

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 14a

meeting date: 25 MAY 2017
title: CAPITAL OUTTURN 2016/17
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 The purpose of this report is to review the final outturn of the 2016/17 capital programme for Health and Housing Committee and to seek member approval for the slippage of some capital scheme budgets from the 2016/17 financial year to the 2017/18 financial year.

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 The original capital programme for this Committee consisted of three schemes with a total budget of £545,640, after the addition of slippage from the 2015/16 financial year.

2.2 At revised estimate stage, the following changes were made to the capital programme:

- The Clitheroe Market Improvements budget of £175,000 was moved to the 2017/18 financial year, because the scheme is on hold awaiting the final plans for the Clitheroe Market Development scheme.
- The Affordable Warmth - Capital Grants scheme, with a budget of £15,380, was added to the capital programme, following receipt of grant from Lancashire County Council to support this scheme.

2.3 This left a revised capital programme of £386,020, made up of three housing capital grant schemes.

2.4 During the financial year this Committee has received reports monitoring the progress of schemes within the programme.

2.5 As part of the closure of accounts process, capital programme expenditure has been capitalised and added to the balance sheet or charged to revenue where appropriate.

3 CAPITAL OUTTURN 2016/17

3.1 The table overleaf summarises the overall financial position on the capital schemes for this Committee. It shows budget approvals, actual expenditure in-year and slippage requested into 2017/18.

BUDGET ANALYSIS				EXPENDITURE	SLIPPAGE	
Original Estimate 2016/17 £	Slippage from 2015/16 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget Moved to 2017/18 £	Actual Expenditure 2016/17 £	Requested Slippage into 2017/18 £
523,220	22,420	545,640	386,020	175,000	175,825	210,190

3.2 Actual expenditure on the capital programme was £175,825, which is only 45.5% of the revised estimate budget.

3.3 There have been underspends in-year on each of the on-going housing capital grant schemes – Disabled Facilities Grants (£170,130), Landlord/Tenant Grants (£25,525) and Affordable Warmth Capital Grants (£14,540). These three grant schemes continue into 2017/18 and slippage of the 2016/17 underspends on these schemes is requested.

3.4 Annex 1 shows the full capital programme budget and expenditure in-year for each scheme and highlights the requested slippage.

4 SLIPPAGE

4.1 Where capital schemes are not financially complete at year-end and there is an unspent budget to be moved into the next financial year, this is known as slippage. For this Committee slippage of £210,190 is requested into 2017/18 on three schemes:

- Disabled Facilities Grants, £170,130.
- Landlord/Tenant Grants, £25,520.
- Affordable Warmth – Capital Grants, £14,540.

4.2 Attached at Annex 2 are the individual requests for slippage forms. Committee is asked to consider and approve these.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications:

- Resources – There are no additional financing requirements needed for this Committee’s 2016/17 capital programme. A sum of £210,190 has been set aside in the Council’s capital resources to fund the schemes with identified slippage into 2017/18.
- Technical, Environmental and Legal – None.
- Political – The Council is required to pass on ring-fenced funding received from central government and other local authorities. The slippage on the Disabled Facilities Grants and Affordable Warmth – Capital Grants schemes falls within this area.
- Reputation – Those in need of financial assistance look to the Council for this assistance. The provision of it will help to improve the standard of living of the recipients which will enhance the reputation of the Council.
- Equality and Diversity – Equality and diversity issues are examined as part of the capital bid appraisal process.

6 CONCLUSION

- 6.1 Actual expenditure on the capital programme was £175,825, which is only 45.5% of the revised estimate budget.
- 6.2 There have been underspends in-year on each of the three housing capital grant schemes. These grant schemes continue into 2017/18 and slippage of the 2016/17 underspends on these schemes, totalling £210,190, is requested.

7 RECOMMENDED THAT COMMITTEE

- 7.1 Consider the requests for slippage shown at Annex 2 and approve the slippage of the budgets into the 2017/18 financial year for:
- Disabled Facilities Grants, £170,130.
 - Landlord/Tenant Grants, £25,520.
 - Affordable Warmth – Capital Grants, £14,540.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH6-17/AC/AC
12 MAY 2017

BACKGROUND PAPERS: None

For further information please ask for Andrew Cook.

