



**Capital Investment Programme
Budget Monitoring 2018/19**

Period 8

**as at 30th November 2018
Summary by Investment Area**

Capital Investment Programme Monitoring Report – November 2018

1. Overall Budget Performance by Investment Area

The revised Capital budget for the 2018/19 financial year is £60.481million which includes all changes agreed at November Cabinet. Actual capital spend at 30th November is £31.116million representing approximately 51% of the revised budget. This is shown in Section 3. (Outstanding creditors totalling £0.240million have been removed from this figure).

The expenditure to date has been projected to year end and the outturn position is forecast to reflect the Project Manager's realistic expectation. This is broken down by type of investment area as follows:

Investment Area	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Revised Budget 2018/19 £'000	Previous Expected Variance to Revised Budget 2018/19 £'000
Works to Property	1,095	364	1,289	194	300
Social Care	3,214	435	880	(2,334)	(2,334)
General Fund Housing	1,372	586	1,222	(150)	(150)
Schools	13,352	10,433	13,429	77	-
Culture & Tourism	7,095	3,971	6,295	(800)	-
Enterprise & Regeneration	4,841	2,816	4,841	-	-
ICT	4,073	2,067	4,073	-	-
Southend Pier	3,158	845	3,158	-	-
Highways & Infrastructure	10,736	4,858	11,353	617	617
S106/S38/CIL	1,145	214	1,135	(10)	-
Energy Saving	714	100	714	-	-
Community Safety	233	20	233	-	-
Council Housing & New Build Programme	9,453	4,407	9,058	(395)	-
Total	60,481	31,116	57,680	(2,801)	(1,567)

The above investment is proposed to be funded as follows:

	Council Budget £'000	Grant Budget £'000	Developer & Other Contributions £'000	Total Budget £'000
Total Budget	31,273	27,510	1,698	60,481
As a percentage of total budget	51.7%	45.5%	2.8%	
External Funding Received to date		14,819	1,551	16,370
External Funding Outstanding		12,691	147	12,838

Progress of Schemes for 2018/19

Works to Property

Works are currently on hold for the demolition of 62 Avenue Road following objections from Clifftown Conservation Society. This has led to the commissioning of a heritage expert to assess and cost the options for both repair and demolition and potential future use. The work is currently being concluded so that an informed decision can be made.

The final stages are underway for various demolition schemes at Darlows Green and Leigh Cliffs. Some heritage etchings have created some additional work at Leigh Cliffs due to the need to refurbish and reinstate them and Darlows Green is on hold pending ecology issues.

£300k of works to the Investment Property at Fossetts Park is required to bring the asset into use for the new tenant. An accelerated delivery request has been included in the draft Capital Investment Programme report elsewhere on this agenda.

The tender for the replacement boiler at the crematorium is to be published in early January and the works are therefore unlikely to take place until the new financial year. £129k of the current budget has been included as a carry forward request in the draft Capital Investment Programme report elsewhere on this agenda.

The replacement coffin charger scheme has become more urgent and the budget is now required in 2018/19. Costs have been reduced from £40k to £23k and this budget has been included as an accelerated delivery in the draft Capital Investment Programme report elsewhere on this agenda.

The Priority works provision budget currently has £92k remaining unallocated.

Social Care

The Community Capacity grant is used to enable vulnerable individuals to remain in their own homes and to assist in avoiding delayed discharges from hospital. Plans for 2018/19 include the enhancement of an independent living centre and innovation site to demonstrate technological and robotic opportunities.

Funding from the Dementia Friendly scheme will contribute towards the Dementia Peer Network Development project. This will include set up costs to work across Southend and build on the current programme of asset based community development. This will help to promote people's health, happiness and wellbeing through assessing, identifying and utilising skills and resources within the community.

The tender process is currently underway for the build contract on the new care home, which will be subject to a viable business case. Budget of £2.3million has been included as a carry forward request in the draft Capital Investment Programme report elsewhere on this agenda.

