



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

Period 10

as at 31st January 2019

Summary by Investment Area

Capital Investment Programme Monitoring Report – January 2019

1. Overall Budget Performance by Investment Area

The revised Capital budget for the 2018/19 financial year is £52.648million which includes all changes agreed at February Cabinet. Actual capital spend at 31st January is £38.479million representing approximately 73% of the revised budget. This is shown in Section 3. (Outstanding creditors totalling £0.191million 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 31 st January 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Revised Budget 2018/19 £'000
Works to Property	1,289	434	1,289	-
Social Care	881	529	881	-
General Fund Housing	1,438	738	1,438	-
Schools	13,086	13,709	14,078	992
Culture & Tourism	4,801	3,706	4,801	-
Enterprise & Regeneration	3,941	3,827	4,041	100
ICT	3,458	2,524	3,458	-
Southend Pier	3,158	1,009	2,009	(1,149)
Highways & Infrastructure	10,243	5,892	10,004	(239)
S106/S38/CIL	963	228	1,031	68
Energy Saving	133	109	133	-
Community Safety	199	67	199	-
Council Housing & New Build Programme	9,058	5,707	9,058	-
Total	52,648	38,479	52,420	(228)

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	25,299	25,913	1,436	52,648
As a percentage of total budget	48.1%	49.2%	2.7%	
External Funding Received to date		18,180	1,334	19,514
External Funding Outstanding		7,733	102	7,835

Progress of Schemes for 2018/19

Works to Property

The Heritage expert's report has now been received on the demolition of 62 Avenue Road and a way forward can now be decided.

Woks are now complete on the demolition schemes at Darlows Green and Leigh Cliffs.

The contract has now been let for the Pier arches external landlord works and the contractors are currently on site.

The replacement coffin charger has been ordered and delivery is scheduled for March 2019 utilising the full budget before the end of 2018/19.

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.

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.

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 £707k 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. Retentions of £6k are being held for works completed last year at four primary schools.

The Devolved Formula Capital scheme is an annual devolution of dedicated capital grant to all maintained schools. Following a recent announcement, the grant has been increased from £125k to £317k for 2018/19 which will be allocated to schools before the year end. The budget will be increased by £192k in the report to June Cabinet.

A purpose built nursery at the Renown Centre which faces Friars Primary School is now complete 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 has now been completed.

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. An accelerated delivery request of £800k will be included in the report to June Cabinet to fund works that will be completed ahead of programme.

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 early 2019. Two further schools have commenced 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 and Southchurch High School have now entered the snagging stage as the schools have now taken possession of the buildings.

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. Work is progressing to RIBA stage three.

Contractors are on site for works on the Allotments water supply upgrade but the weather is currently causing delays. Part of the budget has already been carried forward to 2019/20 but it is hoped that the remaining 2018/19 allocation will be utilised before year end.

Works are now complete on the outer tow path at Southchurch Park and final invoices are expected in the coming weeks to bring the costs within budget.

Further orders have been raised for the Replacement of Parks Furniture scheme and the first batch of refurbished dog bins are due to be delivered by the end of February.

The scheme to replace play equipment is progressing well with a Supernova roundabout installed in Christchurch Park during January.

Enterprise and Regeneration

The contract for the remaining phase one utility works has now been awarded on the Airport Business Park scheme. Procurement for Phase two and Phase three is ongoing. Design work for the Launchpad is progressing and procurement for the operator contract has now commenced. An accelerated delivery request of £100k will be included in the report to June Cabinet to fund works taking place in 2018/19.

Works have now been completed at the Hive as part of the Incubation Centre scheme and the full budget provision will be spent in 2018/19. Marketing is now underway to find tenants for the new premises.

Competitive dialogue is continuing on the Better Queensway scheme and a report on the appointment of the preferred bidder and subsequently the joint venture partner was approved at February Cabinet.

ICT

Works to extend WiFi in council premises is continuing with installation works being carried out in Priory and Delaware during February.

The migration of data has been completed and the new service has gone live for the Northgate Revenues and Benefits scheme. A few elements of the scheme remain and expect to be finalised in early 2019/20.

Phase two is continuing on the Liquid Logic scheme with the delegation portal go-live scheduled for March 2019.

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. Installation and testing work is continuing with go-live scheduled for April 2019.

