

2023-24 Outturn Capital Programme Monitoring

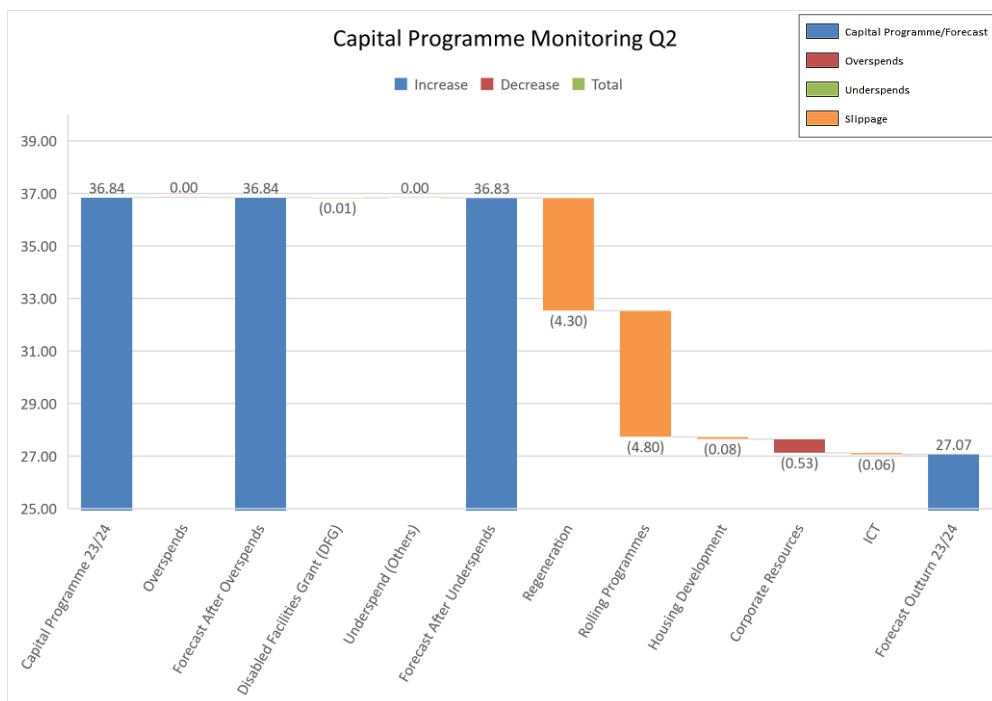
Summary

Full year forecast expenditure against the Capital Programme at the end of Quarter 2 is £27.074m which is £9.752m (26%) below the approved Programme for the year. The variance is predominantly a result of forecast slippage, with several significant programmes not expected to commence in 2024/25.

Headline Capital Budget Information 2023-24

£m

Current Budget (Section 1):	36.836
Projected Net Overspends	0.000 (or 0 % of Programme)
Projected Net Underspends	-0.010 (or 0 % of Programme)
Projected Slippage	-9.752 (or 26 % of Programme)
Total Capital Expenditure	27.074



Slippage and significant variances:

Regeneration	Merstham Recreation Ground - (£2.57m slippage) - Main works will now commence in April 2024, with minimal spend forecast in 2023/24.
	Horley Public Realm Improvements - (£0.87m slippage) - Main works will now start in January/February 2024, with remainder of expenditure taking place in 2024/25.
	Preston Regeneration (£0.46m slippage) - Skate park construction will be completed in 2023/24, with remainder of expenditure taking place in 2024/25.
Strategic Property	Beech House, London Road, Reigate - (£3.00m slippage) pending decision on plans for investment in the asset.
	Car Park Capital Works - (£0.76m slippage) - Expenditure now expected in 2024/25.
Corporate Resources & Organisational Development	Environmental Strategy Delivery - (£0.56m slippage) - Original budget allocation will be spent over multiple financial years, the CIL allocation profile will be provided in Q3
	Great Workplace Programme - (£0.25m slippage) - Expenditure subject to outcome of Town Hall occupancy review.
Other	Vehicle Wash Bay Replacement - (£0.35m slippage) - Expenditure now expected in 2024/25.
	Harlequin Service Development - (£0.16m slippage) - Expenditure now expected in 2024/25.

