

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

CITY SERVICES PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£0.75M**. This can be compared with the budgeted figure for 2015/16 of **£1.02M** resulting in an in year under spend of **£0.27M**, which represents a percentage under spend against budget of **26.5%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	0.87	1.58	0.00	0.00	0.00	2.45
Approvals since last report	0.15	0.01	0.00	0.00	0.00	0.16
Programme Total	1.02	1.59	0.00	0.00	0.00	2.61
(Slippage)/Rephasing	(0.26)	0.26	0.00	0.00	0.00	0.00
(Under)/Overspends	(0.01)					(0.01)
Total Spend	0.75	1.85	0.00	0.00	0.00	2.60

PROGRAMME CHANGES

APPROVALS SINCE LAST REPORT

CS1 – Weston Shore Improvements (addition £0.06M)

Weston Shore Improvements Phase 2.

In January 2016 the Director approved an additional £0.06M of S106 developer contributions to install a permanent Multi Use Games Area. The expenditure was phased £0.05M in 2015/16 and £0.01M in 2016/17.

CS2 – City Pride Park Development Works (addition £0.01M)

City Pride – New Pocket Park at Acacia Road.

In February 2016 the Director approved an additional £0.01M of DCLG grant in order to convert a derelict piece of green space at Acacia Road into a pocket park. The expenditure was phased £0.01M in 2015/16.

CS3 – Adey Close Play Area (addition £0.02M)

Adey Close Play Area Improvement.

In February 2016 the Director approved an additional £0.01M of council resources and £0.01M of section 106 developer contributions in order to remove and replace the play equipment at Adey Close - to reduce the risk of injury and improve the communal space of the neighbourhood dominated by social housing. It will also reduce the ongoing cost to the council of grounds and equipment maintenance. The expenditure was phased £0.02M in 2015/16.

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CS4 – Laxton Close Play Area (addition £0.02M)

Laxton Close Play Area Redevelopment.

In March 2016 the Director approved the addition of £0.02M of section 106 developer contributions in order to redevelop the Laxton Close Play Area. The expenditure was phased £0.02M in 2015/16.

CS5 – Cedar Lodge Play Area (addition £0.05M)

Replacement of destroyed equipment at Cedar Lodge Play Area.

In March 2016 the Director approved the addition of £0.05M of section 106 developer contributions in order to replace equipment destroyed in an arson attack at the Cedar Lodge Play Area. The bark pits will also be upgraded to Bonded Rubber Mulch which requires no maintenance. The expenditure was phased £0.05M in 2015/16 but it has now slipped to 2016/17.

The SIGNIFICANT overspend or underspend for the portfolio are:

There are no significant over or underspends.

The MAJOR items of slippage/re-phasing are:

CS6 – Minor Parks Development Works (slippage £0.14M)

There is slippage into 2016/17 as more time is required to deliver the schemes, funded from S106 developer contributions.

Some new schemes were not approved until the end of 2015/16, which caused a slippage of £0.09M. The remaining slippage £0.05M is mainly due to ongoing discussions with Friends groups to agree appropriate improvements.

CS7– Minor Play Area Development Works (slippage £0.10M)

There is slippage into 2016/17 as more time is required to deliver these schemes.

Some new schemes were not approved until the end of 2015/16, which caused a slippage of £0.06M. The remaining slippage £0.04M is due to delays on the ongoing schemes.

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COMMUNITIES, CULTURE & LEISURE PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£1.20M**. This can be compared with the budgeted figure for 2015/16 of **£1.38M** resulting in an in year under spend of **£0.18M**, which represents a percentage over spend against budget of **13.0%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	1.38	0.84	0.08	0.00	0.00	2.30
Approvals since last report	0.00	0.00	0.00	0.00	0.00	0.00
Programme Total	1.38	0.84	0.08	0.00	0.00	2.30
(Slippage)/Rephasing	(0.29)	0.37	(0.08)	0.00	0.00	0.00
(Under)/Over spends	0.11					0.11
Total Spend	1.20	1.21	0.00	0.00	0.00	2.41

PROGRAMME CHANGES

There have been no approved programme changes.

The SIGNIFICANT overspend for the portfolio are:

CCL 1 – Sea City (overspend £0.10M)

There has been additional work with additional spend and protracted negotiations with the contractor.

