

2023-24 Q4 Outturn Capital Programme Monitoring

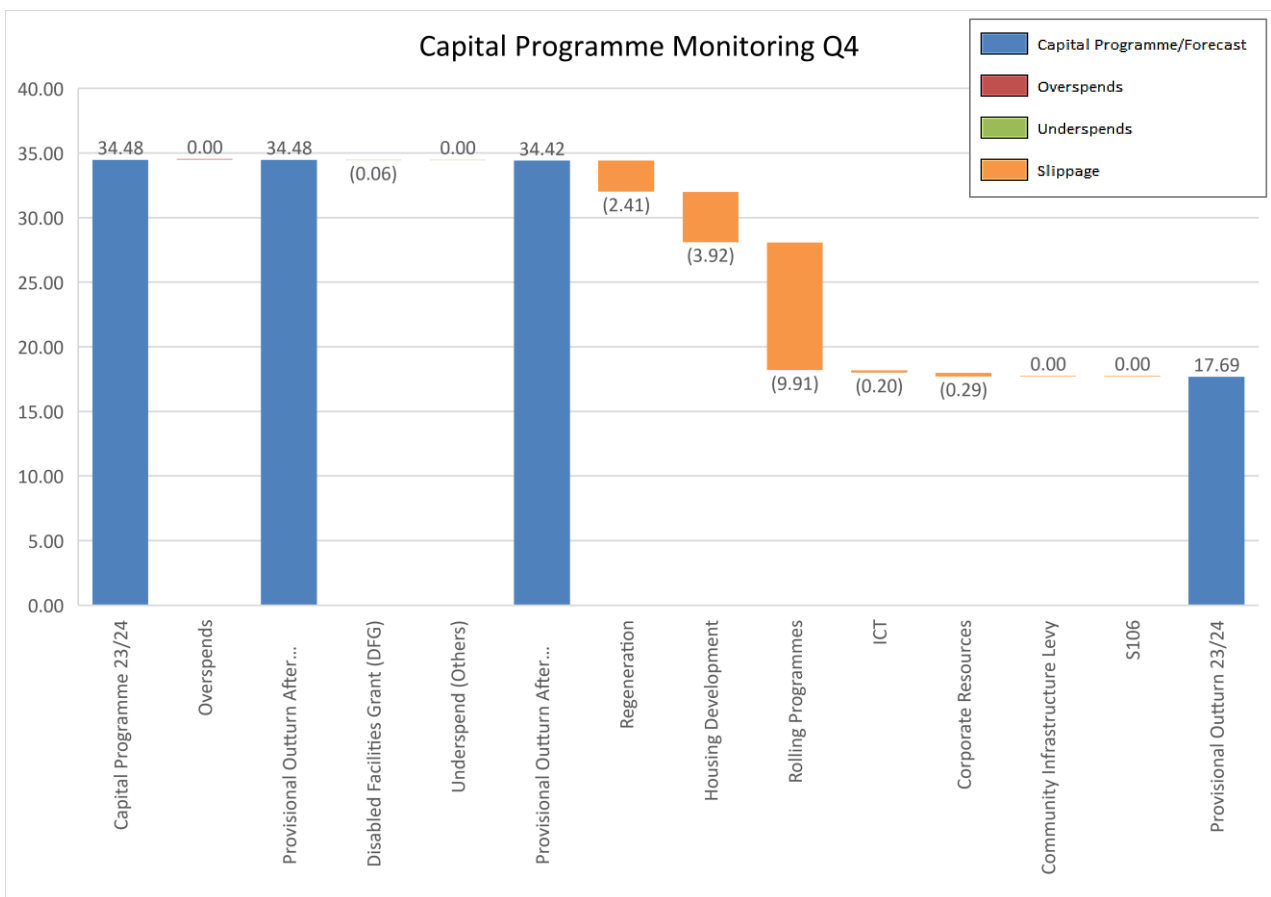
Summary

Full year expenditure against the Capital Programme at the end of Quarter 4 is £17.693m which is £16.787m (48.7%) below the approved Programme for the year. The variance is predominantly a result of £16.727m slippage and a small net underspend of £0.06m as set out below.