Capital ANNEX 3: Section 1

Reconciliation of Capital Programme to Approved Budgets 2023-24

	£000
Original Capital Budget	4,339.0
Budget approved but not yet released ¹	0.0
	<hr/> 4,339.0
Additions	
Carry Forwards from previous year	24,116.2
Budgets released during the year ¹	8,381.1
Current Capital Budget	<hr/> 36,836.2 <hr/>

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 ANNEX 2: Section 2

Capital Budget Monitoring: Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 2: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Temporary Accommodation – Cyclical Repairs & Improvement	11.8	40.0	-	-	40.0	-	40.0	Dan Jones	
Temporary Accommodation - New Pond Flat Works	56.1	-	95.0	-	95.0	-	95.0	Dan Jones	
Massetts Road	-	21.0	21.0	-	42.0	-	42.0	Dan Jones	
Operational Buildings	-	95.0	370.0	-	465.0	465.0	-	Dan Jones	
Community Centre Programme	2.0	67.0	81.4	-	148.4	148.4	-	Dan Jones	
Existing Pavilions Programme	36.3	50.0	97.5	-	147.5	147.5	-	Dan Jones	
Leisure Centre Maintenance	6.0	190.0	158.7	-	348.7	348.7	-	Dan Jones	
Harlequin Property Maintenance	95.1	120.0	270.0	-	390.0	390.0	-	Dan Jones	
Tenanted Properties	-	100.0	166.6	-	266.6	266.6	0.0	Dan Jones	
Crown House	-	75.0	285.0	-	360.0	360.0	-	Dan Jones	
Units 1-5 Redhill Dist Centre Salfords	-	17.0	114.5	-	131.5	-	131.5	Dan Jones	Expenditure will now take place in 2024/25. Negotiations underway to extend the lease to existing tenants.
Linden House, 51B High Street Reigate	-	12.0	-	-	12.0	68.8	56.8	Dan Jones	
Unit 61E Albert Road North	0.1	12.0	74.2	-	86.2	86.2	-	Dan Jones	
Forum House, Brighton Road Redhill	-	150.0	270.0	-	420.0	420.0	-	Dan Jones	
Beech House, London Road Reigate	-	-	3,000.0	-	3,000.0	-	3,000.0	Dan Jones	The reason for the potential underspend is that several options for Beech Housiue are still being reviewed and the outcome will be presented to PSTESC when the final business case for investment is confirmed.
Regent House, 1-3 Queensway Redhill	-	90.0	175.0	-	265.0	445.0	180.0	Dan Jones	
Tenanted Property Assets	0.8	76.0	135.4	-	211.4	211.4	-	Dan Jones	
Infra-structure (walls)	18.8	10.0	31.4	-	41.4	41.4	-	Dan Jones	
Car Parks Capital Works Programme	-	195.0	562.7	-	757.7	-	757.7	Dan Jones	Expenditure will now take place in 2024/25. Awaiting carparking review outcomes.
Earlswood Depot/Park Farm Depot	-	20.0	60.7	-	80.7	-	80.7	Dan Jones	Expenditure will now take place in 2024/25. Multiple strands of work are in the planning phase following the handover to Property
Public Conveniences	4.0	10.0	21.0	-	31.0	10.0	21.0	Dan Jones	Remaining expenditure will now take place in 2024/25. Planned works reallocated due to other higher priorities
Cemeteries & Chapel	-	20.0	80.0	-	100.0	50.0	50.0	Dan Jones	Remaining expenditure will now take place in 2024/25, Conditions surveys are being collated
Allotments	-	12.0	42.0	-	54.0	-	54.0	Dan Jones	Minor Variance
Building Maintenance - Capitalised Staff Costs	14.2	28.0	28.0	-	56.0	56.0	-	Dan Jones	Minor Variance
Pavilion Replacement - Woodmansterne	-	-	20.0	-	20.0	-	20.0	Dan Jones	Expenditure will now take place in 2024/25, Boiler works specification needs to be programmed in line with the tenants operational activity
Priority Park	66.1	10.0	223.0	-	233.0	323.0	90.0	Dan Jones	
Strategic Property	311.1	1,420.0	6,383.0	-	7,803.0	3,837.8	- 3,965.2		
ICT Replacement Programme	18.7	200.0	-	-	200.0	200.0	-	Darren Wray	
Replacement Printers and Photocopiers	-	60.0	-	-	60.0	-	60.0	Darren Wray	The project for Printer replacement will now take place in 2024/25.
Council Chamber IT Project	79.5	-	-	150.0	150.0	150.0	-	Alex Vine	Budget approved by Council after April 2023 and the project is now complete.
Environmental Strategy Delivery	7.9	-	236.0	290.3	526.3	-	526.3	Catherine Rose	This is comprised of two elements. First, a general Environmental Sustainability (ES) capital fund (£236k) that is used on an adhoc basis for smaller ES projects or to provide 'top up' funding to other projects to make them more sustainable – therefore this will not all be spent in this financial year as it will effectively cover a multi-year requirement of funding for the respective projects. The second element is the first phase of strategic CIL funding associated with sustainability improvements to Council buildings. A further update on the spend profile of this scheme and related CIL funding will be provided next quarter and if a re-profiling adjustments is required for the capital programme then this will be adjusted in the January Budget report which will recommend the 2024/25 capital programme to Council.
Corporate Resources	106.1	260.0	236.0	440.3	936.3	350.0	- 586.3		
Great Workplace Programme - Phase 2	-	250.0	-	-	250.0	-	250.0	Dan Jones	This budget was created to ensure best utilisation of office space before the pandemic. Decision on use going forward is still awaited, and expenditure is expected in 2024/25
Organisational Development	-	250.0	-	-	250.0	-	- 250.0		
Organisation Capital Budget	417.1	1,930.0	6,619.0	440.3	8,989.2	4,187.8	- 4,801.4		

