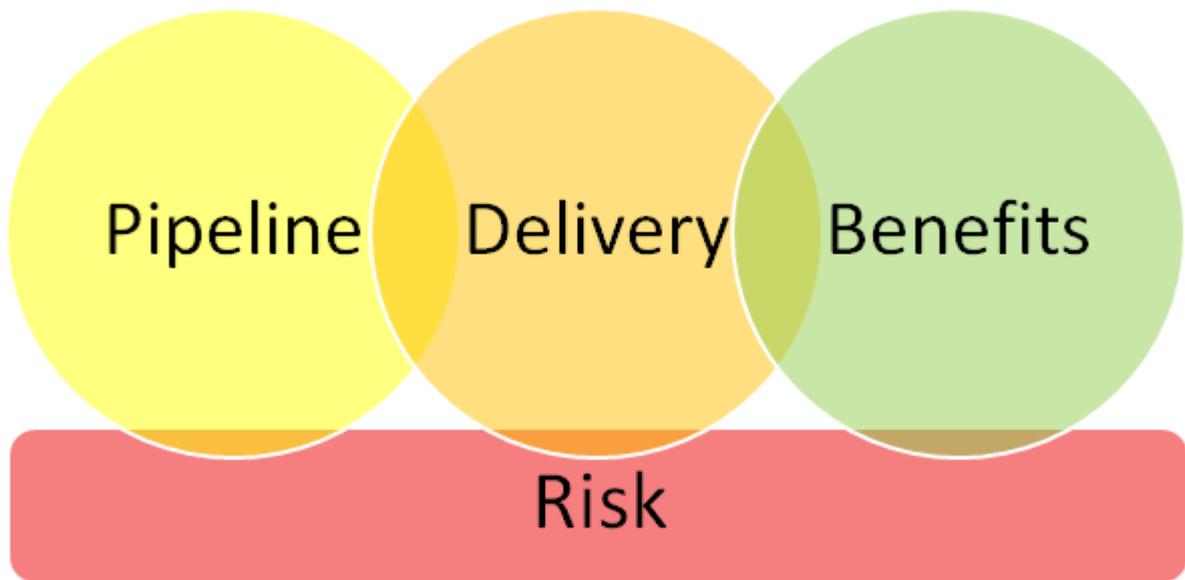


Capital Programme 2018/19 – 2022/23
Quarter 4 Performance Report

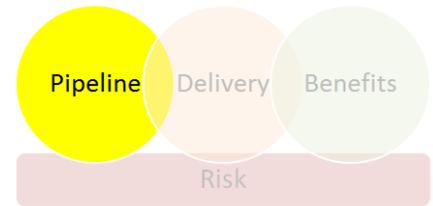


Performance and Finance Select Committee
22 May 2019

Capital Programme 2018/19 – 2022/23

1. Pipeline

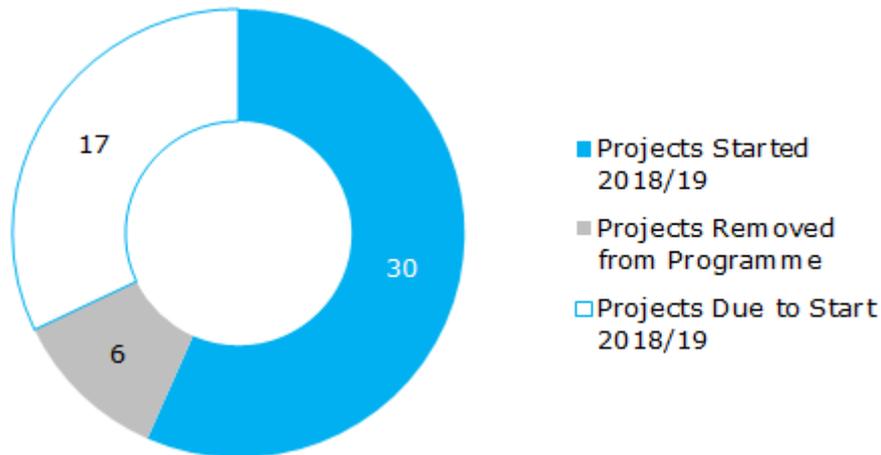
1.1 Projects that have had a Strategic Outline Case (SOC) approved and are included in the approved 5-year capital programme are considered to be in the pipeline. The preferred option/s will be developed into a Full Business Case (FBC) for a decision whether or not to proceed, taken in accordance with the approved capital programme governance.



