

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO SPECIAL POLICY AND FINANCE COMMITTEE

Agenda Item No 5

meeting date: 9 FEBRUARY 2016  
title: OVERALL REVISED CAPITAL PROGRAMME 2015/16  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

### 1 PURPOSE

1.1 To consider the Council's overall revised capital programme for 2015/16.

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 2015/16 was approved by Full Council in March 2015.

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

### 3 ORIGINAL CAPITAL PROGRAMME 2015/16

3.1 All committees considered proposals for the new capital programme at their meetings in January 2015. The programme was set against a background of limited capital resources and reducing revenue budgets. In total, sixteen new schemes were approved for the 2015/16 financial year, along with budgets for two schemes that were moved from 2014/15 at the revised estimate stage. This made a total planned capital programme for the current year of £1,191,000, covering eighteen schemes.

3.2 In addition, not all planned expenditure for 2014/15 was spent. For three schemes, the unspent balance in 2014/15 has been transferred into 2015/16. This is known as slippage. The total of this slippage was £30,150.

3.3 An additional approval was gained from Policy and Finance Committee in June 2015 to complete the Installation of Cemetery Infrastructure scheme in 2015/16. The additional approval of £2,730 was funded by a revenue contribution from Health and Housing Committee.

3.4 The total of all these elements created a 2015/16 overall capital programme with nineteen schemes and a total approved budget of £1,223,880. This is shown at Annex 1.

### 4 REVISING THE 2015/16 CAPITAL 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. Following this review, the revised capital programme for 2015/16 is £1,181,000, a reduction of £42,880 from the total approved original budget.

4.2 The main reasons for the £42,880 reduction are:

- The All Weather Pitch Lighting scheme, which had a budget of £20,000, has been removed from the capital programme because the LED technology required for this scheme will not be available at the budgeted cost in 2015/16. The scheme has been re-submitted as a capital bid for the 2018/19 capital programme, at a revised cost.
- Four mower purchase schemes were completed in the first part of the year, with a combined underspend of £19,856.
- The Installation of Cemetery Infrastructure scheme was completed in the first part of the year, with an underspend of £1,446.

4.3 Annex 1 shows the full capital programme, with the budget and actual expenditure (including commitments) as at the end of December 2015 for each scheme. The summary position is shown below.

Committee	Budget Analysis						Expenditure Analysis
	Original Estimate 2015/16 £	Budget Moved from 2014/15 £	Slippage from 2014/15 £	Additional Approvals 2015/16 £	Total Approved Budget 2015/16 £	Revised Estimate 2015/16 £	Actual Expenditure including commitments as at end of December 2015 £
Community Services	436,600	47,000	0	0	483,600	442,270	435,934
Policy and Finance	371,400	100,000	0	0	471,400	471,400	3,772
Health and Housing	236,000	0	30,150	2,730	268,880	267,330	246,200
<b>TOTAL</b>	<b>1,044,000</b>	<b>147,000</b>	<b>30,150</b>	<b>2,730</b>	<b>1,223,880</b>	<b>1,181,000</b>	<b>685,906</b>

4.4 Expenditure (including commitments) on all schemes as at the end of December 2015 is £685,906. This is 58% of the revised estimate. Significant expenditure is still to take place on the four Policy and Finance Committee schemes.

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

5 FINANCING OF THE 2015/16 CAPITAL PROGRAMME

5.1 The capital resources to finance the Capital Programme for 2015/16 have also been revised, and are shown in the table below:

	<b>Current Financing 2015/16 £</b>	<b>Revised Financing 2015/16 £</b>
<b>Total Approved Budget</b>	<b>1,223,880</b>	<b>1,181,000</b>
<b>Resources</b>		
<b>Grants and Contributions</b>		
Disabled Facilities Grants	-161,000	-160,900
Sport England – 3G Artificial Pitch Scheme	-25,000	-23,500
Lancashire County Council – Clitheroe Townscape (to be confirmed)	-60,000	-60,000
<b>Borrowing</b>		
Unsupported Borrowing	-257,270	-257,270
<b>Earmarked Reserves</b>		
VAT Shelter	-417,000	-392,210
New Homes Bonus	-125,000	-88,000
Capital Reserve Fund	-147,010	-169,040
Fleming VAT Reclaim	-24,600	-23,080
Conservation Reserve	-5,630	-5,630
Market Town Enhancement Reserve	-1,370	-1,370
<b>Total of Resources Used</b>	<b>-1,223,880</b>	<b>-1,181,000</b>

