

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO SPECIAL POLICY AND FINANCE COMMITTEE

Agenda Item No 5

meeting date: 5 FEBRUARY 2019  
 title: OVERALL REVISED CAPITAL PROGRAMME 2018/19  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: ANDREW COOK

### 1 PURPOSE

1.1 To consider and approve the Council's overall revised capital programme for 2018/19.

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 council operate a five-year capital programme, with a review undertaken every year to examine whether the programme still marries with our current and future plans.

2.2 As part of that review we also undertake a detailed examination of the current year's schemes to make any adjustments to the budgets based on progress and to ensure that they are included in the correct financial year, should any scheme delays be identified.

### 3 CURRENT APPROVED CAPITAL PROGRAMME 2018/19

3.1 The capital programme for 2018/19 was approved by Full Council in March 2018. Since then regular reports have been presented quarterly to all committees on progress with the capital programme. There have also been a number of further approvals and adjustments made during the year, resulting in a current approved budget for 2018/19 of £2,126,200, relating to 32 schemes.

3.2 The table below provides a summary of the in-year movements:

Movements 2018/19	Increase in the Number of Schemes	Impact on Capital Programme £
Originally Approved by Full Council March 2018	19	1,215,620
Schemes Moved from 2017/18 to 2018/19	2	275,000
Slippage on 12 schemes (2 are existing 2018/19 schemes)	10	551,090
Additional Approvals in year:		
- Existing Disabled Facilities Grants scheme due to additional funding (£23,990)	1	84,490
- New Replacement Hook Lift Vehicle (£50,000)		
- Existing Replacement Server for Revenues and Benefits scheme due to increased costs (£10,500)		
<b>TOTALS</b>	<b>32</b>	<b>2,126,200</b>

#### 4 REVISING THE 2018/19 CAPITAL PROGRAMME

4.1 We have now discussed each of the schemes in the capital programme with budget holders and reviewed the programme to reflect their progress and estimated full year expenditure.

4.2 Following this review, the revised estimate is £1,965,100 for 30 schemes, which is a reduction of £161,100 from the previously approved capital programme budget and a reduction of 2 schemes. The reasons for this are as follows:

	Impact on Number of Schemes in 2018/19	£
<b>Currently Approved Capital Programme 2018/19</b>	<b>32</b>	<b>2,126,200</b>
<b>Movements as a result of Revising the Capital Programme 2018/19</b>		
<b><u>Schemes MOVED to 2019/20</u></b>		
<b>Clitheroe Market Improvements:</b> This scheme remains on hold, awaiting the final plans for the Clitheroe Market Development scheme. As a result, there is expected to be no expenditure on the scheme in 2018/19.	-1	-175,000
<b><u>Schemes where Expenditure will be SPLIT between 2018/19 and 2019/20</u></b>		
<b>Lift replacement at Council Offices:</b> The work specification is expected to be completed in 2018/19 at an estimated cost of £2,950. This needs to be completed before the scheme is put out to tender. Due to tendering timelines there will be no further spend in 2018/19, meaning £84,050 will be moved to 2019/20.		-84,050
<b><u>Schemes to be DELETED</u></b>		
<b>All Weather Pitch Lighting:</b> This scheme was for new lighting on the existing artificial grass pitches at Roefield. This scheme will no longer be needed if the new Roefield Artificial Grass Pitch scheme is approved as part of the Five Year Capital Programme 2019/24, which is reported elsewhere on this agenda.	-1	-31,000
<b><u>Schemes to be REDUCED</u></b>		
<b>Vehicle and plant completed schemes:</b> Actual spend on seven completed vehicle and plant schemes is lower than the originally approved budgets for those schemes.		-26,900
<b>Vehicle and plant schemes in progress:</b> Estimated spend on two vehicle schemes is lower than the total approved budget.		-7,200
<b>Renewal of Sections of Floor to Residual Waste Transfer Station, Phase 2:</b> Scheme expenditure is less than the total approved budget.		-7,850
<b>Replacement server for Revenues and Benefits:</b> The server scheme is on-track for completion in January 2019 and all costs are now paid on the ledger. Some costs included in the original budget have since been identified as relating to revenue budgets, and so are now excluded from the scheme costs.		-3,180

