

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 7

meeting date: 24 JANUARY 2017
title: REVISED CAPITAL PROGRAMME 2016/17
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the revised 2016/17 capital programme for this Committee.

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 original capital programme for 2016/17 was approved by Policy and Finance Committee in February 2016.

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

3 ORIGINAL CAPITAL PROGRAMME 2016/17

3.1 The original 2016/17 Policy and Finance Committee capital programme consisted of one scheme at an estimated cost of £100,000.

3.2 In addition, there were four schemes from the 2015/16 financial year that were not completed by the 31 March 2016. The total unspent balance on these schemes, £172,500, is known as slippage. This slippage has been transferred into the 2016/17 capital programme budget.

3.3 As a result of the above, the total approved budget for this Committee's capital programme of five schemes was £272,500. This is shown at Annex 1.

4 REVISING THE 2016/17 CAPITAL PROGRAMME

4.1 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 £104,530, which is a reduction of £167,970 from the previously approved capital budget. The main reasons for this are:

- **ECDVI – Economic Development Initiatives (-£100,000):** There are no appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital budget before the year-end. It is recommended that the revised estimate is reduced to nil and the £100,000 budget is moved to 2017/18.

- **TNSCP – Clitheroe Townscape Scheme (-£55,000):** The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme, so there is no further progress on plans to spend the budget at this stage and there is expected to be no expenditure on the scheme in 2016/17. 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 2017/18.
- **OROOF - Council Offices Re-roofing (-£11,590) and WINDW – Council Offices Replacement Windows and Rooflights (-£1,380):** Work has now been completed within budget on the combined Council Offices Re-roofing and Council Offices Windows and Rooflights schemes. Only the 5% contract retention payments remain outstanding. These payments, totalling £12,450, are due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the schemes can only take place in 2017/18 and it is recommended that £12,450 of the combined schemes budget is moved to 2017/18.

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

Original Estimate 2016/17 £	Slippage from 2015/16 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget moved to 2017/18 £	Actual Expenditure including commitments as at end of December 2016 £
100,000	172,500	272,500	104,530	167,450	99,040

4.3 Expenditure including commitments on the capital programme schemes at the end of December 2016 is £99,040, which is 94.7% of the revised estimate. A large proportion of this relates to the £94,514 commitment for the recently awarded contract on the ICT Infrastructure Refresh scheme. At this stage, the aim is to complete the scheme by the end of the financial year, dependent on the detailed project plan timings agreed with the preferred supplier.

4.4 Updated capital evaluation forms completed by the responsible officers for all the schemes were reported to this Committee in the previous cycle.

5 RISK ASSESSMENT

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

- Resources – Approval of the revised capital programme will see a decrease of £167,970 in the level of financing resources needed in 2016/17 and £167,450 of capital financing resources will be moved into 2017/18.
- 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.

6 CONCLUSION

- 6.1 The Clitheroe Townscape scheme is on hold and there are no appropriate economic development opportunities in progress currently which are likely to be funded from the Economic Development Initiatives scheme budget before the year-end. It is proposed that the budgets on these schemes, totalling £155,000, are moved to 2017/18.
- 6.2 The outstanding retention payment on the combined contract for the Council Offices Re-roofing and Replacement Windows and Rooflights schemes cannot be paid until May 2017, so it is recommended that £12,450 budget on these schemes is moved to 2017/18.
- 6.3 Following this review, the proposed revised estimate is £104,530, which is a reduction of £167,970 from the previously approved capital budget and is largely due to movements detailed in the above two paragraphs.

7 RECOMMENDED THAT COMMITTEE

- 7.1 Approve the revised capital programme for 2016/17 as set out in Annex 1.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF1-17/AC/AC
9 January 2017

For further background information please ask for Andrew Cook

BACKGROUND PAPERS – None

POLICY AND FINANCE COMMITTEE – REVISED CAPITAL PROGRAMME 2016-17

Cost Centre	Scheme	Original Estimate 2016/17 £	Slippage from 2015/16 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget moved to 2017/18 £	Actual Expenditure including commitments as at end of December 2016 £
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	100,000	0	100,000	100,000	0	94,514
OROOF	Council Offices – Re-roofing	0	14,760	14,760	3,170	7,910	3,169
WINDW	Council Offices – Replacement Windows and Rooflights	0	2,740	2,740	1,360	4,540	1,357
TNSCP	Clitheroe Townscape Scheme	0	55,000	55,000	0	55,000	0
ECDVI	Economic Development Initiatives	0	100,000	100,000	0	100,000	0
	Total Policy and Finance Committee	100,000	172,500	272,500	104,530	167,450	99,040