

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO SPECIAL POLICY AND FINANCE COMMITTEE

Agenda Item No 5

meeting date: 10 FEBRUARY 2015  
title: OVERALL REVISED CAPITAL PROGRAMME 2014/15  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

### 1 PURPOSE

1.1 To consider the overall revised capital programme.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities – to continue to be a well-managed council, providing efficient services based on identified customer needs.
- Other Considerations – none identified.

### 2 BACKGROUND

2.1 The original capital programme for 2014/15 was approved by Full Council in March 2014.

2.2 Regular reports have been presented quarterly to all committees on progress with the capital programme.

### 3 ORIGINAL PROGRAMME 2014/15

3.1 The original capital programme for 2014/15 included schemes at a total estimated cost of £315,540. In addition to this, £57,020 of budget from 2013/14 was moved to the 2014/15 financial year at the time of setting the revised estimate for 2013/14. This gave an approved capital programme of £372,560.

3.2 Following the initial approval, the following changes have also been made:

- £162,820 of planned expenditure for 2013/14 was not spent by the end of the financial year and this was transferred into 2014/15, this is known as slippage.
- One further approval to the capital programme was made in year, £15,450 for a grant to Roefield Leisure to support capital expenditure on their activity room.
- £63,270 of capital budget has been transferred from the Landlord Tenant Grants scheme to the Disabled Facilities Grants scheme, as approved by Policy and Finance Committee in October 2014. This transfer had no impact on the overall capital programme budget total.

3.3 The total approved capital programme budget for 2014/15 was £550,830 covering twelve schemes, as shown in Annex 1.

### 4 REVISING THE 2014/15 PROGRAMME

4.1 We have now discussed each of the schemes in the capital programme with budget holders and revised the programme to reflect their progress and estimated full year expenditure.

- 4.2 The 2014/15 budgets for two schemes, totalling £147,000, is recommended for transfer into 2015/16. This action is recommended following detailed discussions with budget holders as the Council is currently unlikely to commit the current year's full budget by the end of March 2015. The schemes affected are:
- Installation of 3G Artificial Pitch, £47,000 – The scheme is dependent on external funding which has not been obtained to date. Officers are planning to make an updated bid to Sport England to secure funding for 2015/16.
  - Economic Development Initiative, £100,000 – The budget was set up to provide support for economic development whenever appropriate opportunities arise. No such opportunities have arisen so far and it is unlikely that the budget will be called upon before year end, so the budget will be moved into 2015/16.
- 4.3 Following this update, the overall revised capital programme for 2014/15 is £403,830. This is a £31,270 increase from the original capital programme approved at this time last year, which is accounted for by the variances listed above.
- 4.4 Actual expenditure (including commitments) on all schemes, as at the end of December, is £351,068. This is 86.9% of the revised estimate.
- 4.5 Annex 1 shows the full capital programme, showing the budget and actual expenditure (including commitments) as at the end of December for each scheme. The summary position is shown below.

Committee	Budget Analysis							Expenditure Analysis
	Original Estimate 2014/15 £	Budget Moved from 2013/14 £	Slippage from 2013/14 £	Additional Approvals 2014/15 £	Total Approved Budget 2014/15 £	Revised Estimate 2014/15 £	Budget Moved to 2015/16 £	Actual Expenditure including commitments (at end of December 2014) £
Community Services	110,000	0	11,710	15,450	137,160	90,160	47,000	83,756
Policy and Finance	0	0	116,430	0	116,430	16,430	100,000	5,420
Health and Housing	205,540	57,020	34,680	0	297,240	297,240	0	261,892

- 4.6 Updated capital evaluation forms completed by the responsible officers for these schemes have been reported to all committees in previous cycles.

