



LEE VALLEY REGIONAL PARK AUTHORITY
EXECUTIVE COMMITTEE
22 FEBRUARY 2018 AT 11:00

Agenda Item No:

7

Report No:

E/542/18

Q3 CAPITAL PROGRAMME BUDGET MONITORING 2017/18

Presented by Director of Finance & Resources

EXECUTIVE SUMMARY

This report summarises capital spending to 31 December 2017, estimates financial commitments to the year end and compares this to the approved revised budget.

Appendix A to this report provides a financial summary of all schemes within the capital programme and shows that the overall net capital expenditure for the year end is projected to be £4.21 million and therefore under the approved budget of £5.34 million; resulting in a projected net variance of £1.13 million under budget.

The main areas of slippage/under spend are:

Scheme	£
Park Development Proposals	(50,000)
Pitch Replacement Lee Valley Hockey & Tennis Centre (Net)	(56,000)
Ice Centre Pad and Barrier Replacement	(70,000)
Dobbs Weir (Final Phase)	(316,000)
Major Infrastructure – Lee Valley Hockey & Tennis Centre	(461,000)
Lee Valley White Water Centre – Kitchen Refurbishment	(150,000)
Other	(31,000)
Total Slippage	(1,134,000)

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 Executive Committee approved a revised capital programme for 2017/18 at its meeting on 14 December 2017 (Paper E/537/17). This report compares the actual spend with that approved programme and budget.
- 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 annual budget for 2017/18 is £5.34 million net expenditure. The projected net capital expenditure for the year is £4.21 million. This has resulted in a projected variance of £1.13 million for 2017/18.
- 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 schemes where a variance is anticipated to occur during 2017/18 are detailed below.

- 6 **Park Development Proposals (£50,000 slippage)**

Committed spend on projects such as the strategic policies, landscape strategy and the Habitats Regulations Assessment will incur slippage of £28,000 but will largely be completed by the first quarter of 2018/19. The remaining balance will be spent on other planned projects.

- 7 **Pitch Replacement Lee Valley Hockey & Tennis Centre (Net) (£56,000 slippage)**

Expenditure and funding for the pitch replacements will slip across the financial years following signature of the final contract with PAVA (the suppliers and contractors) and subject to confirmation of the funding draw down from England Hockey.

The current schedule for the hockey pitch replacements is estimated to take around 12 weeks and will be completed by the end of May following a 5th March start date.

- 8 **Ice Centre Pad and Barrier Replacement (under spend £70,000)**

Members approved a capital provision of £500,000 to replace the Ice Pad and Barrier at the Ice Centre (Paper E/520/17). This sum included a contingency and budget for associated works costs that may have materialised when the old pad and barrier were removed. These sums were not required and the new pad and barrier were installed successfully, with the Centre re-opening in early September after a temporary closure for eight weeks.

- 9 **Dobbs Weir Campsite (Final Phase) (slippage £316,000)**

Works to the lodges have been delayed and are subject to final planning permission being received. Planning permission and Environmental Agency consent is required separately due to the proximity of the proposed lodges to the river bank and there is a requirement for a specific lighting plan - as this forms a "dark corridor" for bats and other wildlife.

The additional toilet block was delayed and reported as part of the last monitoring report in November 2017 (paper E/525/17) due to contractor difficulties post tender award. Officers have developed alternative options for the toilet block with ground works starting over the next six weeks.

Monies for the main contract are also being held back as retention to deal with snagging issues post contract completion.

10 Major Infrastructure – Lee Valley Hockey & Tennis Centre (£29,000 and £432,000 slippage)

The Centre improvements works which is a joint funding project between the Authority, Sport England and England Hockey (£900,000) is behind schedule. The storage compound which is the final element of this project has taken time to achieve planning permission due to its proximity to the biodiversity areas of the site.

The grant funding from Sport England (£70,000 and £350,000) will be drawn down by the end of the financial year. This money will fund the storage compound as above as well as the PAVA and sports presentation cabin in the major events infrastructure works (separate funding pot between Sport England and the Authority).

The remaining budgeted work from the major events infrastructure will run into the next financial year (Western Plaza improvements, Broadband bandwidth increases) whilst further analysis is undertaken as to what should be the final design for these areas.

11 Lee Valley White Water Centre – Kitchen Refurbishment (slippage £150,000)

Due to detailed discussions with Borough of Broxbourne colleagues during the planning process, there has been slippage on the kitchen re-development project at Lee Valley White Water Centre. These proposals are now finalised and assurance has been given that these are now acceptable subject to formal planning approval, and so works are now scheduled to take place in April and May 2018. It is expected that the full costs of this project will be incurred in 2018/19 aside from any early deposits for equipment which could potentially be required in 2017/18. Ahead of this scheme it is planned that works on the T-bar will be completed by 31 March, so this scheme has been brought forward from 2018/19.

