.1	0.9
Extensions of Fire Stations Sub total	0.2	0.0	0.1	0.9
Regulatory/Policy	-	1.0	-	1.0
Other Property Projects Sub total	-	1.0	-	-
Replacement Auto Distress signal unit	-	0.2	-	-
Other Projects Sub total	-	0.2	-	-
NEW PROJECTS - Total	0.6	2.1	0.4	2.1
ON GOING PROJECTS				
Network Storage Solution (NAS/SAN)	0.5	0.1	-	-
Command Support System - IT	0.1	0.2	-	-
Telephone System (2+8) replacement Fire Stations	0.4	0.3	-	-
Changes to Authority's Core Computer Network	0.3	0.1	-	-
Upgrade Operating System	0.0	0.4	-	-
Software Redevelopment (using Net Architecture)	0.4	0.1	-	-
Information Technology Projects Sub total	1.6	1.2	-	-
Firelink project	2.2	0.1	-	-
Firelink staff costs	0.2	0.0	-	-
Fire Control staff costs	0.4	-	-	-
Project team staff costs	0.3	-	-	-
Control and Communications Projects Sub total	3.0	0.1	0.0	0.0
Home Fire Safety Check Total	0.5	0.4	0.0	-

Section 3: London Fire and Emergency Planning Authority

LFEPA Capital Programme (continued)	Forecast Outturn 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Respiratory Protective Equipment Replacement Project	1.4	2.8	-	-
Respiratory Protective Equipment Support Project	0.1	0.2	-	-
Respiratory Protective Equipment Sub total	1.5	2.9	-	-
London Resilience Vehicles - Property Implications (Yards/Forecourts)	1.6	1.7	-	-
London Resilience Projects Sub total	1.6	1.7	-	-
West Norwood Fire Station - Rebuild or Refurbishment (incl. site purchase)	0.6	3.1	--	0.5
Business continuity for PFI projects	0.1	1.2	0.3	-
Knightsbridge Fire Station - Alterations to communal areas/facilities	0.1	-	-	0.4
Wandsworth Fire Station - Re-roofing & Window Replacement	0.2	-	-	-
Heating at various stations	0.7	0.9	0.9	0.9
Old Kent Road Fire Station - Women Firefighter's Facilities	0.0	-	-	-
Window replacements various stations	0.3	0.3	0.5	0.5
Fire Station Refurbishments Sub total	2.0	5.5	1.7	2.3
Holloway Fire Station - Extensions/Internal alterations	0.2	1.1	0.0	-
Extensions of Fire Stations Sub total	0.2	1.1	0.0	-
Havering (Harold Hill) Fire Station - New Fire Station	2.9	-	-	-
New/Replacement Fire Stations Sub total	2.9	-	-	-
Walthamstow Fire Station - Alterations/Works	0.6	3.4	2.6	0.2
London Safety Plan (2) Sub total	0.6	3.4	2.6	0.2
Corporate Property Project (CPP)	0.1	-	-	-
Croydon Fire Station - Replacement Windows & Heating Systems	0.4	-	-	-
Appliance Bay Door Replacement Programme Phase 3	0.1	0.2	0.2	0.3
Appliance Bay Floors Resurfacing Programme Phase 3	0.2	-	0.2	0.2
Harrow Fire Station - Replacement boiler	0.1	-	-	-
Site purchases (Mitcham)	0.9	-	-	-
Genie Winder Upgrades	0.2	-	-	-
Breathing Apparatus Charging Facilities (Barking, Beckenham & Park Royal)	0.8	0.5	-	-
Other Property Projects Sub total	2.8	0.7	0.4	0.5