The council has recently settled the final account to the contractor for the construction of the Museum following lengthy negotiations. As previously reported to Council, the over spend is largely down to additional work required with regards to asbestos and the associated additional work and delays that this caused. Council approved a provision in July 2012 of additional council resources of up to £0.30M as a response to this likely financial pressure. The total over spend, which is now £0.34M, is lower than the over spend forecast of £0.36M reported in February 2015.

CCL 2 – Guildhall Refurbishment (overspend £0.01M)

There have been additional costs of £0.01M in 2015/16.

There is an over spend of £0.01M in 2015/16 on stone work repairs, which will require additional council resources.

The MAJOR items of slippage/re-phasing are:

CCL 3 – Guildhall Refurbishment (re-phasing £0.13M)

There is a forward re-phasing of £0.13M to 2015/16 due to work being completed earlier than planned.

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The project has been completed ahead of schedule with budgets re-phased to 2015/16 (£0.05M from 2016/17 and £0.08M from 2017/18).

CCL 4 – Woolston Library (slippage £0.27M)

There is slippage into 2016/17 due to contract delays.

There is slippage of £0.27M from 2015/16 to 2016/17 due to a delay in signing the contract for the new Library building. It is expected that the works will now be completed by June 2017.

CCL 5 – Oaklands Swimming Pool Feasibility (slippage £0.07M)

There is slippage into 2016/17 due to a small delay in the completion of works.

There is slippage of £0.07M from 2015/16 to 2016/17 as there are some outstanding defects to resolve with the contractor and, thus, the retention has not been paid. The council will have continued financial responsibility for the maintenance of the roof until March 2018.

CCL 6 - Bargate Monument Repairs (slippage £0.04M)

There is slippage into 2016/17 due to a delay on Ancient Monument Consent.

There is slippage of £0.04M from 2015/16 to 2016/17 on the Bargate Monument Repairs due to a delay in receiving Ancient Monument Building consent from Historic England for the works and having to re-schedule the works around the German Christmas Market.

EDUCATION & CHILDRENS SOCIAL CARE PORTFOLIO KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£8.96M**. This can be compared with the budgeted figure for 2015/16 of **£8.19M** resulting in an overspend of **£0.77M**, which represents a percentage over spend against budget of **9.4%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	8.19	17.31	4.95	0.00	0.00	30.45
Approvals since last report	0.00	0.80	7.70	1.17	0.00	9.67
Programme Total	8.19	18.11	12.65	1.17	0.00	40.12
(Slippage)/Rephasing	(0.45)	0.45	0.00	0.00	0.00	0.00
(Under)/Overspends**	1.22					1.22
Total Spend	8.96	18.56	12.65	1.17	0	41.34

**Overspend in 2015/16 to be funded by underspend in 2016/17 – see Appendix 4

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ECSC 1 – Springwell Phase 2 (Addition of £9.67M in 2016/17 to 2018/19)

Addition of £9.67M for Springwell Phase 2 to create additional capacity.

The Cabinet and Council have approved £9.67M for Springwell Phase 2, on March 2016 for increased capacity at Springwell Special School. The impact of Phase 2 will be to create the places required at the forecast rate of intake, in response to both local need and the statutory duty to meet parental preference. This will significantly reduce tribunal activity and the need to fund high cost independent placements.

The SIGNIFICANT over spend or under spend for the portfolio are:

ECSC2 – Academies Management – (£0.09M Underspend in 2015/16)

Reduction of £0.09M for 2015/16 as litigation not now required.

Removal of a provision for litigation that will not be needed. The project has now ended.

ECSC4 - Primary Review P2- Fairisle Infant & Nursery (£0.03M Overspend)

Spend required to cover unforeseen ground work costs and retention payment.

This project was delivered in two stages. The first stage of the project is overspent due to additional works required to prepare the groundworks. All costs are now known and in addition there will be a further pressure of £0.04M in 2016/17 to meet the retention payment due September 2016.

ECSC5 – Expansion of St Johns Primary & Nursery School (£0.86M Overspend)

Overspends necessary to complete project.

Against the original budget for this project there is an overspend of £0.86M in 2015/16 as a result of reasons detailed in 21st January Board report. This overspend is being managed within the Portfolio Programme from underspends within other schemes.