Headline Capital Budget Information 2023-24

£m

Current Budget (Section 1):	34.480
Projected Net Overspends	0.000 (or 0 % of Programme)
Projected Net Underspends	-0.060 (or 0 % of Programme)
Projected Slippage	-16.727 (or 49 % of Programme)
Total Capital Expenditure	17.693



Slippage & significant variances

Regeneration	Marketfield Way Redevelopment - (£1.45m in year overspend) - due to timing of payment to main contractor. Overall project is still within the £4.298m additional budget approved by Council in February 2024.
	Merstham Recreation Ground - (£1.417m slippage) - Main works will now commence in early 2024/25.
	Horley Public Realm Improvements - (£0.93m slippage) - Physical delivery now expected to commence summer 2024.
	Subway Refurbishment, Horley - (£0.79m slippage) - Physical delivery now expected to commence late 2024.
	Preston Regeneration (£0.40m slippage) - Skate park now delivered, 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 - (£0.23m slippage) - Original budget and CIL allocation will be spent over multiple financial years.
	Great Workplace Programme - (£0.25m slippage) - Expenditure subject to outcome of Town Hall occupancy review.
Other	Vehicles & Plant Programme - (£1.56m slippage) - Expenditure now expected in 2024/25.
	Vehicle Wash Bay Replacement - (£0.35m slippage) - Expenditure now expected in 2024/25.
	Harlequin Service Development - (£0.16m slippage) - Budgets currently under review.

Capital ANNEX 3: Section 1

Reconciliation of Capital Programme to Approved Budgets 2023-24

	£000
Original Capital Budget	4,339
Additions	
Carry Forwards from previous year	24,116
Budgets released during the year ¹	6,025
Current Capital Budget	34,480