Section 3: London Fire and Emergency Planning Authority

LFEPA Capital Programme (continued)	Forecast Outturn 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Invest to Save	0.7	-	-	-
Energy Conservation Projects/Invest to Save	0.1	0.9	0.8	0.8
Building Energy Efficiency Programme (Clinton Climate Initiative)	0.6	-	0.0	0.6
Sustainability Projects Sub total	1.4	0.9	0.8	1.4
Minor Improvement Programme total	1.1	0.8	0.8	0.9
Brigade wide Survey for Asbestos & Removal	0.5	0.4	0.4	0.4
Water Rescue Boats (Water Rescue Level 3)	0.0	-	-	-
Authority-wide replacement of standby generators	0.2	0.2	-	-
Closed circuit TV funded by TfL	0.0	0.0	-	-
Mobile work systems	0.8	0.0	-	-
Personal Protective Equipment - Provision of secure storage	0.0	-	-	-
Other Projects Sub total	1.6	0.6	0.4	0.4
ONGOING PROJECTS - Total	20.7	19.3	6.7	5.7
PROJECTS NEAR COMPLETION				
Building Maintenance & Property Data Base	0.1	-	-	-
Broadband Wide Area Network (WAN) Solution	0.0	-	-	-
Replace incident ground radios	-	-	-	-
Corporate Gazetteer	0.1	0.0	-	-
Information Technology Projects Sub total	0.1	0.0	-	-
Second Generation Mobilising Project	0.0	-	-	-
Second Generation Mobilising Project Staff Costs	-	-	-	-
Second Generation Mobilising Project Sub total	0.0	-	-	-
Headquarters	0.3	-	-	-
Disposal of 8 Albert Embankment	0.1	0.1	-	-
Relocation of Headquarters Sub total	0.4	0.1	-	-
Fire House Sub total	0.4	-	-	-
Bexley Fire Station	-0.3	-	-	-
Wembley Fire Station - New Fire Rescue Unit (FRU) Location	0.0	-	-	-
Hornchurch Fire Station (Property & Operations)	0.2	-	-	-
London Resilience - Other Projects	0.0	-	-	-
New Dimension Property Costs	0.0	-	-	-
London Resilience Projects Sub Total	0.0	-	-	-

Section 3: London Fire and Emergency Planning Authority

LFEPA Capital Programme (continued)	Forecast Outturn 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Wallington Fire Station - Flat conversion Refurbishment	0.0	-	-	-
Southwark Training centre Package of works	-	-	-	-
Mitcham Fire Station - Appliance bay Improvements	0.0	-	-	-
Clapham Fire Station & Cottages - Window Replacement	0.0	-	-	-
Hornsey Fire Station - Various Works/refurbishment	0.0	-	-	-
North Kensington Fire Station - Refurbishment of Washroom Facilities	0.0	-	-	-
Kensington Fire station - Refurbishment	0.1	-	-	-
Silvertown Fire Station - Refurbishment of Washroom Facilities	0.0	-	-	-
Fire Station Refurbishments Sub total	0.2	-	-	-
Norbury Fire Station - Extension	0.0	-	-	-
Extensions of Fire Stations Sub total	0.0	-	-	-
Sidcup Fire Station – Alteration Works	0.7	-	-	-
London Safety Plan 2 Sub total	0.7	-	-	-
All Stations - Upgrading Security Improvements	0.0	-	-	-
Command Support System – Property	0.0	-	-	-
Lambeth River Station - Marine Engineering Works	0.0	-	-	-
Other Property Projects	0.0	-	-	-
PROJECTS NEAR COMPLETION - Total	1.8	0.1	-	-
TOTAL PROGRAMME EXPENDITURE	23.1	21.4	7.1	7.7
Funded By:				
Sustainability reserve	0.5	-	-	-
Capital grant - Smoke alarm fitting	0.5	0.4	0.0	-
Funding sought from DCLG - Rear yards and forecourts	1.3	-	-	-
Capital receipts	-	3.1	-	-
Communities Local Government FRS Capital grant	2.2	3.7	-	-
Revenue contribution funded from reserves	-	5.1	-	-
Supported Borrowing	12.5	9.1	7.1	7.7
Unsupported Borrowing	6.0	-	-	-
Total Funding	23.1	21.4	7.1	7.7

Note: The figures in the above tables may not sum due to rounding. If a figure is reported as £0.0m it means that the budget is less than £50,000. A dash means that there is no budget (i.e. zero) for this element or project in that year.

Section 3: London Fire and Emergency Planning Authority

- 3.5 The financing costs in the revenue budget relate to Minimum Revenue Provision and payments on capital expenditure as shown in the table below.