1.2 For some programmes of work, further updated Strategic Outline Cases are required before individual projects start dates are identified. Projects that go on to be approved in accordance with capital governance, are then considered to be “in delivery” and produce highlight reports contributing to the delivery section of this report.

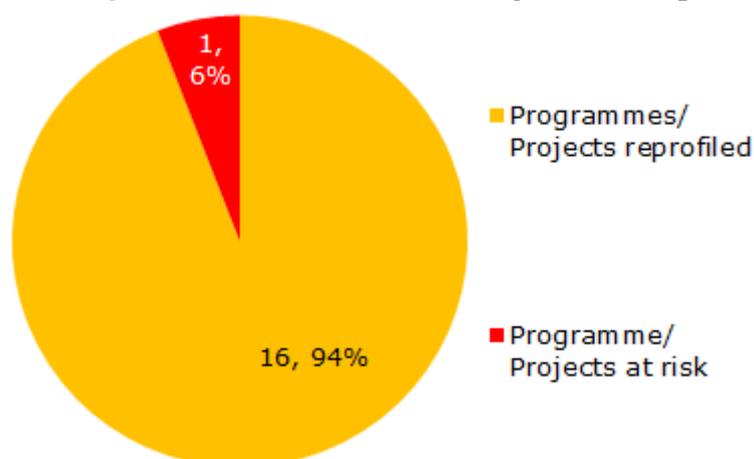
1.3 The Capital Programme Office (CPO) is currently monitoring the development of 84 programmes and projects in the 5-year pipeline.

1.4 In 2018/19, 30 proposed projects had a Full Business Case developed and approved, enabling the project to enter delivery stage. 17 projects originally planned to produce a Full Business Case have not been brought forward by the end of March 2019.



1.5 Of 17 projects in the Pipeline proposed to start in 2018/19, 16 reported an issue affecting the originally planned progress and 1 was reported to be “at risk”:

2018/19 Starts – Status of Pipeline Projects



1.6 6 projects were removed from the pipeline in 2018/19:

Project	Location	Reason
PropCo – Wallis Centre, East Grinstead	Mid Sussex	Review of the business case leading to revised estimated value for money indicating the project should not be progressed
Crawley Streetlighting LED Replacement	Crawley	Strategic review of project outcomes leading to the project being returned to pipeline
Crawley Growth Programme – Station Gateway	Crawley	Project removed from West Sussex County Council programme. To be delivered by Crawley Borough Council
St Josephs, Hunston, Solar Farm and Battery Storage	Chichester	Feasibility investigations indicate grid capacity constraints. Project not considered to be viable and removed from the programme
Easthampnett, Aldingbourne Solar Farms and Battery Storage	Arun	Feasibility investigations indicate the site is too small for a viable scheme. Project to be removed from the Pipeline
Crawley Growth Programme – Grade A Commercial acquisition in Crawley Town Centre	Crawley	Proposed project required corporate funding and this was considered not to be value for money

1.7 A summary of the proposed projects where development has been “reprofiled” or is considered “at risk” is set out in the table below. Those shown as GREEN under “deliverability status” have been re-profiled to begin delivery during 2019/20:

Profiled GO/NO GO Date	Project	Status	Reason	Deliverability Status
Jan 2019	Crawley Growth Programme - Manor Royal Junction Improvements	REPROFILED	Decision delayed to June 2019 due to need to align designs with Crawley Borough Council cycling and walking strategic projects and additional consultation activity in Manor Royal	GREEN
Jan 2019	Crawley Growth Programme - Manor Royal Bus Lane	REPROFILED		GREEN
Jan 2019	Worthing Growth Programme – Portland Road Public Realm Improvements	REPROFILED	Decision delayed to June 2019 to allow for consideration of alternative delivery options	GREEN
Mar 2019	Horsham Enterprise Park	REPROFILED	Planning application submitted in December 2018 and expected to be considered by Horsham District Council in June 2019	GREEN
Jul 2018	One Public Estate – East Street, Littlehampton	REPROFILED	Issues with consultant capacity and resource planning, Full Business Case expected in June 2019	GREEN
Oct 2018	One Public Estate – The Brow, Burgess Hill	REPROFILED	The scope and complexity of the Brow project enlarged by inclusion of the school. Additional Government funding awarded for viability/ feasibility works	GREEN
Jul 2018	One Public Estate – Drayton Depot Blue Light Maintenance Facility, Chichester	REPROFILED	Increased specification requirements from services being considered in revised feasibility, Full Business Case expected in January 2020	GREEN

Mar 2019	In-House Social Care Day Centres – Judith Adams and Chestnuts Adaptation	REPROFILED	Consultant’s programme planning providing realistic delivery timeframe. Full Business Case expected in July 2019	GREEN
Jul 2018	PropCo – Angel’s Nursery, Barnham, Arun	REPROFILED	Site being marketed and bids received	GREEN
Sep 2018	Worthing Community Hub	REPROFILED	Full business case being prepared	GREEN
Dec 2018	A29 Re-Alignment Design	REPROFILED	CM Decision taken, officer Key Decision pending LEP Investment Committee review of business case	GREEN
Oct 2018	Waste RDF Handling Facility, Horsham	REPROFILED	Strategic approach required consideration, business case for revised project due to be recommended for approval in June 2019	GREEN
Oct 2018	Baystone Farm Former Waste Site, Horsham	REPROFILED	Project scope subject to consideration of future use of the site for Solar Farm, leading to delay in taking decision.	GREEN
Jun 2018	Watery Lane, Hunston Battery Storage	REPROFILED	Delayed due to delay securing grid connection, Full Business Case expected in June 2019	GREEN
Aug 2018	Halewick Lane, Sompting Battery Storage	REPROFILED	Delayed to allow time for member engagement and consideration at Procurement Board. Decision expected June 2019	GREEN
Apr 2018	Small Commercial Battery Storage Pilot	REPROFILED	Originally proposed at Oathall Community College, expanded to include other smaller-scale sites as a pilot for	GREEN

			further works. Full Business Case expected in June 2019	
May 2018	Additional SEND Capacity, Manor Green Primary, Crawley	AT RISK	Current cost-estimate over budget - temporary classroom to meet need for September 2019 to be progressed ahead of full business case for permanent provision	RED

2. 2018/19 Delivery

2.1 Each of the projects in delivery are subject to monthly highlight reports produced by a Project Manager. The highlight reports are scrutinised by a service-specific officer "Hub" and a summary and analysis is presented in this report.

