

Appendix 3 Capital monitoring

Capital Programme Outturn 2016-17

	Original Budget	Carry Forward	Changes in Q1-Q4	Revised Budget	Outturn	Variance	Slippage to 2017-18	Over / Underspend	Reason for Variance
	£000	£000	£000	£000	£000	£000	£000	£000	
Resources									
BTP - Public Realms	0	1,373	0	1,373	734	-639	639	0	
Capital cost of transition and transformation of ICT service	1,500	2,206	100	3,806	1,801	-2,005	2,005	0	<p>A number of projects included in the transformation programme - Middleware Replacement, Enterprise Portfolio Assessment and Microsoft Exchange Upgrade - have been delayed resulting in related capital payments moving into subsequent financial year(s).</p> <p>~£1m is already committed. Balance is needed to fund remaining contractual transformation projects with Sopra Steria.</p> <p>The transformation programme will result in the Authority's ICT being brought under manufacturers' support. This is required for PSN and PCI compliance. The impact on the community/organisation is low.</p>
ITO Transformation	0	370	-175	195	77	-118	118	0	<p>This programme is used to fund activities delivered under the Web Services Upgrade programme - remaining funds are transferred to that programme as needed. It is a controlling mechanism to ensure the web services upgrade does not overspend.</p> <p>Balance will be needed to fund web services upgrade work already identified and carried forward into 2017/18.</p> <p>There will be no impact of the above on community/organisation</p>
My Harrow Services Account Dev Prog	0	8	0	8	2	-6	6	0	<p>Due to a change in the requirements from the business, the requirements for this piece of work were changed. This has not created any change in costs, but has meant that delivery of the project has slipped back by 3 months</p>
IT Improvement Project	0	200	-200	0	0	0	0	0	

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Web Upgrade Project	0	0	91	91	66	-25	25	0	<p>This programme is used to fund development work on the Authority's inward and outward facing web services (such as Intranet, Internet Payment System and Jadu upgrades). Funds were transferred from the ITO Transformation programme to cover this upgrade activity but due to delays with delivery some of these transferred funds were not used.</p> <p>£4.5k is already committed. The balance will be used on web service upgrades in the pipeline.</p> <p>Web services upgrades are required to support MyHarrow and other outward facing services</p>
SAP: Financial Leger/Systems Control Imp	270	172	0	442	6	-436	436	0	<p>Why the project has slipped: Projects put on pause due to performance issues with SAP server. No CR progressed until performance issues were resolved</p> <p>Over/ underspend after slippages: £0, the projects have been rephased and pending approval at a strategic level for upgrade of SAP</p> <p>The impact of the above on community/organisation: The delays due to performance issues and approvals means issues experienced by users will not be resolved and efficiencies not delivered</p>
BTP - Mobile & Flex	0	1,068	0	1,068	347	-721	721	0	<p>This programme is used to fund the Authority's transformation towards mobile and flexible working. The majority of work has been focused on SharePoint. Developments in this area have been delayed following Capita's exit in 2015 and a series of requests to Sopra Steria which have been hit design and technical problems. These requests are being consolidated into a strategic improvement plan for the SharePoint infrastructure which will need funding in 2017/18.</p> <p>None. Any balance will contribute towards the necessary upgrade.</p> <p>No impact on the community, but organisational flexibility including full facilitation of mobile and flexible working are at risk.</p>

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ICT Infrastructure & Corporate Applications	0	55	35	90	4	-86	86	0	<p>The funds for this project are for the implementation of Policy and Compliance software - MetaCompliance. This project was delayed while the evaluation and selection of a software took place and the project costs were agreed with Sopra Steria. The project commenced towards the end of 2016/17 and so the remaining funds are needed to complete the project, which is now in delivery.</p> <p>The balance to be used on essential pipeline projects including Gandlake and Bartec.</p> <p>No impact on the community. The project will ensure and assure the Authority is compliant with its regulatory and legislative requirements specific to directorates and wrt Information Security & Governance (ultimately avoiding heavy fines for non-compliance)</p>
IT Corporate System Refresh	0	829	0	828	78	-750	750	0	<p>The funds for this programme are put aside for the upgrade of SAP CRM and the Customer Contact Portal. These have been the subject of protracted discussions with Sopra Steria around the scope and commercials of the upgrade solutions. These were agreed late in 2016/17 and work is now due to start in 2017/18.</p> <p>The balance to be used on essential pipeline projects including Gandlake and Bartec.</p> <p>Minimum impact on the community, though some improvements in customer contact might result. Organisational change will focus on the ability of the Contact Centre staff to respond efficiently to resident's queries at first point of contact.</p>
LAA Performance Reward Grant	0	124	0	124	35	-89	89	0	
BTP - Hardware Refresh	0	35	-35	0	0	0	0	0	
Loan Payment - Capital	915	2,159	0	3,074	2,848	-226	226	0	

