



Lee Valley
Regional Park Authority

LEE VALLEY REGIONAL PARK AUTHORITY

EXECUTIVE COMMITTEE

25 MAY 2017 AT 12:00noon

Agenda Item No:

5

Report No:

E/498/17

CAPITAL PROGRAMME: PROVISIONAL OUTTURN 2016/17

Presented by Director of Finance & Resources

EXECUTIVE SUMMARY

This report summarises capital spending in 2016/17 compared to the revised approved capital 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 to the year end is projected to be £3.0 million; resulting in a projected net under spend of £1.1 million below the revised budget, the majority of this variance was reported as part of the third quarter's monitoring presented to this Committee in February (Paper E/481/17).

The major variances relate to the following projects:

Scheme	£
Park Development Proposals	(35,000)
IT Infrastructure & Communications Enhancement	(73,000)
Asset Management	(311,000)
Landscaping (Eton Manor Allotments Site)	(57,000)
Dobbs Weir Campsite Final Phase	(126,000)
Holyfield Hall Farm Redevelopment	(42,000)
Smaller Schemes	(445,000)
Other	(15,000)
Total Slippage	(1,104,000)

RECOMMENDATION

Members Note: (1) the provisional capital outturn for 2016/17.

BACKGROUND

- 1 Executive Committee approved a revised capital programme for 2016/17 at its meeting on 15 December 2016 (Paper E/470/16). This report compares the actual spend with that approved revised 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 2016/17 is £4.1 million net expenditure. The projected net capital expenditure for the year is £3.0 million. This has resulted in a projected variance of £1.1 million for 2016/17.
- 4 Where slippage is projected and reported, those resources remain earmarked for the particular schemes in question into 2017/18. Where an under spend is reported these savings are added back into capital funds.

SPECIFIC SCHEMES

- 5 Scheme variations are described in more detail below.

- 6 **Park Development Proposals (£35,000) slippage**

This has been caused by the late appointment of consultants within the year to develop strategic policies and delays in the delivery of work involved in the design of the Carthagena estate.

- 7 **IT Infrastructure & Communications Enhancement (£73,000) slippage**

Slippage across the financial years due to the following:

- GIS system upgrade project has been deferred until 2017/18 as the procurement process has been delayed due to detailing a complex specification (£55K).
- Public Wi-Fi for Dobbs Weir Campsite has been deferred until 2017/18 financial year to dovetail with the final phase of works due for completion by July (£5K).
- The changed frequency of PC replacement from three years to five years, resulting in fewer computers being replaced in 2016/17 (£13K).

- 8 **Asset Management (£311,000) slippage**

Slippage across the financial years in the main due to the following schemes:

- delays to car park works at Myddelton House, awaiting planning permission (£120K);
- delays have occurred to riverbank erosion works at Dobbs Weir as officers are awaiting Environment Agency approval (£80K);
- £50K underspend on Myddelton House internal redecorations (includes carpets and lighting) has been delayed from winter to summer to allow opening of windows and to coincide with holidays.
- £60K for Turnford Bridge works that were not completed due to delays with Network Rail.

9 Landscaping (Eton Manor Allotments Site) – (£57,000) under spend/slippage

This scheme is now complete apart from completion works (circa £25K) and retention monies for the contract (circa £8K) which will both fall into next financial year (2017/18). The remainder of the under spend (£24K) will be retained within the overall capital programme.

10 Dobbs Weir Campsite Final Phase – (£126,000) slippage

The main contractor has been appointed and is now on site, based on phasing of planned works and expenditure, actual spend has crossed over the financial years. The project completion is still on time and budget with the static sites finished by early July. The entrance works (designed and managed by Epping Forest College) are scheduled for completion in the autumn and the toilet block and lodges by the end of 2017/early 2018.

11 Holyfield Hall Farm Redevelopment – (£42,000) slippage

This project has been progressing with design work on a number of options but the majority of the work undertaken so far has been funded from existing Asset Management budgets. This project has significant implications to both Holyfield Hall Farm and the Ranger service, as such officers are recommending that this project is put on hold until the service reviews of these two sections are completed. The design work completed so far will inform part of the service review and the intention is that the findings, implications and business plan proposal of this project will be brought to Members in late 2017.

12 Smaller Capital Schemes (£445,000) slippage

There is a slippage of £445,000 currently projected due to detailed project planning and design delays due to external supplier workloads on four of the schemes: Kitchen & Counter, Pavilion Extension, Terrace Bar reconfigurations and a small play area, all at Lee Valley White Water Centre. These projects are now forecast to be completed in the first half of 2017/18, subject to project sign-off between Lee Valley Leisure Trust Ltd and Authority. A summary of all the smaller schemes progressing into 2017/8 are set out at Appendix B to this report. A full update report on the smaller investment schemes will be brought to the next Executive Committee in June.

ENVIRONMENTAL IMPLICATIONS

- 13 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

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

FINANCIAL IMPLICATIONS

- 15 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 either increase or decrease.