	Impact on Number of Schemes in 2018/19	£
<b>Queensway Garages – replace roof covering and repairs:</b> The main scheme work has been completed at a cost of £17,845, but there is the potential that there may be further costs due to final snagging work. As a result the revised estimate has been set at £20,000.		-3,000
<b>Civic suite upgrade:</b> Actual spend was slightly lower than the budget slippage approved.		-1,100
<b>Play Area Improvements 2017/18:</b> Actual spend was slightly lower than budget slippage approved.		-640
<b><u>Schemes to be INCREASED</u></b>		
<b>Disabled Facilities Grants:</b> Additional Disabled Facilities Grants funding has been received from the Ministry of Housing, Communities and Local Government, £93,365, and Onward Homes, £85,451, in December 2018 and January 2019. As a result the revised estimate for Disabled Facilities Grants has increased by £178,820 to £771,340.		178,820
<b>PROPOSED REVISED ESTIMATE</b>	<b>30</b>	<b>1,965,100</b>

## 5 FINANCING OF THE 2018/19 REVISED CAPITAL PROGRAMME

- 5.1 The capital resources to finance the capital programme for 2018/19 have also been revised, as shown in the table below.

	Total Approved Financing 2018/19 £	Changes	Revised Estimate Financing 2018/19 £
<b>Capital Programme Budget</b>	<b>2,126,200</b>	<b>-161,100</b>	<b>1,965,100</b>
<b><u>Resources</u></b>			
<b><i>Grants and Contributions</i></b>			
MHCLG - Disabled Facilities Grants	-320,990	-93,370	-414,360
Onward Homes – Disabled Adaptations		-85,450	-85,450
<b><i>Borrowing</i></b>			
Unsupported Borrowing	-211,000	175,000	-36,000
<b><i>Usable Reserves</i></b>			
Capital Grants Unapplied	-292,410		-292,410
Capital Earmarked Reserve	-159,520		-159,520
VAT Shelter Earmarked Reserve	-191,160	8,950	-182,210
New Homes Bonus Earmarked Reserve	-244,050	42,960	-201,090

	<b>Total Approved Financing 2018/19 £</b>	<b>Changes</b>	<b>Revised Estimate Financing 2018/19 £</b>
Fleming VAT Reclaim Earmarked Reserve	-6,450		-6,450
ICT Repairs and Renewals Earmarked Reserve	-13,908		-13,908
Refuse Earmarked Reserve	-10,000		-10,000
Invest to Save Earmarked Reserve	-23,000	3,000	-20,000
Equipment Earmarked Reserve	-43,012	3,180	-39,832
Vehicle and Plant Renewal Earmarked Reserve	-400,500	13,530	-386,970
Business Rates Growth Earmarked Reserve	-104,656	9,250	-95,406
Rural Services Delivery Grant Earmarked Reserve	-105,544	84,050	-21,494
<b>Total of Resources Used</b>	<b>-2,126,200</b>	<b>161,100</b>	<b>-1,965,100</b>

- 5.2 The council's policy is to maintain the Capital Earmarked Reserve at or above the minimum recommended balance of £350,000. The opening and closing balances on this reserve together with in year movements are summarised below and demonstrate that the reserve will be maintained above the minimum level for 2018/19.

<b>Capital Earmarked Reserve</b>	<b>£</b>
<b>Opening Balance 1 April 2018</b>	<b>-860,472</b>
Added in Year	-51,740
Used in Year	159,520
<b>Closing Balance 31 March 2019</b>	<b>-752,692</b>
<b>Recommended Minimum Balance</b>	<b>-350,000</b>

- 5.3 The council relies heavily on the use of its Earmarked Reserves to fund that capital programme, and in 2018/19 our use of earmarked reserves will be just over £1,429,290. The balance of funding comes from external funding towards the Disabled Facilities Grants Scheme of £499,810 and borrowing of £36,000.
- 5.4 Annex 1 shows the full capital programme, with the budget and actual expenditure (including commitments) at the end of December 2018 for each scheme. The summary position is shown below.

