

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION
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Agenda Item No 15

meeting date: 27 JUNE 2017  
 title: OVERALL CAPITAL OUTTURN 2016/17  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: ANDREW COOK

## 1 PURPOSE

1.1 To provide members with details of the capital programme outturn for all committees for the 2016/17 financial year.

## 2 BACKGROUND

2.1 The 2016/17 original capital programme for the Council consisted of eleven new schemes. Four further schemes were added to the 2016/17 capital programme following the approval of budget slippage from the 2015/16 financial year, resulting in a capital programme of fifteen schemes.

2.2 At revised estimate stage, the budgets for three schemes were moved to the 2017/18 financial year and one new scheme was added to the 2016/17 capital programme.

2.3 This meant that the 2016/17 revised capital programme consisted of thirteen schemes with a total budget of £961,705.

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

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

## 3 CAPITAL PROGRAMME 2016/17 OUTTURN

3.1 The table below summarises the 2016/17 capital programme outturn for all committees. It shows the budget and expenditure for the year and highlights the schemes where slippage into 2017/18 was requested.

BUDGET ANALYSIS							ACTUAL	
Committee	Original Estimate 2016/17 £	Slippage from 2015/16 £	Additional Approvals 2016/17 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget Moved to 2017/18 £	Actual Expenditure 2016/17 £	Slippage into 2017/18 £
Community Services	374,500	0	68,425	442,925	440,955	0	416,094	23,600
Planning and Development	30,200	0	0	30,200	30,200	0	0	30,200
Policy and Finance	100,000	172,500	0	272,500	104,530	167,450	123,990	6,650
Health and Housing	523,220	22,420	0	545,640	386,020	175,000	175,825	210,190
<b>TOTAL</b>	<b>1,027,920</b>	<b>194,920</b>	<b>68,425</b>	<b>1,291,265</b>	<b>961,705</b>	<b>342,450</b>	<b>715,909</b>	<b>270,640</b>

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

- 3.2 During the year the Council spent £715,909 on thirteen capital schemes and performance reward grants, which was 74.4% of the revised estimate.
- 3.3 Of the thirteen schemes in the revised capital programme:
- Four were completed in 2016/17.
  - Five were substantially completed in 2016/17 and they will be fully completed in 2017/18.
  - One was not started in 2016/17. It will be started in 2017/18.
  - There have been underspends in 2016/17 on each of the three housing capital grant schemes. These grant schemes continue into 2017/18.
- 3.4 The main reasons for the £245,796 net in-year variance are as follows:

***Variances that relate to slippage into 2017/18***

- **DISCP - Disabled Facilities Grants (-£170,130):** Lower levels of Occupational Therapists referrals were received in-year when compared to the increased levels of funding received from central government in 2016/17. Also, some applications are rejected because applicants fail the means test.
- **PLANN - Introduction of Planning Portal Link to the Planning Application System and Planning System Update (-£30,200):** Scheme not started in 2016/17 - Towards the latter end of the financial year, officers decided not to implement all elements of the scheme until the ICT Infrastructure Refresh scheme was completed (see below) and the software provider had written the planning system update scripts.
- **LANGR - Landlord/Tenant Grants (-£25,525):** Two grant applications were withdrawn at a late stage in-year.
- **RPIMP - Ribblesdale Pool Improvement Work (-£16,821):** The work on the main contract was completed in 2016/17 and Ribblesdale Pool re-opened in March 2017. The main contract value was still to be finalised at year-end. In addition, the main contract retention payment cannot be paid until twelve months after financial completion of the main contract.
- **CWARM – Affordable Warmth - Capital Grants (-£14,540):** Lower levels of grant applications were received in-year when compared to the funding received from Lancashire County Council. In addition, the grant from LCC was only available from October onwards and the Council's Housing Energy officer post was vacant between October and March.
- **PLAYQ - Play Area Improvements 2016/17 (-£6,784):** Two planned elements of this scheme, Whalley Woodland bark mulch laying and painting of equipment across various play areas, were not completed in 2016/17. The work had been planned in early 2017 but availability of staff and unsuitable weather conditions meant that neither job could take place before the end of the financial year.
- **ITSAN - ICT Infrastructure Refresh (-£6,646):** The IT consultant input required to complete the infrastructure refresh could not be scheduled in until early 2017/18, so the work was not completed by the end of the financial year. The IT consultant input cost in 2017/18 is £8,000, so this scheme in total will have a minor overspend of £1,350 in 2017/18, given the slippage request of £6,650.

***Accounting treatment of grant monies***

- **PRGCP - Performance Reward Grants (+£26,110):** 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 £26,110 in 2016/17. 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.

3.5 Annex 1 shows the full capital programme by scheme, including the budget and expenditure for the year and highlights the schemes where slippage into 2017/18 was requested.