Symology and Uniform integration testing commenced on 11th February for the Channel Shift scheme with Building Control and Development Control integration to be handed over for testing by the end of February.

Southend Pier

Phase one of the bearing refurbishment is on-going and the contract will span two financial years. A carry forward request of £569k will be included in the report to June Cabinet to finalise the works in 2019/20.

Despite delays in the tender document for condition works on the pier, works are progressing and a carry forward request of £50k will be included in the report to June Cabinet.

Some issues have been experienced with the structural engineering consultants on the Prince George Extension scheme and the Timber Outer pier Head scheme and most of the works will now take place in 2019/20. Carry forward requests of £60k and £470k respectively will therefore be included in the report to June Cabinet.

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 Clifftown Gardens and the cliff path adjacent to the lift. A carry forward request of £50k will be included in the report to June Cabinet to continue the works in 2019/20. The Manor Road

cliff stabilisation scheme is also out to tender and a further carry forward request of £50k will be included for this scheme.

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.

Various LTP schemes are underway including works on verge hardening, electric vehicle charging points and travel centres bus stop flag upgrades.

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

The parking strategy scheme is still in the early stages and it is unlikely to progress this financial year. A carry forward request of £199k will therefore be included in the report to June Cabinet.

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 spring 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. An accelerated delivery request of £60k will be included in the report to June Cabinet to fund review works and traffic data surveys taken place in 2018/19.

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.

Various accelerated delivery requests will be included in the report to June Cabinet for S38 schemes at Fossetts Farm, the Garrison and the Airport totalling £27k. A new budget will also be included for £41k for a S106 scheme to delivery primary care facilities.

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

The tender for the CCTV equipment renewal is ready to go out in early 2019. Phases one and two will be undertaken in 2019/20 for which carry forwards have already taken place.

External engineers have now submitted their final report on the Security Measures scheme and work on the recommendations can now commence. These recommendations will be overlaid with other proposed town planning works in order that town centre security requirements are referenced and incorporated within other planned works to avoid duplication and reduce costs.

Council Housing & New Build Programme

The planned works for the 2018/19 Decent Homes capital programme are progressing as planned. The tender for the kitchen, bathroom and electrical works contract is progressing well. Works on one lift replacement have been delayed due to structural issues and it is likely that further carry forwards may be required at year end. A value for this carry forward will be known closer to the end of March. All other allocated works will be completed by year end.

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.

Phase two of the housing construction scheme is progressing well and is ahead of programme due to a proactive contractor and a long period of good weather. The bungalow in Audleys Close was handed over on 9th January ahead of programme and the new tenant is in the process of moving in. The internal works are continuing in Rochford Road with kitchens and heating in the process of being fitted. The external works are also now underway. The contractor expects completion to be during May 2019.

2. Requested Changes to the 2018/19 Capital Programme

Carry Forwards to Future Years

Scheme	Proposed Forward £000	Carry
Southend Pier - Bearing Refurbishment (Phase One)		(569)
Southend Pier - Condition Works Engineers		(50)
Southend Pier - Prince George Extension		(60)
Southend Pier - Timber Outer Pier Head		(470)
Cliff Slip Investigation Works		(50)
Manor Road Cliff Stabilisation		(50)
Parking Strategy		(199)
Total Carry Forwards		(1,448)

Accelerated Deliveries from Future Years

Scheme	Proposed Accelerated Delivery £000
School Improvement & Provision for School Places	800
Airport Business Park	100
S38 Fossetts (const&maint fee)	19
S38 Garrison NBP Road Supp Fee	5
S38/S278 Airport 0901960 Fulm	3
Southend Transport Model	60
Total Accelerated Deliveries	987

