

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 15

meeting date: 19 JUNE 2018
 title: OVERALL CAPITAL OUTTURN 2017/18
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To provide members with details of the capital programme outturn for all committees for the 2017/18 financial year.

2 BACKGROUND

2.1 The 2017/18 original capital programme for the Council consisted of twenty one schemes. Five further schemes were added to the capital programme following the approval of budget slippage from the 2016/17 financial year and one new scheme was approved in-year by the Policy and Finance Committee. This resulted in a capital programme of twenty seven schemes with a total approved budget of £1,576,570.

2.2 At revised estimate stage, the budgets for two schemes were moved to the 2018/19 financial year and one scheme was removed from the capital programme. This meant that the 2017/18 revised estimate capital programme consisted of twenty four schemes with a budget of £1,274,220.

2.3 During the financial year all committees have received reports monitoring the progress of schemes within the programme.

2.4 All scheme expenditure has now been capitalised and added to our balance sheet or charged to revenue where appropriate.

3 CAPITAL PROGRAMME 2017/18 OUTTURN

3.1 The table below summarises the 2017/18 capital programme outturn for all committees. It shows the budget and expenditure for the year and highlights the slippage into 2018/19 that has been requested.

Committee	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
Community Services	447,610	0	23,600	3,240	474,450	457,630	0	353,871	93,320
Planning and Development	0	0	30,200	0	30,200	30,200	0	0	30,200
Policy and Finance	127,250	67,450	6,650	1,350	202,700	147,700	0	72,272	86,140
Health and Housing	347,110	175,000	210,190	36,920	769,220	638,690	175,000	297,258	341,430
Economic Development	0	100,000	0	0	100,000	0	100,000	0	0
OVERALL TOTAL	921,970	342,450	270,640	41,510	1,576,570	1,274,220	275,000	723,401	551,090

Note - slippage is where unspent capital budget has been approved by committee to be moved into next year's capital programme.

- 3.2 Actual expenditure on the Council's capital programme (including the capitalisation of performance reward grants) in 2017/18 was £723,401, which is 56.8% of the revised estimate budget.
- 3.3 Of the twenty four schemes in the revised capital programme:
- Twelve were completed in 2017/18.
 - Five were in progress at year-end and they will be completed in 2018/19.
 - Four had no expenditure on them in 2017/18. At this stage, it is expected that these schemes will be completed in 2018/19.
 - There have been underspends in 2017/18 on each of the three housing capital grant schemes. These grant schemes continue into 2018/19.
- 3.4 Budget slippage into 2018/19 has been requested on the twelve schemes not completed in 2017/18, totalling £551,090.
- 3.5 The main reasons for the £550,819 net underspend are as follows:

Variances that relate to slippage into 2018/19

- **Play Area Improvements 2017/18 (-£12,939):** Two elements of this scheme were planned and ordered but not completed by the end of March 2018. Firstly, new fencing and footpath work at Edisford play area was in progress at year-end, but completion was held up, largely by bad weather. Secondly, the supplier of the new roundabout ordered at Low Moor was not able to fit the roundabout until June 2018.
- **Castle Museum – Refurbishment of Windows (-£36,000):** Work has been held up since January 2018, as the Council had to obtain planning approval for lintels work, which was not obtained until March 2018, and the works administration team were subsequently employed on other priority repair and maintenance work.
- **Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) – PK07 LSY and PK07 TZG (-£21,589):** Both vehicles were ordered in June 2017, but delivery was put back on several occasions by the supplier. By year-end only one of the two vehicles had been delivered. The one vehicle delivered was only delivered in late March 2018 and this left no time to complete the fitting of additional kit on that vehicle to make it fit for purpose for Council use in-year.
- **Ribblesdale Pool Improvement Work (-£6,449):** The main contract retention payment was due to be paid in March 2018, but the contractor is still to complete some final snagging work, which will be undertaken in spring 2018. The retention payment will not be paid until the snagging work is completed.
- **Civic Suite Upgrade (-£31,490):** The work was all planned and ordered in 2017/18, but the following work still required completing at year-end - audio conferencing system installation, motorised curtains, other curtains and a small amount of electrical work.
- **Off-Street Car Parks – Update of Payment Systems (-£16,340):** The refurbishment update work was initially planned for the final quarter of 2017/18. Following discussions with the preferred supplier who is refurbishing the seven car parking machines, there are issues with compatibility of the replacement mechanism and it will be later in 2018 before this can be resolved by the manufacturer.

