

Summary of Variations to Capital Budget

	2010/11	2011/12	Total
	Budget	Budget	Changes
Schemes	£'000	£'000	£'000
Finance & Resources			
Detailed Variations (over £50,000)	222	(222)	0
ICT - Information Management	(43)	43	0
Asbestos	(12)	12	0
Corporate Accommodation	(30)	30	0
Corporate Fire	(13)	13	0
Legionella	(3)	3	0
New England House	(31)	31	0
Madeira Lift	(47)	47	0
Total Finance & Resources	43	(43)	0
Environment			
Detailed Variations (over £50,000)	(1,623)	1,623	0
Walpole Road Bus Stop	(1)	1	0
Hollingdean Depot	45	(45)	0
Total Environment	(1,579)	1,579	0
Housing, Culture & Enterprise			
Detailed Variations (over £50,000)	(269)	269	0
Falmer Community stadium	(10)	10	0
West Pier / i360	(47)	47	0
Preston Barracks	(45)	45	0
The Keep	(10)	10	0
Falmer Released Land	(19)	19	0
Total Housing, Culture & Enterprise Variations	(400)	400	0
Housing, Culture & Enterprise (HRA)			
Detailed Variations (over £50,000)	(6,240)	6,240	0
Adult Social Care			
Detailed Variations (over £50,000)	(233)	233	0
Strategy & Governance			
Detailed Variations (over £50,000)	(265)	265	0
CYPT			
Detailed Variations (over £50,000)	(9,658)	9,658	0
Total Changes to Budgets	(18,332)	18,332	0

Detailed explanations of the variations

Environment

Directorate: Environment	Approved Budget: £920,000
Project Title: Gritter Vehicles	Revised Budget: £0
	Variation: £(920,000)

The delay in spend is due to market testing to ensure a more advantageous unit rate through a framework agreement as well as extensive research to ensure the vehicles are best value for the city's needs. Maintenance specifications are currently being finalised and the bid will be submitted very shortly. Delivery of the gritters is expected to be Autumn 2011 at the latest.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(920)	920	0	0

Directorate: Environment	Approved Budget: £597,540
Project Title: Playbuilder	Revised Budget: £140,000
	Variation: £(457,540)

Government suspended funding by over 3 months and provided less funding after the suspension, the Council provided the difference but this has delayed the project by over 3 months, resulting in the slippage to next year. This slippage will enable the project to be better managed, and scheduled when ground conditions are suitable. Project was due to be completed by 31st March 2011, project will complete 10 playsites by July 2011, one additional site will complete in autumn 2011 due to timing of enabling works.

Play sites have not been affected up to now, however they will be unavailable during early summer while works are undertaken. We will make every effort to keep sites unavailable for as short a period as possible. The capital cost of the scheme remains the same, revenue costs have been absorbed into existing budgets.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(458)	458	0	0

Directorate: Environment	Approved Budget: £244,870
Project Title: Volks Railway Shed	Revised Budget: £0
	Variation: £(244,870)

The original funding agreed for the scheme is not sufficient to undertake a full replacement of the siding sheds. Following consultation with HMRI (Her Majesty's Railway Inspectorate) a revised scheme is being developed to identify the minimal cost to meet health and safety requirements.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(245)	245	0	0

Housing, Culture & Enterprise

Directorate: Housing, Culture & Enterprise	Approved Budget: £66,000
Project Title: Circus Street	Revised Budget: £5,000
	Variation: £(61,000)

The continuing problems in the development market, affecting both values and access to development finance, have meant that the developers have been unable to progress the scheme. There have been ongoing discussions about both the mix of uses and the financial offer to the City Council, and although there has been progress these issues have not been fully resolved. As such, many of the ongoing project costs have been put on hold to ensure there is only spending once we are confident we have a viable scheme. This is likely to happen in 2011/2012.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(61)	61		0

Directorate: Housing, Culture & Enterprise	Approved Budget: £179,000
Project Title: Open Market	Revised Budget: £45,000
	Variation: £(134,000)

Funding from the 2010/11 Approved Budget has been committed to support costs associated with achieving vacant possession of the site to enable the Cabinet approved scheme to progress. Although agreement between the various parties has been reached in principle, full vacant possession is not now expected until 2011/12, at which time funding will be required to complete the enabling transactions. The project timetable now sees construction work commence in March 2011, subject to planning, and completion of the temporary facility in June 2011. The existing market will be maintained for service users until the temporary facility is ready for occupation.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(134)	134		0

