

**CAPITAL PROGRAMME PROVISIONAL OUTTURN 2019/20**

Presented by Head of Finance

**EXECUTIVE SUMMARY**

This report summarises capital spending in 2019/20, compared to the approved revised annual budget. Figures are 'near final' and are only likely to be the subject of minor changes during the remainder of the closure of accounts process.

Appendix A to this report provides a financial summary of all schemes within the capital programme and this shows that overall net capital expenditure for the year end is projected to be £2.7 million and therefore below the approved revised net budget of £4.2 million; resulting in a projected net under spend of £1.5 million.

The main areas of variation are:

Scheme	£
Asset Management	(500,000)
Dobbs Weir Campsite Final Phase	(99,000)
Wildlife Discovery Centre (Bittern Information Point)	(341,000)
Lee Valley Ice Centre Redevelopment	(339,000)
Other	(251,000)
<b>Total Slippage/Under Spend</b>	<b>(1,530,000)</b>

**RECOMMENDATION**

Members Note: (1) the report.

**BACKGROUND**

- 1 Executive Committee approved a revised capital programme for 2019/20 at its meeting on 19 December 2019 (Paper E/646/19) and the increased provision for the Bittern Information Point (BIP) project (Paper E/655/20) approved on 23 January 2020. This report compares the actual spend with that approved programme.
- 2 Where there is a significant variance, resulting in a projected under or over spend for a particular project, a brief explanation for the variance is provided

below by the Accountable Officer for that scheme.

- 3 The revised budget for 2019/20 was £4.2 million net expenditure. The projected net capital position to the year end is £2.7 million. This has resulted in a projected variance of £1.5 million for 2019/20.
- 4 Where slippage is projected and reported, those resources remain earmarked for the particular schemes in question in 2020/21. Reduced cash balances may require the Authority to undertake borrowing to complete schemes beyond this financial year - in these circumstances officers would bring back a separate paper for Member approval.

#### **SPECIFIC SCHEMES**

- 5 The schemes where a variance occurred during 2019/20 are detailed below:

- 6 **Asset Management (£500,000 slippage)**

Just under £1.1 million was spent in 2019/20 with a further £500k committed that will impact into the next financial year, a number of projects booked for February were postponed due to exceptionally inclement wet weather, the main slippages are identified below:

- Roof works at Lee Valley Riding Centre (£140k), Lee Valley VeloPark Cable net roof inspection (£20k), Shoveler Boardwalk (£40k) - delayed due to poor weather;
- Chiller at Lee Valley Ice Centre (£50k) – 3 year agreement with only a proportion of rental in current year;
- Middlesex Filter Beds Sluice (£20k), Waltham Abbey Gardens masonry repairs to Sluice Gates (£40k) and Myddelton House Car Park (£40k) – delayed awaiting permissions to proceed;
- Barbel Swim Restoration (£40k) and Rye House Gatehouse repairs (£20k) – works on site but running over 2 financial years;
- Lee Valley White Water Centre Decking replacement (£80k) – delayed due to issue discovered with substructure when removed and potential latent defect claim, now resolved;
- Lee Valley White Water Centre CCTV (£30k) – delayed due to sourcing materials from abroad and Covid-19.

- 7 **Dobbs Weir Campsite Final Phase (£99,000 slippage/underspend)**

This project is now substantially complete and will result in a small underspend. £30k is still earmarked to complete the sensory garden near the front of the Dobbs Weir site planned for July this year with the Authority funding materials and the construction to be completed free by Herts Regional College students as part of their construction curriculum.

## **8 Wildlife Discovery Centre (WDC) (£341,000 slippage)**

The project is currently in the build stage and contractors took possession of the site on 23 March following a short mobilisation delay. We had hoped the Covid-19 pandemic was not going to cause any delays and for the first four weeks of the project progress was good. However, some delays in material supply are currently being worked through. The current status is:

- all permits, permissions and planning have been received and building control and planning conditions have all now been signed off;
- the habitat works and construction of the Kingfisher Bank has been postponed due to the Covid-19 pandemic. Contractors will complete the Kingfisher Bank build by end of June, however the habitat works will now be completed in the autumn window just after bird breeding season and before the wintering period for Bittern and wildfowl;
- we have been advised by the contractor that due to the covid-19 pandemic that there is now a delay on the steel fabrication for the tower. The contractor has worked hard to revise the build programme and pulled some work forward and the build will now be completed in a different order;
- the completion date is now proposed as 27 July 2020 which is currently a four week delay;
- the planned launch date will now need to be revised and monitoring of Covid-19 restrictions may need a rethink on the event. Working with PR/Comms we will devise some form of launch event when it becomes clear what is possible;
- the project received a mention on BBC Countryfile on 3 May 2020 along with previous footage from the Lee Valley Park;
- we are still talking to Frank Gardner (BBC Security Correspondent and BTO President) about opening the building for us and he is aware of revised timescales.

## **9 Lee Valley Ice Centre Redevelopment (£339,000 slippage)**

The Ice Centre redevelopment has progressed well and stage 3 of the RIBA process was completed on time and within budget in September 2019. Since then officers have been working closely with the London Borough of Waltham Forest and the GLA regarding the planning application which was submitted on 23 December 2019. The application was validated on 12 February and the 21 day statutory consultation period has now been completed.

