

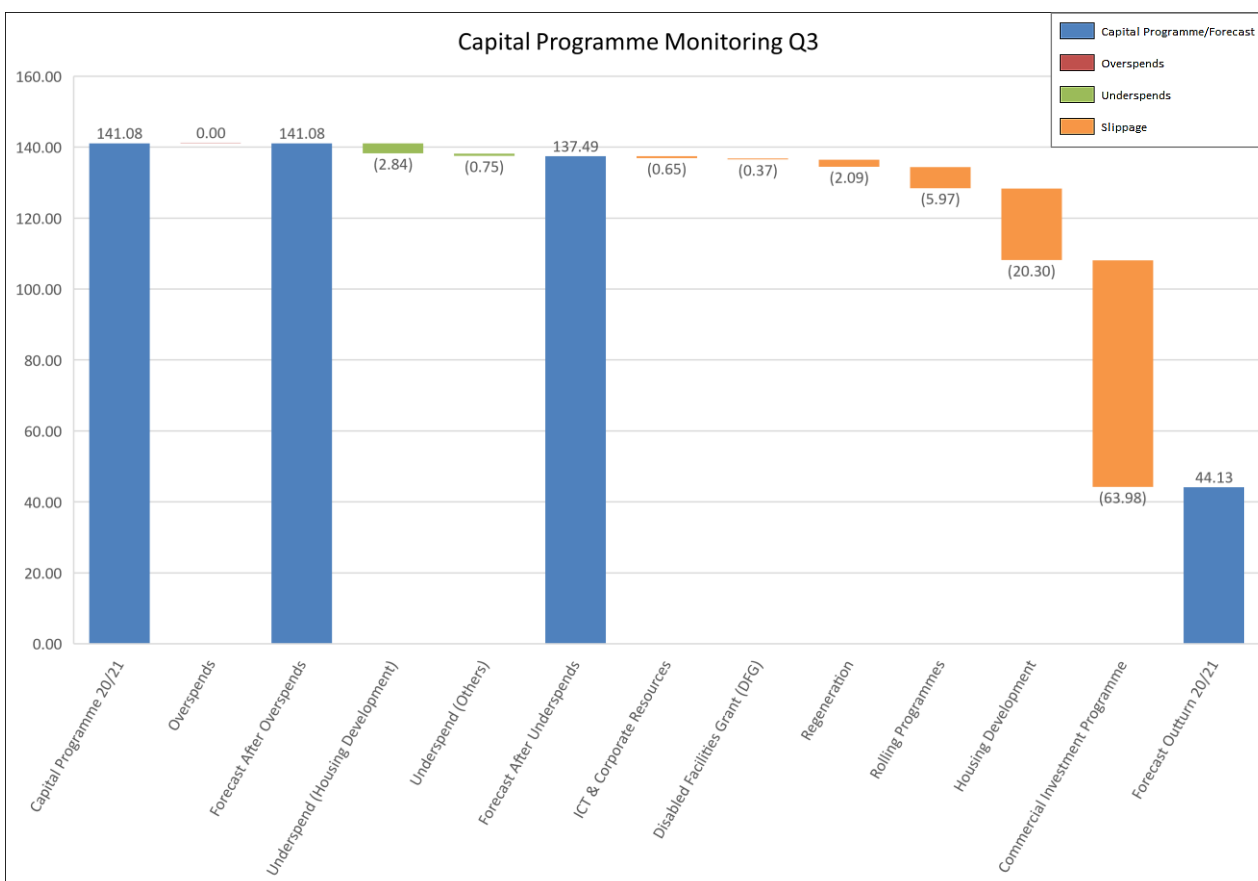
2021-22 Outturn Capital Programme Monitoring Q3

**Summary**

Forecast full year expenditure against the Capital Programme at the end of Quarter 3 is £44.13m which is £96.95m (68.7%) below the approved Programme for the year. The variance is predominantly a result of £20.00m slippage from Housing Delivery Programme and £63.98m from the Commercial Investment Programme, as well as savings in delivery of the Cromwell Road and Pitwood Park housing schemes.