General Fund Housing

The Private Sector Renewal scheme is in place to ensure that the private sector stock is kept in a good condition to enable the authority to assist its most vulnerable residents. A full service review is currently taking place exploring team objectives and options for delivering against these. A carry forward request of £150k has been included in the draft Capital Investment Programme report elsewhere on this agenda based on current projections for the financial year.

The adaptations framework for the Disabled Facilities scheme commenced in early September with six new contractors following a successful workshop. Works are scheduled to commence on site shortly.

Schools

Condition schemes for 2018/19 total £813k allocated to address larger condition items in schools where the cost is over the schools capabilities to fund. Most of these works were undertaken over the school summer holidays to minimise disruption to the schools. Two schemes at Chalkwell Hall Infants and Eastwood Primary are progressing ahead of schedule therefore an accelerated delivery request of £75k has been included in the draft Capital Investment Programme report elsewhere on this agenda. Retentions of £7k are being held for works completed last year at four primary schools. Unallocated grant of £2k has also been included as new budget in the draft Capital Investment Programme report elsewhere on this agenda to fund additional spend on Chalkwell Infants main building windows and Friars fire systems replacement.

The Devolved Formula Capital scheme is an annual devolution of dedicated capital grant to all maintained schools. The grant for 2018/19 has now been confirmed as £125k. The grant amount has reduced significantly in recent years and will continue to do so as further maintained schools convert to academy status.

A purpose built nursery at the Renown Centre which faces Friars Primary School is now completed and in use, funded from a central government grant of £332k. This is part of a larger project to demolish the older community centre and decommissioned pupil referral unit building and replace them with nine affordable family homes. The demolition phase is nearing completion.

The secondary expansion programme is progressing. 120 permanent places have been created for September 2018 and a further seven places will be available from September 2019 along with additional new places over the following years. This expansion will be across eight of the twelve secondary schools.

Shoeburyness High School, St Thomas More High School, Belfairs Academy, The Eastwood Academy and St Bernard's High School have building contractors on site and their building works are at various stages with one progressing to completion in the new year. Two further schools are commencing feasibility studies and planning applications. These plans are to ensure that the Local Authority can meet its statutory duty of supplying a good school places to any local resident that requests one. Works at Wentworth Road are now complete and Southchurch High School works are progressing.

Culture and Tourism

Tender assessments have been completed for the main design team on the Forum II scheme and the cost consultant appointment has been approved by the project board. Design work commenced at the beginning of September and the planning application is to be submitted in April 2019. A plan of action and costings are currently being prepared.

South Essex Local Enterprise Partnership has deferred the decision on the Local Growth Fund 3b applications until 8th March 2019. Procurement of the works to convert the old Beecroft Art Gallery into artist studios cannot commence until the full funding package is in

place therefore £800k of the 2018/19 budget has been included as a carry forward request in the draft Capital Investment Programme report elsewhere on this agenda.

The order for the outer tow path at Southchurch Park has now been raised and works are scheduled to complete by the end of the financial year however these works are weather dependent.

The new steps opened at Belton Way on 1st November. The landscaping and final works will be undertaken by the end of the financial year.

Planning consent has been granted for the security railings at the Queen Victoria statue. Updated quotes are now being requested.

Enterprise and Regeneration

Design consultants have been appointed for the Launchpad at the Airport Business Park. Procurement is in the early stages to find an operator and preliminary interviews were held on 6th December. Procurement of the remaining phase one infrastructure works is complete and procurement of phases two and three are underway.

Works are nearing completion at the Hive as part of the Incubation Centre scheme and it is on track to spend the full budget provision in 2018/19. Marketing is now underway to find tenants for the new premises.

The procurement stage of the Better Queensway scheme has been amended to include a Refined Solutions stage and the deadline was 3rd December. This is compliant through procurement and on legal grounds. This currently poses no change to the agreed timetable.

ICT

Phase two is continuing on the Liquid Logic scheme with the development and delivery of web portals. An upgrade is taking place on 19th January to enable portals to be implemented.

Wireless survey and install work is scheduled to commence shortly at various sites including Alan Cole House, Priory House, Delaware House and Porters House.

