



**Capital Investment Programme
Budget Performance 2019/20**

Period 6

**as at 30th September 2019
Summary by Investment Area**

Capital Investment Programme Performance Report – September 2019

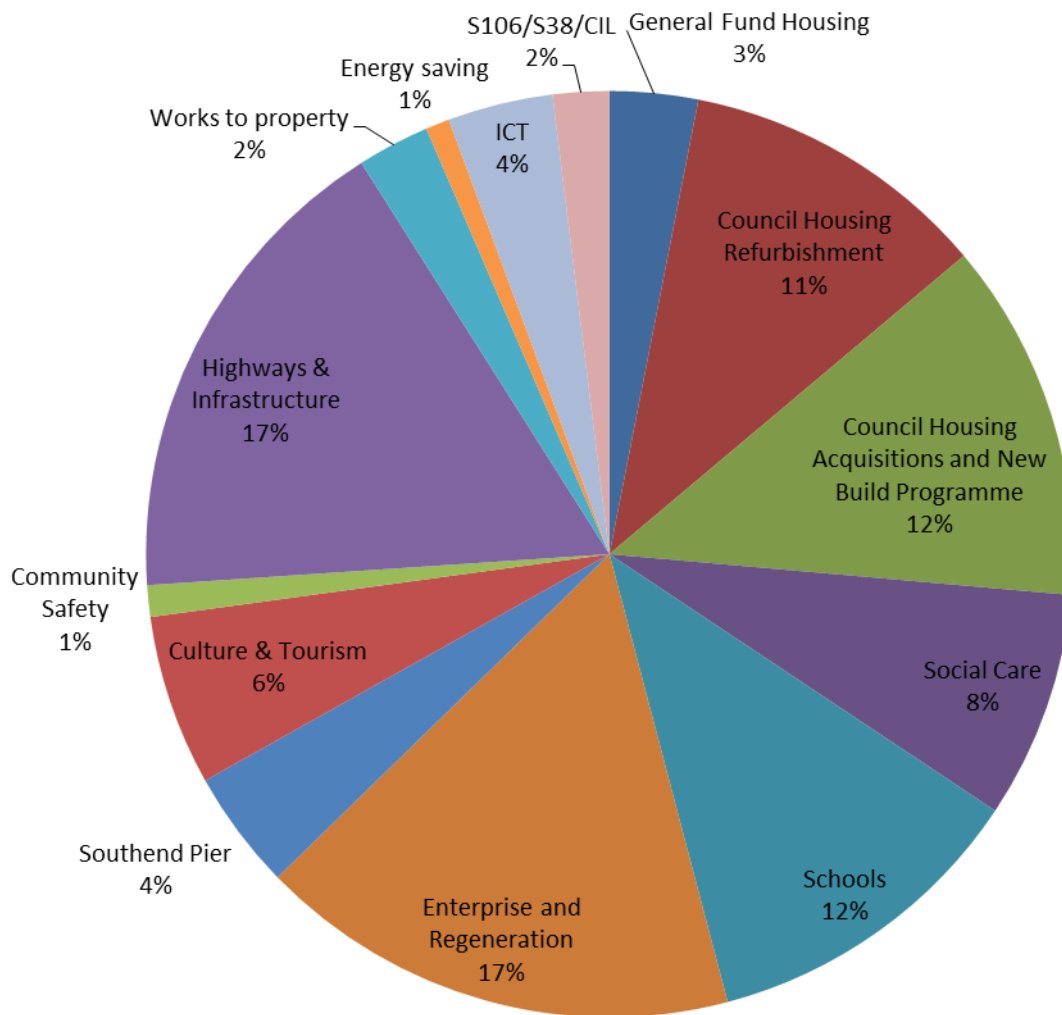
1. Overall Budget Performance by Investment Area

The revised Capital budget for the 2019/20 financial year is £83.072million which includes all changes agreed at September Cabinet. Actual capital spend at 30th September is £24.258million representing approximately 29% of the revised budget. This is shown in Section 3. (Outstanding creditors totalling £0.207million have been removed from this figure).