**Headline Capital Budget Information 2021-22**

	£m
<b>Current Budget (Section 1):</b>	<b>141.08</b>
Projected Net Overspends	0.00 (or 0 % of Programme)
Projected Net Underspends	(3.59) (or 3 % of Programme)
Projected Slippage	(93.36) (or 66 % of Programme)
<b>Total Capital Expenditure</b>	<b>44.13</b>



## Underspends

<b>Housing Development</b>	<b>Cromwell Road (£1.809m underspend)</b> - Project now complete
	<b>Pitwood Park (£1.029m underspend)</b> - Project now complete
<b>Others</b>	<b>Disaster Recovery (£0.200m underspend)</b> - This spend will now be charged to the ICT Replacement Programme (CC61014) following the IT Strategy Review and hence this budget is no longer required and will be given up as a saving from the Capital Programme in 2022/23.
	<b>CCTV Rolling Programme (£0.077m underspend)</b> - Underspend reflects procurement timing for replacement equipment.
	<b>Handy Person Scheme (£0.074m underspend)</b> - COVID-19 has resulted in fewer applications being received and progressed for Small Works Grants and Loans than might otherwise be expected.
	<b>Contaminated Land - Investigation work (£30k underspend)</b> - This is a contingency sum to be used when required.

## Slippage

<b>ICT &amp; Corporate Resources</b>	<b>ICT Replacement Programme and Projects (£0.650m slippage)</b> - Equipment replacement and projects delayed due to COVID and reprioritisation.
<b>Disabled Facilities Grant (DFG)</b>	<b>DFG (£0.372m slippage)</b> - COVID-19 has had an impact on the number of referrals for DFG works. Work is now underway again, but a lower than budget spend over the year is expected. Grants may also be repaid under certain conditions as per the agreement (for example, when a property is sold). This can occur randomly at any time and therefore cannot be forecast in advance.
<b>Regeneration</b>	<b>Merstham Recreation Ground (£1.396m slippage)</b> - £100k spend to date to cover the planning and designing phase of the project. Costs will increase in 22/23 as construction will start towards the latter part of the next financial year.
	<b>Horley Public Realm Improvements (£0.568m slippage)</b> - The High Street Public Realm Improvements design development will now pause whilst the Service undertake public engagement; spending will recommence in the latter part of Q4 or early Q1 2022/23.
<b>Rolling Programmes</b>	<b>Strategic Property (£4.979m slippage)</b> - £2.995m of this slippage relates to Beech House which will be deferred until a new tenant is identified. Expenditure on Town Hall will commence once further decisions have been made on the future of hybrid working.
	<b>Great Workplaces Programme (£0.450m slippage)</b> . This budget will be spent once further decisions have been made on the future of hybrid working.
	<b>Vehicle Wash Bay Replacement (£0.350m slippage)</b> . This project should now commence in 2022/23
<b>Housing Development</b>	<b>Housing Delivery Programme (£20.000m slippage)</b> - Capital funds allocated to fund investment in new affordable housing. There are no specific developments planned at this time. Forecasts will be updated when new business cases are developed.
<b>Commercial Investment</b>	<b>Commercial Investments Programme (£63.97m slippage)</b> - Capital funds allocated to fund investment in new developments and commercial assets & activities to deliver a sustainable net income stream. There are no specific developments or asset purchases planned at this time. Forecasts will be updated when new business cases or investment opportunities are developed.

## Capital ANNEX 3: Section 1

### Reconciliation of Capital Programme to Approved Budgets 2021-22

	<b>£000</b>
<b>Original Capital Budget</b>	41,624.4
Budget approved but not yet released <sup>1</sup>	0.0
	<u>41,624.4</u>
<b>Additions</b>	
Carry Forwards from previous year	99,455.6
Budgets released during the year <sup>1</sup>	0.0
Reprofiling of projects	0.0
Other Changes	0.0
<b>Current Capital Budget</b>	<b><u>141,080.0</u></b>

#### Notes

- 1 Some budgets are approved as part of the capital programme but are not released pending further approval. These are added once the project documentation has been approved.