- **Introduction of Planning Portal Link to the Planning Application System and Planning System Update (-£30,200):** Officers are waiting to complete the implementation of the Local Land Property Gazetteer and Planning integration, which is expected to be completed by May 2018, before commencing work on the Planning Portal and Planning System upgrade. The Planning Portal link will be implemented first, followed by the Planning / Building Control System upgrade.
- **Replacement Server for Revenues and Benefits (-£13,500):** The ICT section are awaiting technical and initial quote feedback from the main revenues system suppliers at year-end, before planning further quotes and the implementation approach for the server.
- **New Council Telephone System (-£45,000):** The scheme is still in development stage, having sought supplier input over a period of time on the most appropriate telephone system solution. This is an iterative process. Following supplier input, officers will now develop the system requirements, a detailed specification will be confirmed and quotes will be obtained.
- **Disabled Facilities Grants (-£271,532):** The Council has underspent against the Disabled Facilities Grants (DFGs) budget in terms of the value of payments made when DFGs grants are fully completed. However, at year-end there were 18 approved schemes in progress with approved commitments of £71,001. In addition, there were a further 29 schemes awaiting approval. It is estimated that these 47 schemes will use up the outstanding 2017/18 budget underspend and an element of the 2018/19 DFGs allocation.
- **Landlord/Tenant Grants (-£49,020):** One large application, for several units, was due to take up the majority of the budget funds. However, this scheme did not receive planning approval, so could not go ahead. Further expressions of interest have not yet resulted in any further scheme applications.
- **Affordable Warmth - Capital Grants (-£20,876):** Lower levels of grant applications were received in-year when compared to the funding received from Lancashire County Council. Part of the lower level of applications in-year is due to the Council's Housing Energy officer post being vacant in Winter 2017/18. The post is now filled and the scheme is advertised by the Council and through partner organisations.

Significant underspend on completed scheme

- **Renewal of Sections of Floor to Residual Waste Transfer Station (-£10,438):** The original scheme was planned for full refurbishment of the shed 1 concrete flooring and drainage works. However, following a condition survey prior to commencement of the work in 2017 it was decided that only partial concrete flooring refurbishment was required alongside drainage works and roller shutter door refurbishment, at a much reduced cost when compared to the original scheme budget.

Accounting treatment of grant monies

- **Performance Reward Grants (+£13,817):** Set against the above underspends, the Council is required to capitalise 50% of the Performance Reward Grants (PRG) expenditure that is paid out each year, this being £13,817 in 2017/18. In essence this is purely an accounting adjustment, rather than an overspend, and the grants are fully funded from PRG grant monies that the Council have previously received.

3.6 Annex 1 shows the full capital programme by scheme, including the budget and expenditure for the year and highlights the schemes where slippage into 2018/19 was requested.

5 CONCLUSION

5.1 Actual expenditure on the Council's capital programme and performance reward grants in 2017/18 was £723,401, which is 56.8% of the revised estimate budget.

5.2 Of the twenty four schemes in the revised capital programme:

- Twelve were completed in 2017/18.
- Five were in progress at year-end and they will be completed in 2018/19.
- Four had no expenditure on them in 2017/18. At this stage, it is expected that these schemes will be completed in 2018/19.
- There have been underspends in 2017/18 on each of the three housing capital grant schemes. These grant schemes continue into 2018/19.