ECSC6 –School Expansion Programme (£0.08M Underspend)

Overspend of £0.04M at Great Oaks Special School, due to the New Lodge at Down to Earth site at Green Lane required more construction enabling and groundwork costs than had been anticipated by the project manager. All costs for this project are now known.

Underspend of £0.09M at Weston Park Primary. The school commissioned the works for bulge class and to be reimbursed for only £0.01M for 2015/16. Project is now complete.

Underspend of £0.03M at Polygon School, for the expansion at Morris House. The purchase is complete and refurbishment will not be paid by SCC, as originally anticipated.

ECSC7 – Newlands Primary Rebuild Project (£0.05M Overspend)

Increase of £0.05M required for 2015/16 to pay for additional costs.

Overspend is due to archaeological remains found resulting in delay in contractor being awarded extension of time so removal from old building more complicated and costly as missed start of term. Additionally the delay at end of contract in getting electric supply to old building resulting in demolition being delayed and extension in time for contractor.

ECSC8 – Pupil Referral Unit Capital – (£0.05M Overspend)

Total Increase of £0.05M required for 2015/16 to pay for outstanding capita fee.

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Overspend is due to outstanding capita fees from 2013 received in February 2016 plus lighting replacement resulted in additional costs.

ECSC9 - Health & Safety (H&S) Capital – (£0.05M Underspend)

Low spend and Capita order processing delays.

This project is for essential Fire Risk Assessments (FRA) works to meet legal requirements and H&S standards. As a result of low spend in 2015/16 due to Capita order processing delays, capital managers agreed reduction of £0.2M for 2016/17.

ECSC10 – Asbestos Removal – (£0.13M Underspend)

Reduction of £0.13M for 2015/16 due to low spend and Capita order processing delays.

This project is for essential SCC statutory legal requirements to manage asbestos in schools but is demand led and as a result of delays in processing orders there is an underspend in 2015/16; capital managers have agreed to use to fund other overspends.

ECSC11 – Regents Park Secondary Capital Maintenance - (£0.05M Overspend)

To rectify a problem with the drainage of the MUGA sports pitch.

This project had ended in a previous financial year, however a subsequent drainage problem with the MUGA sports pitch, post installation, required an additional payment of £0.05M. Initially the school met the costs and it has been agreed they will be reimbursed.

ECSC13 – Increased places at St Marys Primary School (£0.01M Overspend)

Overspend of £0.01M in 2015/16 due to additional costs.

Overspend in 2015/16 due to additional unexpected access and archaeological costs.

ECSC14 – School Devolved Capital (£0.54M Overspend)

Due to a notional budget being set at the start of the year.

This project is a combination of all school expenditure utilising their devolved capital grant. As spend is managed by each individual school an indicative budget is set. At year end the total spend was £0.54M greater than estimated. This is overspend is fully funded by devolved capital grants.

The MAJOR Items of Slippage/ Rephasing for 2015/16 are:

ECSC15 – Early Years Expansion – (Slippage of £0.07M from 2015/16 to 2016/17)

Slippage of £0.07M to cover costs for completion of project.

Ongoing programme for provision of Early Years statutory education places. The programme on target to complete by March 2017.

ECSC16 – Primary Review P2 – (Slippage of £0.08M from 2015/16 to 2016/17)

Slippage of £0.06M at Shirley Warren Primary to cover the retention payment. The project is expected to finish by March 2017. Retention is payable 12 months after completion.

Slippage of £0.05M at Sholing Junior due to delayed start, owing to availability of Capita resources.

Rephasing of £0.03M at Fairisle Junior due to design costs being incurred ahead of schedule. The rest of project to start in October 2016.

Slippage of £0.02M at Tanners Brook Junior due to retention payment, for part one, to be made in November 2016.

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Rephasing of £0.02M at Valentine Primary School due to costs incurred to complete additional classroom early. Now only retention fee left in 2016/17, as funding on hold due to EFA new build.

ECSC17 – Springwell School – Main Expansion (Slippage of £0.23M from 2015/16 to 2016/17)

Slippage of £0.23M due to delay in start.

The project was delayed as only approved by Council Capital Board in September 2015. Planning application submitted in December 2015 and the proposed start on site is July 2016.

ECSC18 – Solar PV Resources project (Slippage of £0.09M from 2015/16 to 2016/17)

Slippage of £0.09M from 2015/16 to 2016/17 due to delayed start in 2016.