The business case for the Intelligence Hub scheme is to be reframed in a way which shows how it will support the Southend 2050 outcomes. It is to be known as the Operations Centre and the Environmental Impact Assessment is in the process of being drafted.

Procurement has completed for the Phones Migration and Re-Tender scheme and the contract has been agreed with the supplier. Server infrastructure and the new Avaya system install work commenced in early December with migration and go live planned for January. Some additional elements relating to speech to text, automated quality managements and sentiment analysis have been identified at an additional cost along with finance system integration requirements. The £75k relating to these works has been transferred from Priority Works.

Process maps for Environmental Health are complete with work continuing on the process maps for Building Control, Development Control and Private Sector Housing which is due for completion by the end of December. The Symology upgrade was successfully completed.

Southend Pier

Various works are currently taking place on the pier and completion is very much dependent on the weather conditions over the coming months. The contract has now been tendered for the Southend Pier Entrance Enhancement scheme and orders have been placed for phase one of the Bearing Refurbishment scheme. Various decking condition works are also in progress.

Highways and Infrastructure

Infrastructure

The geotechnical consultant contract is currently out to tender for the cliff slip investigation works. In the meantime a series of stand-alone schemes are progressing including Clifton Gardens and the cliff path adjacent to the lift.

Scheme designs are being prepared for the resilience of the borough to flooding from extreme weather events scheme for interventions at Shoebury and Chalkwell. It is hoped that these schemes will be on site in the new year.

Highways

Implementation is on-going on the carriageway and footway improvements programme and will continue for the remainder of the financial year.

The Highways Maintenance Potholes scheme is a demand led service and actions are taken on a daily basis to repair potholes that have met the necessary threshold. Additional funding of £617k has been announced by the Government for 2018/19 and the budget has been added to the capital programme in the draft Capital Investment Programme report elsewhere on this agenda.

Another round of bridge inspections is planned along with a list of remedial works to continue the bridge maintenance programme.

Transport

The A127 Growth Corridor projects will support the predicted growth associated with London Southend Airport and the Joint Area Action Plan (JAAP) proposals developed by Southend, Rochford and Essex County Councils to release land and create 7,380 high value jobs. The improvement will also support background growth of Southend and Rochford.

The final business case for A127 Kent Elms junction improvements has been approved by the SELEP and all funding has been received.

Phase two was completed at the end of June 2017 with three inbound lanes and two new pedestrian crossings in place. Footbridge foundations works on the south side are now complete. The new westbound lane was open to traffic from 9th September and works to the drainage and footway are now complete. Water main diversion works have completed and the north footbridge foundation construction is now underway. Footbridge installation is currently programmed for early 2019.

Southend Transport Model is an on-going scheme to support various multi modal transport projects. A review of the model is complete with options on updating the model to be considered.

S106/S38/S278 and Community Infrastructure Levy (CIL)

Various highway S106 schemes are scheduled to take place during 2018/19. There are also a number of S38, S278 and S78 schemes all at various stages. Some of the larger schemes include works on pedestrian crossings and footpath improvements at the airport and works at Fossetts Farm. A contribution of £10k has been removed from the programme in the draft Capital Investment Programme report elsewhere on this agenda in relation to a S106 scheme for Audley Court CCTV as the funding has been repaid.

Energy Saving Projects

Several LED lighting projects have been identified from the energy efficiency budget including Priory Park workshops, the Travel Centre and the Civic Centre. The majority of the budget has been moved into 2019/20 but the works are scheduled to commence before the end of 2018/19. A project is currently being assessed at Chalkwell Hall as part of the Solar Photovoltaics scheme and results are currently awaited on structural surveys.

Community Safety

Works are taking place to identify the most effective strategy for replacement and procurement of CCTV equipment. A proposed addition to the capital programme has been submitted for additional works identified.

Consultants are currently undertaking a survey for the provision of a report on the vulnerability in the town centre as part of the Security Measures scheme. This report will inform some recommendations around the types of security which can be installed. Time scales will become apparent once the report has been produced.