5 FINANCING OF THE 2014/15 CAPITAL PROGRAMME

5.1 The capital resources to finance the Capital Programme for 2014/15 have also been revised, and are shown in the table below:

	Current Financing 2014/15 £	Revised Financing 2014/15 £	Financing of schemes moved to 2015/16 £
<b>Total Approved Budget</b>	<b>550,830</b>	<b>403,830</b>	<b>147,000</b>
<b>Resources</b>			
<b>Grants and Contributions</b>			
Disabled Facilities Grants	-119,540	-119,540	
Repossession Prevention Fund	-27,800	-27,800	
External Funding – 3G Artificial Pitch Scheme	-25,000		-25,000
<b>Borrowing</b>			
Unsupported Borrowing	-4,970	-4,970	
<b>S106 Monies</b>			
S106 Monies	-40,000		
<b>Earmarked Reserves</b>			
VAT Shelter	-86,000	-86,000	
New Homes Bonus	-45,000	-63,000	-22,000
Capital Reserve Fund	-161,930	-61,930	-100,000
Fleming VAT Reclaim	-15,450	-15,450	
<b>Capital Receipts</b>			
Capital Receipts	-25,140	-25,140	
<b>Total of Resources Used</b>	<b>-550,830</b>	<b>-403,830</b>	<b>-147,000</b>

5.2 Shown below is a summary of the movements on available capital resources from 1 April 2014 to the anticipated closing balance at 31 March 2015.

Resource	Opening Balance 1 April 2014 £	Added in Year £	Used in Year £	Earmarked for schemes moved to 2015/16 £	Closing Balance 31 March 2015 £
Capital Grants Unapplied b/f	-46,158	0	27,800	0	<b>-18,358</b>
New Grants and Contributions in Year	0	-119,540	119,540	0	<b>0</b>
Capital Reserve Fund**	-653,919	-3,080	61,930	100,000	<b>-495,069</b>
Use of VAT Shelter	0	-86,000	86,000	0	<b>0</b>
Use of New Homes Bonus	0	-85,000	63,000	22,000	<b>0</b>

<b>Resource</b>	<b>Opening Balance 1 April 2014 £</b>	<b>Added in Year £</b>	<b>Used in Year £</b>	<b>Earmarked for schemes moved to 2015/16 £</b>	<b>Closing Balance 31 March 2015 £</b>
Capital Receipts	-28,959	-292,318	25,140	0	-296,137
Fleming VAT Reclaim Reserve	0	-15,450	15,450	0	0
Unsupported Borrowing	0	-4,970	4,970	0	0
External Funding – 3G Artificial Pitch Scheme	0	-25,000	0	25,000	0
<b>Total</b>	<b>-729,036</b>	<b>-631,358</b>	<b>403,830</b>	<b>147,000</b>	<b>-809,564</b>

*\*\* The recommended minimum level of this reserve is £350,000*

## 6 COMMENTS ON OVERALL POSITION

- 6.1 The revised 2014/15 capital programme is £403,830. This has increased by £31,270 from the originally approved capital programme at this time last year of £372,560. These changes are summarised in the table below:

	<b>£</b>	<b>£</b>
<b>Original Capital Programme 2014/15</b>		<b>372,560</b>
Slippage from 2013/14	162,820	
Schemes added for the current year	15,450	
Schemes moved to 2015/16 at Revised Estimate time	-147,000	
<b>Net Changes</b>		<b>31,270</b>
<b>Proposed Revised Capital Programme 2014/15</b>		<b>403,830</b>

- 6.2 As shown earlier, the revised capital programme for 2014/15 is fully financed. However, as available resources diminish, this puts further pressure on the affordability of the forward capital programme for future years.

## 7 RISK ASSESSMENT

- 7.1 The approval of this report may have the following implications:

- Resources – approval of the revised capital programme would see the transfer of a proportion of the current year's budget into the next financial year. The financing of the schemes to be moved has also been ring-fenced.
- Technical, Environmental and Legal – none.
- Political – none.
- Reputation – sound financial planning for known capital commitments safeguards the reputation of the Council.
- Equality and Diversity – equality and diversity issues are examined as part of the capital bid appraisal process.

## 8 CONCLUSION

- 8.1 The overall revised capital programme for 2014/15 is £403,830. This is a £31,270 increase from the original capital programme approved at this time last year. The increase is due to

slippage from the 2013/14 capital programme budget and the approval of an additional scheme during the year. The increased capital programme for 2014/15 is fully financed.

