

## **GF & HRA Major Forecast Variances as at June 2019.**

1.	<p><b><u>Telecare Equipment (£0.25M forecast underspend)</u></b></p> <p>Project expected to underspend in line with underspend reported in 2018/19 due to an average 60% successful conversion rate of Adult Social Care referrals for service users to have connected care technology installed.</p> <p>In addition there has been recycling of existing connected care equipment for new service users which has also contributed to the reduced spend on the project.</p> <p>Referrals were expected to increase through more telecare awareness drop in sessions with Adult Social Care teams but the implementation of connected care equipment is not suitable for all referred service users which has resulted in reduced forecast of spend on this project.</p>
2.	<p><b><u>Studio 144 (£0.97M forecast overspend)</u></b></p> <p>The overspend to the scheme has been driven by the award by the Contract Administrator in regard to Extension of Time claims submitted by the Fit-out Contractor. The award for the South Building is primarily referencing the substantial flooding of the South Building, substantial alterations to the Gallery Wall construction and the consequences of the building contractor being on site at the same time as the fit-out contractor. The award for the North Building is primarily referencing the issues with the design of the Primary Containment, issues with lift installations and the subsequent impacts to the fit-out contractor.</p> <p>Discussions on the final contract costs are currently taking place based on valuations provided by quantity surveyors. There is no defined contractual obligation to conclude the final account within a fixed time and at current progress is positive. A final settlement is expected to take place within the 2019/20 Financial Year.</p>
3.	<p><b><u>Disabled Facilities Grant (DFG) (£1.55M forecast underspend)</u></b></p> <p>This project is proceeding as anticipated and this forecast underspend does not relate to a project reduction. A review of the guidance for the use of DFG funding, which changed in 2018/19 to allow greater flexibility, is being undertaken with a view to implement a range of approaches to support to our residents. Therefore it is anticipated this underspend will be used to fund a new project.</p>