Table 11 – Capital financing costs

Capital financing costs	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Minimum revenue provision and external interest	18.2	18.2	17.8
Total financing costs	18.2	18.2	17.8

- 3.6 The estimated incremental impact of capital investment decisions on the council tax is:

Table 12 – Incremental impact on council tax of capital investment decisions (£ per band D)

LFEP A Council tax impact	Proposed 2010-11 £	Proposed 2011-12 £	Proposed 2012-13 £
Incremental impact	-0.16	-0.11	-

Protecting the Environment

- 3.7 LFEP A has approved a Sustainability Strategy for the Authority and a 5 year strategy for energy efficiency is being presented to the Finance Committee in January and will be reflected in the final, approved capital plan. All papers submitted to the Authority are subject to an Environmental impact assessment and consideration is being given to extending this to a wider sustainability impact assessment.
- 3.8 The main activities to reduce LFEP A's carbon emissions footprint fall into the following priority areas:
- Energy efficiency;
 - Investment in renewable and low carbon technology;
 - Increased vehicle fuel efficiency and reductions in vehicle emissions;
 - Travel Plan;
 - Staff behaviour change.

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- 3.9 LFEPA has committed £4.4m from 2006-07 to 2009-10 in a Sustainability Reserve (Invest to Save) to be invested in both energy efficiency measures to reduce demand and renewable/low carbon technologies. These initiatives included the completion of a total of 54 schemes producing renewable (wind, photo voltaic and solar thermal) and low carbon energy and 48 high efficiency lighting installations. In addition over 268 minor projects were undertaken such as installing thermostatic radiator valves, insulation, timers and lighting controls. LFEPA has to-date reduced its emissions from its properties by 16.73% compared with 1990 and expects to achieve its target of a 20% reduction by 2012.
- 3.10 A large number of the energy conservation measures which are financially attractive in terms of rate of return, such as low energy lighting, have been targeted already, although there is still scope for further work.
- 3.11 LFEPA trained its own staff to become accredited energy assessors. These assessors are undertaking the in-house production of Display Energy Certificates (DEC) for the Authority's premises. To date 56 compulsory DECs (for buildings over 1000m²) have been issued and work is progressing on DECs for buildings under 1000m²
- 3.12 99% of electrical automatic meters have been installed at LFEPA premises. These allow for electrical consumption to be automatically read which enables the provision of detailed performance reports for each site on a half-hourly basis. A contract will shortly be signed for the provision of automatically read gas meters.
- 3.13 The Authority has directed much effort into achieving energy savings for little or no cost e.g. from the recruitment of Green Champions working with staff across the Authority. The Green Champions are already influencing behaviour such as turning off lights and ensuring that windows are not open when the heating is on. However further reductions from good house keeping (without investment for continued communication) are limited.
- 3.14 In February 2008 the Authority authorised the setting up of a revolving fund so that revenue due to energy reduction measures is set aside, to be invested in further reduction works. Over the last 2 financial years £85,000 of savings has been recycled to SALIX (an independent company funded by the Carbon Trust to work with the public sector to reduce carbon emissions through investment in energy efficiency) and £220,000 has been recycled to the approved Energy Efficiency Revolving Fund (EERF), in addition to the annually required budget reductions (3% in 2009/10 and 2% in previous years).
- 3.15 Works on the first 10 buildings under the Building Energy Efficiency programme (BEEP) are nearly complete. The guaranteed savings from these sites under the scheme is some 2,530 tonnes of CO² (27% of the emissions from the 10 buildings). Work is progressing on preparation for the next 20 surveys.

Section 3: London Fire and Emergency Planning Authority

- 3.16 Other significant air emissions, in particular meeting the London LEZ targets, are being tackled in the LFEPA fleet. All of the operational fleet is LEZ compliant with the 2008 LEZ requirements. All new vehicles purchased for the LFEPA fleet will comply with the standards laid down for January 2012. For example, further improvements to the fleet have continued since April 2008 including the replacement of 7 fire engines and 19 other commercial vehicle based appliances to Euro IV emission standards. The Authority is investigating the feasibility of upgrading our current Euro III vehicles to meet the Euro 4 exhaust particulate matter standard necessary to comply with the proposed LEZ regulation for 2012. There are currently no technical means on the market of achieving this. The Brigade's larger vans and minibuses are compliant with the 2010 standard which has been suspended until 2012.
- 3.17 Vehicle emission levels were a primary consideration of the replacement options for some of the Fire Brigade's fleet cars which will all fall within EU emission band B in 2009 and result in an emissions reduction of 20% at no additional cost. There are further plans to review the overall fleet size further and to take on "Electric Vehicles" where feasible via the Mayor's EV Project.
- 3.18 Proposals have been made, subject to consultation, for a revised scheme for the vehicles available to operational officers (who require cars to perform their operational duties) under the car leasing scheme. It is estimated that this will deliver a CO₂ reduction of 12% and save some £345,000 over a 3 year period.