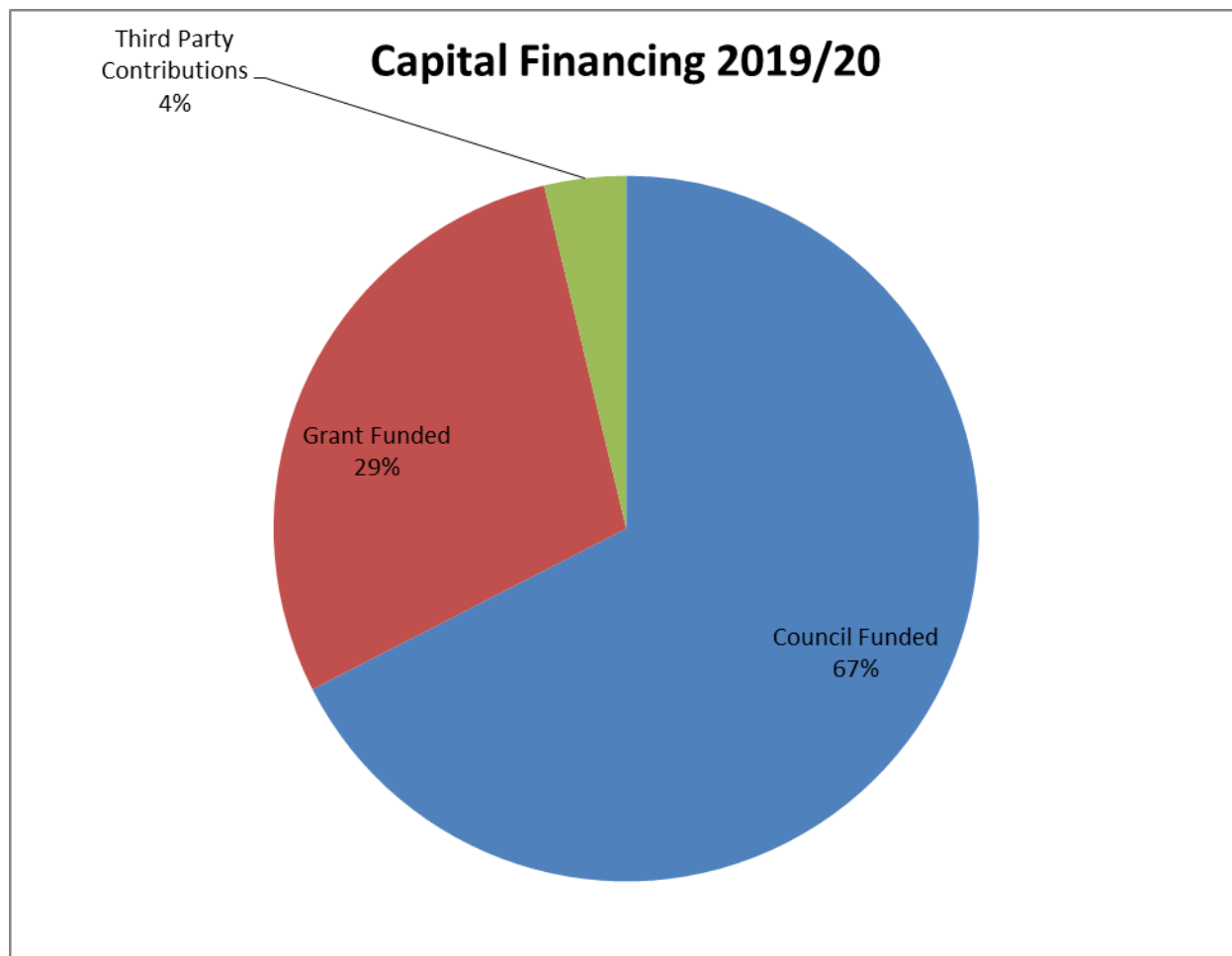
The expenditure to date has been projected to year end and the outturn position is forecast to reflect the Project Manager's realistic expectation. This is broken down by type of investment area as follows:

Investment Area	Revised Budget 2019/20 £'000	Outturn to 30 th September 2019/20 £'000	Expected outturn 2019/20 £'000	Latest Expected Variance to Revised Budget 2019/20 £'000	Amended Budget 2020/21 to 2023/24 £'000
General Fund Housing	2,423	400	2,458	35	1,952
Council Housing Refurbishment	8,843	1,566	8,758	(85)	26,485
Council Housing Acquisitions & New Build Programme	10,947	3,613	9,862	(1,085)	11,876
Social Care	6,340	217	6,340	-	8,100
Schools	9,438	3,823	9,217	(221)	4,033
Enterprise & Regeneration	13,421	4,942	13,421	-	27,505
Southend Pier	3,325	1,813	3,325	-	13,297
Culture & Tourism	4,709	1,701	4,756	47	22,490
Community Safety	880	15	880	-	1,906
Highways & Infrastructure	15,572	4,848	13,632	(1,940)	25,302
Works to Property	2,077	218	2,015	(62)	3,235
Energy Saving	663	1	663	-	1,548
ICT	2,864	1,048	2,929	65	172
S106/S38/CIL	1,570	53	1,570	-	339
Total	83,072	24,258	79,826	(3,246)	148,240