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 3: Section 2

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

Programme/Project	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000		
Temporary Accommodation – Cyclical Repairs & Improvement	40.0	0.0	10.2	50.2	22.0	-28.2	Dan Jones	Minor underspend
Temporary Accommodation - New Pond Flat Works	0.0	95.0	0.0	95.0	55.4	-39.6	Dan Jones	Minor underspend
Massetts Road	21.0	21.0	0.0	42.0	5.6	-36.4	Dan Jones	Minor underspend
Operational Buildings	95.0	370.0	0.0	465.0	0.0	-465.0	Dan Jones	Town Hall reoccupation is progressing however the spend will occur in 2024/25.
Community Centre Programme	67.0	81.4	0.0	148.4	4.5	-143.9	Dan Jones	The Horley Community Centre refurbishment is scheduled subject to a final decision on the business case. The underspend will be carried forward to 2024/25 to provide funding.
Existing Pavilions Programme	50.0	97.5	26.2	173.7	122.7	-51.0	Dan Jones	Full spend anticipated on Parks, Cafes refurbishment will be carried out in 2024/25.
Leisure Centre Maintenance	190.0	158.7	0.0	348.7	0.0	-348.7	Dan Jones	Require a decision to carry forward £200k for future emergency plant repairs following the leisure centre contract extension.
Harlequin Property Maintenance	120.0	270.0	0.0	390.0	126.0	-264.0	Dan Jones	The Harlequin has closed following the discovery of RAAC. Any remaining budget will be utilised to keep building safe. It is probable the remaining capital budget will not be required for the foreseeable future.
Tenanted Properties	100.0	166.6	0.0	266.6	0.0	-266.6	Dan Jones	Tenanted properties are undergoing planned lift replacements and heating, ventilation and air conditioning (HVAC) upgrades. There will be a requirement to carry underspend forward to 2024/25.
Crown House	75.0	285.0	0.0	360.0	0.0	-360.0	Dan Jones	This budget is no longer required as planned works are being funded by Greensand Holdings Ltd.
Units 1-5 Redhill Dist Centre Salfords	17.0	114.5	0.0	131.5	0.0	-131.5	Dan Jones	Expenditure is likely to take place in 2024/25, subject to negotiations to extend the lease to the existing tenant or to modify property for a new tenant if the need arises.
Linden House, 51B High Street Reigate	12.0	0.0	0.0	12.0	0.0	-12.0	Dan Jones	Minor underspend
Unit 61E Albert Road North	12.0	74.2	0.0	86.2	48.5	-37.7	Dan Jones	Drainage and remedial work are partially complete. There will be carry forward required to 2024/25.
Forum House, Brighton Road Redhill	150.0	270.0	0.0	420.0	0.0	-420.0	Dan Jones	A retained budget with a carry over for 2024/25 will be required to cover extensive works on lifts and HVAC - subject to procurement arrangements being met.
Beech House, London Road Reigate	0.0	3,000.0	0.0	3,000.0	0.0	-3,000.0	Dan Jones	Options for a live project is still to be agreed and an outcome agreed by PSTESC. Therefore this budget will need to be carried forward into 2024/25
Regent House, 1-3 Queensway Redhill	90.0	175.0	0.0	265.0	0.0	-265.0	Dan Jones	Lift and HVAC improvements (subject to a tender process) are required and the carry forward will be required to 2024/25
Tenanted Property Assets	76.0	135.4	0.0	211.4	0.0	-211.4	Dan Jones	Planned for 2024/25 subject to a procurement process. Parks cafes roofs and drainage upgrades to systems.
Infra-structure (walls)	10.0	31.4	0.0	41.4	18.8	-22.6	Dan Jones	Minor underspend
Car Parks Capital Works Programme	195.0	562.7	0.0	757.7	0.0	-757.7	Dan Jones	Expenditure will now take place in 2024/25. Awaiting carparking review outcomes and procurement processes being complied with.
Earlswood Depot/Park Farm Depot	20.0	60.7	0.0	80.7	0.0	-80.7	Dan Jones	Expenditure will now take place in 2024/25. Multiple strands of work are in the planning phase and need plans finalised and procurement processes outlined.
Public Conveniences	10.0	21.0	0.0	31.0	4.0	-27.0	Dan Jones	There will be a underspend here and requirement to carry forward budget to cover on-going works including that at the Horley conveniences.
Cemeteries & Chapel	20.0	80.0	0.0	100.0	0.0	-100.0	Dan Jones	Full balance required for works planned in 24/25 subject to conditions surveys and procurement processes.
Allotments	12.0	42.0	0.0	54.0	0.0	-54.0	Dan Jones	A workplan is required and budget carry forward for 2024/25.
Building Maintenance - Capitalised Staff Costs	28.0	28.0	0.0	56.0	14.2	-41.8	Dan Jones	Capitalisation rules and policy means that there has been limited scope to capitalise salaries in 2023/24. This will be carried forward to 2024/25.
Pavilion Replacement - Woodmansterne	0.0	20.0	0.0	20.0	0.0	-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
Priory Park	10.0	223.0	0.0	233.0	205.4	-27.6	Dan Jones	Minor underspend, balance will be carried forward to 2024/25.
Strategic Property	1,420.0	6,383.0	36.4	7,839.4	627.0	-7,212.4		

Capital ANNEX 3: Section 2

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

Programme/Project	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000		
Council Chamber IT Project	0.0	0.0	150.0	150.0	113.5	-36.5	Alex Vine	Project complete
ICT Replacement Programme	200.0	0.0	0.0	200.0	39.0	-161.0	Darren Wray	There has been an element of IT replacement kit in 2023/24 and further replacement programmes will be effected in 2024/25. This refers only to IT kit which can be capitalised only.
Replacement Printers and Photocopiers	60.0	0.0	0.0	60.0	0.0	-60.0	Darren Wray	The project for Printer replacement will now take place in 2024/25 subject to procurement rules.
Environmental Strategy Delivery	0.0	236.0	0.0	236.0	7.9	-228.1	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. It is proposed to incorporate strategic CIL funding associated with sustainability improvements to Council buildings within the Property Services budget from 2024/25 onwards.
Corporate Resources	260.0	236.0	150.0	646.0	160.4	-485.6		
Great Workplace Programme - Phase 2	250.0	0.0	0.0	250.0	0.0	-250.0	Dan Jones	This budget was created to ensure best utilisation of office space before the Covid-19 pandemic. Decision on use going forward is still awaited, and expenditure is expected upto 2025/26.
Organisational Development	250.0	0.0	0.0	250.0	0.0	-250.0		
Organisation Capital Budget	1,930.0	6,619.0	186.4	8,735.4	787.4	-7,948.0		