Project was to install Solar panels on a list of schools. Redbridge tender will be installed in 2016/17, hence the slippage. Due to an estimated underspend in 2016/17 a reduction of £0.09M is being given up to support the 2015/16 overspend.

New larger Council wide project is being requested separately to Capital Board.

ECSC19 – R&M Planned Programme (Rephasing of £0.06M from 2016/17 to 2015/16)

The initial phase of the project has been completed earlier than anticipated.

The rephase of £0.06M from 2016/17 budget required as the repairs and maintenance projects completed ahead of schedule.

ECSC20 – Academies (Rephasing of £0.04M from 2016/17 to 2015/16)

Additional costs incurred for Mayfield (£0.02M) and Lordshill (£0.02M) Academy

Fees received earlier than scheduled and retention money refunded to Carillion and 125 year lease issued to Oasis in 2016/17.

ECSC21 – Schools Access Initiative (Slippage of £0.04M from 2015/16 to 2016/17)

Ongoing demand led costs requirements.

This is a rolling and reactive programme and demand led by the school's requirements. Any slippage will be required for 2016 onwards.

ECSC22 – Secondary School Capital – (Slippage of £0.08M from 2015/16 to 2016/17)

Slippage of £0.05M on the Estates programme and £0.03M for Chamberlayne.

The remaining budget is required for residual works and final Capita fees to enable completion of the programmes.

ECSC23 – Secondary School Expansion Feasibility – (Rephasing of £0.06M from 2016/17 to 2015/16)

Capita fees were incurred earlier than anticipated.

New project approved in Sept 2015; Capita feasibility fees charged earlier than forecast.

ECSC24 – Springhill Primary Academy (Slippage of £0.05M from 2015/16 to 2016/17)

Slippage of £0.05M to support reduction in 2016/17 to meet overspends as Business & Account Manager, Property Services agreed the project will not go ahead.

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Springhill is an academy school. It was agreed that the project for a bulge class will not go ahead. The Diocese and the school have been informed.

ECSC25 – IT Harnessing Technology Grant (Slippage of £0.01M from 2015/16 to 2016/17)

Residual budget required in 2016/17 to move schools to new broadband service.

New broadband service for Harefield, Holy brook Infant/Junior and Shirley Infant/Junior. If the capital cost are not funded (as they were for all other schools) there is a high risk that these schools will not sign up to the service and SCC will lose any future revenue stream.

ECSC26 –Primary Expansion (Slippage of £0.00M from 2015/16 to 2016/17)

Slippage of £0.02M on Portswood Primary offset by rephasing of £0.02M on St Monica.

Portswood Primary - Slippage is due to the contract work being delayed as a result of planning requirements resulting in possible redesign.

St Monica Bulge Class - Rephasing is required for Capita fee paid earlier than budgeted based on similar projects at other schools to provide a new pre-school building on-site to allow the school to expand within the main building.

ECSC27 – Expansion of St Johns Primary & Nursery School (Rephasing £0.02M from 2016/17 to 2015/16)

Highways work completed ahead of schedule.

Highway works originally due in to be undertaken in 2016/17 were completed and paid for in 2015/16, requiring £0.02M to be rephased.

FINANCE PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£1.20M**. This can be compared with the budgeted figure for 2015/16 of **£1.40M** resulting in an under spend of **£0.20M**, which represents a percentage under spend against budget of **14.3%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	1.40	1.28	0.29	0	0	2.97
Approvals since last report	0.00	0.00	0.00	0.00	0.00	0.00
Programme Total	1.40	1.28	0.29	0.00	0.00	2.97
Slippage/Rephasing	(0.20)	0.20	0.00	0.00	0.00	0.00
Under/(Over)spends	(0.00)					(0.00)
Total Spend	1.20	1.48	0.29	0.00	0.00	2.97

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

PROGRAMME CHANGES

The MAJOR items of slippage/re-phasing are:

FIN 1 – Works to Enable Accommodation Strategy (£0.23M Slippage)

The 2015/16 budget exists to cover the activities required to enable the implementation of the New Ways of Working project and any works required to facilitate the vacation of Herbert Collins House. The slippage on the scheme reflects the ongoing works under way which will now complete in 2016/17.

FIN 2 - Desktop Refresh Programme (slippage £0.06M)

Reduced IT equipment refresh required due to accommodation changes/reductions.