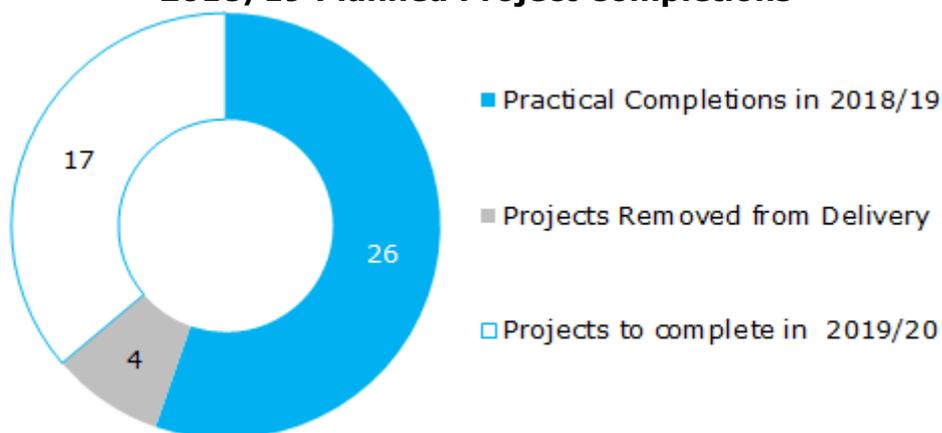


2.2 The highlight reports provide a colour-coded rating for each project as follows:

- **GREEN** - the project is reporting to plan
- **AMBER** - there is an issue having an effect on the project, but that it can be dealt with by the project manager or project delivery team
- **RED** - there are significant issues with the project, requiring corrective action
- **WHITE** - no highlight report was submitted
- **BLUE** - a project had reached practical completion
- **GREY** - a project has been withdrawn from the programme

2.3 The CPO is monitoring the 59 projects that are in delivery. At the end of March 2019, 17 projects that were due to complete during 2018/19 remain in delivery and are now expected to complete during 2019/20.

2018/19 Planned Project Completions



2.4 26 projects completed in 2018/19:

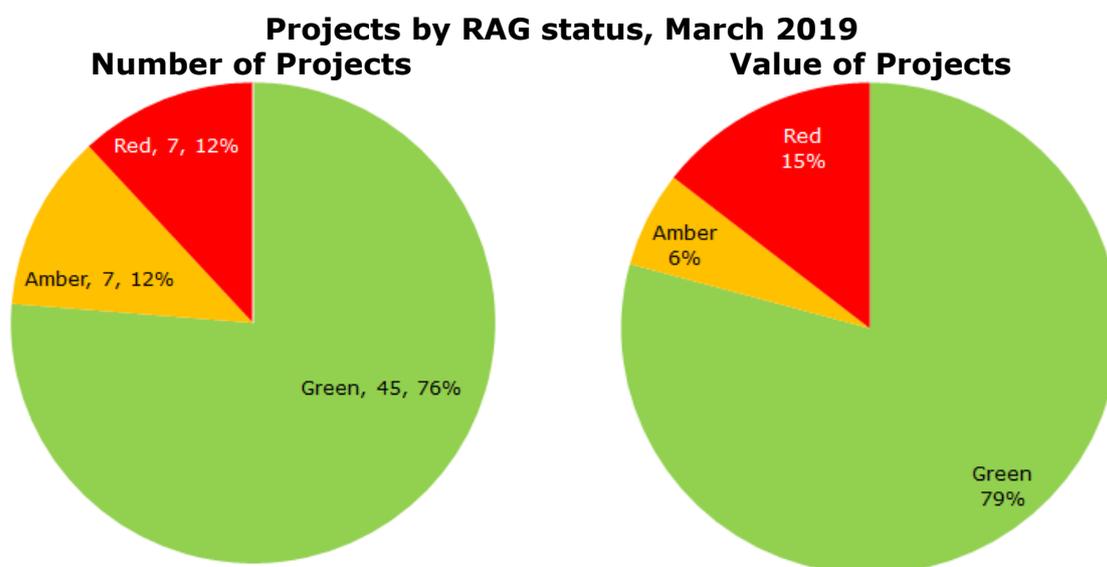
April		
Project	Location	Description
Even Better Pavements	Various	Programme of footway improvements targeted in places to support those most vulnerable to slips, trips and falls to remain active and independent
Steyning Grammar School and Thakeham Primary School	Horsham District	Final element of the STARS programme of schools reorganisation
The Meads Primary School	Mid Sussex District	Provision of 30 additional school places on a temporary basis to accommodate a bulge in pupil numbers
The Weald Community School	Horsham District	Basic Need expansion to add 150 11-16 new school places
Wisborough Green Primary School	Horsham District	Increase from 25 to 30 places per year group
May		
Project	Location	Description
Fire Energy Efficiency	Crawley Borough	Upgrade to windows in Horley Fire Station Lecture Room
Three Bridges Primary School	Crawley Borough	Basic Need – increase from 60 to 90 pupils per year group
Lancing Library	Adur District	Internal remodelling works to improve services for partners and customers
Electric Vehicle Chargers	Chichester District	Installation of 3 electric vehicle chargers at County Hall, Chichester
June		
Project	Location	Description
NCN2 – A259 Felpham to Littlehampton Cycle Path	Arun	Construction of a new cycle path on the A259 between Felpham and Littlehampton
Crawley Growth Programme – Worth Park Avenue	Crawley	Off-carriageway shared-used cycle path connecting Station Hill and Worth Park Avenue

