



Worthing Joint Strategic Sub-Committee
5th December 2023

WORTHING BOROUGH
COUNCIL

Key Decision : No

Ward(s) Affected: All

2nd Quarter Capital Investment Programme & Projects Monitoring 2023/24

Report by the Director for Sustainability and Resources

EXECUTIVE SUMMARY

1. PURPOSE

1.1 This report updates the Sub-Committee on the progress made on the delivery of the 2023/24 Capital Investment Programme for Worthing Borough Council. The programme includes schemes which support the delivery of services by the Joint Services Committee.

1.2 The following appendices have been attached to this report:

Appendix 1: Worthing Borough Council Capital Monitoring Summary

Appendix 2: Worthing Borough Council Reprofiled Budgets

2. RECOMMENDATIONS

2.1 The Worthing Sub Committee of the Joint Strategic Committee is asked to:

- i) To note the reprofiling of the Worthing Borough Council capital schemes as advised in paragraph 6.1 and appendix 2.
- ii) To approve the changes to the current schemes as set out in section 6.2 report.

3. CONTEXT

3.1 In accordance with the Council's Capital Strategy, the Capital Working Group oversees the implementation and progress of the Council's capital investment programmes. The Capital Working Group also ensures that capital schemes are approved within financial regulations.

3.2 The Capital Working Group meets regularly and monitors the programme's progress and finance, seeking to address any problems at an early stage in order for schemes to be completed within budget and timescales. Where problems are highlighted the Group considers possible remedies including virements between schemes, reprofiling of budgets between years and the withdrawal of schemes from the programme when schemes are unable to proceed. This could be due to resourcing problems, time delays or other factors beyond the Council's control.

3.3 Full summaries of the progress of all the schemes in the 2023/24 Capital Investment Programmes are prepared each quarter highlighting:

Schemes with significant challenges	Red
Schemes where progress is being closely monitored	Amber
Schemes progressing well	Green
Schemes where progress is beyond officers' control	#
Schemes with financial issues	£
Schemes where progress has improved	↑
Schemes where progress has deteriorated	↓

3.4 Financial Regulations require officers to report each project on completion.

4. PROGRESS OF THE WORTHING BOROUGH COUNCIL 2023/24 CAPITAL INVESTMENT PROGRAMME – September 2023

4.1 There are 106 schemes in the 2023/24 current capital investment programme which are progressing as follows:

	Number of schemes	Percentage %
Schemes completed	7	6.6%
Schemes which are progressing satisfactorily	83	78.3%
Schemes where progress is being closely monitored	15	14.2%
Schemes with significant challenges or financial issues	1	0.9%

4.2 A summary of the financial movements of the 2023/24 Capital Investment Programme is attached as Appendix 2 to this report. A summary of the progress of all the schemes in the 2023/24 Capital Investment Programme is available from the Council's Intranet.

5.0 SUCCESSES AND CHALLENGES IN THE WORTHING BOROUGH COUNCIL 2023/24 CAPITAL INVESTMENT PROGRAMME

5.1. The following schemes are progressing well:

5.1.1 Information and Communications Technology - Digital Programme (Partnership Scheme with Adur District Council)

The following projects are progressing well:

- i) Ultrafast Network / Gigabit Project
- ii) Wifi Upgrade / Network Refresh
- iii) Cyber Security Solutions

5.1.2 Church House Ground (Tarring) Pavillion

The refurbishment of the pavilion has progressed well and is nearing completion in the next few weeks. The refurbishment included the pavilion and the toilet block.

5.1.3 Brooklands Park

Whilst this programme of works has been delayed, the project is now nearing final completion with the new car park installed and the cafe structure in place. The new childrens' playground was successfully delivered and the toilets are now operational.

5.1.4 Disabled Facilities Grant

This statutory service has been progressing above expectations with £1.2m of improvements delivered to the homes of residents in Worthing. The scheme is funded by the DCLG Better Care Fund.

5.1.5 Completed Schemes

The following schemes have completed;

- i) Public convenience - Hand Washing Unit Installations
- ii) Parade Lighting Columns - Planned 2023 Structural Works Tranche
- iii) Palatine Park - Play Area Improvements
- iv) Data Migration to the Cloud
- v) Payroll Software - Bespoke System Improvements

5.2. Challenges in the 2023/24 Capital Investment Programme:

5.2.1 There continues to be challenges to the delivery of a number of schemes due to a number of factors outside the Councils controls:

Delays have been encountered as follows:

- i) In obtaining quotes and estimates from suppliers.
- ii) Long lead in times for deliveries due to supply issues.
- iii) Significant inflation of costs within the construction industry

In addition there are staffing shortages in the Technical Services Department and projects have had to be prioritised and non urgent works may be deferred to 2024/25.

These issues have directly impacted on a number of projects which have required additional financial support which are set out below.