ENVIRONMENTAL IMPLICATIONS

- 12 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

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

FINANCIAL IMPLICATIONS

- 14 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

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 17 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.

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PREVIOUS COMMITTEE REPORTS

Executive Committee	E/537/17	Proposed Capital Programme 2017/18 (Revised) to 2021/22	14 December 2017
Executive Committee	E/525/17	Q2 Capital Programme Budget Monitoring 2017/18	23 November 2017
Executive Committee	E/514/17	Q1 Capital Programme Budget Monitoring 2017/18	21 September 2017
Executive Committee	E/512/17	Capital Programme Update – Small Investment Schemes	20 July 2017
Executive Committee	E/511/17	LVWWC Food & Beverage Serving Counter Redevelopment	22 June 2017
Executive Committee	E/502/17	Potential Ice Pad, Cooling System and Barrier Repair	25 May 2017

APPENDIX ATTACHED

Appendix A Capital Monitoring 2017/18 Third Quarter

LVRPA CAPITAL PROGRAMME MONITORING 2017/18 QUARTER 3

Project Name	Accountable Officer	Project Manager	Revised Budget 2017/18		Actual to 31 Dec 2017		Projected Outturn at 31/03/2018		Projected Variance	Comment
			£000	£000	£000	£000	£000	£000		
Land Acquisition & Remediation	Director Corp Ser	Head of Property	162	162	162	162	0	0	On Target	
Land Sales	Director Corp Ser	Head of Property	(75)	0	0	(75)	0	0	On Target	
Signage	Chief Executive	Head of Comms	14	0	0	14	0	0	On Target	
Park Development Proposals	Director Corp Ser	Head of Planning	137	67	67	87	(50)	(50)	See Main Report	
BAP	Director Corp Ser	Head of Parklands	60	26	26	50	(10)	(10)	On Target	
IT Infrastructure & Communications	Director of F & R	IT Manager (Trust)	228	156	156	228	0	0	On Target	
Asset Management	Director Corp Ser	AMPD Manager	1,011	696	696	1,011	0	0	On Target	
LV Hockey & Tennis Centre Pitch Replacement	Chief Executive	Head of Sport/Leisure	368	0	0	92	(276)	(276)	See Main Report	
LV Hockey & Tennis Centre Pitch Replacement	Chief Executive	Head of Sport/Leisure	(312)	0	0	(92)	220	220	See Main Report	
LV Hockey & Tennis Centre Improvements	Chief Executive	Head of Sport/Leisure	193	98	98	164	(29)	(29)	See Main Report	
LV Hockey & Tennis Centre - SE Grant	Chief Executive	Head of Sport/Leisure	(70)	0	0	(70)	0	0	On Target	
Landscaping (Eton Manor Allotments Site)	Director Corp Ser	Head of Parklands	8	0	0	0	(8)	(8)	Provision Not Required	
Dobbs Weir Campsite Final Phase	Director Corp Ser	AMPD Manager	1,316	958	958	1,000	(316)	(316)	See Main Report	
Holyfield Hall Farm - Photovoltaic Cells	Head of Parklands	AMPD Manager	34	0	0	34	0	0	On Target	
Ice Centre Pad/Cooling System & Barrier	Head of Sport/Leisure	AMPD Manager	500	413	413	430	(70)	(70)	See Main Report	
Holyfield Hall Farm - Redevelopment	Director Corp Ser	Head of Parklands	100	83	83	100	0	0	On Target	
Major Events Infrastructure - LVH&TC	Chief Executive	Head of Sport/Leisure	550	118	118	118	(432)	(432)	See Main Report	
Major Events Infrastructure - LVH&TC - Grant	Chief Executive	Head of Sport/Leisure	(350)	0	0	(350)	0	0	On Target	
LWVWC Area 4 Attraction - Inflatables	Chief Executive	MD Trust	460	440	440	460	0	0	Scheme Complete	
LWVWC Kitchen Refurbishment	Chief Executive	MD Trust	250	0	0	100	(150)	(150)	See Main Report	
LWVWC Play Area Near Pavilion	Chief Executive	MD Trust	55	58	58	58	3	3	Scheme Complete	
LWVWC Office Accommodation	Chief Executive	MD Trust	75	68	68	68	(7)	(7)	Scheme Complete	
LWVWC Swale Building	Chief Executive	MD Trust	64	64	64	64	0	0	Scheme Complete	
LWVWC Café Counter Project	Chief Executive	MD Trust	560	551	551	551	(9)	(9)	Retention outstanding	
Net Programme			5,338	3,958	3,958	4,204	(1,134)	(1,134)		
Total Capital Expenditure			6,145	3,958	3,958	4,791	(1,354)	(1,354)		
Total Capital Income			(807)	0	0	(587)	220	220		
Net Programme			5,338	3,958	3,958	4,204	(1,134)	(1,134)		