September		
Project	Location	Description
Turners Hill Fire Station Breathing Apparatus Cleaning Facilities	Mid Sussex	Building modifications at Turners Hill Fire Station to provide cleaning facilities for fire service breathing apparatus
Westhampnett Gas	Chichester	Construction of a gas extraction system on the Westhampnett closed landfill site
October		
Project	Location	Description
Bramber Primary School	Worthing	Construction of playing field to deliver PE curriculum on-site
East Preston Infants School	Arun	School Basic Need expansion by 1 Form of Entry
East Preston Junior School	Arun	School Basic Need expansion by 1 Form of Entry
Littlegreen School	Chichester	Modular classroom block providing 4 classrooms, groups rooms and offices
Northlands Wood Primary School	Mid Sussex	Provision of a single classroom and associated alterations to complete the expansion to 5 forms of Entry
Oathall Community College	Mid Sussex	Renovation of the Science and Mathematics building
Growth Is Digital	Various	A grant scheme supporting businesses to access superfast broadband services
November		
Project	Location	Description
Forest Comprehensive School	Horsham	School Basic Need expansion to increase intake from 228 to 270 per year group and additional classroom and dining space
Sackville School	Mid Sussex	Replacement roof and windows
January		
Project	Location	Description
Tempe – Accommodation for Care Leavers	Chichester	Refurbishment works to convert building for use as HMO for young people leaving care

Camelsdale Kitchen	Chichester	Construction of kitchen facilities as part of Universal Free School Meals programme
On-Street Parking	Worthing	Programme of parking meter replacement
February		
Project	Location	Description
Chichester University Capital Grant	Arun	Capital grant payment to Chichester University contributing to new digital and engineering facility on Bognor Regis Campus

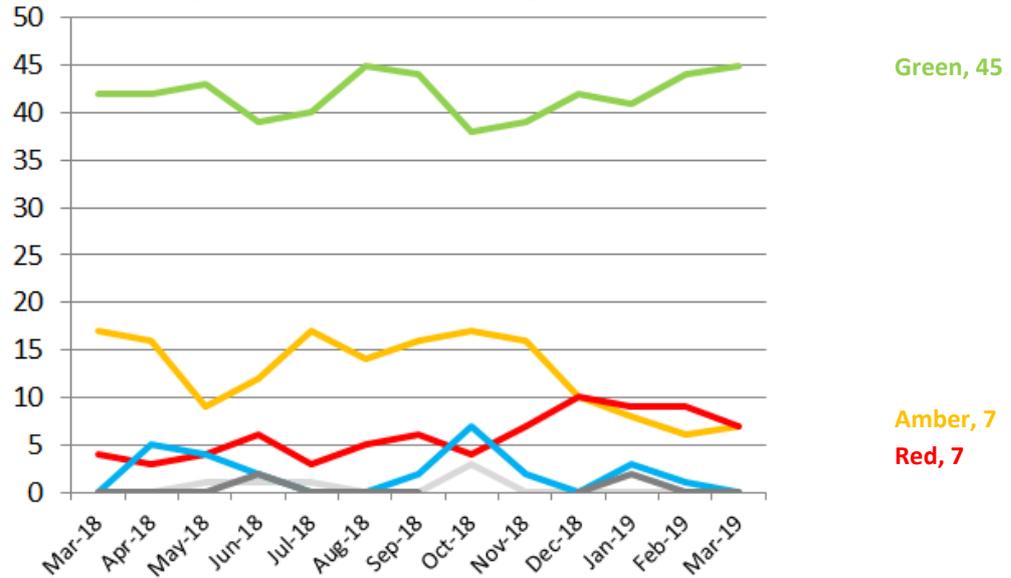
2.5 4 projects have been removed from the delivery section of the programme in 2018/19.

