

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 13

meeting date: 20 OCTOBER 2016
 title: CAPITAL MONITORING 2016/17
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To provide Health and Housing Committee (this Committee) with information relating to the progress of the approved 2016/17 capital programme, for the period to the end of September 2016.

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 need.
- Other Considerations – none identified.

2 BACKGROUND

2.1 In total, three new schemes for this Committee, totalling £411,000, were approved by the Policy and Finance Committee and Full Council at their meetings in February and March 2016 respectively. Since approval of the budget for this Committee it was confirmed that the Disabled Facilities Grants (DFGs) funding for 2016/17 was £273,220. The DFGs scheme budget was initially set at £161,000 on the basis that this would be changed to match the exact DFGs funding that was received. Therefore, the capital programme was increased by the difference of £112,220 to £523,220 for this Committee.

2.2 In addition, not all planned capital budgets for 2015/16 were spent. The unspent balance of this, £22,420, is known as slippage. This slippage has been transferred into the 2016/17 capital programme budget.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of three schemes is £545,640. This is shown at Annex 1.

3 CAPITAL MONITORING 2016/17

3.1 The table below summarises this Committee's capital programme budget, expenditure to date and variance, as at the end of September 2016. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

| BUDGET | | | EXPENDITURE | |
|-----------------------------------|-------------------------------|--|---|--|
| Original Estimate 2016/17 £ | Slippage from 2015/16 £ | Total Approved Budget 2016/17 £ | Actual Expenditure and Commitments as at end of September 2016 £ | Variance as at end of September 2016 £ |
| 523,220 | 22,420 | 545,640 | 126,201 | -419,439 |

3.2 At the end of September 2016, £126,201 had been spent or committed. This is only 23.1% of the annual capital programme budget for this Committee.

3.3 The main reasons for the underspend on the full year budget to date are:

- **LANGR – Landlord/Tenant Grants (-£51,530):** Committed expenditure at the end of September 2016 was £31,800. There are two further applications working towards approval and further applications may be received in-year. Consequently, at this point in time the budget is on track to be fully committed in-year.
- **DISCP – Disabled Facilities Grants (-£192,909):** Committed expenditure at the end of September 2016 was £94,401, based on three schemes approved prior to this financial year and thirteen schemes approved so far in 2016/17. There are a further thirteen applications either being currently considered for approval or on the waiting list. Increased DFGs funding in 2016/17 means that all these schemes can be funded from the remaining 2016/17 budget. Further applications are expected in-year, but the budget may not be fully committed in-year, based on the level of applications received to date against the increased level of funding received from DCLG this year.
- **CMIMP – Clitheroe Market Improvements (-£175,000):** The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

4 AFFORDABLE WARMTH CAPITAL GRANTS 2016/17

- 4.1 As referred to elsewhere on the agenda, Lancashire County Council (LCC) are providing affordable warmth capital funding to district councils across Lancashire from their “Green Energy Fund”. This funding will be provided for a minimum of two years to help district councils support their communities to reduce their energy bills through contributions where there is a shortfall in grant funding for heating and insulation measures.
- 4.2 The Council is likely to receive up to £25,629 in both 2016/17 and 2017/18 from LCC. This is still subject to final confirmation, as LCC must approve the Council’s plan for the interventions that can be funded and household eligibility criteria. The Council will also have to comply with LCC’s monitoring arrangements for the scheme.
- 4.3 If approved by LCC, the Affordable Warmth Capital Grants scheme will be added to the Capital Programme for approval by this Committee at Revised Estimate stage.

5 CONCLUSION

- 5.1 At the end of September 2016, £126,201 had been spent or committed. This is only 23.1% of the annual capital programme budget for this Committee.
- 5.2 At this point in time, the Landlord/Tenant Grants budget is on track to be fully committed in-year, based on the approvals granted to date and other applications being considered currently.
- 5.3 The Disabled Facilities Grants budget may not be fully committed in-year, based on the level of applications received to date against the increased level of funding received from DCLG in 2016/17.
- 5.4 The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH11-16/AC/AC
10 October 2016

11-16hh

Health and Housing Committee – Capital Programme 2016/17

| Cost Centre | Scheme | Original Estimate 2016/17 £ | Slippage from 2015/16 £ | Total Approved Budget 2016/17 £ | Actual Expenditure and Commitments as at end of September 2016 £ | Variance as at end of September 2016 £ |
|-------------|---|-----------------------------------|-------------------------------|--|---|--|
| DISCP | Disabled Facilities Grants | 273,220 | 14,090 | 287,310 | 94,401 | -192,909 |
| LANGR | Landlord/Tenant Grants | 75,000 | 8,330 | 83,330 | 31,800 | -51,530 |
| CMIMP | Clitheroe Market Improvements | 175,000 | 0 | 175,000 | 0 | -175,000 |
| | Total Health and Housing Committee | 523,220 | 22,420 | 545,640 | 126,201 | -419,439 |

Individual Scheme Details and Budget Holder Comments

DISCP - Disabled Facilities Grants

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

Brief Description:

The scheme provides mandatory grant aid to adapt homes so that elderly and disabled occupants can remain in their own home. The maximum grant is £30,000 and for adults is means tested. The grants can provide for minor adaptation, for example the installation of a stair lift, up to the provision of a bathroom and bedroom extension.