Expected Outturn 2019/20



The capital investment for 2019/20 is proposed to be funded as follows:



Of the £27.025million of external funding expected, £14.654million had been received by 30th September. The outstanding amounts mainly relate to Schools, Forum II, Airport Business Park and A127 Growth Corridor.

Progress of Strategic schemes

Successful and timely delivery of the capital investment programme is a key part of achieving the Southend 2050 ambition and delivering the outcomes.

Although the revised capital investment programme is £83.072million, £46.131million of this relates to strategic schemes.

Following a full review of the capital investment programme, project managers are reporting some expected variances against the revised budget for the A127 Growth Corridor and the HRA Housing Construction scheme. For the HRA Housing Construction scheme, there have been procurement delays for phases 3/4 with a carry forward request of £1.307million. The Modern Methods of Construction (MMC) project is progressing well and preparations are being made to for phases 5/6 feasibility meaning that an accelerated delivery request of £222k is required. Works on the Bridge and Highways maintenance element of the A127 Growth Corridor are not due to commence until March 2020 therefore a carry forward request of £2million is required on this scheme (see commentary below).

Scheme	Revised Budget 2019/20 £000	Outturn to 30th Sept 2019/20 £000	% spent	Comments	Budget 2020/21 to 2023/24 £000
Strategic schemes					
Airport Business Park (including Local Growth Fund)	11,380	4,719	41%	Good progress has been made during September with phase one works due to complete in November 2019. If progress is maintained, it may be necessary to accelerate spend with agreement of SELEP. The planning application has been submitted for the Launchpad and awaiting determination in November.	13,755
Better Queensway - Regeneration	2,041	223	11%	Work is on-going in terms of satisfying the pre-contract conditions for HIF funding. Negotiations have focussed on financial due diligence and clawback provisions within contract. Now looking to sign the contract mid-October. The Business plan is still to be considered through Council governance.	13,500
Forum II – SBC Match Funding to LGF	1,030	313	30%	Currently awaiting determination of planning application.	17,450
Delaware and Priory New Build	5,000	88	2%	Building works have now commenced and expenditure is being monitored to establish an accurate spend profile going forward. It is expected that a reprofile will be requested at a future meeting.	8,100
School Improvement and Provision of School Places	8,300	3,434	41%	Works at the Eastwood Academy, Southchurch High, Shoeburyness High and Wentworth Road are complete. St Thomas More is entering the fit out stage of their new building and Belfairs Academy, Chase High and St Bernard High Schools are progressing on time.	2,662
Southend Pier schemes	3,325	1,813	55%	Works are currently on site and are anticipated to be varied to include additional anchor bays.	13,297
Local Growth Fund - A127 Growth Corridor	4,737	958	20%	This relates to the Bell junction and Bridge and Highway maintenance. Detail design is underway at the Bell and tender documents for the main contractor will be submitted during October. Works on the bridge and highway maintenance are expected to commence in early March 2020.	9,669
HRA Affordable Housing Acquisitions Programme	6,656	3,413	51%	The acquisition programme is now proceeding and 13 properties have been purchased as at the end of September	-
Construction of New Housing on HRA Land	3,662	200	5%	The tender process to procure an Employers Agent is underway for phases 3 and 4 with the first selection stage complete and a short list of possible consultants has been produced to take the process into stage 2. Procurement of an architect is planned for the next stage with the draft tender document to be agreed with procurement. Work on the MMC pilot project on two sites in Shoebury is underway and the tendering for an MMC contractor will be discussed with procurement during October.	11,876
Total Strategic	46,131	15,161	33%		90,309
Other schemes					
Other Capital Investment schemes	36,941	9,097	25%		
TOTAL SCHEMES	83,072	24,258	29%		

Progress of other schemes for 2019/20

General Fund Housing

The Disabled Facilities team have approved a total of 62 grants to date during 2019/20 which is made up of 56 for adults and 6 for children. On average there have been 35-40 assessments received each month and committed spend is expected to increase over the coming months because of this. An initiative to include non-means tested stair lifts for urgent cases is currently being explored.