Desktop devices have been refreshed at a lower rate than originally anticipated as a result of managing the availability of re-usable serviceable devices from accommodation changes / reductions. The refresh of devices at locations due for closure were put on hold and as some of the devices at these sites will now be re-used elsewhere, these will be added back into the desktop refresh programme for 2016-17 and ongoing.

FIN 3 - Customer Portal (re-phasing £0.09M)

Forecast delays due to technical issues did not occur due to project re-scoping.

It was anticipated at quarter 3 that the project would be delayed in a number of key areas due to technical issues. Since then the project has been reviewed to re-direct focus to overcome these technical issues by the use of additional resources to enable key project deadlines to be met.

There has also been an unanticipated overlap with the Transformation capital project which has resulted in expenditure on elements of the project earlier than expected.

HEALTH & ADULTS SOCIAL CARE PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£0.25M**. This can be compared with the budgeted figure for 2015/16 of **£0.35M** resulting in an in year under spend of **£0.10M**, which represents a percentage under spend against budget of **28.5%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	0.35	0.25	0.00	0.00	0.00	0.60
Approvals since last report	0.00	0.00	0.00	0.00	0.00	0.00
Programme Total	0.35	0.25	0.00	0.00	0.00	0.60
(Slippage)/Rephasing	(0.01)	0.01	0.00	0.00	0.00	0.00
(Under)/Overspends	(0.09)	0.00	0.00	0.00	0.00	(0.09)
Total Spend	0.25	0.26	0.00	0.00	0.00	0.51

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

PROGRAMME CHANGES

None.

The SIGNIFICANT over spend or under spend for the portfolio are:

HASC1 – Paris 5.1 Upgrade (£0.09M Underspend in 2015/16)

The project has been completed below budget primarily due to the IT costs being significantly lower than anticipated.

The project has been completed and there is an underspend of £0.09M primarily due to the use of greater volumes of pre-paid development days from IT.

The MAJOR items of slippage are:

HASC2 – Common Assessment Framework (CAFA) - (Slippage of £0.01M from 2015/16 to 2016/17)

Slippage is being requested to cover the final costs in 2016/17.

This project has almost been completed. Although there is slippage of £0.01M to cover the final contracted work in 2016/17, an underspend of £0.13M has been identified from the final project figure to be taken in 2016/17 as a result of overall costs being less than anticipated.

HOUSING & SUSTAINABILITY PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£2.06M**. This can be compared with the budgeted figure for 2015/16 of **£3.17M** resulting in an in year under spend of **£1.11M**, which represents a percentage under spend against budget of **35.0%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	3.17	2.45	0.00	0.00	0.00	5.62
Approvals since last report	0.00	0.00	0.00	0.00	0.00	0.00
Programme Total	3.17	2.45	0.00	0.00	0.00	5.62
(Slippage)/Rephasing	(1.00)	1.00	0.00	0.00	0.00	0.00
(Under)/Over spends	(0.11)					(0.11)
Total Spend	2.06	3.45	0.00	0.00	0.00	5.51

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PROGRAMME CHANGES

APPROVALS SINCE LAST REPORT

There have been no approvals since the last report.

The SIGNIFICANT over spend or under spend for the portfolio are:

H&S 1 – Estate Regeneration Cumbrian Way (underspend £0.03M)

The final project cost was lower than expected.

This project is now complete and the budget allocated for 2015/16 was for final work, the value of which was difficult to determine. The completion work was minor and the full budget was not required.

H&S 2 – Disabled Facilities Grant approved in 2013/14 (underspend £0.08M)

There has been an under spend on completed work.

Work relating to Disabled Facilities Grants approved in 2013/14 has now been completed and there is an under spend of £0.08M. This relates to the Right-To-Buy receipt element of funding for this scheme.

The MAJOR items of slippage/re-phasing are:

H&S 3 – DevCo Setup (slippage £0.06M)

Unspent funding for consultants is to be slipped from 2015/16 to 2016/17.

A final invoice is due from consultants for work carried out in 2015/16. The value of that work was unconfirmed at the end of the financial year so it is planned to slip the budget into 2016/17.

H&S 4 – Estate Parking Improvements (slippage £0.09M)

There has been a delay due to a change in contractor.