5.2.2 Splashpoint Leisure Centre Ground Source Heat Pumps

Negotiations are in an advanced stage to confirm the external contributions for the pumps from Morgan Sindell. The options for pumps are being considered with the optimum option slightly out of budget. The expected shortfall may be offset by a Public Sector Decarbonisation grant, the bid was submitted at the start of October and a decision is being delayed until the outcome is received.

5.2.3 Worthing Pier, Southern Pavilion and Seafront Amusements Sprinkler System

Planned works are to update the sprinkler systems to new automated systems. However the required budget to complete the update in all three sections of the pier is beyond the current financial constraints. A PID has been submitted for 2024/25 for additional funding, however a phased programme may be considered to update part of the system and leave the Northern Pavilion on the existing manual system in the short term.

6. ISSUES FOR CONSIDERATION

6.1 Budgets totalling £7,827,040 have been reprofiled to 2024/25 and future years where the original project plan has changed and the schemes are unable to complete in 2023/24. £2,616,610 has also been brought forward and reprofiled from 2024/25 due to progress within the heat network scheme. A list of schemes reprofiled is attached as Appendix 2 to this report.

6.2 The following amendments to the Worthing Borough Council 2023/24 Capital Investment Programme are recommended:

6.2.1 Parks - Ground Maintenance Equipment Replacements

Sales of parks equipment in 2022/23 generated £17,750 which is currently held in the capital receipts reserve. The registered officer has requested that these receipts are ring-fenced for the parks department and are available to spend in this year's capital budget should any equipment require replacement. The current budget is £36,920, with approval this would rise to £54,670.

6.2.2 CCTV Partnership

Upgrades to CCTV in Adur and Worthing are required in partnership with Sussex Police. The upgrade will reduce revenue costs and improve

transmission. A virement is requested from the corporate hardware budget of £24,600. Sussex Police will fund 30% of the project via the Safer Streets Grant Fund.

7. ENGAGEMENT AND COMMUNICATION

- 7.1 The purpose of this report is to communicate with stakeholders on the progress of the Worthing Borough Council 2023/24 Capital Investment Programmes. Officers of the Council have been consulted on the progress of the schemes which they are responsible for delivering.
- 7.2 Specific schemes are subject to public consultation (e.g new playgrounds) to ensure that they meet community needs.

8. FINANCIAL IMPLICATIONS

- 8.1 There are no unbudgeted financial implications arising from this report as the Worthing Borough Council 2023/24 Capital Investment Programme was approved by the Council in February 2023. Subsequent changes have been reported to and approved by the Joint Strategic Committee or by Officers where a delegation exists. The issues considered in this report can be funded from within existing resources or through external funding.

9. LEGAL IMPLICATIONS

- 9.1 Section 28 Local Government Act 2003, as amended by the Localism Act 2011, provides that where in relation to a financial year, a Local Authority has made the calculations required by section 43 Local Government Finance Act 1992, it must review them from time to time during the year. If it appears that there has been a deterioration in its financial position it must take such action, if any, as it considers is necessary to deal with the situation.
- 9.2 Section 151 of the Local Government Act 1972 requires the Councils to make arrangements for the proper administration of their financial affairs.

Background Papers

- Capital Investment Programme 2022/23 – 2025/26 Worthing Borough Council and Joint Committee.
- Capital Strategy 2023/26.

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1. ECONOMIC

- The capital programme prioritisation model awards points for capital project proposals that impact positively on the economic development of our places or the economic participation of our communities.

2. SOCIAL

2.1 Social Value

- The capital programme prioritisation model awards points for capital project proposals that impact positively on our communities.

2.2 Equality Issues

- The capital programme prioritisation model awards points for capital project proposals that address Equalities Act requirements and reduce inequalities.

3. ENVIRONMENTAL

- The management, custodianship and protection of our natural resources are considered when capital schemes are assessed for inclusion in the Councils' Capital Investment Programme.

4. GOVERNANCE

- The Councils' priorities, specific action plans, strategies or policies are considered when capital schemes are assessed for inclusion in the Councils' Capital Investment Programmes.
- The Councils' reputation or relationship with our partners or community is taken into account when capital schemes are assessed for inclusion in the Councils' Capital Investment Programmes.
- Resourcing, risk management (including health and safety) and the governance of either Council are fully considered during the preparation of the Councils' Capital Investment Programmes.