Section 4: Transport for London

- 4.1 The TfL Capital Spending Plan is based on its approved business plan to 2017-18. This is financed from six main sources:
- Fares and ticket income;
 - Charges under the Congestion Charging Scheme;
 - Secondary revenue (such as advertising and property rentals);
 - Third party funding for specific projects, such as ODA funding for the North London Railway Improvement Project;
 - Department for Transport grant, for which TfL has a settlement for the period 2008-09 to 2017-18 with the Department for Transport (DfT) which includes an element for Crossrail; and
 - Prudential borrowing and other financing.
- 4.2 The Plan is balanced as income from fares and charges, together with government grant, secondary income, available reserves and borrowing fully meet the costs of operations and the Investment Programme including funding for Crossrail.
- 4.3 In February 2008, TfL secured a ten-year grant funding settlement with Government covering the period to 2017-18 and agreed prudential borrowing levels under the Comprehensive Spending Review 2007 (CSR07). The settlement covers funding of Crossrail, support for the Underground line upgrades and support for the rest of TfL's operations.
- 4.4 Although overall funding levels have increased, much of it is dedicated to Crossrail funding and the Tube line upgrades. The settlement does, however, allow for discussion of further funding in the event of "exceptional pressures".
- 4.5 In particular the settlement covers the following:
- Crossrail is fully funded to £15.9bn, including contingencies;
 - The assumed cost profile for Tube Lines for the second PPP review period. LUL sought guidance from the PPP Arbiter in April 2008 on the likely costs of delivering these obligations and his initial review suggests a potential gap of over £1bn. TfL have subsequently notified the Government that this outcome represents an "exceptional pressure";
 - An additional £4.8bn of borrowing (including a £2.4bn TfL contribution to Crossrail) compared to £3.3bn included in the previous 2004 five-year settlement.

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- 4.6 Other income assumptions include:
- Introduction of fairer ways to pay the congestion charge;
 - LU advertising revenue increasing at RPI; and
 - Property income assumes a more commercial approach to TfL property, partly offset by re-phasing of certain proposed developments due to current economic conditions.
- 4.7 TfL expects to spend £2,977m on capital projects in 2010-11 (including Crossrail). These will be funded from a variety of sources including government grants, revenue contributions, borrowing, third party contributions and transfers from earmarked reserves. The planned borrowing is both affordable and sustainable. Overall levels of borrowing planned are well within the levels found in the comparable organisations in Europe, and debt service ratios would be within the average level for similar AA rated transport entities.
- 4.8 The published TfL Business Plan includes Crossrail on the basis of the TfL cash commitment to funding the Crossrail project. The table below also includes the capital expenditure that is expected to be incurred in relation to Crossrail.
- 4.9 TfL also receives income from a number of third parties including the ODA, LDA, other Government departments (most notably DCLG) and private sector companies in the form of section 106 funding.
- 4.10 The following tables provide a more detailed picture of the directly managed Capital Projects.

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Table 13 – Capital Projects by Mode

TfL Final capital plan	Forecast 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
London Underground	1,282	1,575	1,345	1,421
Surface Transport	257	264	190	192
London Rail	556	289	17	19
Corporate	88	239	204	315
Gross Capital Expenditure	2,182	2,368	1,756	1,947
Less over-programming	-50	-223	-137	-89
Total Capital Expenditure in Business Plan	2,131	2,145	1,619	1,858
Crossrail	377	832	788	799
Total Capital Expenditure including Crossrail	2,508	2,977	2,407	2,657
Funding:				
Capital receipts	176	65	23	11
Capital grant	149	235	0	0
Borrowing	1,100	696	575	652
Crossrail Funding Sources	377	832	788	799
Revenue contribution (including reserves)	707	1,149	1,020	1,195
Total funding	2,508	2,977	2,407	2,657

Notes:

- Over-programming (an acknowledgement that inevitably in a programme of this size there will be delays and impacts from external events outside of TfL's control) in LU, Surface Transport & London Rail is included in the 'Overprogramming' row above.
- 4.11 The above table includes a provision for over-programming of £499m to 2012-13. related to the timing of capital projects across TfL, in particular London Underground's £3.9bn investment programme. TfL has reviewed the likelihood of the programme slipping (which might be for a number of reasons, such as failure to gain planning approval) based on prior experience to establish this level.