Directorate: Housing, Culture & Enterprise
Project Title: New England House

Approved Budget: £90,000
Revised Budget: £16,400
Variation: £(73,600)

The budget for the New England House project was based on an assumption that early in 2011 the City Council would commission a professional team(s) to undertake a condition survey, designs for the new facility and cost consultancy. However, the Council is now considering alternative options for progressing the project that will expose the City Council to less up-front expenditure and risk and the outcome of this will be reported in due course to Cabinet. There is no effect on service delivery and there should be no long term effect on the project delivery and its desired outputs and outcomes. This is a capital project aimed at securing the future of the building helping to build the digital/creative sectors in the city. Funding originally allocated for the project in 2010/11 needs to be re-profiled to take into account the revised programme of work which may involve a full procurement process in accordance with Official Journal of the European Union (OJEU) regulations.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(74)	74	0	0

Housing, Culture & Enterprise (HRA)

Directorate: Housing, Culture & Enterprise (HRA)
Project Title: Windows

Approved Budget: £875,160
Revised Budget: £587,080
Variation: £(288,080)

The window replacement programme has been delayed for the Bristol Estate and Kingfisher Court due to the integration of these window replacement programmes with the Cladding programme timetable for these properties, where works are due to start in April 2011.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(288)	288	0	0

There has been no effect on the day to day service delivered to tenants. The integration of the windows and cladding programme on these properties will give additional energy efficiency and costs benefits to tenants. These are now planned for Spring 2011.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £1,206,400
Project Title: Cladding	Revised Budget: £13,000
	Variation: £(1,193,400)

The Cladding Programme has been delayed due to the original tender process failing as a result of prices being higher than anticipated. To ensure that our Partner, Mears, could demonstrate value for money for the city, a new tender process was then undertaken.

Due to the cost to leaseholders being over £250, a statutory 30 days consultation with leaseholders needs to be conducted and concluded before the work can commence. The nature of the work is also heavily affected by weather conditions therefore work will now start in Spring 2011.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(1,193)	1,193	0	0

There has been no effect on the day to day service delivered to tenants. The re-profile of this programme is not expected to have an impact on next year's programme.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £2,340,000
Project Title: External decorations & Repairs	Revised Budget: £2,080,000
	Variation: £(260,000)

The mobilisation of the Repairs and Improvement Partnership contract and the adverse weather in 2010, has delayed the planned works for Year 1 of the 2 year programme in South Whitehawk & Hangleton area. These works will be completed in 2011/12 along with other planned works in this area.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(260)	260	0	0

There has been no effect on the day to day service delivered to tenants. Carrying out all planned works in this area in one year will limit the impact on residents and create cost efficiencies.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £560,000
Project Title: Aerial Upgrade	Revised Budget: £0
	Variation: £(560,000)

Housing Management's Property & Investment team have procured a long term agreement for the installation and maintenance of new digital communal aerial systems across the city. In order to ensure that residents and leaseholders are provided with value for money, significant research

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and analysis has been undertaken on areas such as equipment specification, ownership of the equipment, and length of the contract prior to the contract being offered out to tender.

A preferred contractor has now been agreed and work is due to commence in March 2011. There is a lead in period of customer liaison and mobilisation prior to installation therefore it is anticipated no costs to the council will be incurred in this financial year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(560)	560	0	0

There are no likely effects on the service as the South East is not due for Digital Switchover of the TV aerials until 2012. The preferred contractor as part of the procurement process has provided a timetable of works to evidence that the installations will be complete by 2012.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £214,000
Project Title: Door Entry Systems	Revised Budget: £50,000
	Variation: £(164,000)

Housing Management's Property & Investment team are in the process of procuring a long term agreement for the installation and maintenance of new door entry systems across the city. There is already a contractor in place who carries out the day to day repairs and maintenance on the door entry systems and advises Property & Investment on the condition of them.

Under the new long term agreement residents and leaseholders should be provided with increased value for money, alongside this recruitment is currently taking place for two positions that will be involved in managing this contract to ensure that it will be run efficiently and effectively. This will enable the council to use its accumulated knowledge of the systems around the city to prioritise the work to be carried out

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(164)	164	0	0

There will be no effect on the service delivery as all required repairs are carried out once identified by existing Contractors.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £605,000
Project Title: St James House	Revised Budget: £0
	Variation: £(605,000)

The St James House project consists of two elements: firstly the need to replace the existing communal gas boiler; and secondly the remedial work to the car-park. It has previously been reported that surveys and costs were to be updated prior to works being carried out (including finding an appropriate solution for the flue-dilution and location of the new boiler). The quotes for the specified works received were too high and did not deliver the required solutions.