Council Housing & New Build Programme

The contracts have been awarded for the bathroom, kitchen and rewiring programme as part of the decent homes programme but the contractor has been slow in commencing these works. All other contracted works are progressing as per the programme and are expected to stay on track for the remainder of the financial year. Various reprofiles have been identified across the Decent Homes programme with a net effect of £555k has been included as a carry forward request in the draft Capital Investment Programme report elsewhere on this agenda.

The Disabled Adaptations budget relates to minor and major adaptations in council dwellings. Spend depends on the demand for these adaptations and works are currently in progress for 2018/19.

The Rochford Road construction has now been on site since April 2018 and due to the good weather over the summer months the contractor is now running around four months ahead of schedule. Internal walls to all houses have been completed and the kitchens have been delivered and due to be installed over the Christmas break. Work on the internal walls is nearing completion on the flats with the first fixing of electrics and plumbing now complete. The bungalow in Audley Close is nearing completion and the first snagging of the property will be complete by the end of December. The handover of this property is scheduled before the end of January.

A further budget of £160k has been included in the draft Capital Investment Programme report elsewhere on this agenda to fund the acquisition of the leaseholder share of a shared ownership property.

2. Requested Changes to the 2018/19 Capital Programme

Carry Forwards to Future Years

Scheme	Proposed Forward £000	Carry
Replacement Boiler at Southend Crematorium		129
LATC – Delaware and Priory		2,334
Private Sector Housing		150
New Artist Studios		800
HRA Decent Homes Programme		555
Total Carry Forwards		3,968

Accelerated Deliveries from Future Years

Scheme	Proposed Accelerated Delivery £000
Commercial Property Investment	300
Replacement of Coffin Charger	23
Chalkwell Hall Infants Insulation	25
Eastwood Primary Roof	50
Total Accelerated Deliveries	398

New External Funding

Scheme	Proposed External Funding £000	New
Highways Maintenance - Potholes		617
Chalkwell Infants Main Building Windows		1
Friars Fire Systems Replacement		1
Total New External Funding		619

New Budgets

Scheme	Proposed Budgets £000	New
Acquisition of leasehold property		160
Total New Budgets		160

Budgets Removed

Scheme	Proposed Budgets Removed £000
S106 Audley Court 0200874 Ful - CCTV	10
Total Budgets Removed	10

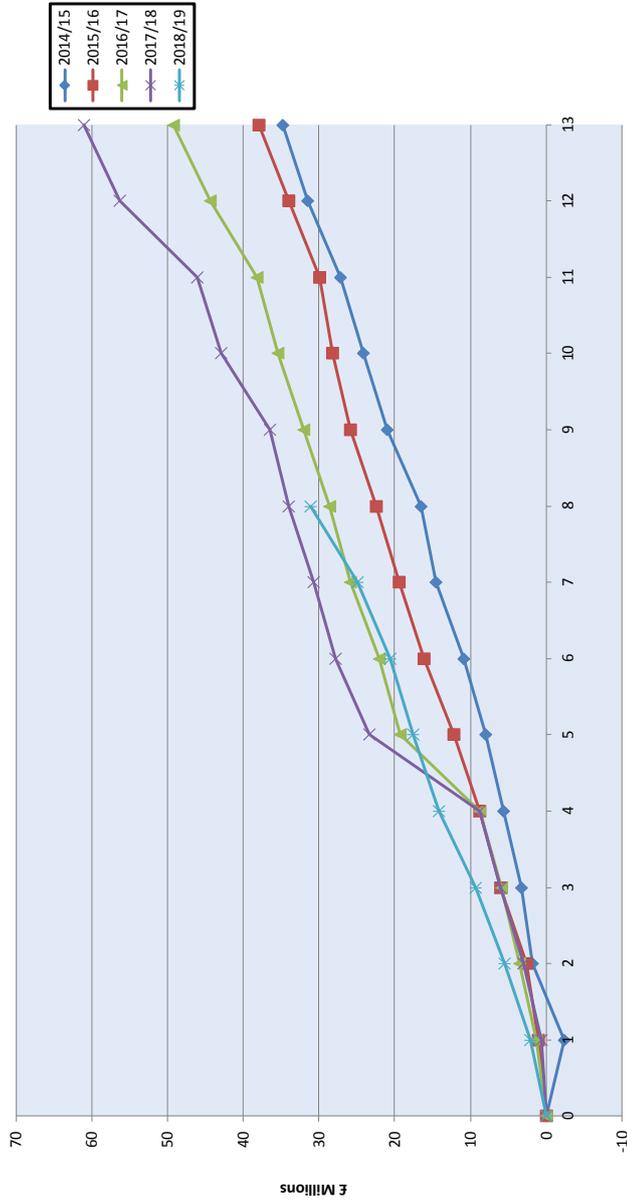
Summary of Capital Expenditure at 30th November 2018

