



Adur Joint Strategic Sub-Committee
7th December 2023

ADUR DISTRICT 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 Adur District 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:** Adur District Council Capital Monitoring Summary
 - Appendix 2:** Adur District Council Reprofiled Budgets

2. RECOMMENDATIONS

- 2.1 The Adur Sub Committee of the Joint Strategic Committee is asked to:
- i) To note the reprofiling of the Adur District 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.
 - iii) To approve a revised Housing Investment Programme as set out in Appendix 3

3. CONTEXT

3.1 In accordance with the Councils' Capital Strategy, the Capital Working Group oversees the implementation and progress of both Councils' Capital Investment Programmes.

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 The Capital Working Group also ensures that capital schemes are approved within financial regulations.

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

4. PROGRESS OF THE ADUR DISTRICT COUNCIL 2023/24 CAPITAL INVESTMENT PROGRAMME – Sep 2023

4.1 There are 79 schemes in the 2023/24 current capital investment programme which are progressing as follows:

	Number of schemes	Percentage %
Schemes completed	4	5%
Schemes which are progressing satisfactorily	66	82.5%
Schemes where progress is being closely monitored	10	12.5%

Schemes with significant challenges or financial issues	0	0%
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4.2 A summary of the financial movements of the 2023/24 Capital Investment Programme is attached as Appendix 1 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 2023/24 ADUR DISTRICT COUNCIL CAPITAL INVESTMENT PROGRAMME

5.1. The following schemes are progressing well:

5.1.1. Adur Homes Capital Investment Programme

The Adur Homes Capital Investment Programme for 2023/24 was initially approved by Council in February 2023. Following the appointment of a new Head of Property, the proposed programme has been fully reviewed and the focus of the current planned spend for 2023/24 will be on health and safety issues as well as addressing the current backlog in void property. Members were presented with full details of this change during the quarter 1 monitoring update.

Delivery of the Capital Investment Programme continues to be shaped by guidance issued to local authorities by the Regulator of Social Housing in the aftermath of the Grenfell fire. Additionally, officers are continuing stock condition surveys which will form the basis of capital programme delivery in future years. work to gain a better knowledge of the condition of Adur Homes' housing stock.

5.1.2 Adur Homes External Works Programme

The external capital works programme has been compiled and the following schemes are have begun:

- Roof replacement works to Fraser Court began in Quarter 1 and are now complete. Additional roof replacements are currently being planned.
- New Door Entry Systems have been installed at various flat blocks including Fraser Court, Watling Court and Old Mill Close

5.1.3 Adur Homes Internal Works Programme

The internal capital works programme has been compiled and the following schemes are have begun:

- A series of fire safety works programmes are continuing to push ahead with significant investment in Fire Safety improvements and the Inner Rooms programme
- Boiler replacements have been installed in 35 properties in Quarters 1 and 2.

- Refurbishments to 46 council dwellings which have become unoccupied have been carried out to enable the housing of new tenants.

5.1.3 Housing Development and Acquisition Programme

Small Sites (Hidden Homes)

Following approval of the small sites programme to deliver 56 new homes, the Council is progressing with 7 sites, 5 of these have begun construction works and will complete by the end of the financial year, whilst the remaining sites are due to commence in the new year and will be delivered by the end of the 2024/25 financial year.

Ashcroft

A budget of £540,000 was approved for RIBA Stages 1 - 3 and to gain planning approval by Summer 2022. The Council has successfully applied for Brownfield Land Release Funding (BLRF) of £407,000.

Delivery of the project is contingent on securing Homes England grant which due to the regulatory breach the Council is currently ineligible to receive. The team will use the BLRF funding to demolish the building (which is a liability) and prepare the site for construction, and are working up options for the main works package which are likely to consist of either working with a partner who is eligible for funding or waiting until Adur is formally out of breach.

South Street - Temporary Accommodation

Procurement has issued an Intention to Award Letter and once the contract has been confirmed and signed off, the design works will be finalised. The anticipated start date for construction is March 2024.

5.1.4 Information and Communications Technology - Digital Programme (Partnership Scheme with Worthing Borough Council)

The following projects are progressing well:

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

5.1.5 Completed Schemes

The following schemes have been completed;

- i) Commerce Way - provision of female facilities
- ii) COSHH Health and Safety Management software
- iii) 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) Mid-project cost inflation presenting budget pressures.