2.6 At the end of March 2019, 45 projects in delivery were rated **GREEN**. 7 were rated at **AMBER**. 7 were rated as **RED**.



2.7 The graph below sets out monthly RAG statuses over the previous year.

2018/19 Monthly Actual Number Projects by RAG status



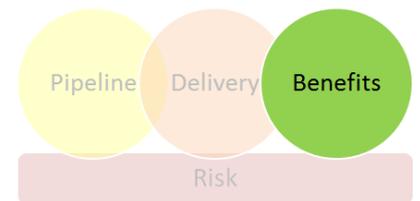
2.8 A summary of all projects is set out by portfolio in Appendix A. The table below sets out the projects rated **RED** at the end of March 2019, the action being taken to address the issues and a CPO assessment of the impact on the project outcomes:

Scheme	RAG at 31 March	Reason	Updated position at DATE		
			Updated RAG	Latest Update	Impact
NHS Capital Grants – BC	2	Delay in approval of additional grant budget to meet change in service-user specifications. NHSE given verbal assurance that grant funding will be approved	AMBER	Confirmation of payment from NHSE subject to settlement of legal fees	Low (cost)
Alternative Provision, Littlehampton	4	Additional works completed without approved budget. Additional costs proposed to be met from service budgets	RED	Approval from service budget pending	Medium (cost)
Community Schools Capital Maintenance Programme	9	Slower start to programme and delayed Purchase Order due to service restructure and handover to MDC. Underspend planned	GREEN	2019/20 Programme profiled	Low (time)
Northgate Primary School, Crawley	7	Additional costs due to kitchen, highways, electrical, drainage and IT works required - Change Request by Key Decision pending to add school contribution to	RED		Medium (cost)

		meet costs		
Parklands Primary School, Chichester	11	Project completed. Ongoing issues with significant defects being rectified before project closure	RED	Low (cost/quality)
Southwater Infants and Junior School, Horsham	3	Tenders significantly over budget. MDC engaged to undertake cost evaluation and possible re-tender	RED	Medium (cost/time)
A259 Corridor Improvements	3	Utility diversion costs higher than preliminary estimate. Funding options to be considered in revised business case. Delay to milestones but works remain deliverable within existing programme timeframe	RED	High (cost)