Capital Budget Monitoring: Summary by Programme and Project 2021-22

Programme/Project	Original Budget	Carry Forwards	Current Budget	Year End Outturn (Agreed)	Year End Variance (Agreed)	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	
Operational Buildings	145.0	132.0	277.0	18.0	-259.0	Project deferred due decisions on future hybrid working on the Town Hall site.
Day Centres Programme	85.0	16.0	101.0	101.0	0.0	
Existing Pavilions Programme	110.0	86.0	196.0	96.0	-100.0	
Leisure Centre Maintenance	30.0	9.0	39.0	39.0	0.0	
Harlequin Property Maintenance	140.0	41.0	181.0	50.0	-131.0	No significant further expenditure expected in 2021/22
Tenanted Properties	100.0	92.0	192.0	50.0	-142.0	No significant further expenditure expected in 2021/22
Crown House	135.0	75.0	210.0	0.0	-210.0	Project deferred
Units 1-5 Redhill Dist Centre Salfords	17.3	40.0	57.3	0.0	-57.3	Project deferred
Linden House, 51B High Street Reigate	11.3	17.0	28.3	0.0	-28.3	Project deferred
Unit 61E Albert Road North	11.5	55.0	66.5	30.0	-36.5	
Forum House, Brighton Road Redhill	100.0	70.0	170.0	0.0	-170.0	Project deferred
Beech House, London Road Reigate	0.0	3,000.0	3,000.0	5.0	-2,995.0	Project deferred until a new tenant can be found.
Regent House, 1-3 Queensway Redhill	50.0	25.0	75.0	0.0	-75.0	Project deferred
Commercial Investment Properties	76.0	0.0	76.0	30.0	-46.0	
Infra-structure (walls)	10.0	44.0	54.0	39.0	-15.0	
Car Parks Capital Works Programme	195.0	239.0	434.0	75.0	-359.0	
Earlswood Depot/Park Farm Depot	20.0	68.0	88.0	44.0	-44.0	
Public Conveniences	4.0	34.0	38.0	30.0	-8.0	
Cemeteries & Chapel	20.0	40.0	60.0	0.0	-60.0	Project deferred
Allotments	12.0	18.0	30.0	0.0	-30.0	Project deferred
Building Maintenance - Support Cost	50.0	0.0	50.0	50.0	0.0	
Pavilion Replacement - Woodmansterne	0.0	20.0	20.0	20.0	0.0	
Priory Park Maintenance	10.0	203.0	213.0	0.0	-213.0	Project deferred
<b>Strategic Property</b>	<b>1,332.0</b>	<b>4,324.0</b>	<b>5,656.0</b>	<b>677.0</b>	<b>-4,979.0</b>	

Capital Budget Monitoring: Summary by Programme and Project 2021-22

Programme/Project	Original Budget	Carry Forwards	Current Budget	Year End Outturn (Agreed)	Year End Variance (Agreed)	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	
ICT Replacement Programme	425.0	325.0	750.0	400.0	-350.0	Projects delayed, mainly due to covid and re-prioritising IT work. A new IT Strategy is scheduled for approval in March 2022, with revised projects to start in Q1 2022/23.
Investment in Technology Projects	300.0	0.0	300.0	0.0	-300.0	
Disaster Recovery	200.0	0.0	200.0	0.0	-200.0	
Environmental Strategy Delivery	250.0	0.0	250.0	0.0	-250.0	
<b>Corporate Resources</b>	<b>1,175.0</b>	<b>325.0</b>	<b>1,500.0</b>	<b>400.0</b>	<b>-1,100.0</b>	
Great Workplace Programme - Phase 2	250.0	222.0	472.0	20.0	-452.0	Project deferred pending decisions on future hybrid working on the Town Hall site.
Workplace Facilities	10.0	0.0	10.0	10.0	0.0	
<b>Organisational Development</b>	<b>260.0</b>	<b>222.0</b>	<b>482.0</b>	<b>30.0</b>	<b>-452.0</b>	
<b>Organisation Capital Budget</b>	<b>2,767.0</b>	<b>4,871.0</b>	<b>7,638.0</b>	<b>1,107.0</b>	<b>-6,531.0</b>	

Capital Budget Monitoring: Summary by Programme and Project 2021-22

Programme/Project	Original Budget	Carry Forwards	Current Budget	Year End Outturn (Agreed)	Year End Variance (Agreed)	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	
Handy Person Scheme	50.0	0.0	50.0	10.0	-40.0	
Home Improvement Agency SCC Grant	120.0	0.0	120.0	120.0	0.0	
Disabled Facilities Grant	1,134.0	0.0	1,134.0	762.0	-372.0	
Repossession Prevention Fund	30.0	0.0	30.0	0.0	-30.0	
Lee Street Bungalows	190.0	603.3	793.3	494.3	-299.0	
64 Massetts Road	0.0	0.0	0.0	0.0	0.0	
58 Massetts Rd (YMCA East Surrey)	100.0	0.0	100.0	100.0	0.0	
Housing Delivery Programme	10,000.0	10,000.0	20,000.0	0.0	-20,000.0	
Development of Court Lodge Residential Site	0.0	0.0	0.0	0.0	0.0	
Cromwell Road Development 2016	0.0	5,815.2	5,815.2	4,006.0	-1,809.2	Project complete
Unit 1 Pitwood Park Tadworth	71.0	2,277.8	2,348.8	1,320.0	-1,028.8	Project complete
<b>Housing</b>	<b>11,695.0</b>	<b>18,696.3</b>	<b>30,391.3</b>	<b>6,812.3</b>	<b>-23,579.0</b>	
Harlequin - Service Development	100.0	100.0	200.0	86.0	-114.0	
Harlequin Maintenance	40.0	35.9	75.9	0.0	-75.9	No significant further expenditure expected in 2021/22
<b>Leisure &amp; Intervention</b>	<b>140.0</b>	<b>135.9</b>	<b>275.9</b>	<b>86.0</b>	<b>-189.9</b>	
CCTV Rolling Programme	30.0	60.0	90.0	16.0	-74.0	There have been delays to the timing of procurement of replacement equipment.
<b>Community Partnerships</b>	<b>30.0</b>	<b>60.0</b>	<b>90.0</b>	<b>16.0</b>	<b>-74.0</b>	
<b>People Services Capital Budget</b>	<b>11,865.0</b>	<b>18,892.2</b>	<b>30,757.2</b>	<b>6,914.3</b>	<b>-23,842.9</b>	