Capital ANNEX 2: Section 2

Capital Budget Monitoring: Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 2: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Home Improvement Agency & Handy Person Scheme	60.0	125.0	-	-	125.0	120.0	- 5.0	Katie Jackson	Minor variance
Disabled Facilities Grant	669.2	1,287.0	-	-	1,287.0	1,281.5	- 5.5	Katie Jackson	Minor variance
Temporary Accommodation – Stirling House	120.0	-	120.0	-	120.0	120.0	-	Richard Robinson	
Temporary Accommodation – Mitchell Court	240.0	-	240.0	-	240.0	240.0	-	Richard Robinson	
Purchase of Temporary & Emergency Accommodation	2,792.3	-	3,996.6	-	3,996.6	3,996.6	-	Richard Robinson	
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 1)	669.8	-	2,967.5	-	2,967.5	2,967.5	-	Richard Robinson	
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 2)	-	-	-	1,857.8	1,857.8	1,857.8	-	Richard Robinson	
Octavia Court (Lee Street Bungalows)	-	-	20.0	-	20.0	20.0	-	Richard Robinson	£20k will be spent for release of retention within the next few weeks - so I have changed this to a spend for year with zero variance now.
Development of Court Lodge Residential Site	0.6	-	-	-	-	-	-	Peter Boarder	
Wheatley Court (Cromwell Road Development)	- 82.3	-	100.0	-	100.0	100.0	-	Richard Robinson	£100k will be fully spend on consultants costs and retention and this has been goods receipted already - so changing this to a zero variance now.
Housing	4,469.7	1,412.0	7,444.1	1,857.8	10,713.9	10,703.4	- 10.5		
Harlequin - Service Development	- 1.2	100.0	64.0	-	164.0	-	- 164.0	Duane Kirkland	Harlequin budgets currently under review due to identification of RAAC and the requirement to close the building pending further investigation.
Leisure & Intervention	- 1.2	100.0	64.0	-	164.0	-	- 164.0		
CCTV Rolling Programme	56.6	-	104.6	-	104.6	97.3	- 7.3	Justine Chatfield	Minor variance
UKSPF - Digital Connectivity for Local Community Facilities	-	-	3.0	-	3.0	3.0	-	Justine Chatfield	
Community Partnerships	56.6	-	107.6	-	107.6	100.3	- 7.3		
People Services Capital Budget	4,525.1	1,512.0	7,615.7	1,857.8	10,985.5	10,803.7	- 181.8		

