

## **Capital Narrative – Quarter One (April to June) 2020**

In February 2020, County Council approved a capital programme of £103.392m. £2.515m of expenditure, originally profiled to spend in 2020/21, was forward funded and spent in 2019/20, bringing the revised capital programme to £100.877m. Since then, profiled spend has increased overall by £0.494m to give a current full year estimated expenditure of £101.371m.

The significant movements over the quarter include the following.

### **£11.4m reductions:**

- £1.0m for withdrawal of Hobbs Field as the wider OPE project is not continuing;
- £1.1m delays to rural connectivity and converged fibre;
- £1.5m for reprofiling managing COVID-19 site restrictions costs;
- £4.7m delay to A259 Corridor Capacity Enhancement;
- £1.8m reprofiling of West of Horsham scheme; plus
- £1.3m other scheme reductions

### **£11.9m additions:**

- £1.7m for approved works at Cissbury Lodge;
- £7.3m for additional grant funded Highways annual works programme;
- £1.6m enabling works at Horsham Enterprise Park; plus
- £1.3m other scheme additions.

Quarter One movements are detailed below:

### **Adults and Health – (-£1.000m)**

**Adult Services - Hobbs Field – (-£1.000m)** – Project initially put forward ahead of wider Adults' Residential Services review to explore One Public Estate opportunities. As the OPE project is not being pursued, the project will be considered along with the wider residential requirements.

### **Children and Young People – £1.678m**

**Cissbury Lodge – £1.678m** – A further £2.853m has been approved for the construction work and associated costs to refurbish, remodel and reopen Cissbury Lodge children's home. The total budget is expected to spend in this

financial year; therefore an additional £1.678m has been added to the existing estimate.

### **Economy and Corporate Resources – (-£1.138m)**

**Rural Connectivity – (-£0.339m) and Converged Fibre – (-£0.799m)** – A conservative forecast of expenditure has been provided for these pipeline projects due to current circumstances; more detailed profiling will come forward once a full business case is submitted.

### **Education and Skills – £1.187m**

**Woodlands Meed - £0.558m** – Approval has been given to add £19.500m to the scheme budget for the replacement of the Woodlands Meed College building on its existing site with its existing capacity of 100 pupils. This brings the total budget for the scheme to £20.000m. An additional £0.558m has been added to the £1.000m in year forecast with the remainder of the budget profiled into future years.

**Thorney Island - £0.279m** – Approval has been given for £0.857m to be allocated from the Schools Basic Need Capital Programme to deliver an expansion to the school hall and improved circulation. The scheme is expected to spend in full this financial year and therefore an additional £0.279m has been added to the original estimate.

**Sompting Village Primary - £0.350m** – Approval has been given to deliver temporary additional capacity to Sompting Village Primary School to accommodate a bulge class.

### **Finance and Resources - (-£1.500m)**

**Capital Improvements Programme – (£1.500m)** – Additional costs anticipated due to management of Covid-19 site restrictions and remobilisation. At present, no further demands on the budget for 2020/21 have been notified, so a portion of the estimated spend has been reprofiled into future years.

### **Fire and Rescue and Communities – (-£0.696m)**

**Fire Equipment – (£0.034m)** – Programme of works has been slightly delayed due to Covid19 therefore the funding has been reprofiled into future years.

**Worthing Community Hub – (-£0.662m)** – Project budget has been reduced based on the recent tender report, this funding will be returned to Community Hubs pipeline budget to fund future schemes within this programme.

## **Highways and Infrastructure – £0.247m**

**Highways and Transport Delivery Programme – (-£0.023m)** – Frith Road project has completed under budget and therefore £0.023m of section 106 has been cancelled from the programme and returned to fund future road schemes.

**Downslink – (-£0.162m)** – £0.162m of grant funding has been cancelled from the programme due to works being procured with an alternative supplier at a reduced cost.

**On Street Parking - £0.100m** – A business case was approved to fund the upgrade of 115 machines across West Sussex with £0.100m to be spent in 2020-21.