New External Funding

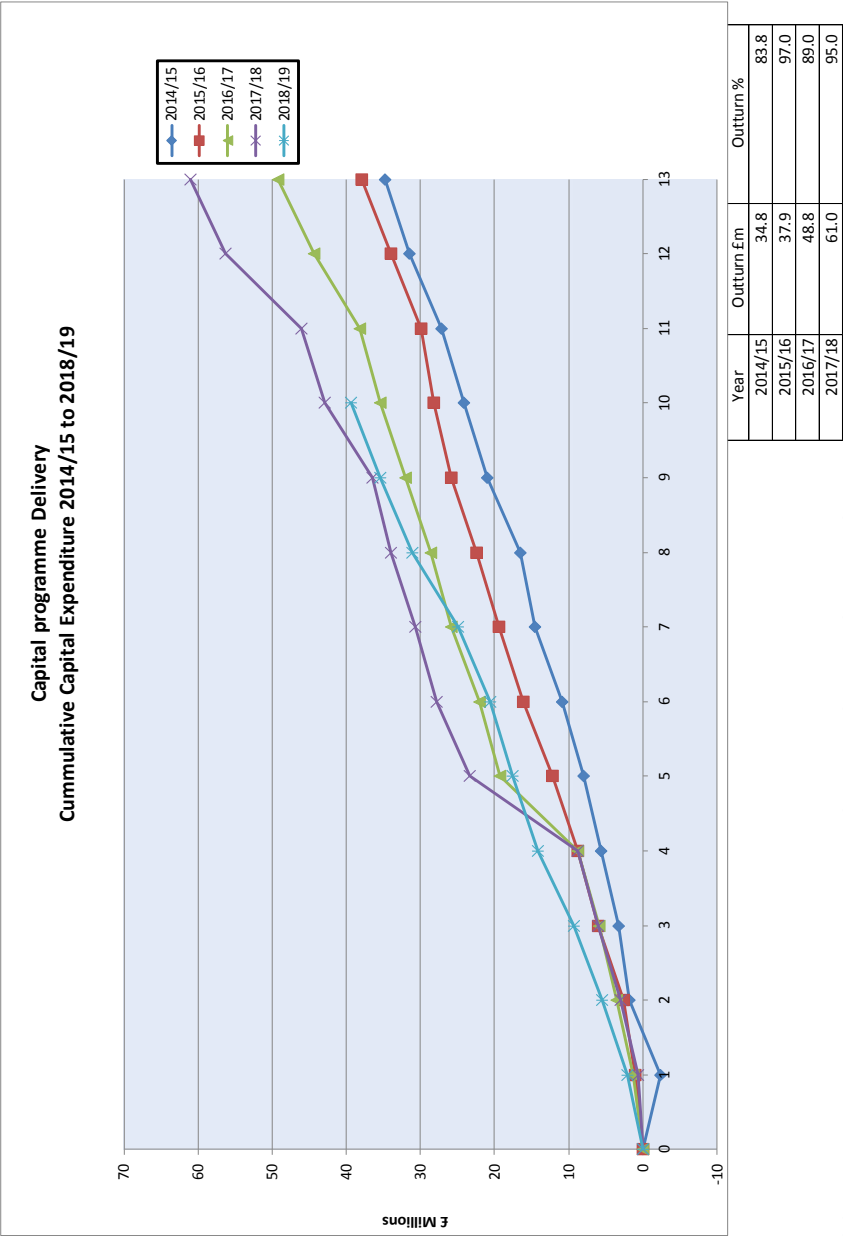
Scheme	Proposed External Funding £000	New
Devolved Formula Capital		192
S106 Bellway Prittlebrook - Primary Healthcare		41
Total New External Funding		233

Summary of Capital Expenditure at 31st January 2019

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	(4,559)	996	234	996	0	23%
Transformation	395	46	441	304	441	0	69%
People	25,591	(9,618)	15,973	14,974	16,965	992	94%
Place	52,031	(25,851)	26,180	17,260	24,960	(1,220)	66%
Housing Revenue Account	9,412	(354)	9,058	5,707	9,058	-	63%
	92,984	(40,336)	52,648	38,479	52,420	(228)	73%
Council Approved Original Budget - February 2018	92,984						
Finance and Resources amendments	(71)						
People amendments	(2,821)						
Place amendments	(20,308)						
HRA amendments	(2,167)						
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	52,648						
Actual compared to Revised Budget spent is £38.479M or 73%							

Section 4



1. Budget Performance and Financing by Department

Department	Revised Budget 2018/19 £'000	Outturn to 31 st January 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Revised Budget 2018/19 £'000
Finance & Resources	996	234	996	-
Transformation	441	304	441	-
People	15,973	14,974	16,965	992
Place	26,180	17,260	24,960	(1,220)
Housing Revenue Account (HRA)	9,058	5,707	9,058	-
Total	52,648	38,479	52,420	(228)

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	992	-	4	996
Transformation	441	-	-	441
People	1,074	14,331	568	15,973
Place	14,105	11,582	493	26,180
Housing Revenue Account (HRA)	8,687	-	371	9,058
Total	25,299	25,913	1,436	52,648
As a percentage of total budget	48.1%	49.2%	2.7%	

