

Appendix 3 Communities OSC Management of Financial Risk

Management of Financial Risk

1. The table below details performance against the latest approved revenue budget as measured by the forecast outturn position at the end of the first quarter.

Service Area	Approved Budget	Actual Spend	(Under) /Overspend	% Change from Budget	Represented by:			
					Investment Funds	Impact on Earmarked Reserves	Remaining Service Variance	Remaining Service Variance % change from Budget
					£m	£m	£m	%
Environment Services	60.584	63.632	3.048	5.0%	0.000	0.042	3.006	5.0%
Strategic Commissioning for Communities	25.704	26.075	0.371	1.4%	(0.088)	0.000	0.459	1.8%
Total	86.288	89.707	3.419	4.0%	(0.088)	0.042	3.465	4.0%

2. Performance against the approved savings target as measured by forecast under/overachievement.

Environment Services forecasting to achieved 88% delivery against the 5 saving targets (£1.119m) for the 2023/24 financial year.
Strategic Commissioning for Communities reporting 66% delivery against 9 saving targets (£1.294m).

Appendix 3 Communities OSC Management of Financial Risk

3. The table below details performance against the approved capital programme as measured by forecast delays in delivery.

Service Area	Approved 2023-24 capital programme	New projects in year	Net over / underspend	Total capital programme	Budget Reprofile	Delays	Forecast In year capital spend	% of Delays
	£m	£m	£m	£m	£m	£m	£m	
Environment Services	60.910	0.429	(0.022)	61.317	1.795	(11.515)	51.597	-18.8%
Strategic Commissioning for Communities	14.449	0.010	(0.047)	14.212	0.287	(0.951)	13.748	-6.6%
S278 Developer Funded Schemes	27.170	(2.550)	(0.053)	24.567	0.149	(10.650)	14.063	-43.4%
Total	102.529	(2.111)	(0.122)	100.096	2.231	(23.116)	79.408	-23.1%

Environment Services – £11.515m:

- A444 Corridor Improvements - Phase 2 (£1.390m) Delays with completing traffic regulation orders will now delay construction. The aim is to commence works in October 2023. Contractor availability and other on-going local highway works may result in further construction start delays.
- A3400 Bham Road Stratford Corridor Improvements (£3.863m). Project split into 2 more phases (total 3 with Phase 1 completed) in order to deliver works while Phase 3 is being designed. Phase 2 main works have been delayed due to design issues, but the main works are due to start in 2023/24 Q3, while enabling and utility works are currently in progress. Phase 2 expected completion 2024/25 Q2. Phase 3 expected to start late 2024/5 or early 2025/26.
- A452 Myton Road and Shire Park Roundabouts S106 WCC3 (£1.6m) This scheme has been reprofiled due to the start date moving back to winter 2023
- A47 Hinckley Road Corridor Scheme (£0.274m) The current year anticipated spend has been reprofiled in line with anticipated spend in future years which is largely as a result of other works planned in the immediate vicinity of the scheme which is dictating when construction and completion of the scheme and this spend profile.

Appendix 3 Communities OSC Management of Financial Risk

- A452 Kenilworth to Leamington (K2L) Cycle Route – CIF (£1.457m). The K2L scheme is being delivered in several phases starting with Section 1a at the Leamington Spa end of the route, through to Section 3 concluding in Kenilworth. Due to the engineering, strategic and financial complexities the exact delivery timescales/programme for each phase remains uncertain. For Section 1b the first phase it's hoped that the necessary land acquisition will be completed within 23/24 and construction within 24/25. The remaining phases will follow on in subsequent financial years.
- Improvements to the A446 Stonebridge junction Coleshill (£0.552m) Reprofiled spend for design this year and proposed construction next year due to logistical delivery issues.
- A452/A46 Developer Improvement scheme (£2.121m) The project has been reprofiled for design this year and proposed construction next year. Construction going ahead is dependent on road space availability due to HS2.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes A to M of the quarterly finance report.

Strategic Commissioning for Communities - £0.951m:

- Casualty reduction annual maintenance 2018/19 (£0.630m). One of the projects within the block of schemes is not progressing due to feasibility issues.
- There are a number of other schemes with delays of less than £0.200m each which are detailed in the annexes A to M of the quarterly finance report.