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Ongoing refresh & enhancement of ICT	2,000	1,196	-698	2,498	542	-1,956	1,956	0	<p>projects to refresh the ICT infrastructure which were not included in the contracted programme of IT transformation projects with Sopra Steria. Due to significant issues coping with the volume of work and pipeline of requests, Sopra Steria were unable to define solutions and cost projects for delivery within the 2015/16 and 2016/17 financial years. Headway has now been made and the pipeline of work is now beginning to filter into deliverable projects - major initiatives being the replacement of Gandlake and upgrade of Bartec.</p> <p>~£850k has been committed. The balance to be used on essential pipeline projects including Gandlake and Bartec.</p> <p>Impact on community will be minimal though the necessary replacement of the Gandlake system will enable environment services to continue to offer IT enabled services to residents. The organisation will benefit from reliability and performanc</p>
Small Schemes (Council wide)	0	49	-49	0	0	0	0	0	
FM Minor Work	0	500	0	500	0	-500	500	0	
IER Grant	0	0	0	0	-12	-12	12	0	
My Harrow Service Account	740	0	0	740	271	-469	469	0	<p>This budget covers the delivery of authority wide IT solutions. A variety of facotors has resulted in the delivery of these projects being pushed back into 2017/18. These have included the nesity to upgrade further IT systems, extended periods of the discovery phase of some projects due to complications of business requirements and competing priorities within the organisation. The moving of the delivery date to next financial year will not cause any additional capital costs</p>
Property Investment	15,000	0	0	15,000	5,401	-9,599	9,599	0	<p>The balance of this budget will be slipped to 2017/18 whilst the search for adequate investment opportunities continues</p>

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Carbon Reduction Programme 2015/16	300	0	0	300	124	-176	176	0	Some of the Corporate Accommodation work delivers energy efficiency and it is proposed that the slippage for both Carbon Reduction and Corporate Accommodation projects be considered together.
Corporate Accommodation Maintenance	231	0	0	231	636	405	-405	0	Additional spend due to increase in refurbishment work to deliver office relocation into Civic Centre as well as other capital work to meet statutory requirements. Some of the spend related to work that delivers energy efficiency and can be met from Carbon Reduction budget above.
High Priority Plan Maintenance Corporate Property	575	0	0	575	657	82	-82	0	Additional spend on building works that require urgent repairs.
Car Park Infrastructure	20	0	52	72	68	-4	4	0	
City Farm/Pinner Park Farm	0	514	-414	100	9	-91	91	0	Delay in completing procurement process in 16/17 means that the works will now be delivered in early 17/18.
Harrow On Hill Station	2,000	0	-2,000	0	0	0	0	0	
Highway Drainage Improvements & Flood Defence Infrastructure	500	0	0	500	504	4	-4	0	
Highway Improvement Programme	4,750	-471	3,703	7,982	8,095	113	-113	0	The highway programme was accelerated to complete some road schemes by taking advantage of dry weather in March.
Parking Management Programme	300	0	0	300	294	-6	6	0	
Public Realm Services – Parks, Open Spaces & Cemeteries	0	0	0	0	28	28	-28	0	This is part of Park Infrastructure project (see below).
Public realm Services – Waste and Recycling	200	16	0	216	269	53	-53	0	Additional spend due to demand for new bins from developers as well as the replacement of old / broken bins.
Section 106 Schemes	0	105	50	155	148	-7	7	0	
Street Lighting Improvement Programme	3,000	-83	1,100	4,017	3,930	-87	87	0	Small underspend to be carried forward to complete the on-going lighting replacement programme.
TfL Principal Roads	923	0	0	923	923	0	0	0	
TfL Transport Capital	1,088	191	219	1,498	1,548	50	-50	0	The overspend will be met from 17/18 LIP allocation.
Trade Waste	400	0	0	400	101	-299	299	0	The purchase of refurbished bins help reduce the costs in 16/17. Increasing number of trade waste customers means that the capital budget needs to be carried forward to meet the demand.