An initial project meeting has been set up for October to discuss the Private Sector Housing Strategy scheme and to agree a plan going forward. More will be known about the budget profile following this meeting.

12a Ceylon Road is currently void and refurbishment works are required to bring it back to a usable condition. £35k has therefore been transferred from Priory Works to commence these works.

Council Housing and New Build Programme

The Decent Homes programme is progressing in accordance with the revised works programme however some additional expenditure on health and safety and fire improvement works will be incurred in 2019/20 therefore an accelerated delivery request of £260k has been included in this report.

No plans have been made to use the Sheltered Housing budget of £345k in 2019/20 therefore it has been included as a carry forward request in this report until a decision on its use has been made.

Social Care

Plans for the £250k Community Capacity budget for 2019/20 include £150k for the Transformation team, £50k for technology and digital pilots and £50k contribution towards an innovation unit to enhance independence for residents in the local community.

Contributions have been made from the Dementia Friendly Environments scheme towards a Dementia Friendly café in the borough.

Schools

Condition schemes for 2019/20 forecast spend of £502k which has been allocated to address larger condition items in schools where the cost is over the schools capabilities to fund. Most of these works took place over the school summer holidays to minimise disruption. Projects taking place this school year include a new boiler at West Leigh Infant School, a roof replacement at Eastwood Primary School and three Health and Safety projects.

The Devolved Formula Capital is an annual devolution of dedicated capital grant to all schools and is distributed via the local authority for maintained schools. The notified budget for 2019/20 is £101k.

The Department for Education awarded funding totalling £1.172million over a three year period which commenced in 2018/19. The funding is for improvement and expansion of Special Needs places. Consultations are now underway in two primary schools and subject to successful consultation approval in December, the building works will commence in January. Discussions are on-going with a third primary and secondary provider but this is not expected to commence in 2019/20. Budget of £221k has therefore been included as a carry forward request in this report.

Southend Pier

The works on Southend Pier are currently progressing well with no significant issues. A number of works are weather dependent which will be monitored closely over the coming months. Schemes currently underway include the Pier Entrance Enhancement, the Timber Outer Pier Head and the Prince George Extension.

Culture and Tourism

Orders have now been place for the Southend Tree Policy review scheme with a view to plant the new trees over the winter months.

Fire Improvement works are currently being progressed for leisure centres and theatres now that funding has been agreed. These works will continue for the remainder of the financial year.

Resourcing issues may delay the delivery of the Allotment Water Supply scheme this financial year however ways to bring the project back on schedule are currently being investigated. A carry forward request may be required should this be unsuccessful.

Listed building consent is currently being sought as part of the Library Review scheme therefore the works programme for 2019/20 is subject to listed building approval and weather dependency. Installation of windows at Leigh Library is likely to take place in March 2020 and the property team have advised that this will be completed this financial year.

A grant has been secured from the Marine Management Organisation (MMO) to refurbish the Leigh Library Gardens mess room as a communal building for the Leigh on Sea Fishing community. The building will be used for educational, historical and marketing events and to increase engagement with the fishing community and the local community. The grant of £47k will be match funded with £16k from the Property Refurbishment Programme and a request to add this to the capital investment programme has been included in this report.

Community Safety

The final upgrade specification for the CCTV equipment renewal scheme is being agreed during October and then the upgrade contract will go out to tender following that.

Highways and Infrastructure

A programme of works has been published on the website for the Carriageways and Footways Improvement scheme. A three year programme is now being developed for 2020 onwards. It is expected to have this programme ready for publishing in February 2020.

Drainage designs are being undertaken as part of the Southend Central Area Action Plan (SCAAP) scheme for works to commence in January 2020. Feasibility designs have started for the main works and the co-design element of the SUNRISE process will be completed by December 2019.

Chalkwell ramp is situated at Chalkwell Esplanade and it comprises concrete steps to the west and a wooden access ramp to the east. The wooden access ramp was damaged in late 2018 with the wooden ramps being driven out of the beach by tidal uplifting forces. Upon investigation and understanding of the mode of failure a design was put together to put the ramp on the western side. This was designed allowing compliant wheeled access and to accommodate unhindered launching of the Lifeboat by the Chalkwell Lifeguard Club. The damaged lower ramps to the east are to be removed and the top landing altered to allow step access to the beach to the east. A request for budget of £60k to be added to the capital investment programme to action these works in 2019/20 has been included in this report.