The smaller schemes investment programme is anticipated to generate further revenue in the latter part of 2017/18 and from 2018/19 onwards estimated up to £0.7m by 2019/20. This additional revenue is a key component of reducing the Leisure Services Contract management fee in future years and has been built into the Medium Term Financial Plan as part of the Authority's plan to reduce the levy.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 18 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/481/17	Q3 Capital Programme Budget Monitoring	23 February 2017
Executive Committee	E/470/16	Proposed Capital Programme 2016/17 (Revised) to 2020/21	15 December 2016
Executive Committee	E/462/16	Q2 Capital Programme Budget Monitoring	20 October 2016
Executive Committee	E/455/16	Q1 Capital Programme Budget Monitoring	21 July 2016
Executive Committee	E/451/16	Dobbs Weir Campsite Proposed Part II Development – Final Phase	26 May 2016
Executive Committee	E/450/16	Capital Programme – Provisional Outturn 2015/16	26 May 2016
Executive Committee	E/417/15	Proposed Capital Programme 2015/16 (Revised) To 2019/20	22 October 2015

APPENDICES ATTACHED

Appendix A	Capital Monitoring 2016/17 Projected Outturn
Appendix B	Details of smaller schemes

Lee Valley Regional Park Authority Provisional Capital Outturn 2016/17

Project Name	Accountable Officer	Project Manager	Budget 2016/17		Outturn at 31/03/2017		Variance	Comment
			£000	£000	£000	£000		
Land Acquisition & Remediation	Director Corp. Services	Head of Property	1,260	1,260	0	0	Scheme Complete	
Signage	Chief Executive	Head of Comms	18	4	14	14	Works Completion by July 2017	
Park Development Proposals	Director Corp. Services	Head of Planning & SP	50	15	35	35	See Main Report	
BAP	Director Corp. Services	Head of Parklands	51	41	10	10	Works Completion in May 2017	
Infrastructure & Communications Enhancement	Director Fin & Resources	IT Manager (Trust)	175	102	73	73	See Main Report	
Asset Management	Director Corp. Services	APMD Section Manager	946	635	311	311	See Main Report	
LV White Water Centre Legacy Project	Director Corp. Services	APMD Section Manager	28	27	1	1	Scheme Complete	
LV Hockey & Tennis Centre Improvements	Chief Executive	Head of Sport & Leisure	107	117	(10)	(10)	Scheme Complete	
LV Hockey & Tennis Centre SE Grant	Chief Executive	Head of Sport & Leisure	(230)	(230)	0	0	Scheme Complete	
Landscaping (Eton Manor Allotments Site)	Director Corp. Services	Head of Parklands	57	0	57	57	See Main Report	
Landscaping Contributions(Eton Manor Allotments Site)	Director Corp. Services	Head of Parklands	(146)	(146)	0	0	Scheme Complete	
Dobbs Weir Campsite Final Phases	Director Fin & Resources	APMD Section Manager	1,100	974	126	126	See Main Report	
Three Mills Development	Director Corp. Services	Head of Parklands	5	5	0	0	Scheme Complete	
River Lee Country Park - Natural Play	Director Corp. Services	Head of Parklands	7	7	0	0	Scheme Complete	
Holyfield Hall Farm - Redevelopment	Director Corp. Services	Head of Parklands	50	8	42	42	See Main Report	
Small Schemes Development Fund - Trust	Chief Executive	MD Trust	628	183	445	445	See Main Report	
Net Programme			4,106	3,002	1,104	1,104		
Total Capital Expenditure			4,482	3,378	1,104	1,104		
Total Capital Income			(376)	(376)	0	0		
Net Programme			4,106	3,002	1,104	1,104		

Small Schemes analysis Agreed with MR 01/11/2016

Scheme	Code	2015/16	2016/17	2016/17	2017/18	2018/19	2019/20	Total
		Actual £'000	Estimate £'000	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'001
Rye House Service to Moorings	C151	51	32	30	2	0	0	83
LVAC - Cross-Fit	C152	0	40	38	2	0	0	40
Velo- Tep Bar & Café Displays	C153	34	15	16	-1	0	0	49
LVWWC Bar Fit out & Feasibility	C154	16	30	0	30	0	0	46
Velo - Pump Track & Pedal Up	C155	39	0	-1	1	0	0	39
Velo - MTB Enhancements	C156	10	1	1	0	0	0	11
LVHTC - Concession Space	C157	11	34	37	-3	0	0	45
Farm Site Makeover	C158	49	17	11	6	0	0	66
PL - Mooring Feasibility	C159	0	9	9	0	0	0	9
LVWWC - Aqua Park Feasibility	C162	24	0	0	0	0	0	24
HHF - Soft Play Area	C163	5	0	0	0	0	0	5
Total		239	178	141	37	0	0	417
Revised programme		239	178	141	0	0	0	558
Lee Valley White Water Centre								
Temporary Water Park			0	0	400	0		400
Kitchen & Counter			200	42	200	0		442
Staff Office Accommodation			0	0	250	0		250
Storage		TBC		0	0	0		0
Extend Pavilion			100	0	0	0		100
Play Area Near Pavilion			50	0	0	0		50
Extend T Bar			100	0	0	0		100
Covering Deckling			0	0	400	0		400
Covering Swale inc Bridge			0	0	400	0		400
Reception Reconfiguration			0	0	100	0		100
Other Sites								
Fields Weir Marina			0	0	500	1,500		2,000
Riding Centre Weatherproofing Menage & Livery arena			0	0	150	0		150
Marina Springfield Island			0	0	250	0		250
Farm Weatherproofing			0	0	250	0		250
Athletics Centre Fitness Offer/Kitchen/Servery			0	0	350	0		350
Unallocated			0	0	800	0		800
Sub - Total			450	42	4,050	1,500	0	6,042
Total Small schemes			628	183	4,050	1,500	0	6,600