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Harrow Green Grid	293	128	100	521	461	-60	60	0	Delay in completing the projects due to a sub-contractor being withdrawn from the highway work contract. Alternative supplier will need to be identified to complete the work. The delivery of the Newton Park project had to be put back due to the delay in the confirmation of EA funding for a larger project at the same site which would compliment the green grid work and drainage infrastructure improvement.
CCTV cameras and equipment at the depot	150	0	0	150	313	163	-163	0	Additional spend on CCTV cameras to address flytipping and parking issues. In addition, a number of tools and equipment were replaced / newly purchased for the depot.
Park Infastructue	675	0	611	1,286	1,413	127	-127	0	Additional spend on parks infrastructure to secure a competitive price from contractors, achieving best value for the capital work undertaken.
Parks Litter Bins	65	0	-52	13	11	-2	2	0	
Green Gym	50	0	0	50	50	0	0	0	
Enviroment Total	15,520	400	3,369	19,289	19,586	297	-297	0	
Housing									
Disabled Facilities Grants	1,500	31	0	1,531	1,619	88	0	88	Overspend caused by higher than expected recharges from Adult Services.
Empty Property Grant	400	391	0	791	334	-457	307	-150	Underspend £457k of which £307k requested for carry fwd Slippage caused by less landlords expressing an interest in available grants and the requirement to provide nomination rights for temporary accommodation
Funding	0	0	0	0	0	0	0	0	
Improvement grant	70	60	0	130	7	-123	128	5	See below, Renovation grants.
Housing Property Purchase	15,000	6,307	0	21,307	14,794	-6,513	3,513	-3,000	Slippage of £6.5m required to fund purchase of remaining 42 properties of Council's Property Acquisition Prgramme which will make 100 properties available for use as temporary accommodation to alleviate Homelessness pressures on General Fund or for use in private rented sector. Slippage caused by slower than anticipated start in acquisition of suitable properties in target areas but terms now agreed on the remaining properties.

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Renovation Grants	0	25	0	25	8	-17	0	-17	Discretionary grants to carry out disabled adaptations on private homes, related to improvement grants (above).
Total Housing	16,970	6,814	0	23,784	16,762	-7,022	3,948	-3,074	
Culture									
Sec 106 Banister Sport Pitch	0	1,004	-954	50	10	-40	40	0	Options are being explored on how best to utilise the S106 funding to achieve best value.
Harrow Arts Centre	1,000	0	0	1,000	0	-1,000	0	-1,000	This relates to a capital grant to Cultura but is no longer required as a result of the non transfer of the arts & heritage service.
Headstone Manor	5,190	0	-2,438	2,752	1,742	-1,010	1,010	0	This project is largely funded from HLF over a number of years. There is a delay in the installation of the heating system to Manor House as a result of poor performance of the sub-contractor, and archaeological discoveries beside the Small Barn and to the Northwest of the Manor House.
Leisure Centre Capital Infrastructure	300	220	0	520	375	-145	136	-9	Project completion delayed due to the need for listed building consent for Kenton Library.
Culture Total	6,490	1,224	-3,392	4,322	2,127	-2,195	1,186	-1,009	
Community and Culture Total	38,980	8,438	-23	47,395	38,475	-8,920	4,837	-4,083	
People									
Adults Social Care-Framework-I & IT Integration	0	130	-130	0	0	0	0	0	Budget given up as part of savings against Adults capital programme
MOSAIC Implementation - Adults & Children's Services	0	605	0	605	333	-272	272	0	MOSAIC project is still ongoing - Project delayed by Sopra Steria capacity issues - carry forward to fund go live.
Adults Personal Social Services - Community Capacity Grant	0	157	0	157	0	-157	0	-157	2015-16 carry forward ultimately not required
Capital Strategic Reviews	0	508	-108	400	116	-284	284	0	Delays with planning and contractor procurement has delayed the project so the remaining budget will be spent in 17/18
Quality Outcome for People With Dementia	0	150	-150	0	0	0	0	0	Budget given up as part of savings against Adults capital programme

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Reform Of Social Care Funding	0	800	-800	0	40	40	0	40	Budget given up as part of savings against Adults capital programme. £40k overspend relates to a commitment that had been overlooked when budget had been reduced to zero.
Market Shaping And Development	0	250	-250	0	0	0	0	0	Budget given up as part of savings against Adults capital programme
Integrated Health Model	0	422	-322	100	15	-85	85	0	Other capital projects have taken priority this year (MOSAIC) but there is still a requirement to have 95% NHS Numbers so work will carry on into 17/18
Maintenance of Adults Properties	0	149	0	149	0	-149	149	0	This work had been hoped to be part of reconfiguration of Adult day centre properties before end of year but has been delayed.
Safeguarding Quality Assurance Quadrants (QAQ)	0	168	-118	50	0	-50	0	-50	Budget given up as part of savings against Adults capital programme, remaining £50k budget was no longer required.
Project Infinity	1,650	0	-400	1,250	110	-1,140	0	-1,140	Spend of £110k relates to IT project work salaries on the infinity project, no further spend has taken place on the project for this year. As there are adequate budgets in place for future years, no carry forward is required and this has resulted in the £1m underspend as shown.
In-House Residential	100	0	0	100	0	-100	100	0	Original plans for improvements against in house residential properties did not take place, reviews are to take place as to requirements for 2017/18 and budget has been slipped.
Adults	1,750	3,339	-2,278	2,811	614	-2,197	890	-1,307	
Schools Expansion Programme - Phase 1	0	186	60	246	80	-166	219	53	Slippage relates to work is being undertaken with Legal Services to support the process of closing the programme with contractor. No impact on school provision. Buildings handed over and schools operational