Start date, duration and key milestones:

The disabled facilities grant budget operates on a financial year basis, April to March each year.

Financial Implications – CAPITAL

| | £ | Actual Expenditure and Commitments as at end of September 2016 £ | Variance as at end of September 2016 £ |
|--------------------------------------|----------------|---|---|
| Original Estimate 2016/17 | 273,220 | | |
| Slippage from 2015/16 | 14,090 | | |
| Total Approved Budget 2016/17 | 287,310 | 94,401 | -192,909 |
| ANTICIPATED TOTAL SCHEME COST | 287,310 | | |

Financial Implications - REVENUE

Existing service – no change.

Useful Economic Life

Not applicable.

Progress - Budget Holder Comments

September 2016: Committed expenditure at the end of September 2016 was £94,401, based on three schemes approved prior to this financial year and thirteen schemes approved so far in 2016/17. There are a further thirteen applications either being currently considered for approval or on the waiting list.

July 2016: Committed expenditure at the end of July 2016 was £53,346, based on three schemes approved prior to this financial year and nine schemes approved so far in 2016/17. There are a further eleven applications either being currently considered for approval or on the waiting list.

May 2016: Committed expenditure at the end of May 2016 was £37,031, based on three schemes approved prior to this financial year and six schemes approved so far in 2016/17. There are a further nine applications either being currently considered for approval or on the waiting list.

Individual Scheme Details and Budget Holder Comments

LANGR - Landlord/Tenant Grants

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

Brief Description:

The scheme match funds a landlord's investment in a property in return for an affordable rental property. Conditions of the grant are nomination rights and a set rent level in line with LHA. The scheme is crucial for move on accommodation for families in the hostel as the social housing waiting list is so long. The scheme is also used to bring empty properties back into use.

Start date, duration and key milestones:

The grant budget operates on a financial year basis, April to March each year.

Financial Implications – CAPITAL

| | £ | Actual Expenditure and Commitments as at end of September 2016 £ | Variance as at end of September 2016 £ |
|--------------------------------------|---------------|---|---|
| Original Estimate 2016/17 | 75,000 | | |
| Slippage from 2015/16 | 8,330 | | |
| Total Approved Budget 2016/17 | 83,330 | 31,800 | -51,530 |
| ANTICIPATED TOTAL SCHEME COST | 83,330 | | |

Financial Implications - REVENUE

Existing service – no change.

Useful Economic Life

Not applicable.

Progress - Budget Holder Comments

September 2016: Committed expenditure at the end of September 2016 was £31,800. There are two further applications working towards approval and further applications may be received in-year.

July/August 2016: Committed expenditure at the end of July 2016 was NIL. There are two schemes which have been subsequently approved in August 2016, totalling £31,800. There are three further applications currently being considered.

May 2016: Committed expenditure at the end of May 2016 was NIL. There are two applications currently being considered.

Individual Scheme Details and Budget Holder Comments

CMIMP – Clitheroe Market Improvements

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

Brief Description:

The Clitheroe Market Improvements scheme bid for 2016/17 was initially approved in 2015, before the separate market re-development scheme plans were announced. There is now no need to progress the Clitheroe Market Improvements scheme in its original format because the market re-development scheme now fulfils the aim of improving Clitheroe Market for the future.

The Clitheroe Market Improvements scheme remains in the capital programme for now, but the detail of the scheme will be reviewed to take into account and complement the market re-development scheme.

Updated plans for the scheme budget will be reported to members at a future Health and Housing Committee meeting.

Financial Implications – CAPITAL

| | £ | Actual Expenditure and Commitments as at end of September 2016 £ | Variance as at end of September 2016 £ |
|-------------------------------|---------|---|---|
| Total Approved Budget 2016/17 | 175,000 | 0 | -175,000 |
| ANTICIPATED TOTAL SCHEME COST | 175,000 | | |

Progress - Budget holder comments

September 2016: The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

July 2016: No change to May 2016 comments.

May 2016: The Clitheroe Market Improvements scheme budget was initially approved in 2015, before the Clitheroe Market Development scheme plans were announced. The detail of the Clitheroe Market Improvements scheme will be reviewed to take into account and complement the final plans for the Clitheroe Market Development scheme. No expenditure will take place until that detail has been confirmed.