The Council's Property & Investment team have been working with their Partner, Mears, to review the works to be carried out on St James House to ensure that the work meets the current requirements for the block, uses the most up-to-date and efficient technologies as well as providing value for money to leaseholders, residents and the city. It is anticipated that proposals for both the boiler replacement and the car park works will be prepared by mid-summer 2010.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(605)	605	0	0

There has been no effect on the day to day service delivered to tenants. The review of works is expected to be completed by March 2010. Once completed and a list of works agreed, a programme of works and financial forecast will be put together integrating both leaseholder and tenant consultation. In the meantime it is intended to re-open the car park temporarily until work commences.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £339,700
Project Title: Leach Court	Revised Budget: £0
	Variation: £(339,700)

The design and procurement process was completed in 2009/10 with works expecting to be carried out during 2010/11. However delays have occurred due to the prices quoted for the scope of the works specified being higher than expected and due to consultation with tenants to ensure their requirements are met.

To ensure that value for money is achieved and that an upgraded energy efficient heating system is provided, that meets tenant's requirements, further quotes have been requested. It is anticipated that works will now be carried out during the 2011/12 financial year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(340)	340	0	0

The impact of the delayed upgrade of the heating system should have minimal impact to the residents at Leach Court, who are being consulted with during the process.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £1,772,080
Project Title: Lift Replacement	Revised Budget: £455,280
	Variation: £(1,316,800)

This year's capital programme included the replacement of 6 lifts in the city. The procurement process for these lifts has been lengthy as there was significant work to be undertaken prior to the invitations to tender (ITT's) being issued. This included prioritising which lifts were to be replaced and providing prospective contractors with guidance as to our requirements to ensure all residents' needs are met whilst the lifts are being replaced. Procurement has now taken place and a preferred Contractor found. The work is due to start in March 2011 subject to Leaseholder consultation.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(1,317)	1,317	0	0

There will be no likely effects on the service delivery as the procurement for the lift replacements in 2011/12 has already started as part of a long-term maintenance and replacement contract.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £481,500
Project Title: Water Tank Replacement	Revised Budget: £170,000
	Variation: £(311,500)

Housing Management's Property & Investment team are in the process of procuring a long term agreement for the maintenance and replacement of communal water tanks across the city. There is already a contractor in place who carries out the day to day servicing, repairs and maintenance and advises Property & Investment on the condition of the tanks and any capital replacements that are required.

Under the new long term agreement, which is timetabled to be let in 2011/12 residents and leaseholders should be provided with increased value for money, alongside this recruitment is currently taking place for two positions that will be involved in managing this contract to ensure that it will be run efficiently and effectively.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(312)	312	0	0

There are no likely effects on the service delivery as all high-risk work has been identified and carried out. A Health & Safety Manager is in place and is continually monitoring the situation.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £856,400
Project Title: Fire Safety & Asbestos management	Revised Budget: £580,000
	Variation: £(276,400)

The following factors have led to some of the Fire safety and Asbestos Management budget to be re-profiled into next financial year:-

- the additional time requirement for the reassessment of fire safety reports, meant that additional works could not be instructed and completed in this financial year.
- Consultation with tenants on their requirements has taken longer than anticipated, which meant that some of these works will not be completed in this financial year. These works will be added to next year's plan as a priority.

However, it should be noted that all of this year's planned works for this budget area will be completed in this financial year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(276)	276	0	0

There has been no effect on the day to day service delivered to tenants. The new fire risk assessments will provide an updated list of works and priorities which will be planned into next years, and future year's programmes.

Directorate: Housing, Culture & Enterprise (HRA)	Approved Budget: £2,107,140
Project Title: Rewires	Revised Budget: £1,182,060
	Variation: £(925,080)

The main reasons for the delays are:

- The original tender process took longer than anticipated to complete as additional time was required to find 3 companies able to carry out the works.
- Due to the cost to leaseholders of these works being over £250, a statutory leaseholder consultation (Section 20) must take place, which requires 30 days, plus any time period for dealing with objections.
- The lead in time for the approved contractor to acquire the specialist materials required to carry out the works. These cannot be ordered by the subcontractor until the award of the contract.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(925)	925	0	0

There has been no effect on the day to day service delivered to tenants.