<b>Committee</b>	<b>Original Estimate 2018/19 £</b>	<b>Budget Moved from 2017/18 £</b>	<b>Slippage from 2017/18 £</b>	<b>Additional Approvals 2018/19 £</b>	<b>Total Approved Budget 2018/19 £</b>	<b>Proposed Revised Estimate 2018/19 £</b>	<b>Budget Moved to 2019/20 £</b>
Community Services	712,200	0	93,320	50,000	855,520	<b>781,930</b>	0
Planning and Development	0	0	30,200	0	30,200	<b>30,200</b>	0
Policy and Finance	156,420	0	86,140	10,500	253,060	<b>161,730</b>	84,050
Health and Housing	347,000	175,000	341,430	23,990	887,420	<b>891,240</b>	175,000
Economic Development	0	100,000	0	0	100,000	<b>100,000</b>	0
<b>OVERALL TOTAL</b>	<b>1,215,620</b>	<b>275,000</b>	<b>551,090</b>	<b>84,490</b>	<b>2,126,200</b>	<b>1,965,100</b>	<b>259,050</b>

## 6 OUR PERFORMANCE AGAINST THE PROPOSED REVISED CAPITAL PROGRAMME

6.1 At the end of December 2018 £1,338,556 had been spent or committed on capital programme schemes. This is 68.1% of the full year capital programme revised estimate budget.

<b>Committee</b>	<b>Revised Estimate 2018/19 £</b>	<b>Actual Expenditure including commitments as at the end of December 2018 £</b>
Community Services	781,930	728,213
Planning and Development	30,200	0
Policy and Finance	161,730	111,625
Health and Housing	891,240	498,718
Economic Development	100,000	0
<b>OVERALL TOTAL</b>	<b>1,965,100</b>	<b>1,338,556</b>

6.2 Of the 30 schemes in the revised capital programme:

- eleven have been completed
- thirteen are on-track to be completed at this stage
- two are unlikely to be completed in-year (New Council telephone system and Economic Development Initiatives)
- one will not be fully completed in-year (Introduction of Planning Portal Link to the Planning Application System and Planning System Update); and
- three are capital grants schemes, which still have budget available for further grant approvals.

6.3 Updates on progress with the schemes in the capital programme have been reported to committees and the main reasons for the £626,544 underspend to date against the full year revised estimate are as follows:

- **Disabled Facilities Grants (£303,482):** There is actual and committed expenditure of £467,858 at the end of December 2018. There are a number of grant awards that are ongoing and there are more referrals expected between now and the end of the financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.
- **Economic Development Initiatives (£100,000):** At this stage only the abortive costs from the Clitheroe Market Redevelopment project are to be charged against this capital scheme (£18,250). Otherwise, there is always the possibility that a valuation or assessment in-year may require expenditure in relation to acquisition at short notice. Given that a number of site opportunities are currently being explored in more detail it is proposed that the revised estimate remain at £100,000.
- **Landlord/Tenant Grants (£85,092):** One grant award has been approved so far and work is near to completion with payment expected before financial year-end. There is also a further substantial potential grant award that is being considered which if approved would use up a significant amount of the remaining budget.
- **New Council telephone system (£45,000):** Officers are currently in the process of obtaining quotes for the replacement system. At this stage there is uncertainty as to whether the scheme will be completed within the financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.
- **Introduction of Planning Portal Link to the Planning Application System and Planning System Update (£30,200):** Some expenditure is expected prior to the end of the financial year, but the scheme will not be fully completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.
- **Play Area Improvements 2018/19 (£23,075):** Refurbishment work across various play areas continues to be undertaken. There may be further elements of equipment replacements, but such work will be considered once the refurbishments works are largely completed and an element of the budget will be held back in case of any work needed due to vandalism.
- **Replacement Mini Tractor and Trailer (John Deere) – PN06 TSZ (£12,000):** Quotes were obtained for the tractor in December 2018 and an order was placed in January 2019, with delivery expected in February 2019.