Works to Property

All works are now complete on the Belfairs Park Restaurant and Golf Club except from the windows which will need to undergo a planning and tender process.

The CMT Work area is now complete as part of the Civic Campus scheme and the member's area reconfiguration is also complete. Works in next quarter include planning and delivering improvements to committee rooms and works on the 2nd, 8th and 13th floors.

Works are now on hold on the SMAC Eastern Esplanade Slipway scheme pending title rectification work with Land Registry. A carry forward request of £27k has therefore been included in this report.

Energy Saving

The initial trial for the Real Time Air Quality Measurement Feasibility is due to commence during October.

A study to identify locations for the Ultra-Low Emissions Vehicle (ULEV) Taxi Infrastructure scheme has commenced during October.

ICT

The Forum has been surveyed as part of the Extending WIFI in Council Premises scheme and the results are due shortly. There has been a successful proof of concept at Southchurch Library for the provision of staff WIFI.

Draft testing templates have been completed on the Liquid Logic scheme and they are currently under review. Final end user testing and demonstration with supplier is underway.

Two new schemes were agreed at September Cabinet for the Ship Directory IDOX software for £45k and the Employee Engagement Portal (Intranet) for £20k. The IDOX software is a Public Health system which is was not fit for purpose and required some updates to bring it in-line with current requirements. Plans are in place to commission a new provider for the Employee Engagement Portal to make it more engaging with staff.

2. Requested Changes to the 2019/20 Capital Programme

Carry Forwards to Future Years

Scheme	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
SMAC Eastern Esplanade Slipway	(27)	27			
Special Provision Capital Fund	(221)	221			
Local Growth Fund A127 Growth Corridor	(2,000)	2,000			
Sheltered Housing	(345)	345			
HRA Housing Construction phase 3	(1,307)	653	654		
HRA Housing Construction phase 4		(2,022)	2,022		
Total Carry Forwards	(3,900)	1,224	2,676		-

Accelerated Deliveries from Future Years

Scheme	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
HRA Decent Homes Programme	260	(260)			
HRA Housing Construction MMC	222	1,112	(1,334)		
Total Accelerated Deliveries	482	852	(1,334)	-	-

Proposed New Schemes

Scheme	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Ship Directory IDOX software	45				
Employee Engagement Portal (Intranet)	20				
Chalkwell Ramp	60				
Total Proposed New Schemes	125	-	-	-	-

New External Funding

Scheme	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Leigh Library Gardens Messroom Refurbishment	47				
Total New External Funding	47	-	-	-	-

