

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 5

meeting date: 23 JANUARY 2018
title: REVISED CAPITAL PROGRAMME 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the 2017/18 revised estimate for this Committee's 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 Five schemes, totalling £127,250, were approved by the Policy and Finance Committee and Full Council at their respective meetings in February 2017.

2.2 There have been several amendments to the 2017/18 original estimate capital programme:

- The budgets on four schemes in the 2016/17 capital programme, totalling £167,450, were confirmed as still required by this Committee but unlikely to be spent in the 2016/17 financial year, as at 2016/17 revised estimate stage. These budgets were moved into the 2017/18 capital programme budget, following approval by this Committee in January 2017.
- One scheme in the 2016/17 capital programme was not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on this scheme, £6,650, is known as slippage. This slippage was transferred into the 2017/18 capital programme budget.
- One scheme, Economic Development Initiatives totalling £100,000, was transferred to the newly created Economic Development Committee in 2017/18, because the nature of the scheme is in line with the new Committee's objectives.
- Additional budget of £1,350 was approved by this Committee in September 2017 to finance additional costs on the ICT Infrastructure Refresh scheme.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of nine schemes was £202,700. This is shown at Annex 1.

2.4 Regular reports have been presented to this Committee on progress with the capital programme.

3 REVISING THE 2017/18 CAPITAL PROGRAMME

3.1 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 estimate is £147,700 for eight schemes, which is a reduction of £55,000 from the previously approved capital budget.

- 3.2 The reduction is due to the Clitheroe Townscape Scheme being on hold, awaiting the final plans for the Clitheroe Market Development scheme. Given this, there is expected to be no expenditure on the scheme in 2017/18. A report will be brought to a future meeting of this Committee when plans are drawn up. It is recommended that the revised estimate is reduced to nil and the £55,000 budget is moved to 2018/19.
- 3.3 Annex 1 shows the full capital programme by scheme, including the budget and expenditure to date. The summary position is shown below.

Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme transferred to Economic Development Committee £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure including commitments as at end of December 2017 £
127,250	167,450	6,650	-100,000	1,350	202,700	147,700	55,000	29,278

- 3.4 At the end of December 2017 £29,278 had been spent or committed. This is only 19.8% of the full year capital programme budget for this Committee.
- 3.5 Three schemes have been completed, these being ICT Infrastructure Refresh, Council offices Re-roofing and Council Offices Replacement Windows and Rooflights.
- 3.6 The main reasons for the £118,422 underspend on the full year budget to date are:
- **Council chamber - tables and seating renewal scheme (-£11,250):** The tables and seating are being purchased through a supplier selected via a framework contract. Samples of chairs and tables from the preferred supplier will be considered by the member task and finish group in mid-January 2018, so they can select their preferred fabric types and colours before the order is placed. It is expected that the scheme will be completed by the end of the financial year.
 - **Civic suite upgrade (-£45,000):** Four quotes have been obtained for the civic suite upgrade equipment sound system, which is the main cost item on this scheme. The sound system from the preferred supplier will be demonstrated to the member task and finish group in mid-January 2018, for their agreement before an order is placed. Work will also be undertaken on new lighting. It is expected that the scheme will be completed by the end of the financial year.
 - **Replacement server for Revenues and Benefits (-£13,500):** ICT are awaiting technical and initial quote feedback from the main revenues system suppliers, before planning further quotes and the implementation approach. Given this, there is no planned end date at this stage and completion within the current financial year cannot be estimated with any certainty at this stage. If the scheme is not completed by year-end, then any unspent budget will be rolled forward at year-end to support spend in 2018/19.
 - **New Council telephone system (-£45,000):** An initial meeting and follow up telephone conference with a potential supplier have taken place. The potential supplier will now visit the Council and officers will then develop the system requirements. Following this, a detailed specification will be confirmed and quotes will be obtained. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. If the scheme is not completed by year-end, then any unspent budget will be rolled forward at year-end to support spend in 2018/19.

4 RISK ASSESSMENT

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

- Resources – Approval of the revised capital programme will see a decrease of £55,000 in the level of financing resources needed in 2017/18. This will be moved into the 2018/19 financial year.
- 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.

5 CONCLUSION

5.1 The revised estimate for this Committee's 2017/18 capital programme is £147,700 for eight schemes, which is a reduction of £55,000 from the previously approved capital budget.

5.2 The Clitheroe Townscape scheme is on hold and it is recommended that the £55,000 budget (referred to at 5.1) on this scheme is moved to 2018/19 at revised estimate stage.

5.3 At the end of December 2017 £29,278 had been spent or committed. This is only 19.8% of the full year capital programme budget for this Committee.

5.4 Three schemes have already been completed. Of the other five schemes, it is estimated that three schemes may be completed in-year and the full completion of two of the schemes within the current financial year cannot be estimated with any certainty at this stage.

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the 2017/18 revised estimate of £147,700 for this Committee's capital programme, as set out in Annex 1.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF8-18/AC/AC
11 January 2018

For further background information please ask for Andrew Cook

BACKGROUND PAPERS – None

POLICY AND FINANCE COMMITTEE – REVISED CAPITAL PROGRAMME 2017-18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme Transferred to Economic Development Committee £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure including commitments as at end of December 2017 £
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	0	7,910	7,910	0	7,902
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	0	4,540	4,540	0	4,541
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	0	55,000	0	55,000	0
ECDVI	Economic Development Initiatives	0	100,000	0	-100,000	0	0	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	0	13,500	13,500	0	0
PSEQP	Printing section equipment upgrade	12,500	0	0	0	0	12,500	12,500	0	8,835
CSEAT	Council chamber – Tables and Seating renewal scheme	11,250	0	0	0	0	11,250	11,250	0	0
PHONE	New Council telephone system	45,000	0	0	0	0	45,000	45,000	0	0
CSUPG	Civic suite upgrade	45,000	0	0	0	0	45,000	45,000	0	0
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	0	1,350	8,000	8,000	0	8,000
Total Policy and Finance Committee		127,250	167,450	6,650	-100,000	1,350	202,700	147,700	55,000	29,278