Adult Social Care

Directorate: Adult Social Care	Approved Budget: £239,000
Project Title: ICT Infrastructure Grant	Revised Budget: £73,000
	Variation: £(166,000)

The ICT Infrastructure Grant is funding a range of projects. The smaller scale projects funded by the grant will be completed within 2010/11. However the Electric Care Monitoring Project is the most significant project and has most of the funding linked to it. It is this project which is subject to delay.

Originally it was thought that the requirements in the specification for the Electronic Care Monitoring System would only fit one provider and that the procurement process would therefore be completed within a short timescale. However the market has developed and to ensure that we achieved value for money it was decided to undertake a broader procurement process and to incorporate the tendering for the in-house rostering system within the same process to achieve further value for money. The tender was awarded subject to contract on 17 December 2010 since then BHCC have been trying to arrange the kick -off date with the preferred provider to move the project into the implementation stage. There has been a delay in achieving agreement on this date. Currently this is still unresolved and the contract has yet to be received from the supplier. This is presenting a significant risk to the timescale of the project. This was not something that was anticipated as the procurement process was conducted within the procurement framework.

The time table for the project had been adjusted to accommodate the joint procurement process however with the current delay in agreeing a contract and starting implementation means that the timetable is currently running approximately three months behind the original schedule. It is very likely that the implementation phase will now run into the next financial year and the spend pattern will need to be adjusted accordingly.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(166)	166	0	0

In addition the procurement process will also deliver financial efficiencies which will be confirmed when the contract is actually let. This funding, plus some funding provisionally allocated to a small project but no longer required, will be available to fund additional projects from the priorities identified. These priorities will be discussed at the next Adult Social Care Information Board in February. Until the new electronic care monitoring system is in place the present arrangements for care provision will continue so the delay in the project will have no adverse effects on service delivery. The delay will however mean that anticipated efficiencies to service delivery will also be delayed.

Directorate: Adult Social Care	Approved Budget: £147,000
Project Title: Social Care Reform Grant	Revised Budget: £80,000
	Variation: £(67,000)

The project was given approval during October 2010, and the procurement evaluation process was completed just before Christmas 2010. The procurement was a joint one with the closely linked Electronic Monitoring Project, and the same provider won both the tenders. It had been anticipated that that the contract with the supplier, which covers both projects, would be signed within the first few weeks of the New Year. But there has been a delay in the supplier submitting the final draft of the contract for approval and signature, and the Council has not yet had the supplier's project plan or their payment milestones and payment profile. It is hoped that this will be completed within the next couple of weeks.

The proposed timescale for the project was very tight with main implementation planned for just before the financial year end. However, it has not been possible to make the strong progress needed during early January to keep to this timetable, as the supplier is unwilling to commence any project work without the contract in place. It is likely, therefore, that the implementation period will now span the financial year end, with the result that some of the project costs currently under Year 1 will not fall due for payment until the new financial year. It is hard to anticipate the impact on the spend pattern without either the supplier's project payment profile or a formal commencement date. At this stage, it is only possible to make the broadest of estimates.

The present delay represents only 2-4 weeks in the final delivery of the project. The normal work of the service will be able to continue as at present with no diminishment to the quality of services. But the delay will mean that the service enhancements and efficiencies that the new system will deliver will be slightly later in coming in.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(67,000)	67,000	0	0

Strategy & Governance

Directorate: Strategy & Governance	Approved Budget: £958,000
Project Title: Human Resources System	Revised Budget: £693,000
	Variation: £(265,000)

The project start date was delayed from April 2009 to June 2009. Therefore the 2 year project timeframe moves to the end of June 2011. Phased payroll implementation over the year 2010 has prevented a speeding up of the timescale to complete within 21 months. There will be no impact on service delivery of this delay.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(265,000)	265,000	0	0

Children & Young People's Trust

Directorate: CYPT	Approved Budget: £10,903,830
Project Title: Primary capital Programme	Revised Budget: £5,000,000
	Variation: £(5,903,830)

The project at Davigdor Infants has been successfully completed. The major extension and refurbishment at Somerhill Juniors is due for completion in March 2011. This project along with several others was delayed due to the poor weather and freezing temperatures in December. The major works at Goldstone, Westdene and Queens Park Primary Schools have all started on site at the beginning of January. Enabling works were undertaken in 2010 to assist the preparation and delivery of the schemes and take advantage of school holiday periods.

Large elements of funding allocated to Local Authorities can be formula based or in response to bids. Once funding is secured projects are designed, developed and construction started on site. However, cashflows for schemes rarely follow in year allocations. This is the case with Goldstone, Westdene and Queens Park Primaries. While all projects were designed and started on site in 2010/2011, completion dates are in September and December 2011. Forecast spend in 2011/2012 on these three projects is approximately £7.500m.