5.2 Shown below is a summary of the movements on available capital resources from 1 April 2015 to the anticipated closing balance at 31 March 2016.

<b>Resource</b>	<b>Opening Balance 1 April 2015 £</b>	<b>Added in Year £</b>	<b>Used in Year £</b>	<b>Closing Balance 31 March 2016 £</b>
Capital Grants Unapplied b/f	-13,822	0	0	<b>-13,822</b>
New Grants and Contributions in Year	0	-244,400	244,400	<b>0</b>
Capital Reserve Fund**	-692,623	-45,070	169,040	<b>-568,653</b>
Use of VAT Shelter	0	-392,210	392,210	<b>0</b>
Use of New Homes Bonus	0	-88,000	88,000	<b>0</b>
Capital Receipts	-458,239	-242,064	0	<b>-700,303</b>
Fleming VAT Reclaim Reserve	0	-23,080	23,080	<b>0</b>

<b>Resource</b>	<b>Opening Balance 1 April 2015 £</b>	<b>Added in Year £</b>	<b>Used in Year £</b>	<b>Closing Balance 31 March 2016 £</b>
Other Earmarked Reserves	0	-7,000	7,000	<b>0</b>
Unsupported Borrowing	0	-257,270	257,270	<b>0</b>
<b>Total</b>	<b>-1,164,684</b>	<b>-1,299,094</b>	<b>1,181,000</b>	<b>-1,282,778</b>

*\*\* The recommended minimum level of the Capital Reserve Fund is £350,000*

## 6 COMMENTS ON OVERALL POSITION

- 6.1 The revised 2015/16 capital programme is £1,181,000. This is a reduction of £10,000 from the originally approved capital programme at this time last year of £1,191,000. The changes are summarised in the table below.

	<b>£</b>	<b>£</b>
<b>Original Capital Programme 2015/16</b>		<b>1,191,000</b>
Slippage from 2014/15	30,150	
Schemes added for the current year – additional approval	2,730	
<b>Net changes to the Total Approved Budget</b>		<b>32,880</b>
Schemes reduced at Revised Estimate for the current year	-42,940	
Schemes increased at Revised Estimate for the current year	60	
<b>Net Changes at Revised Estimate</b>		<b>-42,880</b>
<b>Proposed Revised Capital Programme 2015/16</b>		<b>1,181,000</b>

- As shown earlier, the revised capital programme is fully financed. There is a £10,000 reduction in the level of financing resources needed to fund the programme, compared to that needed at the time the originally approved capital programme was set at this time last year. Compared to the currently approved programme, the revised programme requires £42,880 less in financing.

## 7 RISK ASSESSMENT

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

- Resources – Approval of the revised capital programme will see a reduction of £10,000 in the level of financing resources needed to fund the programme, compared to the programme originally approved at this time last year, or £42,880 less compared to the currently approved programme.
- 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 2015/16 is £1,181,000 for eighteen schemes. This is a £10,000 reduction from the original capital programme approved at this time last year. The decrease is due to £30,150 slippage from the 2014/15 capital programme budget and a £2,730 approval of an additional scheme during the year, set against a £42,880 reduction in the overall cost of capital programme schemes when reviewed at revised estimate stage.
- 8.2 The reduced capital programme for 2015/16 is fully financed.
- 8.3 Actual expenditure on all schemes, as at the end of December 2015, is £685,906. This is 58% of the revised estimate.
- 8.4 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 2015/16.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF19-16/AC/AC  
29 January 2016