Capital Budget Monitoring: Summary by Programme and Project 2021-22

Programme/Project	Original Budget	Carry Forwards	Current Budget	Year End Outturn (Agreed)	Year End Variance (Agreed)	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	
Vehicles & Plant Programme	1,914.0	316.5	2,230.5	2,230.5	0.0	
Fleet Vehicle Wash-Bay Replacement	0.0	350.0	350.0	0.0	-350.0	Project deferred
Land Flood Prevention Programme	10.5	11.8	22.3	22.3	0.0	
Play Area Improvement Programme	230.0	0.0	230.0	230.0	0.0	
Parks & Countryside - Infrastructure & Fencing	45.0	23.8	68.8	68.8	0.0	
Air Quality Monitoring Equipment	40.0	0.0	40.0	40.0	0.0	
Contaminated Land - Investigation work	30.0	0.0	30.0	0.0	-30.0	Project deferred
Contribution to Surrey Transit Site	127.0	0.0	127.0	0.0	-127.0	
<b>Neighbourhood Operations</b>	<b>2,396.5</b>	<b>702.1</b>	<b>3,098.6</b>	<b>2,591.6</b>	<b>-507.0</b>	
Pay-on-Exit Car Parking at Central Car Park and Victoria Road	53.9	0.0	53.9	2.0	-51.9	No significant further expenditure expected in 2021/22
Horley Public Realm Improvements - Phase 2 and 3	500.0	100.0	600.0	32.0	-568.0	
Horley Public Realm Improvements - Phase 4	0.0	0.0	0.0	0.0	0.0	
Subway Refurbishment, Horley	0.0	0.0	0.0	26.5	26.5	
Marketfield Way Redevelopment	23,212.0	9,661.2	32,873.2	32,873.2	0.0	
Redhill Public Realm Improvements	30.0	0.0	30.0	30.0	0.0	
Merstham Recreation Ground	700.0	796.0	1,496.0	100.0	-1,396.0	Minimal further expenditure expected in 2021/22
Preston - Parking Improvements	0.0	456.0	456.0	456.0	0.0	
Preston - Landscaping	0.0	0.0	0.0	0.0	0.0	
<b>Place Delivery</b>	<b>24,495.9</b>	<b>11,013.2</b>	<b>35,509.1</b>	<b>33,519.7</b>	<b>-1,989.4</b>	
Vibrant Towns & Villages	100.0	0.0	100.0	0.0	-100.0	No expenditure now expected in 2021/22
<b>Economic Prosperity</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>	<b>0.0</b>	<b>-100.0</b>	
<b>Place Services Capital Budget</b>	<b>26,992.4</b>	<b>11,715.3</b>	<b>38,707.7</b>	<b>36,111.3</b>	<b>-2,596.4</b>	
Commercial Investments Programme	0.0	63,977.1	63,977.1	0.0	-63,977.1	No expenditure now expected in 2021/22
<b>Corporate</b>	<b>0.0</b>	<b>63,977.1</b>	<b>63,977.1</b>	<b>0.0</b>	<b>-63,977.1</b>	
<b>Corporate Capital Budget</b>	<b>0.0</b>	<b>63,977.1</b>	<b>63,977.1</b>	<b>0.0</b>	<b>-63,977.1</b>	
<b>Total Capital Budget</b>	<b>41,624.4</b>	<b>99,455.6</b>	<b>141,080.0</b>	<b>44,132.6</b>	<b>-96,947.4</b>	