Private residents are making a contribution to these parking improvements so in order to appoint a contractor to carry out the work, the residents must agree on the quotation.

The original contractor expected to carry out this work provided an estimated quote which was agreed in principal by residents. However, the final quote provided by that contractor was much higher.

The contract was therefore put out to tender and a new contractor has been appointed. Once the residents have signed the agreement, in principal, work will begin on the parking improvements.

H&S 5 – Handyperson Service (slippage £0.03M)

There was a decrease in the cost of the contract with the provider.

The contract with the Society of St James to provide this service has been renegotiated down and funding is to be slipped to fund the scheme in 2016/17.

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H&S 6 – Green Deal Communities Engagement (slippage £0.45M)

This demand-led project has underspent.

This funding is used to provide grants to private residents to upgrade their heating systems. The number of applications for grants has been lower than expected and so there have been fewer boiler installations in 2015/16. The under spend is to be slipped into 2016/17 to fund further grants for boiler installations.

H&S 7 – Green Projects (slippage £0.05M)

Unspent funding is to be slipped to part fund a new green project.

This unspent funding will contribute towards the Southampton Healthy Homes project, which is due to start in 2016/17, and for which there is already £0.33M allocated in the new financial year.

LEADERS PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£7.43M**. This can be compared with the budgeted figure for 2015/16 of **£14.89M** resulting in an in year under spend of **£7.46M**, which represents a percentage under spend against budget of **50.1%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	14.90	74.47	0.35	0.10	0.00	89.82
Approvals since last report	(0.01)	0.00	0.00	0.00	0.00	(0.01)
Programme Total	14.89	74.47	0.35	0.10	0.00	89.81
(Slippage)/Rephasing	(7.45)	7.45	0.00	0.00	0.00	0.00
(Under)/Over spends	(0.01)					(0.01)
Total Spend	7.43	81.92	0.35	0.10	0.00	89.80

PROGRAMME CHANGES

APPROVALS SINCE LAST REPORT

LD 1 – District Shopping Centre (Reduction £0.01M)

This budget has been transferred to the City Services capital programme.

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As this budget was no longer required for the District Shopping Centre, it was agreed that it could be used to fund work on a play area at Adey Close. This work will be carried out as part of the City Services capital programme and a budget virement was approved in January 2016.

The MAJOR items of slippage/re-phasing are:

LD 2 – Northern Above Bar – Guildhall Square (slippage £0.20M)

There has been a delay due to lighting contract issues.

The final payment for work carried out under the lighting contract is currently being retained while issues with the work are being resolved. Once resolved, the final payment is expected to be made in 2016/17.

LD 3 – Southampton New Arts Centre (SNAC) (slippage £6.64M)

There has been a delay in completion of the shell and core works.

It was originally expected that the fit-out contractor would start work early in the 2015/16 financial year. This start date depended on the completion of the shell and core works. As there was a delay in the completion of this work, the site was not handed over to the fit-out contractors until 12th October 2015. This caused slippage of £5.4M in the cost of works, with the balance relating to the slippage of fees and other project costs. The budget is being slipped to cover the completion of fit-out work in 2016/17.

LD 4 – Watermark West Quay (slippage £0.23M)

There has been a delay in the work completed by the contractor.

The work carried out by the contractor on this project has been delayed by 15 weeks due to the discovery of asbestos in Harbour Parade and a collapsed sewer pipe. The final completion date of this project has now been extended and work must be completed and a claim submitted for the Regional Growth Fund grant by 30th September 2016.

LD 5 – West Quay Phase 3 WWQ (slippage £0.07M)

There has been a delay in the delivery of the development plans.

Now that phase 1 is progressing well on site, discussions are progressing with the developer in relation to phase two of this project and the delivery mechanism. It is therefore necessary to slip some of the funding into 2016/17.

LD 6 – QE2 Mile – Bargate Square (slippage £0.06M)

There has been a delay in obtaining plans from the developer for the Bargate building.

The developer is currently in the process of producing redevelopment proposals for the Bargate Shopping Centre. Development of the pedestrian section of Bargate Square cannot be moved forward until these plans have been agreed and are being delivered. The budget therefore needs to be slipped into 2016/17.

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

LD 8 – Feasibility – Major Site Development (slippage £0.06M)

Feasibility work was not undertaken this year.

