

Q1 CAPITAL PROGRAMME BUDGET MONITORING 2020/21

Presented by Head of Finance

EXECUTIVE SUMMARY

This report summarises capital spending to 28 June 2020, estimates financial commitments to the year end and compares this to the approved annual budget.

Appendix A to this report provides a financial summary of current schemes within the capital programme and shows that overall net capital expenditure for the year end is currently projected to be £2.880 million, and therefore under the approved budget of £2.937 million, resulting in a net underspend of £57,000.

The main areas of variation are:

Scheme	£
Biodiversity	(30,000)
Dobbs Weir Final Phase	(27,000)
Total Slippage/(Under Spend)	(57,000)

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- Executive Committee approved a capital programme for 2020/21 at its meeting on 19 December 2019 (Paper E/646/19). Following the Covid-19 outbreak in early March, Members were briefed on the Authority's response (Paper A/4281/20) and the need to revise the budget accordingly. On 21 May 2020 Executive Committee approved a revised emergency budget (Paper E/674/20) brought in to deal with the Covid-19 crisis. This report compares the actual spend with that approved programme.
- 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 annual budget for 2020/21 is £2.937 million net expenditure. The projected net capital position for the year is £2.880 million and on budget.
- 4 Where slippage is projected and reported, those resources remain earmarked for the particular schemes in question in future years. Where an under spend is reported these savings are added back into capital funds.

SPECIFIC SCHEMES

- 5 The review of major schemes and where a variance is anticipated could occur during 2020/21 are detailed below.

- 6 **Wildlife Discovery Centre (On target)**

The project is now well underway and final works and payments for the build element will be completed by the end of August. Interpretation will be fitted out at the end of August and final account settled in September. The Kingfisher Bank and Habitat works final account will be completed in mid-September, this was delayed due to Covid-19 so will now be completed in mid-September.

The overall project budget is on track.

- 7 **Lee Valley Ice Centre Redevelopment (On target)**

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 been completed. The Authority is waiting on a Planning Committee date which will be in the first half of September 2020.

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

- completion of stage 3+ design – August;
- procurement of a principle contractor – March – December; and
- community consultation – on going.

The project 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.

- 8 **Asset Maintenance (On target)**

The Asset Maintenance programme was revised in line with the Emergency Budget, with a reduction on the budget to £1m. Works are underway with no expected deviation from the current budget currently anticipated.

Some areas of works were carried over from last year due to the poor weather, such as Lee Valley Riding Centre roof works and Lee Valley White Water Centre decking and CCTV. We are concentrating new expenditure on

essential/Health & Safety related Asset Management works to ensure that venues are safe and secure to operate with the current Covid-19 guidelines.

9 Biodiversity (£30,000 slippage)

There is a delay on delivery of Biodiversity Action Plan works due to Covid-19. Much of this year's planned works were survey works and the timeframe in which they can realistically be undertaken this year has passed due to ecological reasons.

10 Dobbs Weir Campsite (£27,000 slippage)

This project is now substantially complete, although there is a small slippage relating to the sensory garden near the front of the Dobbs Weir site. Due to Covid-19 this has not progressed, but will recommence once the college reopens.

ENVIRONMENTAL IMPLICATIONS

- 11 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

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

FINANCIAL IMPLICATIONS

- 13 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

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 16 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.

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PREVIOUS COMMITTEE REPORTS

Executive Committee	E/674/20	Emergency Budget 2020/21	21 May 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

APPENDIX ATTACHED

Appendix A Capital Monitoring 2020/21 First Quarter

LEE VALLEY REGIONAL PARK AUTHORITY
CAPITAL PROGRAMME MONITORING 2020/21 QUARTER 1

Project Name	Accountable Officer	Project Manager	Budget 2020/21 £000s	Actual to 28 Jun 2020 £000s	Projected Outturn at 31/03/2021 £000s	Projected Variance £000s	Comment
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Land Acquisition & Remediation	Deputy Chief Executive	Head of Property	0	0	0	0	
Land Sales	Deputy Chief Executive	Head of Property	0	0	0	0	
Biodiversity Action Plan	Corporate Director	Head of Parklands	80	4	50	-30	Slippage
IT Infrastructure & Communications	Corporate Director	Head of IT	150	6	150	0	On Target
Asset Management	Corporate Director	Head of Asset Maint.	1,000	218	1,000	0	On Target
Landscaping (Eton Manor Allotments Site)	Corporate Director	Head of Parklands	7	0	7	0	On Target
Dobbs Weir Campsite Final Phase	Director Finance	Head of Asset Maint.	30	3	3	-27	Slippage
Wildlife Discovery Centre	Corporate Director	Head of Project/Funding	670	219	670	0	On Target
Lee Valley Ice Centre Redevelopment	Chief Executive	Corporate Director	1,000	77	1,000	0	On Target
New LSC Contract Investment Variant Bid	Chief Executive	Corporate Director	0	0	0	0	
NET PROGRAMME			2,937	527	2,880	-57	

Total Capital Expenditure

Total Capital Income

NET PROGRAMME

2,937

527

2,880

2,937

527

2,880

0

0

0

2,937

527

2,880

-57

-57

-57

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