

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

DECISION

Agenda Item No 5

meeting date: 16 JANUARY 2020  
title: REVISED CAPITAL PROGRAMME 2019/20  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

## 1 PURPOSE

1.1 To approve the 2019/20 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 2019/20 CAPITAL PROGRAMME BACKGROUND

2.1 Two schemes for this Committee's original estimate capital programme, totalling £370,000, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2019 and March 2019 respectively.

2.2 In addition to the original estimate budget, the following budget changes have been made so far in 2019/20:

- The Clitheroe Market Improvements scheme, totalling £175,000, was on hold in 2018/19 and the scheme budget was moved from the 2018/19 capital programme to the 2019/20 capital programme.
- There were three 2018/19 capital housing grants schemes that were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £451,280, is known as slippage. This slippage was transferred into the 2019/20 capital programme budget, after approval by this Committee in June 2019.
- Since approval of the original estimate for this Committee, the Disabled Facilities Grants (DFGs) funding for 2019/20 from Central Government has been confirmed as £346,368. The DFGs scheme budget was initially set at £320,000 on the basis that this would be changed to reflect the confirmed DFGs funding that was received. Therefore, the DFGs 2019/20 budget was increased by an additional approval of £26,370 to £346,370.
- The Longridge Affordable Housing scheme, with a budget of £234,000, was approved for inclusion in this Committee's capital programme by the Policy and Finance Committee in June 2019.
- The Chipping Community Housing Grant scheme, with a budget of £115,000, was initially approved by this Committee in March 2018, subject to the award meeting the requirements of the Community Housing Fund award. The scheme has now been added to this Committee's capital programme in 2019/20, as the grant is expected to be paid in-year.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of six schemes was £1,371,650. 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 2019/20 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 £1,254,710, a reduction of £116,940 from the total approved budget. The reasons for this are:

- **Clitheroe Market Improvements (-£57,000):** A budget of £118,000 is required to cover the estimated costs of the initial work being undertaken in-year, as approved by this Committee in September 2019. This leaves £57,000 of the £175,000 original scheme budget available for further work in future.

It is recommended that the 2019/20 revised estimate for the scheme is reduced to £118,000 and that £57,000 is moved into the 2020/21 financial year. In addition, a report will be brought to a future meeting of this Committee in respect of the further improvements proposed to the Market.

- **Landlord/Tenant Grants (-£75,940):** No schemes have been approved so far in 2019/20, but there are currently three potential applicants that are interested in making formal applications in-year, at an estimated cost of £58,300. At this stage there is no certainty that the scheme budget will be fully committed by year-end.

Given this, it is recommended that the revised budget is reduced to £58,300 to provide budget cover for the above grant applications that may be approved in-year; that £59,940 is moved into the 2020/21 financial year; and that £16,000 is transferred to the Longridge Affordable Housing Scheme (see below).

- **Longridge Affordable Housing Scheme (+£16,000):** The combined purchase prices of the two properties is £228,000, which is funded by s106 monies received. At this stage, it is estimated the full scheme cost will be £250,000, which is a £16,000 increase from the £234,000 original estimate. The increase is due to the combined purchase prices of the two properties being higher than budgeted for and the Council having to pay stamp duty on both properties, which was not anticipated when the scheme budget was set.

After discussions with the Chief Executive and Director of Economic Development and Planning, it is recommended that £16,000 of budget currently remaining on the Landlord/Tenant Grants scheme is transferred to this scheme to fund the additional budget required, so the revised estimate is proposed at £250,000.

3.2 Annex 1 shows the full capital programme by scheme, including the budget and expenditure (including commitments) to date. The summary position is shown below.

Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Revised Estimate 2019/20 £	Budget Moved to 2020/21 £	Actual Expenditure including commitments for 2019/20 as at end of November 2019 £
370,000	175,000	451,280	375,370	1,371,650	1,254,710	116,940	424,469

3.3 At the end of November 2019 £424,469 had been spent or committed. This is 33.8% of the revised estimate capital programme for this Committee.

3.4 At this stage, the Affordable Warmth - Capital Grants, Longridge Affordable Housing and Chipping Community Housing Grant schemes are all on-track to be completed in-year. Of the other three schemes in the capital programme:

- the initial phase of works on the Clitheroe Market Improvements scheme is on-track to be completed in-year; and
- spend and commitments on the demand-led Disabled Facilities Grants and Landlord/Tenant Grants schemes are on-going in-year.

3.5 Progress on the schemes with the largest remaining budgets is as follows:

- **Disabled Facilities Grants (-£355,346):** Committed expenditure at the end of November 2019 was based on twenty-four schemes approved in 2018/19 and forty-seven schemes approved so far in 2019/20. In addition, three currently approved schemes may require additional approvals, there are twenty-five grant applications working towards approval and there are a further eight referrals from Occupational Therapists that may become formal applications in the near future. More referrals are also expected between now and the end of the financial year.