Authority Officers along with the consultant team will continue to work closely with the planning authority and the GLA whilst undertaking:

- the start of stage 3+ design – April – June;
- the procurement of a principle contractor – March – September; and
- community consultation – on going.

The overall project, even given the Covid-19 crisis is currently on time and on

budget, with final payments relating to this phase to be spent by December 2020, and officers will return to Members on completion of the planning process for a final decision on the funding package to deliver the project.

#### **ENVIRONMENTAL IMPLICATIONS**

- 10 There are no direct environmental implications arising from the recommendations in this report. However, within each project a full evaluation of environmental implications is undertaken and reported to Members as part of the overall project brief.

#### **EQUALITY IMPLICATIONS**

- 11 There are no equality implications arising directly from the recommendations in this report.

#### **FINANCIAL IMPLICATIONS**

- 12 A variance during the year on the capital programme can result in additional/reduced investment income being earned in the year as cash balances deposited in the Authority's approved bank accounts change.

#### **HUMAN RESOURCE IMPLICATIONS**

- 13 There are no human resource implications arising directly from the recommendations in this report.

#### **LEGAL IMPLICATIONS**

- 14 There are no legal implications arising directly from the recommendations in this report.

#### **RISK MANAGEMENT IMPLICATIONS**

- 15 Failure to deliver a capital project within an agreed timescale could lead to adverse publicity. It may also mean that the Authority fails to achieve its corporate objectives within the time span that was originally anticipated and/or result in revenue budget variations as part of the Medium Term Financial Plan where the investment is intended to generate new income streams.

---

Author: Keith Kellard, 01992 709 864, [kkellard@leevalleypark.org.uk](mailto:kkellard@leevalleypark.org.uk)

#### **PREVIOUS COMMITTEE REPORTS**

Executive Committee	E/660/20	Q3 Capital Programme Budget Monitoring	27 February 2020
Executive Committee	E/655/20	Bittern Information Point Phase 1 Hide and Information Point Replacement Contractor Cost Increase	23 January 2020
Executive Committee	E/646/19	Proposed Capital Programme 2019/20 (Revised) to 2023/24	19 December 2019

Executive Committee	E/642/9	Q2 Capital Programme Budget Monitoring	17 October 2019
Executive Committee	E/628/19	Q1 Capital Programme Budget Monitoring	18 July 2019

**APPENDIX ATTACHED**

Appendix A Capital Monitoring 2019/20 Fourth Quarter – Outturn

**ABBREVIATIONS**

BIP Bittern Information Point  
WDC Wildlife Discovery Centre

LEE VALLEY REGIONAL PARK AUTHORITY  
CAPITAL PROGRAMME MONITORING 2019/20 QUARTER 4 - OUTTURN

Project Name: Accountable Officer: Project Manager: Revised Budget 2019/20: Actual to 31 March 2020: Variance: Comment: £000s £000s £000s

Project Name	Accountable Officer	Project Manager	Revised Budget 2019/20	Actual to 31 March 2020	Variance	Comment
			£000s	£000s	£000s	
Land Acquisition & Remediation	Deputy Chief Executive	Head of Property	450	425	-25	Scheme Complete
Land Sales	Deputy Chief Executive	Head of Property	-1,082	-1,140	-58	Scheme Complete
Signage	Chief Executive	Head of Comms	5	-9	-14	Final Invoices outstanding
Park Development Proposals	Deputy Chief Executive	Head of Planning	36	24	-12	Slippage
BAP	Corporate Director	Head of Parklands	58	26	-32	Slippage
IT Infrastructure & Communications	Corporate Director	Head of IT	195	188	-7	See main report
Asset Management	Corporate Director	Head of Asset Maintenance	1,564	1,064	-500	See main report
Olympic Park Hostile Vehicle Mitigation	Chief Executive	Corporate Director	20	5	-15	Review complete new project pending
Landscaping (Eton Manor Allotments Site)	Corporate Director	Head of Parklands	7	0	-7	Slippage
Dobbs Weir Campsite Final Phase	Corporate Director	Head of Asset Maintenance	120	21	-99	See main report
Wildlife Discovery Centre (WDC)	Corporate Director	Head of Project & Funding	568	227	-341	See main report
Major Events Infrastructure - LVH&TC	Chief Executive	Corporate Director	21	0	-21	Scheme Complete
VeloPark Pods Refurbishment	Chief Executive	Corporate Director	480	448	-32	Scheme Complete
Lee Valley Ice Centre Redevelopment	Chief Executive	Corporate Director	1,700	1,361	-339	See main report
LWVWC - Extend Boundary Fence	Corporate Director	Head of Asset Maintenance	87	74	-13	Scheme Complete
LWVWC Area 4 Infrastructure	Chief Executive	Corporate Director	15	0	-15	Scheme Pending New LSC Contract
<b>NET PROGRAMME</b>			<b>4,244</b>	<b>2,714</b>	<b>-1,530</b>	
Total Capital Expenditure			5,326	3,854	-1,472	
Total Capital Income			-1,082	-1,140	-58	
<b>NET PROGRAMME</b>			<b>4,244</b>	<b>2,714</b>	<b>-1,530</b>	