Table 14 – London Underground

Capital projects – London Underground	Forecast 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Stations	409	421	312	447
Power	86	131	110	154
Tunnel Cooling	77	77	80	92
Rolling Stock	262	532	460	404
Track Renewals	157	128	139	128
Signals	151	189	210	163
Other	141	96	33	32
Total Capital Expenditure	1,282	1,575	1,345	1,421

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Table 15 – Surface Transport

	Forecast 2009-10	Proposed 2010-11	Proposed 2011-12	Proposed 2012-13
Capital projects – Surface Transport	£m	£m	£m	£m
Bus Infrastructure and Performance	60	23	19	16
Traffic operations	36	40	34	36
A406 Bounds Green	8	21	18	13
Hanger Lane/Western Avenue Bridges	12	9	2	0
Blackwall Tunnel North Refurbishment	8	24	16	9
TLRN (TfL Road Network) Capital Renewal	33	45	47	59
Other London Streets	14	8	14	8
Cycle Hire and Super Highways	43	55	11	22
Enforcement (incl. Congestion Charge and Policing)	9	5	6	4
Integrated Programme Delivery ²	25	16	15	16
Other	8	19	8	10
Total Capital Expenditure	257	264	190	192

Table 16 – London Rail

	Forecast 2009-10	Proposed 2010-11	Proposed 2011-12	Proposed 2012-13
Capital projects – London Rail	£m	£m	£m	£m
East London Line	242	76	1	0
Stratford International	50	21	1	0
NLR (North London Rail) Infrastructure	115	87	13	0
3 Car Bank-Lewisham	56	44	0	8
Other	91	62	2	12
Total Capital Expenditure	556	289	17	19

Table 17 – Corporate

	Forecast 2009-10	Proposed 2010-11	Proposed 2011-12	Proposed 2012-13
Capital projects - Corporate	£m	£m	£m	£m
Information Management Strategic Investment Programme	32	13	8	1
Oystercard improvements	3	89	2	0
Oystercard upgrade to ITSO standard	28	26	3	0
Future Ticketing Project	0	0	0	30
Piccadilly Line Rolling Stock	0	105	175	252
Other	25	6	16	32
Total Capital Expenditure	88	239	204	315

² Includes other walking, cycling, road safety and bus priority expenditure

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- 4.12 TfL's borrowing, under the Prudential Code, will increase to £6.3 bn in 2012-13 from £4.4bn in 2009-10. As a result of increased borrowing, the debt servicing costs are increasing.

Table 18 – Capital Financing (Debt Financing) Costs

TfL Capital financing	2009-10	2010-11	2011-12	2012-13
	£m	£m	£m	£m
Debt Servicing costs				
Interest	168	207	258	313
Total financing costs	168	207	258	313

Protecting the Environment

- 4.13 One of the best ways to tackle climate change is to persuade people to leave their cars behind and use public transport or to walk and cycle – so TfL already makes an important contribution to this environmental challenge.
- 4.14 Ground-based transport accounts for about 22 per cent of London's carbon dioxide (CO₂) emissions, and TfL is taking action in a variety of ways to reduce its contribution.
- 4.15 Responding to the need to tackle climate change in the Capital, the Mayor has set a target of reducing London's greenhouse gas emissions by 60 per cent by 2025. Measures being taken by TfL include those listed below:
- Fifty-six diesel-electric hybrid buses are now on trial and 300 more will enter service by 2012. From then, it is planned that all new buses entering the fleet will be hybrids. Zero-emission hydrogen buses will also be introduced on route RV1 during 2010;
 - Energy-efficiency measures are being taken whenever possible on the Tube, including the adoption of regenerative braking which recycles up to 25 per cent of energy. TfL is also working with the wider energy industry to create significant and sustainable long-term renewable energy measures for the Tube;
 - London Overground's new trains will have regenerative braking and a trial is also under way on the DLR, which already has the technology, to store energy recovered by braking. This could save at least 10 per cent of electricity consumption;
 - TfL is investing in the Building Energy Efficiency Programme, with promised savings of 24 per cent across its buildings, equivalent to more than 3,500 tonnes of CO₂ a year;
 - TfL is supporting the Mayor's programme to encourage electric vehicles and car clubs. It is estimated that there are 2,000 electric vehicles in use in the Capital at present and the Mayor aims to increase this to 100,000 as soon as possible. TfL will help enable this by supporting the installation of 25,000 charging points across London by 2015. Active and smarter travel options are being promoted to increase uptake and help reduce transport and traffic-related noise and emissions;