A significant proportion of the £706,490 budget is likely to be committed to approved grants by year-end, given the high number of further approvals that officers may make between now and the end of the financial year.

This grant scheme is demand-led, being dependent on referrals from Occupational Therapists. Therefore, the actual level of committed expenditure for the year as a whole will be dependent on the number of and value of approved referrals in-year.

- **Landlord/Tenant Grants (-£58,300):** There are currently three potential applicants that are interested in making formal applications in-year. If these potential applications lead to grant approvals in-year, then the revised estimate budget should cover the approved amounts. Housing officers will continue to promote the scheme in-year.
- **Clitheroe Market Improvements (-£51,546):** The initial phase of work comprises erecting new uniform canopies on all cabins, hand painting fascia signs on all cabins, refurbishing the market toilets and removing all stalls in the bullring. The first canopy installations are complete and the market toilets will be open to the public by Christmas 2019.

Some further work on the market toilets will take place in early 2020, alongside the work to complete the installation of the remaining canopies, hand paint the fascia signs, remove the stalls from the bull ring and purchase pop up stalls. The work is currently expected to be completed by the end of February 2020.

- **Longridge Affordable Housing Scheme (-£250,000):** Despite there being no spend by the end of November 2019 the scheme is progressing well. One property was purchased in early December and associated works are planned so that this property may be transferred to the registered provider before year-end. An offer has been accepted on a second property, subject to contract. No completion date has been agreed at this stage but it is estimated that this will be within this financial year.

At this stage, the scheme is on-track to be completed in-year, but is dependent on the purchase completion date for the second property and the time taken to undertake the associated works on the two properties.

- **Chipping Community Housing Grant (-£115,000):** The purchase of the three properties by Chipping Community Land Trust has been delayed until 2020. However, the Trust still plan to complete the purchases in February or March 2020 and the grant agreement that underpins this scheme is close to being finalised. The Council will pay the grant monies to the Trust just prior to completion of the purchases, in line with the grant agreement, and the scheme will be complete at that stage.

## 4 RISK ASSESSMENT

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

- Resources – Approval of the revised capital programme will see £116,940 of budget moved in to the 2020/21 financial year, together with the associated capital financing resources.
- 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 capital programme is £1,254,710, with £116,940 being proposed to be moved in to the 2020/21 financial year.

5.2 It is also recommended that £16,000 is transferred from the Landlord/Tenant Grants scheme to the Longridge Affordable Housing Scheme to fund the additional budget required.

5.3 At the end of November 2019 £424,469 had been spent or committed. This is 33.8% of the revised estimate capital programme for this Committee.

5.4 At this stage, of the six schemes in the capital programme, three are on-track to be completed in-year, one is on-track to have an initial phase of works completed and the demand-led Disabled Facilities Grants and Landlord/Tenant Grants schemes are on-going in-year.

## 6 RECOMMENDED THAT COMMITTEE

6.1 Approve the 2019/20 revised estimate of £1,254,710 for this Committee's capital programme, as set out in Annex 1.

6.2 Approve the transfer of the following capital budgets from 2019/20 to 2020/21:

- Clitheroe Market Improvements, £57,000.

- Landlord/Tenant Grants, £59,940.

6.3 Approve the transfer of £16,000 capital budget in 2019/20 from the Landlord/Tenant Grants scheme to the Longridge Affordable Housing scheme.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH1-20AC/AC  
20 December 2019

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

## HEALTH AND HOUSING COMMITTEE – REVISED CAPITAL PROGRAMME 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Revised Estimate 2019/20 £	Budget Moved to 2020/21 £	Actual Expenditure including commitments for 2019/20 as at end of November 2019 £
DISCP	Disabled Facilities Grants	320,000	0	360,120	26,370	706,490	706,490	0	351,144
LANGR	Landlord/Tenant Grants	50,000	0	84,240	0	134,240	58,300	59,940	0
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	118,000	57,000	66,454
CWARM	Affordable Warmth – Capital Grants	0	0	6,920	0	6,920	6,920	0	6,871
LONAH	Longridge Affordable Housing Scheme	0	0	0	234,000	234,000	250,000	0	0
CHCHG	Chipping Community Housing Grant	0	0	0	115,000	115,000	115,000	0	0
<b>Total Health and Housing Committee</b>		<b>370,000</b>	<b>175,000</b>	<b>451,280</b>	<b>375,370</b>	<b>1,371,650</b>	<b>1,254,710</b>	<b>116,940</b>	<b>424,469</b>