**Annual Works Programme – £7.269m** – Additional grant money has been received for the AWP and the works scheduled have been increased.

**A259 Corridor Capacity Enhancement, East Arun – (-£4.649m)** - Scheme has been delayed due to public inquiry, there are also risks and uncertainty being reported by utility companies around commencement of utility diversions currently planned from January 2021 regarding the programming of works.

**A284 Lyminster Bypass (£-0.514m)** - Scheme has seen delays in proceeding with CPO publication which brings the potential impact of a public inquiry.

**West of Horsham (-£1.772m)** – Reprofilling has been required in the third phase of the programme, the A24 Robin Hood junction works, is subject to decision report approval, and construction works are now not anticipated to commence until early in 2021.

## **Income Generation Initiatives - Economy and Corporate Relations - £0.080m**

**Bognor Regis Hub – £0.080m** – Project is close to completion. However additional costs have been realised in the last few months due to Covid19, so £0.080m has been added to the budget to take the project to completion.

## **Income Generation Initiatives - Finance and Resources - £1.636m**

**Horsham Enterprise Park – £1.636m** – Approval has been given to allocate a further £4.157m for site enabling works and infrastructure upgrades, professional services, internal project and contract management, and statutory approvals, £2.336m is expected to be spent in 2020/21 with the remainder in future years.

2020/21 CAPITAL MONITOR as at the end of June 2020

Portfolio	(1)	(2)	(3)	(4)	(5)	(6) (7) (8) (9)			(10)	
	20/21 In-Flight Capital Programme (February County Council)	20/21 Pipeline Capital Programme (February County Council)	20/21 Total Capital Programme (February County Council)	Slippage/ (Acceleration) from 2019/20	Total 20/21 Revised Capital Programme	Forecast				Variance
	Actuals to Date	In-Flight Forecast for Remaining Period	Pipeline Forecast for Remaining Period	Full Year Forecast	Over/(Under) Spend					
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Core Programme</b>										
Adults and Health	1,250	1,960	3,210	368	3,578	560	2,018	0	2,578	(1,000)
Children and Young People	100	1,400	1,500	(102)	1,398	60	3,016	0	3,076	1,678
Economy and Corporate Resources	570	12,502	13,072	622	13,694	718	6,262	5,576	12,556	(1,138)
Education and Skills	12,288	7,845	20,133	2	20,135	1,401	19,576	345	21,322	1,187
Environment	234	0	234	33	267	(11)	278	0	267	0
Finance	4,316	6,200	10,516	(3,996)	6,520	125	4,264	631	5,020	(1,500)
Fire and Rescue and Communities	4,061	1,250	5,311	144	5,455	1,292	2,217	1,250	4,759	(696)
Highways and Infrastructure	33,763	8,300	42,063	(293)	41,770	7,121	34,896	0	42,017	247
<b>Total Core Programme</b>	<b>56,582</b>	<b>39,457</b>	<b>96,039</b>	<b>(3,222)</b>	<b>92,817</b>	<b>11,266</b>	<b>72,527</b>	<b>7,802</b>	<b>91,595</b>	<b>(1,222)</b>
<b>Income Generating Initiatives</b>										
Economy and Corporate Resources (Gigabit)	200	0	200	161	361	171	270	0	441	80
Environment (YES)	5,453	0	5,453	545	5,998	(51)	6,049	0	5,998	0
Finance (inc Propco)	0	700	700	1	701	61	2,276	0	2,337	1,636
Highways and Infrastructure (LED)	1,000	0	1,000	0	1,000	31	969	0	1,000	0
<b>Total IGI</b>	<b>6,653</b>	<b>700</b>	<b>7,353</b>	<b>707</b>	<b>8,060</b>	<b>212</b>	<b>9,564</b>	<b>0</b>	<b>9,776</b>	<b>1,716</b>
<b>Total Capital Programme</b>	<b>63,235</b>	<b>40,157</b>	<b>103,392</b>	<b>(2,515)</b>	<b>100,877</b>	<b>11,478</b>	<b>82,091</b>	<b>7,802</b>	<b>101,371</b>	<b>494</b>