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Walking and Cycling

- 4.16 Twelve radial Superhighways from outer London into the centre will provide cyclists with safe, fast, direct and continuous routes along recognised commuter roads. The first two – Barking to Tower Hill (A13) and Merton to City of London (A24-A3) – are currently under construction and will be piloted by May 2010. Four more will be completed by October 2012, with the remaining six by 2015.
- 4.17 The London Cycle Hire Scheme will make cycling a true part of public transport when it is introduced in summer 2010. With 6,000 bicycles available for hire from 400 purpose-built docking stations in central London, the scheme will provide a fast, easy and economic alternative to the bus, Tube and car – as well as a greener and healthier way to travel.
- 4.18 “Biking Boroughs” will be centres of cycling excellence in outer London, where there is a particular opportunity to encourage more cycling. These flagship programmes will be underpinned by continued investment in successful supporting programmes, including local safety access schemes, the provision of 66,000 new cycle parking spaces by 2012, cycle training and information (including the London Cycle Guides).
- 4.19 Walking is a key component of the transport mix, forming part of most journeys and accounting for 21 per cent of the total modal share. By connecting its activities with those of the boroughs and other stakeholders, TfL is helping to create safer and better streets. This will be important in encouraging people to walk rather than use the car or congested public transport. Integrated planning will be necessary to increase walking’s modal share. Future programmes include revitalising high streets; providing excellent public realm areas along major walking routes; and improving the access and safety between stations and surrounding areas.

Section 4: Transport for London

Delivery Highlights

4.20 The table below sets out the key deliverables over the period to 2013.

Table 19 – TfL Key Deliverables to 2013

Initiative	Commentary	Delivery
London Underground		
Electronic service update boards	Provision of electronic displays will improve visibility, accuracy and timeliness of customer information giving station staff more time to assist customers with other needs.	2010
King's Cross Congestion Relief – Phase II	The station will be able to cater for an increase in passengers from the 65,000 currently using the station during morning peak to a forecast 92,000 by 2011.	2010
Wide-aisle gates installation	The installation of new wide-aisle gates for use at stations across the network.	2010
Stratford Station Upgrade	Increased capacity and improved access in the station, reducing journey times to the Olympic Park.	2010
Step-free access at stations	Olympics commitments at Green Park and Southfields.	2012
Metropolitan Line Upgrade completed	Resignalling to improve reliability and capacity by 27 per cent (increase in peak capacity into central London).	2012
Northern Line Upgrade – Phase I	20% capacity increase on Northern Line (increase in peak capacity into central London)	2012
Victoria Line upgrade complete	21% capacity increase on Victoria lines. (increase in peak capacity into central London)	2013
Rayners Lane track capacity	Improvement in reversing for Piccadilly line trains from four trains an hour to eight.	2013
London Rail		
East London Line Extension (ELL)	Implementation of East London Line Extension, north to Dalston Junction and south to Crystal Palace and West Croydon.	2010
East London Line Extension (ELL) – Phase II	Extension from Surrey Quays to Clapham Junction	2012
North London Railway	Completion of the North London Railway (NLR) Infrastructure Project, including link to the ELL.	2011
Overground trains	New trains for all Overground routes.	2010
Overground stations	Refurbished stations for all Overground routes.	2011
Stratford International	The extension of DLR to Stratford International station.	2010
DLR routes	3-car operation on all DLR routes.	2010
Surface Transport		
Bounds Green	Safety and environmental improvements along the A406.	2012
Henlys Corner	A406 junction improvement scheme to reduce accidents while maintaining vehicle flow.	2012
Hanger Lane	Replacement bridges over Great Western and Underground	2011

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Initiative	Commentary	Delivery
	lines.	
Brixton Central Square	Create a new public space for Brixton. Reduction in journey times as a result of the removal of the gyratory and the implementation of 2 way traffic along Brixton Hill.	2010
Blackwall Tunnel	Refurbishment of the northbound tunnel.	2012
Cycle Hire Scheme	Delivery of a central London cycle hire scheme.	2010
Cycling	2 new pilot cycle 'superhighways' schemes	2010
Walking	Conditions for walkers are to be improved, including pilots for Legible London.	2012
Hydrogen Transport Programme	Provide five hydrogen fuel-cell buses towards for the RV1 route in central London.	2010
East London Transit	Completion of East London Transit (phase 1a) scheme.	2010
East London Transit	Completion of East London Transit (phase 1b) scheme.	2013
IBus System	An additional 2,500 Countdown signs.	2012
West Ham	Construction of a new bus garage to replace two bus garages located in Waterden Road, Stratford that have been demolished to make way for London 2012 Games infrastructure.	2010
Corporate		
Integrated Transport Smartcard Organisation	Smartcards accepted on all TfL services	2010
Accommodation Strategy	Tfl occupation of the Shard	2011