CAPITAL MONITORING SUMMARY 2023/24								2nd Quarter	
Executive Portfolios	(1) Total WBC Scheme Budgets £	(2) Previous Years' Spend £	(3) 2023/24 Original Budget £	(4) Net Budget b/f from 2022/23 £	(5) Approved Changes to Original Budget £	(6) 2023/24 Budget Reprofiled to and (from) 2024/25 £	(7) 2023/24 Current Budget £	(8) 2023/24 Spend to Date £	(9) Spend % of Current Budget
Citizen Services	15,397,660	1,430,887	7,113,240	677,190	1,800,000	1,445,120	8,145,310	1,279,160	15.70%
Climate Emergency	14,325,960	633,715	592,000	334,610	2,402,590	(2,616,610)	5,945,810	250,161	4.21%
Community Wellbeing	1,112,190	23,083	230,000	82,270	544,130	40,000	816,400	22,996	2.82%
Culture and Leisure	2,103,790	217,141	1,137,310	170,580	135,000	-	1,442,890	187,430	12.99%
Environment	6,831,000	2,293,236	1,585,680	1,002,260	(47,660)	123,370	2,416,910	616,498	25.51%
Regeneration	65,754,600	26,353,565	3,203,290	2,117,830	8,330,000	-	13,651,120	2,328,748	17.06%
Resources	94,538,810	26,607,073	16,971,050	127,410	(7,696,180)	6,218,550	3,183,730	146,294	4.60%
TOTALS	200,064,010	57,558,700	30,832,570	4,512,150	5,467,880	5,210,430	35,602,170	4,831,287	13.57%

Financing of 2023/24 Programme:

	£'000
Borrowing:	19564
Capital Receipts:	958
Revenue Contributions and Reserves:	295
Government Grants:	7022
S106 and CIL Receipts	6066
Other Contributions:	1,697
	<u>35,602</u>

Capital Monitoring - Summary of Progress:

Schemes with significant challenges:	1
Schemes where progress is being closely monitored:	15
Schemes which are progressing satisfactorily or have completed:	90
Total Schemes:	<u>106</u>

**WORTHING BOROUGH
COUNCIL****WORTHING BOROUGH COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS**

Scheme	Reprofiled Budgets	Reason
1. Schemes in Progress where the completion has been delayed beyond March 2024		
Opening Doors - Gratwicke Road	48,000	Total budget of £60,000 reprofiled from the Affordable Housing Registered Social Landlord project. Project spread over 5 year at £12,000 per annum. Budget reprofiled in line with anticipated expenditure
Commerce Way - Replacement floor coverings	50,000	Some reactive work has been carried out in 2023. Technical services are focused on delivering higher priority projects and anticipate this project will begin in 2024/25
Cyber Security	22,520	The mobile phone security software will go live from April 2024.
Durrington Cemetery Chapel Improvements	91,570	Technical services are focused on delivering higher priority projects. Improvement works are expected to begin in 2024/25
Equalities Act - Access Audits	40,000	Technical services are focused on delivering higher priority projects. Access Audits to council offices were conducted as part of the Workspaces project in previous years. Future audits are expected to take place in 2024/25
Housing Development - Acquisition and development of emergency, interim or temporary accommodation for the homeless	1,397,120	Budget reprofiled due to lead times for new schemes.
Strategic Property Investments	5,896,030	Investments in property for regeneration or service delivery. Currently no suitable properties have been identified that meet the council's strategic needs.
Street Cleansing Vehicles - EV charging points	31,800	Charging points to be installed in 24/25
Worthing Crematorium - Memorial Garden and Muntham Estate Walls Repair	250,000	Construction is due to begin in April and will be completed by August 2024.



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WORTHING BOROUGH COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

Scheme	Reprofiled Budgets	Reason
2. Schemes in Progress where the project schedule has changed		
Worthing Heat Network	-2,616,610	Spend expected in 23/24 rather than initial estimate of 24/25. Budget reprofiled in line with anticipated expenditure.
Total Reprofiled Budgets:	5,210,430	
Grants / Contributions Anticipated towards above schemes:		
Worthing Heatwork - Public Sector Decarbonisation fund	2,616,610	
Council Prudential Borrowing Budgets Reprofiled:	7,827,040	

WORTHING BOROUGH COUNCIL - 2ND QUARTER CAPITAL MONITORING SUMMARY

APPENDIX 2

(1) SCHEME (Responsible Officer)	(2) Total WBC Scheme Budget	(3) Previous Years' Spend	(4) 2023/24 Original Budget	(5) Budget Reprofiles to and from 2024/25 and Future Years	(6) 2023/24 Current Budget	(7) 2023/24 Spend to Date	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D.(P)	(9) 2023/24 Anticipated (Underspend) /Overspend (Council Resources)	(10) COMMENTS AND PROGRESS # Progress Beyond Council's control £ Schemes with financial issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(11) Status
Broadwater Green Pavilion	89,600	0	89,600	0	89,600	0	PID Outstanding	0	The cricket club do not have the required resources to go forward with the project. The council funding may be used to repair the toilets or be vired elsewhere.	
TOTAL:	89,600	-	89,600	0	89,600	0.00		-		

RESPONSIBLE OFFICERS: Steve McKenna/ Kevin Smith