## 7 CONCLUSION

- 7.1 The original estimate approved at this time last year was for £1,490,620 and included two schemes that had been moved from the 2017/18 financial year.
- 7.2 In year there has been slippage of £551,090 and also there have been a number of further approvals and adjustments made resulting in a current approved budget for 2018/19 of £2,126,200, relating to 32 schemes.
- 7.3 The proposed revised estimate will see partial and full budget on 2 schemes moved to the 2019/20 financial year, 1 scheme deleted and also a number of upward and downward individual scheme movements resulting in a proposed overall revised capital programme for 2018/19 of 30 schemes at a value of £1,965,100.
- 7.4 For those schemes moving to the 2019/20 financial year, the associated funding will also be moved.
- 7.5 The remaining schemes in 2018/19 in the revised capital programme are largely funded using earmarked reserves of £1,429,290. The balance of funding comes from external funding towards the Disabled Facilities Grants Scheme of £499,810 and borrowing of £36,000.
- 7.6 At the end of December 2018 £1,338,556 had been spent or committed on capital programme schemes. This is 68.1% of the full year revised capital programme for 2018/19.

## 8 RECOMMENDED THAT COMMITTEE

- 8.1 Approve the overall revised capital programme for 2018/19.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF11-19/AC/AC  
25 January 2019

For further background information please ask for Andrew Cook.  
BACKGROUND PAPERS - None

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2018-19**

Cost Centre	Scheme	Original Estimate 2018/19 £	Budget Moved from 2017/18 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Budget Moved to 2019/20 £	Actual Expenditure including commitments as at end of December 2018 £
<b><u>Community Services Committee</u></b>									
PLAYS	Play Area Improvements 2018/19	40,000	0	0	0	40,000	40,000	0	16,925
REPWB	Replacement of Refuse Wheelie Bins	10,000	0	0	0	10,000	10,000	0	10,018
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station (Phase 2)	23,500	0	0	0	23,500	15,650	0	15,646
RVKXD	Replacement of Paper Collection Vehicle - VX55 KXD	49,000	0	0	0	49,000	42,250	0	42,247
RVYEK	Replacement of Refuse Collection Vehicle - PO60 YEK	222,500	0	0	0	222,500	219,690	0	219,689
VERTI	Purchase of Verti Drain Equipment	46,000	0	0	0	46,000	43,950	0	43,944
CPMHY	Replacement of Car Parking Van – Fiat Doblo PN09 MHY with an equivalent spec	13,000	0	0	0	13,000	9,740	0	9,740
RVPWL	Replacement of Garwood (12 tonne GVW) single bodied RCV with single multi-use vehicle – PN05 PWL	120,000	0	0	0	120,000	109,280	0	109,276
GVMVG	Replacement Mower (Haytor) - PN07 MVG	41,000	0	0	0	41,000	41,000	0	39,995
GVKXP	Replacement Mower (Kubota) - PN09 KXP	18,500	0	0	0	18,500	17,340	0	17,334