We are forecasting a spend of £5.000m in 2010/2011 for Primary Capital. As a result, we are seeking to re-profile £5.904m to 2011/2012 to assist in meeting our commitments next year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(5,904)	5,904		0

Directorate: CYPT	Approved Budget: £3,914,000
Project Title: Targeted Capital fund	Revised Budget: £3,200,000
	Variation: £(714,000)

The major extension and refurbishment scheme at Longhill School was completed successfully in September 2010. In a report to the CYPT Cabinet Member meeting in April 2010 £0.500m was allocated from Targeted Capital to undertake alterations and improvements to the Cedar Centre. This work was delayed owing to uncertainties about in year savings requested by the Department for Education. In addition to this the works are dependent upon other moves/rationalisation within the Special School estate. These are still ongoing. It is now anticipated that these works will be undertaken during the 2011/2012 financial year.

An extension to Hillside School started on site in January and is due to complete in August 2011. Expenditure of £3.200m is forecast for 2010/2011 and therefore £0.714m needs to be re-profiled to 2011/2012 to meet commitments next year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(714)	714	0	0

Directorate: CYPT	Approved Budget: £1,804,390
Project Title: NDS Modernisation	Revised Budget: £1,700,000
	Variation: £(104,390)

The development of a number of schemes has taken longer than originally anticipated, in one case complicated by the presence of asbestos. As a result, work on some projects has been programmed for the Easter holiday. Expenditure of £1.700m is forecast in 2010/2011, and therefore £0.104m needs to be re-profiled to 2011/12 to meet commitments next year.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(104)	104	0	0

Directorate: CYPT	Approved Budget: £7,199,480
Project Title: Whitehawk Co-location	Revised Budget: £4,510,000
	Variation: £(2,689,480)

While there has been some delay due to the weather conditions experienced during December, overall completion of the final element of the project is still forecast for June 2011. As mentioned previously cashflows for projects rarely follow initial in year allocations. We are forecasting a spend of £4.510m in 2010/2011 and as a result it is necessary to re-profile £2.689m to meet the remaining commitments in 2011/2012.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(2,689)	2,689	0	0

Directorate: CYPT	Approved Budget: £367,000
Project Title: School Access Initiative 2010/11	Revised Budget: £120,000
	Variation: £(247,000)

Funds from this project have been allocated to provide lifts and assist with the provision of other accessibility work at Somerhill Junior, Goldstone, Westdene and Queens Park Primary Schools. As stated previously the majority of these schemes will be completing in the Autumn of 2011.

Expenditure this year is forecast to be £0.120m, therefore it is necessary to re-profile £0.247m to 2011/2012.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(247)	247	0	0

Finance & Resources

Directorate: Finance & Resources	Approved Budget: £846,000
Project Title: Accommodation Strategy	Revised Budget: £1,263,110
	Variation: £417,110

The corporate Accommodation Strategy and Workstyles Phase One project has now reached the stage where the exit of Priory House and re-location of services to Bartholomew House and other subsidiary buildings is underway. The report to Cabinet on 9 December 2010 detailed the revised timetable and costs for 2010/11 and 2011/12 as well as reporting on the progress to date. The subsidiary works including Brighton Town Hall and Lavender Street have been completed and a large part of the works at Bartholomew House is programmed for 2010/11. The scheme is to be funded as part of a 'spend to save' scheme through a combination of borrowing and contributions from the Asset Management Fund and ICT Fund. The financing costs for the borrowing will be met from the savings generated from the operational costs of Priory House as detailed in the report to Cabinet on 9 December 2010.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
417	(417)	0	0

Directorate: Finance & Resources	Approved Budget: £195,000
Project Title: FIS Implementation	Revised Budget: £0
	Variation: £(195,000)

It was intended to spend this money in this financial year on three key areas:-

- The implementation of Intelligent Scanning
- The implementation of Authority Web
- The implementation of e-budgeting

The implementation of Intelligent Scanning has been delayed whilst the software providers (Civica and IDOX) design a suitable technical solution. There has been some progress, but the implementation is unlikely to be achieved before summer 2011.

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The implementation Authority Web and e-budgeting has been delayed as other development work has been prioritised in order to support the restructure of both Financial Services (Summer 2010) and of the wider Council. It is anticipated that work will commence in these areas during the first quarter of 2011-12.

2010/11 £'000	2011/12 £'000	2012/13 £'000	Total £'000
(195)	195	0	0