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

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

5.2.2 **Albion Street.**

This project is currently delayed as the contractor has gone into administration. Emergency works have been procured to maintain security and condition of the site while a new tender process is started to find a contractor to conclude the works.

5.2.3 **Southwick Community Centre**

Works to replace the cafe windows and the windows and flooring in the Porter Room have been reviewed and a bid for additional funding has been placed for 2024/25. On approval of this additional funding the projects can begin to plan the delivery of the scheme.

6. **ISSUES FOR CONSIDERATION**

6.1 Budgets totalling £54,211,680 have been reprofiled to 2024/25 and future years, where the original project plan has changed and the schemes are not expected to complete in 2023/24. A list of schemes reprofiled is attached as Appendix 2 to this report.

6.2 The following amendments to the Adur District Council 2023/24 Capital Investment Programmes are recommended:

6.2.1 **Parks - Ground Maintenance Equipment Replacements**

Sales of parks equipment in 2022/23 generated £11,840 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 £24,610, with approval this would rise to £36,450.

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 £7,820. 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 Adur District Council 2023/24 Capital Investment Programmes were 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 sections required by sections 31A 32, 42A and 42B of the 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.
- 9.3 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Background Papers

- Capital Investment Programme 2022/23 – 2025/26 Adur District Council
- Capital Strategy 2023/26.

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SUSTAINABILITY AND RISK ASSESSMENT

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 DDA 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 ADC Scheme Budgets £	(2) Previous Years' Spend £	(3) 2023/24 Original Budget £	(4) Net budget b/f from 2023/24 £	(5) Approved Changes to Original Budget £	(6) 2023/24 Budget Reprofiles to and (from) 2024/25 £	(7) 2023/24 Current Budget £	(8) 2023/24 Spend to Date £	(9) Spend % of Current Budget
Adur Homes and Customer Services	81,837,335	17,327,815	34,440,830	4,796,690	1,900,000	10,475,080	30,662,440	7,951,018	25.93%
Environment and Leisure	4,000,610	538,630	1,728,840	459,550	252,770	128,200	2,312,960	238,679	10.32%
Communities and Wellbeing	998,680	990	607,050	137,470	11,170	-	755,690	680	0.09%
Regeneration and Strategic Planning	7,685,750	4,354,560	2,241,270	206,570	600,000	-	3,047,840	550,568	18.06%
Resources	132,876,740	84,970,260	45,854,190	537,750	(77,470)	43,608,400	2,706,070	109,565	4.05%
TOTALS	227,399,115	107,192,255	84,872,180	6,138,030	2,686,470	54,211,680	39,485,000	8,850,509	22.41%

Financing of 2023/24 Programme:

Adur Homes Capital Programme:	£'000
Capital Receipts:	650
Major Repairs Reserve:	4,940
Capital Grants:	268
Prudential Borrowing:	20,794
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	26,652

General Fund Capital Programme:	£'000
Prudential Borrowing:	8,950
Capital Receipts:	367
Government Grants:	1,447
Revenue Reserves and Contributions	198
S106 Receipts	349
Other Contributions	1,522
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	12,833

Summary of Progress:

Schemes with significant challenges:	0
Schemes where progress is being closely monitored:	10
Schemes progressing well or completed:	70
Total Schemes:	80



ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

Scheme	Reprofiled Budgets	Reason
1. Schemes in Progress where the completion has been delayed beyond 31st March 2023		
Adur Homes Capital Investment Programme		
Beachcroft Place Communal Works	50,000	Works to begin in January for 19 weeks. Budget reprofiled in line with anticipated expenditure
Development of Properties	8,253,330	i) Small Sites Programme - Construction expected to begin on a number of sites. Some sites to begin in 2024/25. Budget reprofiled in line with anticipated expenditure.
General Fund Schemes		
Commerce Way - Replacement floor coverings	100,000	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	19,980	The mobile phone security software will go live from April 2024.
Housing Development - South Street Car Park	2,171,750	Currently in the design phase. Construction expected to begin in 24/25. Budget profiled in line with anticipated expenditure.
Public Conveniences - Rolling programme of upgrades and improvements	110,000	Technical services are focused on delivering higher priority projects and will begin work on selected public convenience sites in 2024/25
Strategic Property Investments	43,488,420	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	18,200	Charging points to be installed in 24/25
Total Reprofiled Budgets:	54,211,680	