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	£000	£000	£000	£000	£000	£000	£000		
Vehicles & Plant Programme	20.5	582.0	1,022.3	-	1,604.3	1,604.3	-	Morag Williams	
Fleet Vehicle Wash-Bay Replacement	-	-	350.0	-	350.0	-	350.0	Morag Williams	Expenditure not expected until 2024/25
Workshop Refurbishment	-	-	160.0	-	160.0	160.0	-	Morag Williams	
Play Area Improvement Programme	-	230.0	-	-	230.0	225.0	5.0	Morag Williams	Minor variance
Parks & Countryside - Infrastructure & Fencing	-	45.0	-	-	45.0	45.0	-	Morag Williams	
Air Quality Monitoring Equipment	2.6	40.0	-	-	40.0	35.0	5.0	Katie Jackson	Minor variance
Contribution to Surrey Transit Site	-	-	127.0	-	127.0	-	127.0	Pat Main	
Neighbourhood Operations	23.0	897.0	1,659.3	-	2,556.3	2,069.3	487.0		
Pay-on-Exit Car Parking at Central Car Park and Victoria Road Car Park, Horley	10.8	-	45.6	273.0	318.6	128.0	190.6	Peter Boarder	CIL grant of £120k was approved in August 2023. £23k SCC grant expected as well as £130k LEP grant funds. This is for the delivery and installation of electric vehicle charging points. The service will have a clearer view on the anticipated cost of the wider works and programme by the end of the calendar year as we will be going out to tender for the contractor soon. If the works start before the end of the financial year, the expenditure will be higher than this estimate.
Horley Public Realm Improvements - Phase 4	7.0	-	564.9	411.2	976.1	101.0	875.1	Peter Boarder	Significant progress has been made during the year on the detailed design for the High Street Public Realm Improvements, working with the design team, county and town councils and local stakeholders to develop and refine the proposals. On the completion of the current design stage, anticipated to take place in September 2023, the project will transition to Surrey County Council to deliver. The completion of the detailed design and transition to county has taken longer than anticipated but is being actively progressed by all involved. Surrey County Council, working with RBBC, will procure the contractor to implement and programme the public realm improvements with works anticipated to commence in Spring 2024. CIL grant of £370k was approved in Aug 23 plus a further CIL approval of £20k for Signage and Wayfinding for Horley High Street. Another £21k to recognise
Subway Refurbishment, Horley	18.3	-	-	234.0	234.0	45.0	189.0	Peter Boarder	RBBC has instructed design stage 3 and SCC are entering into a new Basic Asset Protection Agreement with Network Rail (included in the estimated expenditure) to progress the project.
Marketfield Way Redevelopment	5,645.7	-	5,574.9	-	5,574.9	5,574.9	-	Peter Boarder	
Redhill Public Realm Improvements	-	-	30.0	-	30.0	30.0	-	Peter Boarder	
Merstham Recreation Ground	32.9	-	1,465.0	1,230.0	2,695.0	118.9	2,576.1	Peter Boarder	Our plans to refurbish Merstham Rec have been delayed because of the length of time it took the Council to secure planning consent and because of the need to secure additional funding for the project. The planning application was submitted in March 2022 and Planning Committee resolved in April 2023 to grant permission subject to the application not being called in by the Secretary of State, as a consequence of an objection by Sports England about the loss of a playing pitch. The Secretary of State confirmed that they did not wish to call in the application and as such planning consent was finally granted on 30th May 2023. Applications for additional funding have also been made. Officers have secured a further £443,530 from Surrey County Council and £787,042 from the Community Infrastructure Levy for the project. Tenders for the works have now been prepared and will be issued imminently, with an expected start on site in early Spring 2024. CIL grant of £787k was approved in July 23 and £443k SCC grant for
Preston - Parking Improvements	147.7	-	542.0	-	542.0	81.6	460.4	Peter Boarder	The new skate park has been delivered and opened in August 2023. Works to provide new car parking has been delayed due to discussions with the County Council as to how to best deliver the works. Agreement has now been reached to deliver the works through a Section 278 agreement and consequently a planning application has now been submitted. Once planning permission has been secured and the S278 agreement entered into, the works can be tendered and then implemented.
Place Delivery	5,862.4	-	8,222.3	2,148.2	10,370.5	6,079.4	4,291.2		
Place Services Capital Budget	5,885.4	897.0	9,881.6	2,148.2	12,926.8	8,148.6	4,778.2		

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Strategic CIL-funded Capital Programme	269.3	-	-	3,934.8	3,934.8	3,934.8	-	Pat Main	£4.8m CIL scheme approved in total. £3.9m relates to spend on assets outside of RBBC and £1.6m relates to RBBC assets.
Strategic CIL	269.3	-	-	3,934.8	3,934.8	3,934.8	-		
Corporate Capital Budget	269.3	-	-	3,934.8	3,934.8	3,934.8	-		
Total Capital Budget	11,096.9	4,339.0	24,116.2	8,381.1	36,836.2	27,074.8	- 9,761.4		