8.2 Actual expenditure on all schemes, as at the end of December, is £351,068. This is 86.9% of the revised estimate.

8.3 The level of capital resources continues to be a matter of concern. However, the level of the capital reserve will not fall below the suggested minimum of £350,000.

9 RECOMMENDED THAT COMMITTEE

9.1 Approve the overall revised capital programme for 2014/15.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF13-15/AC/AC  
30 January 2015

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS - None

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2014-15**

Cost Centre	Schemes	Original Estimate 2014/15	Budget Moved from 2013/14	Slippage from 2013/14	Additional Approvals in 2014/15	Total Approved Budget 2014/15	Revised Estimate 2014/15	Budget Moved to 2015/16	Actual Expenditure including commitments (as at end of December 2014)
		£	£	£	£	£	£	£	£
<b><u>Community Committee</u></b>									
CFTOI	Castlefield Toilets Refurbishment	33,000	0	0	0	33,000	33,000	0	32,309
PLAYN	Play Area Improvements 2013/14	0	0	11,710	0	11,710	11,710	0	8,672
PLAYO	Play Area Improvements 2014/15	30,000	0	0	0	30,000	30,000	0	27,330
TGAPS	Installation of 3G Artificial Pitch	47,000	0	0	0	47,000	0	47,000	0
RGRNT	Grant to Roefield – Activity Room	0	0	0	15,450	15,450	15,450	0	15,445
<b>Total Community Services Committee</b>		<b>110,000</b>	<b>0</b>	<b>11,710</b>	<b>15,450</b>	<b>137,160</b>	<b>90,160</b>	<b>47,000</b>	<b>83,756</b>
<b><u>Policy and Finance Committee</u></b>									
ECDVI	Economic Development Initiatives	0	0	100,000	0	100,000	0	100,000	0
PSNCO	Public Sector Network (PSN) Compliance	0	0	16,430	0	16,430	16,430	0	5,420
<b>Total Policy and Finance Committee</b>		<b>0</b>	<b>0</b>	<b>116,430</b>	<b>0</b>	<b>116,430</b>	<b>16,430</b>	<b>100,000</b>	<b>5,420</b>

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2014-15**

Cost Centre	Schemes	Original Estimate 2014/15	Budget Moved from 2013/14	Slippage from 2013/14	Additional Approvals in 2014/15	Total Approved Budget 2014/15	Revised Estimate 2014/15	Budget Moved to 2015/16	Actual Expenditure including commitments (as at end of December 2014)
<i><u>Health and Housing Committee</u></i>									
CMEXT	Installation of Cemetery Infrastructure	0	0	4,970	0	4,970	4,970	0	4,100
DISCP	Disabled Facilities Grants	119,540	10,000	-11,340	63,270	181,470	181,470	0	174,999
LANGR	Landlord/Tenant Grants	75,000	20,000	40,270	-63,270	72,000	72,000	0	71,874
PWPBC	Replacement of Pest Control Vehicle PO07 WPB	11,000	0	0	0	11,000	11,000	0	10,919
REPPF	Repossession Prevention Fund	0	27,020	780	0	27,800	27,800	0	0
Total Health and Housing Committee		205,540	57,020	34,680	0	297,240	297,240	0	261,892
<b>TOTAL ALL COMMITTEES</b>		<b>315,540</b>	<b>57,020</b>	<b>162,820</b>	<b>15,450</b>	<b>550,830</b>	<b>403,830</b>	<b>147,000</b>	<b>351,068</b>

*Please note, the budget for the Repossession Prevention Fund may not be fully spent in year. This is because this budget is a ring-fenced specially funded scheme to prevent homelessness and it is a tool considered only when appropriate circumstances are presented. Given that, the budget may be called upon at any time or may not be used at all in any given period. Consequently, the revised estimate for this scheme remains as £27,800 because the fund could be accessed at any time in-year. As in previous years, any actual balance outstanding at year-end will be made available in the following year.*