Section 3

	Original Budget 2018/19 £000	Revisions £000	Revised Budget 2018/19 £000	Actual 2018/19 £000	Forecast outturn 2018/19 £000	Forecast Variance to Year End 2018/19 £000	% Variance
Finance and Resources	5,555	(4,859)	696	194	996	300	28%
Transformation	395	252	647	260	541	(106)	40%
People	25,591	(7,085)	18,506	11,454	16,099	(2,407)	62%
Place	52,031	(20,852)	31,179	14,801	30,986	(193)	47%
Housing Revenue Account	9,412	41	9,453	4,407	9,058	(395)	47%
	<u>92,984</u>	<u>(32,503)</u>	<u>60,481</u>	<u>31,116</u>	<u>57,680</u>	<u>(2,801)</u>	<u>51%</u>
Council Approved Original Budget - February 2018	92,984						
Finance and Resources amendments	(296)						
People amendments	(2,615)						
Place amendments	(12,851)						
HRA amendments	(1,772)						
Carry Forward requests from 2017/18	6,795						
Accelerated Delivery requests to 2017/18	(2,584)						
Budget re-profiles (June Cabinet)	(19,467)						
New external funding	287						
Council Approved Revised Budget - November 2018	<u>60,481</u>						
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Section 4

Capital programme Delivery
Cumulative Capital Expenditure 2014/15 to 2018/19



Year	Outturn £m	Outturn %
2014/15	34.8	83.8
2015/16	37.9	97.0
2016/17	48.8	89.0
2017/18	61.0	95.0

1. Budget Performance and Financing by Department

Department	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Revised Budget 2018/19 £'000	Previous Expected Variance to Revised Budget 2018/19 £'000
Finance & Resources	696	194	996	300	300
Transformation	647	260	541	(106)	-
People	18,506	11,454	16,099	(2,407)	(2,484)
Place	31,179	14,801	30,986	(193)	617
Housing Revenue Account (HRA)	9,453	4,407	9,058	(395)	-
Total	60,481	31,116	57,680	(2,801)	(1,567)

The capital programme is expected to be financed as follows:

Department	Council Budget £'000	Grant Budget £'000	Developer & Other Contributions £'000	Total Budget £'000
Finance & Resources	692	-	4	696
Transformation	647	-	-	647
People	3,558	14,380	568	18,506
Place	17,294	13,130	755	31,179
Housing Revenue Account (HRA)	9,082	-	371	9,453
Total	31,273	27,510	1,698	60,481
As a percentage of total budget	51.7%	45.5%	2.8%	

The funding mix for the total programme could change depending on how much grant and external contributions are received by the Council by the end of the year.

The grants and external contributions position to 30th November is as follows:

Department	Grant Budget £'000	Developer & Other Contributions Budget £'000	Total external funding budget £'000	External funding received £'000	External funding outstanding £'000
Finance & Resources	-	4	4	-	4
People	14,380	568	14,948	7,113	7,835
Place	13,130	755	13,885	8,886	4,999
Housing Revenue Account (HRA)	-	371	371	371	-
Total	27,510	1,698	29,208	16,370	12,838

2. Departmental Budget Performance

Finance and Resources

The revised capital budget for Finance and Resources is £0.696million. The budget is distributed across various scheme areas as follows:

Finance and Resources	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Forecast Variance to Year End 2018/19 £'000	Previous Forecast Variance to Year End 2018/19 £'000
Asset Management (Property)	604	194	904	300	300
Subtotal	604	194	904	300	300
Priority Works (see table)	92	-	92	-	-
Total	696	194	696	300	300

Priority Works	£'000
Budget available	600
Less budget allocated to agreed schemes	(508)
Remaining budget	92

Actual spend at 30th November stands at £0.194million. This represents 28% of the total available budget.