There were no new projects requiring feasibility work in 2015/16, so the budget is being slipped for any work needed in future years.

LD 9 – Royal Pier (slippage £0.06M)

There has been a delay in the completion of the development plan for the project.

This complex project has taken longer than anticipated to reach the planning application stage which has now been submitted for approval. Discussions are ongoing with the developer in relation to the scheme. The budget has therefore been slipped into 2016/17.

TRANSFORMATION PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£0.09M**. This can be compared with the budgeted figure for 2015/16 of **£0.10M** resulting in an under spend of **£0.01M**, which represents a percentage under spend against budget of **10.0%**.

The programme is shown in the following summarised table:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£M	£M	£M	£M	£M	£M
Programme at last report	0.00	0.00	0.00	0.00	0.00	0.00
Approvals since last report	0.10	0.40	0.00	0.00	0.00	0.50
Programme Total	0.10	0.40	0.00	0.00	0.00	0.00
(Slippage)/Rephasing	(0.01)	0.01	0.00	0.00	0.00	0.00
(Under)/Overspends	0.00					0.00
Total Spend	0.09	0.41	0.00	0.00	0.00	0.50

NO SIGNIFICANT PROGRAMME CHANGES TO NOTE

TRANSPORT PORTFOLIO

KEY ISSUES – CAPITAL OUTTURN 2015/16

The total spend for the year is **£15.13M**. This can be compared with the budgeted figure for 2015/16 of **£18.99M** resulting in an under spend of **£3.86M**, which represents a percentage under spend against budget of **20.3%**.

The programme is shown in the following summarised table:

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

	2015/16 £M	2016/17 £M	2017/18 £M	2018/19 £M	2019/20 £M	Total £M
Programme at last report	18.98	13.06	0.62	0.17	0.10	32.93
Approvals since last report	0.01	0.00	0.00	0.00	0.00	0.01
Programme Total	18.99	13.06	0.62	0.17	0.10	32.93
(Slippage)/Rephasing	(3.92)	3.92	0.00	0.00	0.00	0.00
(Under)/Overspends	0.06					0.06
Total Spend	15.13	16.98	0.62	0.17	0.10	32.99

PROGRAMME CHANGES

APPROVALS SINCE LAST REPORT

E&T 1 – Congestion Reduction (Addition £0.01M)

Additional funding for CCTV Cameras.

Additional funding of external contributions for CCTV Cameras at Oxford Street has been added to the scheme as approved by the Director in February 2016. This was phased in 2015/16, but has now slipped into 2016/17.

The SIGNIFICANT overspend or underspend for the portfolio are:

E&T 2 - Purchase of Vehicles (overspend £0.07M)

Additional capital expenditure for the purchase of vehicles.

The approved budget is £0.78M, however, during the year, expenditure of £0.84M has been incurred to purchase Council vehicles. This additional expenditure of £0.07M in 2015/16 will be funded by council resources. The additional expenditure is due to the original budget being an indicative figure for the value of vehicles to be purchased. Following confirmation of the required specifications and prices the cost of purchases is 9% higher than anticipated.

The MAJOR items of slippage/re-phasing are:

E&T 3 - Principal Roads (slippage £0.67M)

There is slippage into 2016/17 of the funding for this ongoing scheme.

The Principal Roads scheme is part of the 'share mechanism' with the Highways Partner. Within the scheme there are 14 projects being delivered. Greater efficiency by the Council's Partner, coupled with improved risk mitigation measures, have resulted in the delivery of these projects well within the available budget. There is a net favourable variance of £0.67M, which will fund the ongoing Roads programme in 2016/17.

E&T 4 - Unclassified Roads (slippage £0.56M)

There is slippage into 2016/17 of the funding for this ongoing scheme.

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

The Unclassified Roads scheme is part of the 'share mechanism' with the Highways Partner. Within the scheme there are 36 projects being delivered. Greater efficiency by the Council's Partner, coupled with improved risk mitigation measures, have resulted in the delivery of these projects well within the available budget. There is a net favourable variance of £0.56M, which will fund the ongoing Roads programme in 2016/17.

E&T 5 - Bridges to Prosperity (slippage £0.37M)

There is slippage into 2016/17 on this scheme due to the complexity of the work.

The favourable variance is mainly due to slippage on the Vicarage Bridge project of £0.33M, due to the complexity of the works needed to the structure, delaying the completion until April 2016.