5.3 Budget slippage into 2018/19 has been requested on the twelve schemes not completed in 2017/18, totalling £551,090.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF32-18/AC/AC
6 June 2018

For further information please ask for Andrew Cook

Overall Capital Programme Outturn 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
	<u>Community Committee</u>									
PLAYR	Play Area Improvements 2017/18	40,000	0	0	0	40,000	40,000	0	27,061	12,940
CPPAY	Off-Street Car Parks – Update of Payment Systems	14,550	0	0	1,790	16,340	16,340	0	0	16,340
CMWIN	Castle Museum – Refurbishment of Windows	62,560	0	0	0	62,560	62,560	0	26,560	36,000
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station	19,500	0	0	0	19,500	19,500	0	9,062	0
RVJJK	Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)	218,000	0	0	0	218,000	216,630	0	216,626	0
WCOJV	Replacement of Works Vehicle (PO54 COJ)	23,500	0	0	0	23,500	20,950	0	20,953	0
GVSWO	Replacement of Mower (Kubota) PN09 SWO	15,500	0	0	1,450	16,950	16,950	0	16,949	0
SCGMW	Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014)	13,000	0	0	0	13,000	11,980	0	11,976	0
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	41,000	0	0	0	41,000	41,000	0	19,411	21,590
RPIMP	Ribblesdale Pool Improvement Work	0	0	16,820	0	16,820	4,940	0	-1,509	6,450
PLAYQ	Play Area Improvements 2016/17	0	0	6,780	0	6,780	6,780	0	6,782	0
	Total Community Committee	447,610	0	23,600	3,240	474,450	457,630	0	353,871	93,320

Overall Capital Programme Outturn 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Restated Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
	<u>Planning and Development Committee</u>									
PLANN	Introduction of Planning Portal Link to the Planning Application System and Planning System Update	0	0	30,200	0	30,200	30,200	0	0	30,200
	Total Planning and Development Committee	0	0	30,200	0	30,200	30,200	0	0	30,200
	<u>Policy and Finance Committee</u>									
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	7,910	7,910	0	7,902	0
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	4,540	4,540	0	4,541	0
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	55,000	0	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	13,500	13,500	0	0	13,500
PSEQP	Printing section equipment upgrade	12,500	0	0	0	12,500	12,500	0	9,403	0
CSEAT	Council chamber – Tables and Seating renewal scheme	11,250	0	0	0	11,250	11,250	0	15,099	0
PHONE	New Council telephone system	45,000	0	0	0	45,000	45,000	0	0	45,000
CSUPG	Civic suite upgrade	45,000	0	0	0	45,000	45,000	0	13,510	27,640
PRGCP	Performance Reward Grant	0	0	0	0	0	0	0	13,817	0
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	1,350	8,000	8,000	0	8,000	0
	Total Policy and Finance Committee	127,250	67,450	6,650	1,350	202,700	147,700	0	72,272	86,140

Overall Capital Programme Outturn 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Restated Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
	<u>Health and Housing Committee</u>									
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	0	175,000	0	0
DISCP	Disabled Facilities Grants	297,110	0	170,130	0	467,240	498,700	0	227,168	271,530
LANGR	Landlord/Tenant Grants	50,000	0	25,520	0	75,520	75,520	0	26,500	49,020
CWARM	Affordable Warmth – Capital Grants	0	0	14,540	10,250	24,790	37,800	0	16,924	20,880
PURAP	Remaining Share of Alma Place Property	0	0	0	26,670	26,670	26,670	0	26,666	0
	Total Health and Housing Committee	347,110	175,000	210,190	36,920	769,220	638,690	175,000	297,258	341,430
	<u>Economic Development Committee</u>									
ECDVI	Economic Development Initiatives	0	100,000	0	0	100,000	0	100,000	0	0
	Total Economic Development Committee	0	100,000	0	0	100,000	0	100,000	0	0
OVERALL CAPITAL PROGRAMME 2017/18 TOTAL		921,970	342,450	270,640	41,510	1,576,570	1,274,220	275,000	723,401	551,090