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	£000	£000	£000	£000	£000	£000		
Home Improvement Agency & Handy Person Scheme	125.0	0.0	0.0	125.0	120.0	-5.0	Katie Jackson	Minor underspend
Disabled Facilities Grant	1,287.0	0.0	0.0	1,287.0	1,224.6	-62.4	Katie Jackson	Minor underspend
Temporary Accommodation – Stirling House	0.0	120.0	0.0	120.0	120.0	0.0	Richard Robinson	Fully Spent
Temporary Accommodation – Mitchell Court	0.0	240.0	0.0	240.0	240.0	0.0	Richard Robinson	Fully Spent
Purchase of Temporary & Emergency Accommodation	0.0	3,996.6	10.3	4,006.9	1,455.2	-2,551.7	Richard Robinson	RBBC purchased 4 properties with a further property under offer. Likely to purchase another 3 (TA) and a HMO (EA) in 24/25. We have been successful in securing Grant funding from Homes England for the 4 properties purchased to date, and we continue to be apply on future purchases on a property-by-property basis.
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 1)	0.0	2,967.5	10.2	2,977.7	1,823.5	-1,154.1	Richard Robinson	RBBC has purchased all 4 properties, which are now currently occupied (1 purchased in 22/23, and 3 purchased in 23/24). Our housing partners have purchased 3 properties in 23/24, with a further 4 properties undergoing conveyancing and 1 property yet to be identified. All properties are in receipt of grant funding from DHLUC, in addition, the capital costs for the Ukrainian properties has been retrospectively grant funded by SCC from their Homes for Ukraine fund. UKSPF grant funding has also been applied for energy efficiency improvements.
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 2)	0.0	0.0	1,869.5	1,869.5	1,751.3	-118.1	Richard Robinson	RBBC purchased 3 properties currently under refurbishment with a further 1 going through conveyancing. All properties are in receipt of grant funding from DHLUC.
Octavia Court (Lee Street Bungalows)	0.0	20.0	0.0	20.0	0.0	-20.0	Richard Robinson	£20k will be spent for release of retention so this scheme will be fully spent.
Wheatley Court (Cromwell Road Development)	0.0	100.0	0.0	100.0	17.8	-82.2	Richard Robinson	£17k spent on consultancy costs and retention. Balance will be carried forward to 2024/25.
Housing	1,412.0	7,444.1	1,889.9	10,746.0	6,752.5	-3,993.5		
Harlequin - Service Development	100.0	64.0	0.0	164.0	5.8	-158.2	Duane Kirkland	Harlequin budgets currently under review due to identification of RAAC and the requirement to close the building.
Leisure & Intervention	100.0	64.0	0.0	164.0	5.8	-158.2		
CCTV Rolling Programme	0.0	104.6	0.0	104.6	93.4	-11.1	Clare Mittelstadt	Minor underspend
UKSPF - Digital Connectivity for Local Community Facilities	0.0	3.0	0.0	3.0	0.0	-3.0	Justine Chatfield	Minor underspend
Community Partnerships	0.0	107.6	0.0	107.6	93.4	-14.1		
People Services Capital Budget	1,512.0	7,615.7	1,889.9	11,017.6	6,851.8	-4,165.8		