E&T 6 – Bridges/ Structures Maintenance (slippage £0.22M)

There is slippage into 2016/17 on this scheme due to wet weather and unexpected ground conditions.

The favourable variance is mainly due to slippage on the Wilton Avenue Culvert Repair project of £0.16M, due to the works being delayed by wet weather and unexpected ground conditions.

E&T 7 - Congestion Reduction (slippage £0.22M)

There is slippage into 2016/17 on this scheme.

There is slippage of £0.13M on the Intelligent Transport Systems (ITS) project and of £0.07M on the Urban Freight Strategy - Delivery Service Plans (DSP) project.

ITS slippage is due to delays in the procurement and delivery of enhanced Variable Message Systems. Procurement is now progressing to allow the project to be delivered.

Urban Freight Strategy and development of the DSPs has had slippage due to prioritising the next round of interventions. These are now agreed and the budget will be used to support the set-up of the NHS IoW Trusts logistics operations at Southampton's Sustainable Distribution Centre.

E&T 8 - Accessibility (slippage £0.18M)

There is slippage into 2016/17 on this scheme.

There is slippage of £0.07M on the Station Boulevard project and of £0.10M on the Local Transport Improvement Fund project.

Station Boulevard preliminary design and the highway preparatory works have slipped as there have been delays in securing the necessary land agreements from SSE and other land owners and in engaging with key stakeholders on the design requirements. Progress has now been made with securing land and there is the ability to progress with preparatory works.

Local Transport Improvement Fund is delivering up to 30 individual highway projects, which the budget is committed to. There have been delays with some projects in light of stakeholder consultations, supplier issues and programming. Works continue to progress with a commitment to deliver projects as prioritised by local Members.

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

E&T 9 – Cycling Improvements (slippage £0.45M)

There is slippage into 2016/17 on this scheme.

There is slippage of £0.25M on the Northern Cycle Route Development project due to a requirement for a planning application to assess the ecological impacts of the project and following this the need to apply to the secretary of state for a section 38 approval for works on Common land.

Also there is slippage of £0.12M on the Second Avenue Millbrook Cycle project due to delays in finalising the detailed design and cost estimates.

There is slippage of £0.04M on the Eastern Cycle Route Development project due to continued delays with the East Street redevelopment.

E&T 10 – Highways Improvements (slippage £0.09M)

There is slippage into 2016/17 on this scheme due to the complexity of the work.

There is slippage of £0.09M on developer contribution funded jobs, due to the ongoing detailed design for site specific agreements and negotiating with the Council's Partner on better construction costs delaying the completion until quarters 1 and 2 of 2016.

E&T 11 – Highways Maintenance (slippage £0.10M)

There is slippage into 2016/17 on this scheme.

There is slippage on this contingency sum which may be required to pay the Council's Highways contract partner for works delivered in 2015/16.

E&T 12 – Improved Safety (slippage £0.14M)

There is slippage into 2016/17 on this scheme.

There is slippage of £0.15M on the Improved Safety - Engineering 2015/16 project due to a mid-year review of the accident data and an update of the prioritisation methodology. An updated programme of works and studies is now established.

E&T 13 – Public Transport (slippage £0.16M)

There is slippage into 2016/17 on this scheme.

There is slippage on the Public Transport project of £0.19M, which is earmarked for future bus lane & traffic enforcement works. The slippage is due to delays in agreeing the design of the scheme and commissioning delivery of the works. Which are now estimated to be completed by autumn 2016.

E&T 14 - North of Station (slippage £0.50M)

There is slippage into 2016/17 of the funding for this scheme.

Phase 1 of the scheme is complete and phases 2, 3 and 4 of this scheme to improve the public realm and connectivity of the station with the rest of the city are largely physically complete. The final costs for design and construction will not be known until outstanding

CAPITAL OUTTURN 2015/16 – DETAILS OF SIGNIFICANT VARIANCES

defects are resolved with the contractor. In addition the final costs will be subject to agreement of the final account in accordance with the contract and Target Cost/ sharing mechanism arrangements between the council and the Highways Partner.

E&T 15 – Other variances (slippage £0.26M)

There are a number of other slippages into 2016/17 across the programme.

The remaining favourable variance of £0.26M can be attributed to a number of schemes with individual variances below £0.09M.