Virements

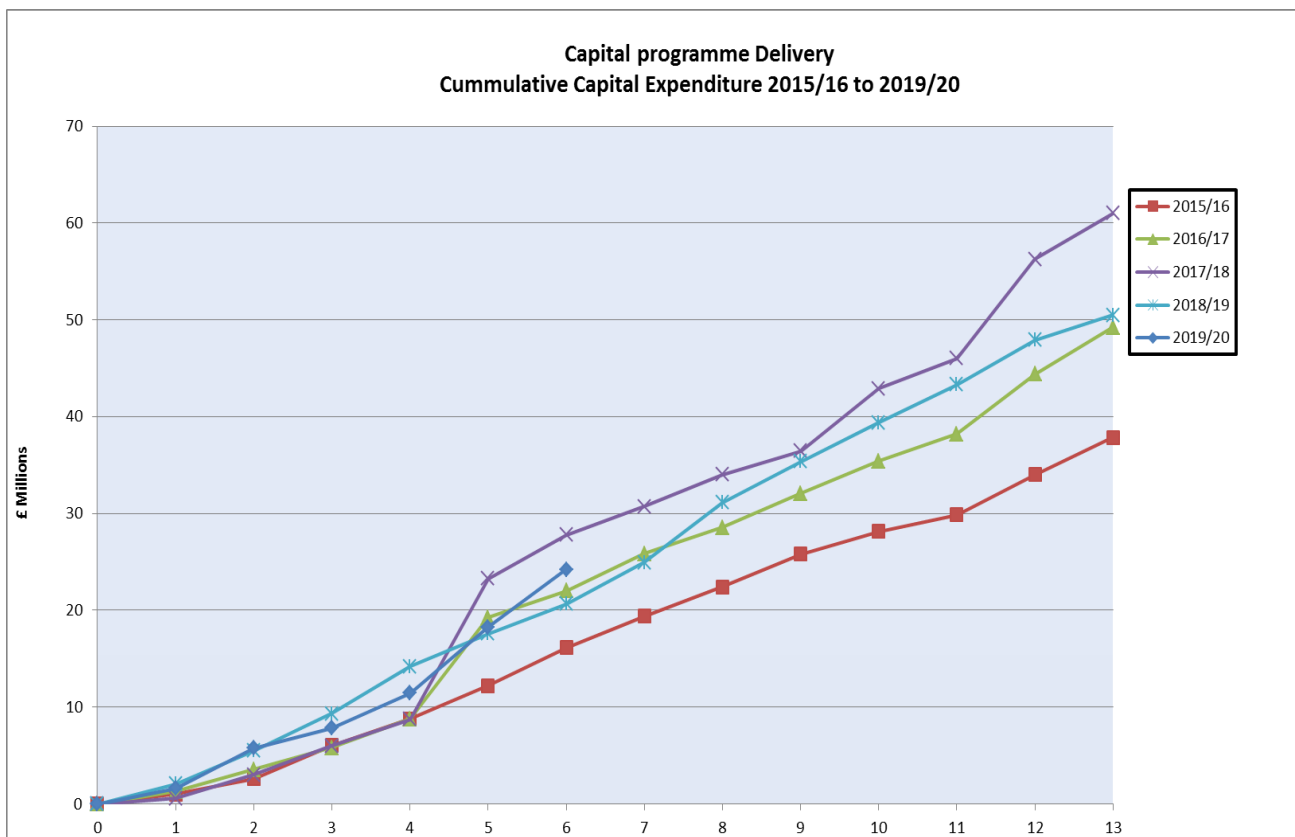
Scheme	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Property Refurbishment Programme	(16)				
Leigh Library Gardens Messroom Refurbishment	16				
Priority Works	(35)				
12a Ceylon Road Refurbishment Works	35				
Total Virements	-	-	-	-	-

3. Summary of Capital Expenditure at 30th September

	Original Budget 2019/20 £000	Revisions £000	Revised Budget 2019/20 £000	Actual 2019/20 £000	Forecast outturn 2019/20 £000	Forecast Variance to Year End 2019/20 £000	% Variance
General Fund Housing	1,695	728	2,423	400	2,458	35	17%
Council Housing Refurbishment	8,049	794	8,843	1,566	8,758	(85)	18%
Council Housing Acquisitions and New Build Programme	4,511	6,436	10,947	3,613	9,862	(1,085)	33%
Social Care	1,016	5,324	6,340	217	6,340	-	3%
Schools	14,218	(4,780)	9,438	3,823	9,217	(221)	41%
Enterprise & Regeneration	15,000	(1,579)	13,421	4,942	13,421	-	37%
Southend Pier	2,468	857	3,325	1,813	3,325	-	55%
Culture & Tourism	5,218	(509)	4,709	1,701	4,756	47	36%
Community Safety	1,741	(861)	880	15	880	-	2%
Highways & Infrastructure	13,548	2,024	15,572	4,848	13,632	(1,940)	31%
Works to Property	1,969	108	2,077	218	2,015	(62)	10%
Energy Saving	1,426	(763)	663	1	663	-	0%
ICT	2,559	305	2,864	1,048	2,929	65	37%
S106/S38/CIL	943	627	1,570	53	1,570	-	3%
	74,361	8,711	83,072	24,258	79,826	(3,246)	29%
Council Approved Original Budget - February 2019	74,361						
General Fund Housing amendments	300						
Council Housing & New Build Programme amendments	7,001						
Social Care amendments	5,000						
Schools amendments	(2,839)						
Enterprise & Regeneration amendments	(485)						
Culture & Tourism amendments	445						
Community Safety amendments	(906)						
Highways & Infrastructure amendments	(80)						
Works to Property amendments	(257)						
Energy Saving amendments	(705)						
ICT amendments	(248)						
S106/S38/CIL amendments							
Carry Forward requests from 2018/19	7,445						
Accelerated Delivery requests to 2018/19	(4,386)						
Budget re-profiles (June Cabinet)	(2,701)						
New external funding	1,127						
Council Approved Revised Budget - June 2019	83,072						

Actual compared to Revised Budget spent is £24.258M or 29%

4. Capital Programme Delivery



Year	Outturn £m	Outturn %
2015/16	37.9	97.0
2016/17	48.8	89.0
2017/18	61.0	95.0
2018/19	50.9	96.7