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Vehicles & Plant Programme	582.0	1,022.3	0.0	1,604.3	40.1	-1,564.2	Morag Williams	Subject to rolling programme requirements and therefore capital slippage and re-profiling for 2024/25 has been effected.
Fleet Vehicle Wash-Bay Replacement	0.0	350.0	0.0	350.0	0.0	-350.0	Morag Williams	This is part of the depot works programme and timing of replacement is subject to vehicle requirements and prioritisation of this capital project.
Workshop Refurbishment	0.0	160.0	0.0	160.0	7.4	-152.6	Morag Williams	This is part of the depot works programme and timing of replacement is subject to vehicle requirements and prioritisation of this capital project.
Play Area Improvement Programme	230.0	0.0	124.9	354.9	344.2	-10.7	Morag Williams	Minor underspend
Parks & Countryside - Infrastructure & Fencing	45.0	0.0	0.0	45.0	0.0	-45.0	Morag Williams	Works planned for 2024/25
Air Quality Monitoring Equipment	40.0	0.0	0.0	40.0	10.2	-29.8	Katie Jackson	Less routine asset replacement this year than is typical, plus reduced capacity to pursue capital projects due to Gatwick DCO work.
Contribution to Surrey Transit Site	0.0	127.0	0.0	127.0	0.0	-127.0	Pat Main	This is a budget brought forward from 2022/23 and is subject to review if the scheme is still needed.
Neighbourhood Operations	897.0	1,659.3	124.9	2,681.1	401.9	-2,279.3		
Pay-on-Exit Car Parking at Central Car Park and Victoria Road Car Park, Horley	0.0	45.6	281.6	327.2	21.6	-305.6	Peter Boarder	The Council has selected two contractors to deliver works to Central car park. There have been delays in the appointment of Swarco to provide the Electric Vehicle Charging points and SGS Surfacing to undertake the civil works. However SGS Surfacing have now been appointed and works are due to commence on site in the first quarter 2024/25. Works to deliver the EV charging points are planned to be delivered following the civil works.
Horley Public Realm Improvements - Phase 4	0.0	564.9	390.8	955.7	26.2	-929.5	Peter Boarder	Stage 3 detailed design work has been completed, however the transition to the project to and the completion of the Stage 4 design work by Surrey County Council is taking much longer than originally anticipated. The programme has therefore been reforecast and it is now planned that the civil works will now commence on site in Q1 2024/25.
Horley Outdoor Recreational Facilities	0.0	0.0	0.0	0.0	14.3	14.3	Peter Boarder	
Subway Refurbishment, Horley	0.0	0.0	825.6	825.6	34.5	-791.1	Peter Boarder	Slippage has occurred principally because of delays in Network Rail commissioning work to the subway's superstructure and in addressing flooding. However the RIBA stage 3 design for the refurbishment of the subway is nearing completion.
Marketfield Way Redevelopment	0.0	5,574.9	0.0	5,574.9	7,027.3	1,452.4	Peter Boarder	Executive agreed an increase in the budget of £4.3m in December and this was agreed by Full Council in February 2024. The increased budget will help pay for a variety of elements, including landlord works which are currently being designed and procured, as well as capital incentives when tenants are secured. It is anticipated spend will occur in the 2024/25 financial year.
Redhill Public Realm Improvements	0.0	30.0	0.0	30.0	0.0	-30.0	Peter Boarder	Minor underspend
Merstham Recreation Ground	0.0	1,465.0	0.0	1,465.0	48.0	-1,417.0	Peter Boarder	Planning and procurement delays have led to delays in the programme and a consequent slippage in spend. However a contract has now been let to deliver a replacement pitch at Battlebridge and a contractor selected for works to Merstham Rec, which are both programmed to start on site in early 2024/25.
Preston - Parking Improvements	0.0	542.0	0.0	542.0	154.3	-387.6	Peter Boarder	Planning delays have led to a delays in the programme and a consequent slippage in spend. However subject to planning permission being obtained a forecast start on site is expected in 2024/25.
Place Delivery	0.0	8,222.3	1,498.0	9,720.3	7,326.2	-2,394.1		

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	£000	£000	£000	£000	£000	£000		
Place Services Capital Budget	897.0	9,881.6	1,622.9	12,401.5	7,728.1	-4,673.4		
CIL Capital Program	0.0	0.0	2,146.3	2,146.3	2,146.3	0.0	Pat Main	On-going awards for CIL
CIL	0.0	0.0	2,146.3	2,146.3	2,146.3	0.0		
S106 funded spend towards the Watercolour Community Space Grant	0.0	0.0	103.5	103.5	103.5	-0.0	Peter Boarder	Utilised in 2023/24
Kingswood Level Crossing Capital Grant - S106	0.0	0.0	76.0	76.0	76.0	0.0	Peter Boarder	Utilised in 2023/24
S106 Contributions	0.0	0.0	179.5	179.5	179.5	-0.0		
Corporate Capital Budget	0.0	0.0	2,325.8	2,325.8	2,325.8	-0.0		
Total Capital Budget	4,339.0	24,116.2	6,025.0	34,480.2	17,693.1	-16,787.1		