Section 5: London Development Agency

- 5.1 The capital expenditure programme continues to be dominated by the Olympic programme for the Olympic Park and Lower Lea Valley, which accounts for three quarters of capital spending over the three years to 2012-13.
- 5.2 Themes, which see reductions in capital expenditure, include Business Support (down from £12.9m in 2009-10 to £0.4m in 2010-11 reducing to zero by 2012-13) and Sustained Employment (from £2.0m in 2009-10 to £0.4m in 2010-11 reducing to zero thereafter).
- 5.3 The LDA corporate plan provides for spending of £291.9m on capital projects in 2010-11 overall representing an increase of c£40m from 2009-10 although this is primarily accounted for by a £55m year on year increase in capital expenditure for the Olympic Park. The LDA's programme is funded from a mixture of government grants, capital receipts, revenue contributions and prudential borrowing.

Table 20 – Final Capital Plan

LDA Final capital plan	Budget 2009-10 £m	Proposed 2010-11 £m	Proposed 2011-12 £m	Proposed 2012-13 £m
Thematic Programme Expenditure				
Regeneration	27.6	31.4	29.2	32.7
Climate Change	21.3	23.0	16.7	25.9
Sustained employment	1.9	0.9	0.0	0.0
Business Support	12.9	0.4	1.6	0.3
International Promotion	0.0	0.9	0.0	0.0
Olympics	2.0	2.0	3.0	0.0
Project contingency	5.0	2.6	2.0	2.0
Unallocated	0.0	0.0	0.0	0.0
Total Thematic programme expenditure	70.8	61.2	52.5	60.9
Olympic Park Expenditure				
Olympic Park	170.6	225.8	171.8	150.0
Total Olympic Park expenditure	170.6	225.8	171.8	150.0
Contingency	0.0	0.0	0.0	0.0
Capital programme management	12.3	5.0	5.0	5.0
TOTAL CAPITAL EXPENDITURE	253.7	292.0	229.3	215.9
Funding:				
Core Grant funding	177.7	127.7	123.5	117.4
Capital receipts - Olympics	23.5	4.0	0.0	0.0
Capital receipts – Other	14.0	5.9	4.3	6.3
Borrowing	38.5	154.4	101.5	92.2
Revenue funding of capital	0.0	0.0	0.0	0.0
Transfer from earmarked reserve	0.0	0.0	0.0	0.0
TOTAL FUNDING	253.7	292.0	229.3	215.9

Section 5: London Development Agency

- 5.4 The financing costs in the revenue budget relate to financing costs of capital expenditure as shown in the table below. No minimum revenue provision is considered to be necessary as the land is currently under development.

Table 21 – Capital financing costs

Capital financing	2010-11	2011-12	2012-13
	£m	£m	£m
Capital financing and Interest costs	28.5	35.9	39.8
Total financing costs	28.5	35.9	39.8

- 5.5 The final capital spending plan has been based on a prudent Olympic Park land and debt scenario pending the conclusion of an agreement with the Government which is acceptable to the Mayor and the LDA's Board. If and when an agreement is secured the LDA Board will agree any changes required to the final plan and notify the Mayor formally if these are material.

Protecting the Environment

- 5.6 The LDA will be delivering on the following programmes during the spending plan period:
- The Green 500 and Better Buildings Partnership which are programmes designed to reduce CO2 emissions from commercial and public sector buildings;
 - A decentralised energy programme which aims to reduce CO2 emissions by the deployment of CHP (combined heat and power) and district heating technology;
 - Rolling out the Homes Energy Efficiency Programme to accelerate the uptake of low cost energy efficiency measures in London's homes;
 - Rolling out the Buildings Energy efficiency Programme to accelerate the widespread uptake of energy efficiency refurbishments of public sector buildings;
 - Commissioning the London Waste and Recycling Board to invest in waste facilities to reduce CO2, divert waste from landfill and generate energy from waste;
 - Investing in the east London green grid.