

Appendix B – Finance Commentary on Service capital forecasts

Service £m	Reprofiling	New (or net nil)	Increased Spend	Reduced Spend	Net 2020- 21 change
Adult Social Care					
Business & Customers					
Children & Families		0.007	0.020		0.027
Communities Services	(6.546)	(0.114)			(6.660)
Education Services	0.021	2.683	0.710		3.414
Enabling Services		0.011			0.011
Environment Services	(14.981)	28.672	0.064		13.755
Fire	(2.176)				(2.176)
Governance & Policy			0.796		0.796
People Commissioning	(0.028)	4.517		(0.002)	4.487
Grand Total	(23.710)	35.776	1.590	(0.002)	13.654

Detailed explanation at a Service level is provided in **Appendix C - Annexes A to M**. The main reasons for the movement to future years (slippage) in the quarter compared to the approved budget are:

Environment Services – Variance of (£14.981m) caused by:-

- £8.510m relates to S278 projects. The time frame for undertaking these is reviewed based on progress around each development.
- A3400 Birmingham road Stratford upon Avon (£3.090m). The construction works are now expected to start in the last quarter of 2020/21 and finish in 2021/22. This is due to design phase delays including drainage and utilities.
- A452 Myton Road and Shires Retail park roundabouts (£2.361m). This project funded from S106 funds has been delayed due to Covid-19. The final design is still to be completed with construction to follow in 2021-22.
- The remaining £1.02m relates to a number of projects, please see the annex for details.

The delays on these projects means the expected benefits of the schemes will not be realised to the original time frame.

Education Services – £0.021m Variance caused by:-

- Delays to the new School in Rugby (£2.830m) and Campion School expansion (£1.767m) have been offset by two other projects completing earlier than expected.
- The schemes completing ahead of schedule are High Meadow £1.787m and Heathcote Primary School £2.605m.
- The remainder is small changes in time frames on a number of other projects, please see the annex.

The delays and advancement of these schemes ahead of schedule is due to more up to date, detailed and timely plans for the project expenditure being refreshed.

Fire & Rescue Service – Variance of (£2.176m) caused by:-

- Delays on the Fire and Rescue HQ project in Leamington Spa (£2.176m)

The Leamington Fire and Rescue HQ refurbishment project is on hold pending a review of all corporate buildings.

Communities Services – Variance of (£6.546m) caused by:-

- Area delegated projects (£2.224m). A report went to Cabinet on the 11th June 2020 proposing changes to the operation of area delegated schemes in order to facilitate the use of funds in year.
- Bermuda connectivity (£3.899m) delay has been caused by the protracted time taken for detailed design to receive technical approval and to secure parcels of land required to deliver the scheme. Consequently, the procurement of the construction contract will not commence until Qtr2 of 2020-21 with construction works earmarked to commence in Qtr3 of 2020-21.
- Leamington to Kenilworth cycle route (£0.5m) where delays to project progress have been caused by COVID-19 and uncertainty surrounding land acquisitions. The progress of the scheme will be reviewed by project managers in detail by Q2 to come up with a new delivery plan.

People Commissioning – Variance of (£0.028m) caused by:-

- Funding agreements for Dementia Friendly environments are in place for 3 projects. Funding is to be paid in 2 instalments- initial payments in 20/21 & final payments on completion- this will likely be in 21/22 due to delays relating to Covid-19.

The delays on projects means the expected benefits of the schemes will not be realised to the original time frame.