3. Benefits

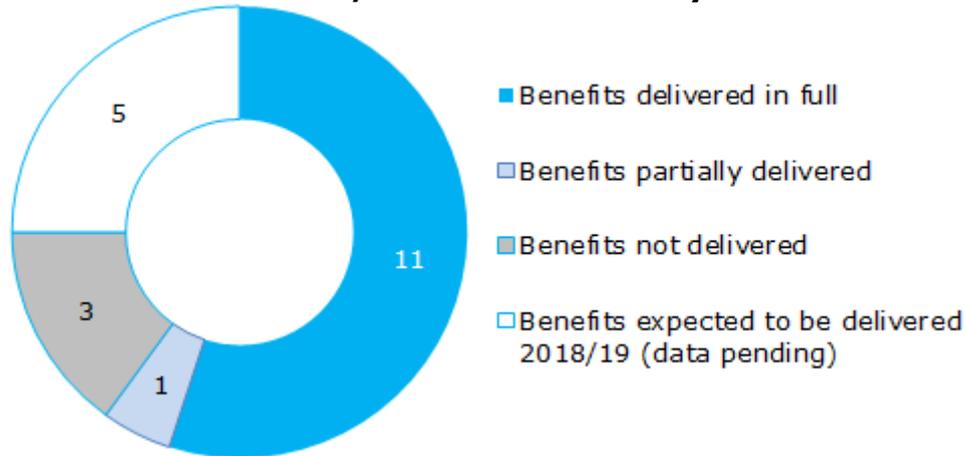
3.1 Benefits are the positive outcomes that a project/ programme delivers, which justify the investment and contributes towards one or more organisational objectives.



3.2 Approved projects are required to identify at least one benefit to be tracked throughout the lifecycle of the investment and beyond project closure. Project benefits and measures are identified in each project’s Full Business Case, along with review dates for monitoring their delivery and the benefit owners. The delivery of benefits is scrutinised by the service-specific officer “Hub” and progress is reported to the Capital and Assets Board.

3.3 The Benefits Tracker is currently monitoring 72 benefits to be delivered between now and March 2043. 11 benefits were fully realised in 2018/19 and one benefit partially realized.

2018/19 Benefits Delivery



3.4 3 benefits were removed from delivery in 2018/19 and returned to the Pipeline:

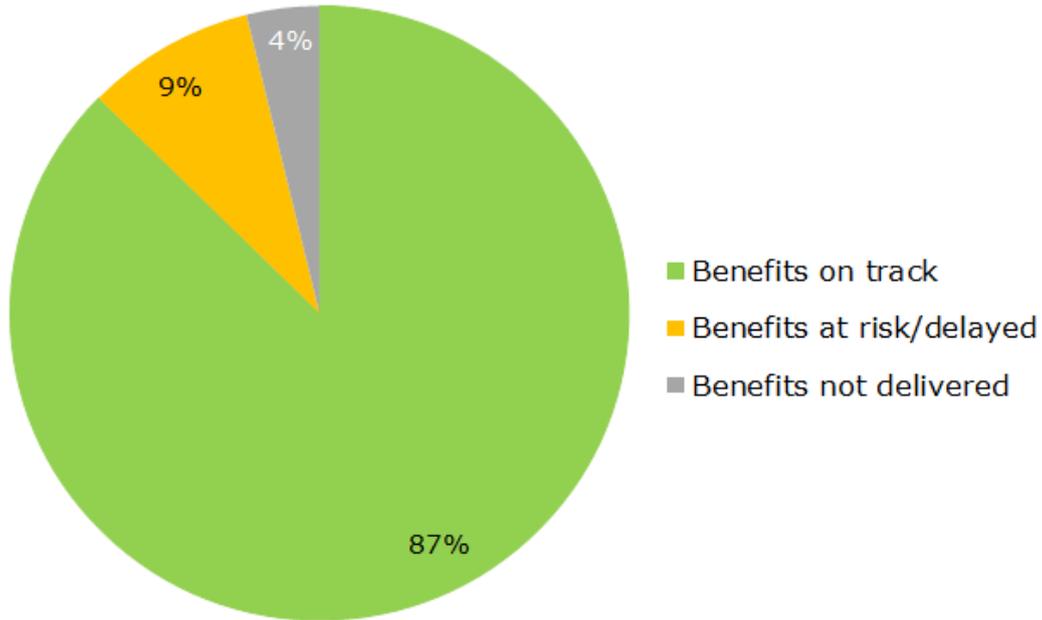
Project	Location	Benefit Type	Mitigation
Crawley Streetlight LED Replacement	Crawley	Revenue saving	Project returned to pipeline, revised project/benefits to be developed
Waste RDF Handling Facility	Horsham	Reduced Tonnage RDF to landfill	Project returned to pipeline, revised project/benefits to be developed
		Revenue saving	Project returned to pipeline, revised project/benefits to be developed

