

## **Commentary on Service Capital Forecasts**

The main reasons for the £14.722m delays in the quarter compared to the approved budget are set out below. These changes generally mean the expected benefits of the capital schemes may not be realised to the original time frame, however in some cases the change only relates to the timing of the expected cash flow without any impact on the deliverables of the scheme.

In addition to the £14.722m above there is an additional £0.160m of delays relating to projects funded by Section 278 developer contributions and £24.263m of delays in Corporate Schemes. The timing of these schemes is largely outside of the control of WCC therefore they are excluded from the analysis below, but details of these schemes can be found in Annexes A to M.

### **Environment, Planning and Transport – £2.458m:**

- WCC 2 A452 Europa Way South of Olympus Avenue to Heathcote Lane Roundabout (£0.675m)  
It is now unlikely that construction will start before 2025-26 as there is currently work underway to design for the full scheme (dualling and active travel provision) rather than just active travel facilities.
- Casualty Reduction Schemes (£0.892m)
- A3400 Birmingham Road Stratford upon Avon corridor (£0.513m) Further work for phase 3 is now to be delivered in financial year 2025/26.
- There are a number of other schemes with delays which are detailed in the annexes A to M.

### **Economy and Place - £1.641m:**

- All Electric Bus Initiative (£0.970m) Programme slippage has been incurred by Transport for West Midlands / Warwickshire County Council around the procurement of the tendered bus services contract whilst negotiations progress.
- Harbury Local Electric Vehicle Infrastructure (LEVI) Extended Pilot EV Charging Points (£0.396m) The procurement process is anticipated to start in October 2024. Actual delivery of installation of charge points and renewables is now likely to cross the current financial year and forthcoming one. The timescales will be reviewed following completion of the tender process.
- Warwickshire Cycling Links, Heathcote Leamington Spa (£0.250m) Delivery costs for the first phase of construction are estimated to be lower than forecast. Completion is due in October 24.
- There are a number of scheme delays below £0.250m which are detailed in the Annexes A to M.

### **Children & Families - £0.100m:**

- Adaptations to support child places (£0.100m) Delivery costs for first phase of construction are estimated to be lower than forecast. Construction works of the phase being delivered in 2024/25 are in progress with completion due in October 2024.

### **Education Services - £10.523m:**

- St Johns Primary School (£3.000m) Target completion is Sept 2025, so costs are now expected over summer 2025-26 financial year.
- Myton Gardens Primary School (£7.523m) - Delays have resulted from the requirement to relocate a badger sett. This is subject to planning. Quotes for the overall scheme have come in

## APPENDIX C

higher than the original estimates, WCC property team are reviewing the construction programme to bring scheme back within budget.

### Expected cost increases above currently approved capital funding.

The following table shows unfunded forecasts on schemes. These have not been included in the forecast spend within the body of the report.

Q1 position:

| Service                           | Project   | 2024/25 Forecast above approved capital allocation (£m) | 2025/26 Forecast above approved capital allocation (£m) | Total Forecast above approved capital allocation (£m) |
|-----------------------------------|---|---|---|---|
| Education Services                | Myton Gardens-New 2FE (420 place) Primary School with Nursery and SRP |   | 0.656   | 0.656   |
| Enabling Services                 | Strategic Site Planning Applications                                  | 1.151   |   | 1.151   |
| Environment, Planning & Transport | A46 Stoneleigh Junction Improvement                                   | 4.673   |   | 4.673   |
| Fire                              | F&R Training Programme: Paynes Lane Minerva & Response Point          | 0.400   |   | 0.400   |
| <b>Total</b>                      |   | <b>6.224</b>  | <b>0.656</b>  | <b>6.880</b>  |

- Further work is required for Enabling Services and Education to either mitigate the cost increases identified or identify funding for the projects with currently expected shortfalls.
- In relation to the shortfall on the fire scheme there are negotiations underway.
- The team working on the A46 Stoneleigh scheme are currently exploring various options. Corporate Board have considered the risks associated with the scheme and a further report has been brought to Members on this agenda.
- Under Enabling Services, the project with an unfunded overspend relates to strategic site planning applications. This overspend has arisen because of previously unanticipated required bovine remediation works. An estimate of £750k - £1.5m has currently been assumed and is in the process of being quantified through discussions with the Environment Agency for licencing. A report to Corporate Board including a CIF bid will be taken in September 24. Forecasting assumes worst case scenario for funding requirement.