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS - None

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2015-16**

Cost Centre	Schemes	Original Estimate 2015/16 £	Budget Moved from 2014/15 £	Slippage from 2014/15 £	Additional Approvals 2015/16 £	Total Approved Budget 2015/16 £	Revised Estimate 2015/16 £	Actual Expenditure including commitments as at end of December 2015 £
<b>Community Committee</b>								
PLAYP	Play Area Improvements 2015/16	40,000	0	0	0	40,000	40,000	33,676
RBBFV	Replacement of Geesink 26t RP HGV Refuse Collection Vehicle	210,000	0	0	0	210,000	210,060	210,055
GNPZV	Replacement of 4x4 Tractor/Mower (PN04 NPZ)	17,000	0	0	0	17,000	12,220	12,220
GPLOV	Replacement of Kubota Mower (PN05 PLO)	19,000	0	0	0	19,000	14,040	14,037
RSCAG	Replacement of Scag Mower	9,000	0	0	0	9,000	4,890	4,887
HGTRL	Two Heavy Goods Trailers	6,000	0	0	0	6,000	6,000	6,000
TRISM	Replacement of 2 Trim Star Mowers	16,000	0	0	0	16,000	10,000	10,000
RSHOV	Replacement of Waste Transfer Station Loader Shovel	75,000	0	0	0	75,000	75,000	75,000
HYPRO	Hyprolyser Electrochlorination System at Ribblesdale Pool	15,600	0	0	0	15,600	14,840	14,838
REPUV	Replacement of the UV unit at Ribblesdale Pool	9,000	0	0	0	9,000	8,240	8,240
TGAPS	Installation of 3G Artificial Pitch	0	47,000	0	0	47,000	46,980	46,981
AWPLG	All Weather Pitch Lighting	20,000	0	0	0	20,000	0	0
	<b>Total Community Committee</b>	<b>436,600</b>	<b>47,000</b>	<b>0</b>	<b>0</b>	<b>483,600</b>	<b>442,270</b>	<b>435,934</b>

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2015-16**

Cost Centre	Schemes	Original Estimate 2015/16 £	Budget Moved from 2014/15 £	Slippage from 2014/15 £	Additional Approvals 2015/16 £	Total Approved Budget 2015/16 £	Revised Estimate 2015/16 £	Actual Expenditure including commitments as at end of December 2015 £
<b><i>Policy and Finance Committee</i></b>								
OROOF	Council Offices – Re-roofing	167,500	0	0	0	167,500	<b>167,500</b>	<b>3,172</b>
WINDW	Council Offices – Replacement Windows and Rooflights	88,900	0	0	0	88,900	<b>88,900</b>	<b>600</b>
TNSCP	Clitheroe Townscape Scheme	115,000	0	0	0	115,000	<b>115,000</b>	<b>0</b>
ECDVI	Economic Development Initiatives	0	100,000	0	0	100,000	<b>100,000</b>	<b>0</b>
	<b>Total Policy and Finance Committee</b>	<b>371,400</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>471,400</b>	<b>471,400</b>	<b>3,772</b>
<b><i>Health and Housing Committee</i></b>								
DISCP	Disabled Facilities Grants	161,000	0	11,150	0	172,150	<b>172,050</b>	<b>150,917</b>
LANGR	Landlord/Tenant Grants	75,000	0	18,130	0	93,130	<b>93,130</b>	<b>93,129</b>
CMEXT	Installation of Cemetery Infrastructure	0	0	870	2,730	3,600	<b>2,150</b>	<b>2,154</b>
	<b>Total Health and Housing Committee</b>	<b>236,000</b>	<b>0</b>	<b>30,150</b>	<b>2,730</b>	<b>268,880</b>	<b>267,330</b>	<b>246,200</b>
<b>OVERALL TOTAL</b>		<b>1,044,000</b>	<b>147,000</b>	<b>30,150</b>	<b>2,730</b>	<b>1,223,880</b>	<b>1,181,000</b>	<b>685,906</b>