Transformation

The revised capital budget for Transformation is £0.647million. The budget is distributed across various scheme areas as follows:

Transformation	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Forecast Variance to Year End 2018/19 £'000	Previous Forecast Variance to Year End 2018/19 £'000
Transformation	493	250	493	-	-
Cemeteries & Crematorium	154	10	48	(106)	-
Total	647	260	541	(106)	-

Actual spend at 30th November stands at £0.260million. This represents 40% of the total available budget.

Department for People

The revised Department for People budget totals £18.506million.

Department for People	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Year End 2018/19 £'000	Previous Expected Variance to Year End 2018/19 £'000
Social Care	3,214	435	880	(2,334)	(2,334)
General Fund Housing	1,372	585	1,222	(150)	(150)
Housing S106 Agreements	568	-	568	-	-
Children & Learning Other Schemes	52	-	52	-	-
Condition Schemes	738	594	815	77	-
Devolved Formula Capital	125	125	125	-	-
Early Years	342	342	342	-	-
Secondary School Places	12,095	9,373	12,095	-	-
Total	18,506	11,454	16,099	(2,407)	(2,484)

Actual spend at 30th November stands at £11.454million. This represents 62% of the total available budget.

Department for Place

The revised capital budget for the Department for Place is £31.179million. This includes all changes approved at November Cabinet. The budget is distributed across various scheme areas as follows:

Department for Place	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Year End 2018/19 £'000	Previous Expected Variance to Year End 2018/19 £'000
Culture – Leisure	242	87	242	-	-
Culture - Parks	556	302	556	-	-
Culture - Libraries	686	105	686	-	-
Culture - Theatres	537	184	537	-	-
Culture - Museums	1,219	900	1,219	-	-
Other Culture & Tourism	4,100	2,554	3,300	(800)	-
Culture S106 Agreements	331	94	331	-	-
ICT Programme	3,580	1,817	3,580	-	-
Airport Business Park	4,200	2,371	4,200	-	-
Better Queensway Regeneration	610	486	610	-	-
Incubation Centre	31	-	31	-	-
Southend Pier	3,158	845	3,158	-	-
Coastal Defence & Foreshore	607	118	607	-	-
Highways and Infrastructure	2,980	1,328	3,597	617	617
Highways S106 Agreements	169	8	169	-	-
Parking Management	450	149	450	-	-
Section 38, 278 & 78 / CIL	66	112	66	-	-
Local Transport Plan	3,350	818	3,350	-	-
Local Growth Fund	2,848	2,273	2,848	-	-
Community Safety	233	20	233	-	-
Community Safety S106	11	-	1	(10)	-
Transport	501	130	501	-	-
Energy Saving Projects	714	100	714	-	-
Total	31,179	14,801	30,986	(193)	617

Actual spend at 30th November stands at £14.801million. This represents 47% of the total available budget.

Housing Revenue Account

The revised budget for the Housing Revenue Account capital programme for 2018/19 is £9.453million. The latest budget and spend position is as follows:

Housing Revenue Account	Revised Budget 2018/19 £'000	Outturn to 30 th November 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Year End 2018/19 £'000	Previous Expected Variance to Year End 2018/19 £'000
Decent Homes Programme	6,784	2,509	6,229	(555)	-
Council House Adaptations	884	257	884	-	-
Other HRA	1,785	1,641	1,945	160	-
Total	9,453	4,407	9,058	(395)	-

The actual spend at 30th November of £4.407million represents 47% of the HRA capital budget.