

**GF & HRA Major Forecast Variances as at September 2019.**

1.	<p><u>Telecare Equipment (£0.35M forecast underspend)</u></p> <p>Project expected to underspend in line with underspend reported in 2018/19 due to an average 60% successful conversion rate of Adult Social Care referrals for service users to have connected care technology installed.</p> <p>In addition there has been recycling of existing connected care equipment for new service users which has also contributed to the reduced spend on the project.</p> <p>Referrals were expected to increase through more telecare awareness drop in sessions with Adult Social Care teams but the implementation of connected care equipment is not suitable for all referred service users which has resulted in reduced forecast of spend on this project.</p> <p>Following discussions with the service there has been a further reduction in projected spend for 2019/20.</p>
2.	<p><u>Springwell Main Expansion (£0.28M forecast overspend)</u></p> <p>The Architect instructions failed to locate drainage and utilities. Additional surveys were required at phase 2 to locate these and then re-design work of the foundations/utility runs &amp; connections. This delayed the scheme causing extension of time claims and associated cost for prolongation. It is anticipated that this can be managed within the portfolio.</p>
3.	<p><u>Support for Estate Regeneration (£0.93M forecast underspend)</u></p> <p>The portfolio budget included £0.93M to fund 5 houses for Townhill Park regeneration, funded from s106 contributions. This was completed, funded and accounted for during 2018/19 under project H6570, within the Housing portfolio, and therefore the budget is no longer required.</p>
4.	<p><u>Water Quality Remedial Works (£0.25M Underspend)</u></p> <p>There is a need to replace water tanks across the city and as a result a number of tanks have been ordered. However, due to lack of resources internally, works have been carried out by an external contractor who have advised the current timescales in which to complete works are to be beyond the current financial year. Works are being undertaken to identify additional properties that require tank replacements, and it is seen the future budget provisions are sufficient to carry out the works.</p>
5.	<p><u>Energy Company Obligations: City Energy Scheme (£0.13M Underspend)</u></p> <p>A dispute is ongoing with the contractor for rectifying defects. It is unknown at this stage the length of time needed to conclude legal proceedings as they are still ongoing. However, the project manager has indicated it will be unlikely the dispute will be resolved this financial year. As a result a saving has been identified and budget provisions will be put into place for future years once further information has been provided.</p>
6.	<p><u>Lift Refurbishment - Shirley Towers (£0.15M Underspend)</u></p>

	<p>As the budget allocated was based on historical spend, it was used to estimate the value of the contract. As the contract has been awarded to an external contractor, it has now been identified that the estimate used was above what was needed to undertake the works, and as a result, savings have been identified.</p>
7.	<p><u>Roofing Lot 1 West- Flat Roofs (£0.30M Underspend)</u></p> <p>Due to lack of resources within Capital Assets the project has been unable to progress as first anticipated. A quantity surveyor was required to complete pricing documents and preliminaries as otherwise the contract could not go out for tender. However, one has since been appointed and the documents are currently with SCC legal department finalising the contract. As works have been delayed, it was agreed to use this year's savings to fund for existing budget pressures in the fire safety programme, and make allowances for future budgets during the HRA Business Planning stage.</p>
8.	<p><u>Estate Regeneration (Potters Court) (£1.13M Underspend)</u></p> <p>It has been identified that the contractors have been delayed in progressing with works as there have been difficulties with obtaining scaffolding, and as a result the project is behind schedule by a number of weeks. This has however allowed a review of the budget for this scheme, which has enabled the project to be phased more accurately throughout the programme. As a result of this review, savings have been identified and has not been redistributed in subsequent years spend within the next five years as existing budget commitments are already present for delivery.</p>
9.	<p><u>Renew Warden Alarm (£0.85M Underspend)</u></p> <p>The work required to upgrade the central control room software has been specified and orders have been placed, however work will not commence until April 2020 as there has been lack of availability of parts. It is therefore the intention to identify savings in the current year whilst a review is being undertaken to phase the project over a number of years. The remaining works are currently being specified and works will commence towards the end of 2019/20.</p>
10.	<p><u>Roofing Lot 2 East- Pitched Roofs (£0.46M Underspend)</u></p> <p>Due to lack of internal resources the project has been unable to progress as first anticipated. A quantity surveyor was required to complete pricing documents and preliminaries as otherwise the contract could not go out for tender. This resource was not initially available, however, one has since been appointed and the documents are currently with SCC legal department finalising the contract. As works have been delayed, it was agreed to use this year's savings to fund for existing budget pressures in the fire safety programme, and make allowances for future budgets during the HRA Business Planning stage.</p>
11.	<p><u>Energy Company Obligations - Lydgate - External Wall Insulation (£0.17M Overspend)</u></p>

	<p>It has been identified that a contingency sum has not been created within the budget allocation. In the execution of any construction contract unforeseeable events can give rise to additional costs, where the works are to existing structures such occurrences are common, and as a result, savings are being identified elsewhere in the programme to allow for a contingency allocation.</p>
12.	<p><u>Housing Refurbishment Programme (£0.19M Overspend)</u></p> <p>The project manager has identified that an additional £0.19M is required for the kitchen and bathroom void replacements in a number of properties. Without undertaking the works, the properties will not be let out to residents and result in a loss of income for the council. Savings are being identified elsewhere within the programme to allow for additional spend.</p>
13.	<p><u>Hants Fire &amp; Rescue Service - Fire Safety / Sprinkler Project (£3.76M Overspend)</u></p> <p>Additional works have been identified within communal areas and flats, including additional asbestos removal and fire stopping to flats. This is to ensure the safety of residents, to protect the property and meet the acceptable safety requirements.</p>