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 31st January 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	14,331	568	14,899	8,107	6,792
Place	11,582	493	12,075	11,036	1,039
Housing Revenue Account (HRA)	-	371	371	371	-
Total	25,913	1,436	27,349	19,514	7,835

2. Departmental Budget Performance

Finance and Resources

The revised capital budget for Finance and Resources is £0.996million. The budget is distributed across various scheme areas as follows:

Finance and Resources	Revised Budget 2018/19 £'000	Outturn to 31 st January 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Forecast Variance to Year End 2018/19 £'000
Asset Management (Property)	904	234	904	-
Subtotal	904	234	904	-
Priority Works (see table)	92	-	92	-
Total	996	234	996	-

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

Actual spend at 31st January stands at £0.234million. This represents 23% of the total available budget.

Transformation

The revised capital budget for Transformation is £0.441million. The budget is distributed across various scheme areas as follows:

Transformation	Revised Budget 2018/19 £'000	Outturn to 31 st January 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Forecast Variance to Year End 2018/19 £'000
Transformation	393	293	393	-
Cemeteries & Crematorium	48	11	48	-
Total	441	304	441	-

Actual spend at 31st January stands at £0.304million. This represents 69% of the total available budget.

Department for People

The revised Department for People budget totals £15.973million.

Department for People	Revised Budget 2018/19	Outturn to 31 st January 2018/19	Expected outturn 2018/19	Latest Expected Variance to Year End 2018/19
	£'000	£'000	£'000	£'000
Social Care	881	529	881	-
General Fund Housing	1,438	738	1,438	-
Housing S106 Agreements	568	-	568	-
Children & Learning Other Schemes	52	52	52	-
Condition Schemes	707	646	707	-
Devolved Formula Capital	125	125	317	192
Early Years	402	342	402	-
Secondary School Places	11,800	12,542	12,600	800
Total	15,973	14,974	16,965	992

Actual spend at 31st January stands at £14.974million. This represents 94% of the total available budget.

Department for Place

The revised capital budget for the Department for Place is £26.180million. This includes all changes approved at February Cabinet. The budget is distributed across various scheme areas as follows:

Department for Place	Revised Budget 2018/19 £'000	Outturn to 31 st January 2018/19 £'000	Expected outturn 2018/19 £'000	Latest Expected Variance to Year End 2018/19 £'000
Culture – Leisure	204	99	204	-
Culture - Parks	485	399	485	-
Culture - Libraries	507	221	507	-
Culture - Theatres	449	305	449	-
Culture - Museums	13	17	13	-
Other Culture & Tourism	3,388	2,854	3,388	-
Culture S106 Agreements	161	106	161	-
ICT Programme	3,065	2,232	3,065	-
Airport Business Park	3,200	3,263	3,300	100
Better Queensway Regeneration	710	614	710	-
Incubation Centre	31	-	31	-
Southend Pier	3,158	1,009	2,009	(1,149)
Coastal Defence & Foreshore	394	127	294	(100)
Highways and Infrastructure	3,382	1,930	3,382	-
Highways S106 Agreements	169	8	169	-
Parking Management	450	186	251	(199)
Section 38, 278 & 78 / CIL	64	114	132	68
Local Transport Plan	2,680	967	2,680	-
Local Growth Fund	2,836	2,085	2,836	-
Community Safety	199	67	199	-
Community Safety S106	1	-	1	-
Transport	501	548	561	60
Energy Saving Projects	133	109	133	-
Total	26,180	17,260	24,960	(1,220)

Actual spend at 31st January stands at £17.260million. This represents 66% of the total available budget.

Housing Revenue Account

The revised budget for the Housing Revenue Account capital programme for 2018/19 is £9.058million. The latest budget and spend position is as follows:

Housing Revenue Account	Revised Budget 2018/19	Outturn to 31st January 2018/19	Expected outturn 2018/19	Latest Expected Variance to Year End 2018/19
	£'000	£'000	£'000	£'000
Decent Homes Programme	6,229	3,527	6,229	-
Council House Adaptations	884	338	884	-
Other HRA	1,945	1,842	1,945	-
Total	9,058	5,707	9,058	-

The actual spend at 31st January of £5.707million represents 63% of the HRA capital budget.