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2018-19**

Cost Centre	Scheme	Original Estimate 2018/19 £	Budget Moved from 2017/18 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Budget Moved to 2019/20 £	Actual Expenditure including commitments as at end of December 2018 £
GVTSZ	Replacement Mini Tractor and Trailer (John Deere) - PN06 TSZ	12,000	0	0	0	12,000	12,000	0	0
GVKJJ	Replacement Truck (Ford) c/w Tail Lift - PE60 KJJ	37,500	0	0	0	37,500	37,500	0	35,740
EAWPL	All Weather Pitch Lighting	31,000	0	0	0	31,000	0	0	0
WVAZL	Replacement of IVECO Daily Crew Cab - PO60 AZL	48,200	0	0	0	48,200	46,000	0	44,500
PLAYR	Play Area Improvements 2017/18	0	0	12,940	0	12,940	12,300	0	12,298
CPPAY	Off-Street Car Parks – Update of Payment Systems	0	0	16,340	0	16,340	16,340	0	16,205
CMWIN	Castle Museum – Refurbishment of Windows	0	0	36,000	0	36,000	36,000	0	29,917
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	0	0	21,590	0	21,590	21,440	0	21,429
RPIMP	Ribblesdale Pool Improvement Work	0	0	6,450	0	6,450	6,450	0	0
GVVWG	Replacement of Hook Lift vehicle – PN07 VWG	0	0	0	50,000	50,000	45,000	0	43,310
	<b>Total Community Services Committee</b>	<b>712,200</b>	<b>0</b>	<b>93,320</b>	<b>50,000</b>	<b>855,520</b>	<b>781,930</b>	<b>0</b>	<b>728,213</b>

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2018-19**

Cost Centre	Scheme	Original Estimate 2018/19 £	Budget Moved from 2017/18 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Budget Moved to 2019/20 £	Actual Expenditure including commitments as at end of December 2018 £
<b><u>Planning and Development Committee</u></b>									
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
	<b>Total Planning and Development Committee</b>	<b>0</b>	<b>0</b>	<b>30,200</b>	<b>0</b>	<b>30,200</b>	<b>30,200</b>	<b>0</b>	<b>0</b>
<b><u>Policy and Finance Committee</u></b>									
QGARR	Queensway Garages – replace roof covering and repairs	23,000	0	0	0	23,000	20,000	0	17,845
COLFT	Lift replacement at Council Offices	87,000	0	0	0	87,000	2,950	84,050	0
CFUPG	Financial system upgrade	46,420	0	0	0	46,420	46,420	0	46,433
RBSVR	Replacement server for Revenues and Benefits	0	0	13,500	10,500	24,000	20,820	0	20,813
PHONE	New Council telephone system	0	0	45,000	0	45,000	45,000	0	0
CSUPG	Civic suite upgrade	0	0	27,640	0	27,640	26,540	0	26,534
	<b>Total Policy and Finance Committee</b>	<b>156,420</b>	<b>0</b>	<b>86,140</b>	<b>10,500</b>	<b>253,060</b>	<b>161,730</b>	<b>84,050</b>	<b>111,625</b>

**SPECIAL POLICY AND FINANCE COMMITTEE  
OVERALL REVISED CAPITAL PROGRAMME 2018-19**

Cost Centre	Scheme	Original Estimate 2018/19 £	Budget Moved from 2017/18 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Budget Moved to 2019/20 £	Actual Expenditure including commitments as at end of December 2018 £
<b><u>Health and Housing Committee</u></b>									
DISCP	Disabled Facilities Grants	297,000	0	271,530	23,990	592,520	<b>771,340</b>	<b>0</b>	<b>467,858</b>
LANGR	Landlord/Tenant Grants	50,000	0	49,020	0	99,020	<b>99,020</b>	<b>0</b>	<b>13,928</b>
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	<b>0</b>	<b>175,000</b>	<b>0</b>
CWARM	Affordable Warmth – Capital Grants	0	0	20,880	0	20,880	<b>20,880</b>	<b>0</b>	<b>16,932</b>
	<b>Total Health and Housing Committee</b>	<b>347,000</b>	<b>175,000</b>	<b>341,430</b>	<b>23,990</b>	<b>887,420</b>	<b>891,240</b>	<b>175,000</b>	<b>498,718</b>
<b><u>Economic Development Committee</u></b>									
ECDVI	Economic Development Initiatives	0	100,000	0	0	100,000	<b>100,000</b>	<b>0</b>	<b>0</b>
	<b>Total Economic Development Committee</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>
<b>OVERALL CAPITAL PROGRAMME 2018/19 TOTAL</b>		<b>1,215,620</b>	<b>275,000</b>	<b>551,090</b>	<b>84,490</b>	<b>2,126,200</b>	<b>1,965,100</b>	<b>259,050</b>	<b>1,338,556</b>