3.6 A RAG rating is provided for each of the benefits:

- **BLUE** – benefits have been delivered
- **GREEN** - benefits remain on track to be delivered
- **AMBER** - benefits will still be delivered but may be delayed, reduced or there may be unexpected disbenefits
- **GREY** - benefits have been withdrawn from the tracker

3.7 Of the 76 benefits in the tracker at the end of March, 69 were reported to be on track for planned delivery and 7 were reported as delayed or “at risk”.

Benefits by RAG status, March 2019



3.8 A summary of the projects where the benefit is reported reduced or at risk is set out below:

Project	Location	Status	Issue	Benefit Outcome Status
East Preston Infants School	Adur	AT RISK	Pupil admissions data showing 90% uptake of new places delivered, against target of 95%	AMBER
East Preston Junior School	Adur	AT RISK	Pupil admissions data showing 76% uptake of new places delivered, against target of 95%	AMBER
East Wittering Primary School	Chichester	AT RISK	Pupil admissions data showing 88% uptake of new places delivered, against target of 95%	AMBER
Northgate Primary School	Crawley	AT RISK	Pupil admissions data showing 85% uptake of new places delivered, against target of 95%	AMBER
St Wilfrid's Primary School	Arun	AT RISK	Pupil admissions data showing 82% uptake of new places delivered, against target of 95%	AMBER
Children Looked After Accommodation	Chichester	AT RISK	Specification of project unable to deliver stated level of service leading to reduced projected benefit	AMBER
The Meads School, East Grinstead	Mid Sussex	AT RISK	Pupil admissions data showing 93% uptake of new places delivered, against target of 95%	AMBER

4. Risk



4.1 The capital programme risk register sets out the key risks to the delivery of the programme and significant risks to individual projects. The capital programme risk register sets out programme risks being managed by the Capital and Assets Board and project risks, which are managed by the appropriate service.

4.2 The CPO is managing 13 programme risks and reporting 9 project risks managed by services.

5. Finance

5.1 As at March, the overall capital monitor demonstrates that £113.9m was spent against the original £136.0m estimate in the Capital Programme for the 2018/19 financial year. This represents a shortfall of £22.1m from the programme approved by the County Council in December 2017. This is partly offset by £6.8m of expenditure on projects in the 2017/18 capital programme which were in delivery in 2018/19.

5.2 Since February, the year-end projection has decreased by £9.3m as detailed below, along with a summary of the changes over £500k:

Adults & Health (-£0.710m)

- Westergate Extra Care (-£0.750m) - Grant payment to developer for extra care scheme was due in March 2019 but delayed due to site access issues. Funding has been re-profiled for 2019/20.

Education and Skills/Children and Young People (-£0.478m)

Environment (-£0.067m)

Finance & Resources (-£1.211m)

- Staff Capitalisation (-£0.553m) – A review of staff costs charged to capital projects was conducted. As a result, a number of post previously capitalised were reclassified as revenue. This was largely in Property Services following their restructure.

Highways (-£0.840m)

- Annual Works Programme – (-£1.417m) – Numerous schemes in the block allocation have been re-profiled into 2019/20 for various reasons such as consultations, schemes being delivered under budget, delays in design works, delays in road space availability and contractor delays.

Leader including Economy (-£5.232m)

- Crawley Growth Programme (-£5.131m) – An estimate for the purchase of a grade A commercial space in Crawley was estimated for 2018/19 however no business case was approved and therefore funding has been re-profiled into 2019/20.

Safer Stronger Communities (-£0.155m)

IGI Corporate Relations (-£0.264m)

IGI Environment (-£0.261m)

IGI Finance & Resources (-£0.088m)

IGI Leader (-£0.033m)