HEALTH AND HOUSING COMMITTEE
Capital Programme Outturn 2016/17

Cost Centre	Scheme	Original Estimate	Slippage	Total	Revised	Budget	Actual	Requested
		2016/17	from 2015/16	Approved Budget	Estimate	Moved to	Expenditure	Slippage into
		£	£	£	£	£	£	£
CMIMP	Clitheroe Market Improvements	175,000	0	175,000	0	175,000	0	0
DISCP	Disabled Facilities Grants	273,220	14,090	287,310	287,310	0	117,180	170,130
LANGR	Landlord/Tenant Grants	75,000	8,330	83,330	83,330	0	57,805	25,520
CWARM	Affordable Warmth – Capital Grants	0	0	0	15,380	0	840	14,540
Total Health and Housing Committee		523,220	22,420	545,640	386,020	175,000	175,825	210,190

Request for slippage into 2017/18

Cost Centre and Scheme Title	DISCP: Disabled Facilities Grants
Scheme Description	Disabled Facilities Grants (DFGs) are a mandatory grant delivered by the Council to assist people with disabilities to be able to stay in their own home. The grant is administered in partnership with Social Services.
Head of Service	Colin Hirst
Year Originally Approved	2016/17 (Annual Scheme)
Revised Estimate 2016/17 for the Scheme	£287,310
Actual Expenditure in the Year 2016/17	£117,180
Variance - (Underspend) or Overspend	(£170,130)
Please provide full reasons for the (under) or over spend variance shown above?	Lower levels of Occupational Therapists referrals were received in-year when compared to the levels of funding received from central government. Also, some applications are rejected because applicants fail the means test. The Disabled Facilities Grants scheme is advertised by the Council and through partner organisations.

Slippage Request

Please grant the amount of Budget Slippage from 2016/17 to 2017/18 requested.	£170,130
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	<p>The Disabled Facilities Grants scheme is on-going. At 31 March 2017, there were five schemes in progress, at an estimated cost of £41,542, and five schemes either awaiting final approval or on the waiting list. The underspent budget is financed by ring-fenced funding from central government, so any underspend from 2016/17 must be allocated to Disabled Facilities Grants in 2017/18.</p> <p>Note – the Council is currently consulting on an expanded Disabled Facilities Grants scheme, as reported to Committee in March 2017. If the expanded scheme goes ahead there will be an increase in applications and grant payments.</p>
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	Within 2017/18.

Request for slippage into 2017/18

Cost Centre and Scheme Title	LANGR: Landlord/Tenant Grants
Scheme Description	To offer grant aid for the renovation of private sector properties with the condition that the units are affordable on completion and the Council has nomination rights.
Head of Service	Colin Hirst
Year Originally Approved	2016/17 (Annual Scheme)
Revised Estimate 2016/17 for the Scheme	£83,330
Actual Expenditure in the Year 2016/17	£57,805
Variance - (Underspend) or Overspend	(£25,525)
Please provide full reasons for the (under) or over spend variance shown above?	Two applications were withdrawn at a late stage.

Slippage Request

Please grant the amount of Budget Slippage from 2016/17 to 2017/18 requested.	£25,520
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	The Landlord/Tenant Grants scheme is on-going and enquiries have been received from potential applicants. In addition, the base budget for this scheme has been reduced from £75,000 per annum to £50,000 per annum from 2017/18, so the slippage will allow the Council to fund additional grants in 2017/18. This will both increase affordable housing and the number of properties that the Council has nomination rights over in the borough.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	The slipped funding will be allocated to the first applications approved in 2017/18.

Request for slippage into 2017/18

Cost Centre and Scheme Title	CWARM: Affordable Warmth – Capital Grants
Scheme Description	A grant scheme funded by Lancashire County Council in 2016/17 and 2017/18, to allow the Council to provide sustainable heating and insulation grants to eligible applicants.
Head of Service	Colin Hirst
Year Originally Approved	2016/17 (Annual Scheme)
Revised Estimate 2016/17 for the Scheme	£15,380
Actual Expenditure in the Year 2016/17	£840
Variance - (Underspend) or Overspend	(£14,540)
Please provide full reasons for the (under) or over spend variance shown above?	Lower levels of grant applications were received in-year when compared to the funding received from Lancashire County Council. In addition, the grant from LCC was only available from October onwards and the Council's Housing Energy officer post was vacant between October and March. The scheme is advertised by the Council and through partner organisations.

Slippage Request

Please grant the amount of Budget Slippage from 2016/17 to 2017/18 requested.	£14,540
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	The Affordable Warmth - Capital Grants scheme is on-going. The underspent budget is financed by ring-fenced funding from LCC, so any underspend from 2016/17 must be allocated to Affordable Warmth – Capital Grants in 2017/18.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	Within 2017/18.