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Schools Expansion Programme - Phase 2	0	1,840	2,239	4,079	1,150	-2,929	2,929	0	Slippage relates to work is being undertaken with Legal Services to support the process of closing the programme with contractor. No impact on school provision. Buildings handed over and schools operational
Schools Expansion Programme Phase 3	9,555	9,017	186	18,758	12,268	-6,490	6,490	0	Slippage relates to Stag Lane and Welldon Park Junior Schools which are part of phase 3 of the expansion programme for which the majority of the work will be undertaken in 2017-18. There is minimal impact to the schools as a result of these delays since the expanded year group at Welldon Park is still working its way through the infants (which is on a separate site and whose building works were completed for September 2016). There will be sufficient capacity in the junior school until building works are completed for September 2017. In relation to Stag Lane the school expanded its pupil numbers from September 2016 and there will also be sufficient capacity within the school to accommodate the increased numbers until the building works are completed for September 2017.
Schools Expansion Programme - Phase 4	0	420	0	420	92	-328	0	-328	This funding has been transferred to the secondary budget
SEN Provision	4,200	459	502	5,161	662	-4,499	4,505	6	The specification for SEN provision is still being scoped and the LA is working closely with the existing special schools and the EFA to look at possible free school and the outcome of this will determine the need for SEN provision in the borough
Secondary Expansions	525	728	969	2,222	533	-1,689	2,017	328	The position with the school projections reported to Cabinet in July 2016, indicate that the demand for secondary school places is lower than previously expected and there will be a shortfall at a later stage than anticipated, from 2022. It is therefore proposed to slip Secondary provision funding into 2017-18.
School Amalgamation	0	733	200	933	333	-600	600	0	Rolling programme - needs to be slipped to fund maintenance in future years
Bulge Classes	150	209	-150	209	71	-138	138	0	Rolling programme - needs to be slipped to fund bulge classes in future years
Free School Meals	0	6	0	6	0	-6	6	0	This funding is committed in 2017-18.

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Hatch End MUGA	0	0	0	0	0	0	0	0	
Schools Capital Maintenance	1,350	1,012	-78	2,284	293	-1,991	1,932	-59	Rolling programme - needs to be slipped to fund maintenance in future years
Devolved Formula Non VA Schools	390	504	0	894	841	-53	53	0	Funding to be passported directly to schools in 2017-18
IT Development	0	799	0	799	56	-743	743	0	This funding relates to the tools for the trade for social workers
Whitmore School	0	35	0	35	24	-11	11	0	Slippage relates to work is being undertaken with Legal Services to support the process of closing the programme with contractor. No impact on school provision. Buildings handed over and schools operational
Total School and Children	16,170	15,948	3,928	36,046	16,403	-19,643	19,643	0	
PeopleTotal	17,920	19,287	1,650	38,857	17,017	-21,840	20,533	-1,307	
Cross Cutting Investment in Infrastructure	5,000	0	-5,000	0	0	0	0	0	
Total General Fund	101,483	41,333	-5,200	137,615	78,148	-59,467	53,620	-5,847	
HRA									
Housing Programme	22,285	2,547	-13,873	10,959	6,705	-4,254	3,254	-1,000	Slippage is due to reprofiling of external and internal works on Councils housing stock, underspend of £1m contributes to the savings required in HRA as a result of ongoing reforms required by Government. Slippage will not impact on residents as works are delivered as part of a planned investment programme aimed at achieving tenant and leaseholder satisfaction.
Housing Programme - S106	1,495	0	-1,495	0	0	0	0	0	
Housing Programme - S20	70	0	-70	0	0	0	0	0	
Grange Farm Redevelopment	0	5,554	4,616	10,170	2,928	-7,242	7,150	-92	Slippage due to planning delays following a statutory objection to the planning application from the MOD which the Council is addressing, and will result in deferral of delivery date. Impact on tenants and leaseholders is being mitigated by regular communications and consultation events
HRA Affordable Housing	1,700	8,584	-1,590	8,694	1,971	-6,723	6,815	92	Slippage as result of planning and procurement issues resulting in delays in delivery of new build dwellings for use as social housing for eligible persons / families.

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TOTAL HRA	25,550	16,685	-12,412	29,823	11,604	-18,219	17,219	-1,000	HRA Capital expenditure financed entirely from HRA resources, therefore slippage had no impact on General Fund financial resources.
Total Council Capital Programme	127,033	58,018	-17,612	167,438	89,752	-77,686	70,839	-6,847	