#### 4 RISK ASSESSMENT

4.1 The risks associated with this report are set down below:

- Resources – There are no additional financing requirements needed for the Council's 2016/17 capital programme. This is because £270,640 of capital resources have already been set aside to fund the slippage requested into 2017/18 on several schemes and the additional spend of £1,350 required on the ICT Infrastructure Refresh scheme in 2017/18 will be financed from the ICT repairs and renewals earmarked reserve.
- 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 During the year the Council spent £715,909 on thirteen capital schemes and performance reward grants, which was 74.4% of the revised estimate budget.

5.2 Of the thirteen schemes in the revised capital programme:

- Four were completed in 2016/17.
- Five were substantially completed in 2016/17 and they will be fully completed in 2017/18.
- One was not started in 2016/17. It will be started in 2017/18.
- There have been underspends in 2016/17 on each of the three housing capital grant schemes. These grant schemes continue into 2017/18.

5.3 Slippage into 2017/18 has been requested on seven of the above schemes, totalling £270,640.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF34-17/AC/AC  
16 June 2017

For further information please ask for Andrew Cook

## Overall Capital Programme Outturn 2016/17

Cost Centre	Scheme	Original Estimate 2016/17 £	Slippage from 2015/16 £	Additional Approvals 2016/17 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget Moved to 2017/18 £	Actual Expenditure 2016/17 £	Slippage into 2017/18 £
<b>Community Services Committee</b>									
WVDHX	Replacement of Works Section Small Van – Ford Transit Toilet Van (PF09 DHX)	12,000	0	0	12,000	12,000	0	10,802	0
PLAYQ	Play Area Improvements 2016/17	40,000	0	0	40,000	40,000	0	33,216	6,780
FORKL	Replacement of Salthill Depot Multi Use Fork Lift Truck	16,000	0	0	16,000	15,980	0	15,975	0
GVUKE	Replacement of John Deere Gang Mower Tractor (PN05 UKE)	46,000	0	0	46,000	44,050	0	44,051	0
GVFRV	Replacement of MAN 7.7 RO-RO Truck (PN06 FRV) with equivalent spec	51,500	0	0	51,500	51,500	0	51,446	0
RPIMP	Ribblesdale Pool Improvement Work	209,000	0	68,425	277,425	277,425	0	260,604	16,820
	<b>Total Community Services Committee</b>	<b>374,500</b>	<b>0</b>	<b>68,425</b>	<b>442,925</b>	<b>440,955</b>	<b>0</b>	<b>416,094</b>	<b>23,600</b>
<b>Planning &amp; Development Committee</b>									
PLANN	Introduction of Planning Portal Link to the Planning Application System and Planning System Update	30,200	0	0	30,200	30,200	0	0	30,200
	<b>Total Planning &amp; Development Committee</b>	<b>30,200</b>	<b>0</b>	<b>0</b>	<b>30,200</b>	<b>30,200</b>	<b>0</b>	<b>0</b>	<b>30,200</b>

## Overall Capital Programme Outturn 2016/17

Cost Centre	Scheme	Original Estimate 2016/17 £	Slippage from 2015/16 £	Additional Approvals 2016/17 £	Total Approved Budget 2016/17 £	Revised Estimate 2016/17 £	Budget Moved to 2017/18 £	Actual Expenditure 2016/17 £	Slippage into 2017/18 £
<b>Policy and Finance Committee</b>									
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network & Server Replacement)	100,000	0	0	100,000	100,000	0	93,354	6,650
OROOF	Council Offices – Re-roofing	0	14,760	0	14,760	3,170	7,910	3,169	0
WINDW	Council Offices – Replacement Windows and Rooflights	0	2,740	0	2,740	1,360	4,540	1,357	0
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	55,000	0	55,000	0	0
ECDVI	Economic Development Initiatives	0	100,000	0	100,000	0	100,000	0	0
PRGCP	Performance Reward Grants	0	0	0	0	0	0	26,110	0
	<b>Total Policy and Finance Committee</b>	<b>100,000</b>	<b>172,500</b>	<b>0</b>	<b>272,500</b>	<b>104,530</b>	<b>167,450</b>	<b>123,990</b>	<b>6,650</b>
<b>Health and Housing Committee</b>									
CMIMP	Clitheroe Market Improvements	175,000	0	0	175,000	0	175,000	0	0
DISCP	Disabled Facilities Grants	273,220	14,090	0	287,310	287,310	0	117,180	170,130
LANGR	Landlord/Tenant Grants	75,000	8,330	0	83,330	83,330	0	57,805	25,520
CWARM	Affordable Warmth – Capital Grants	0	0	0	0	15,380	0	840	14,540
	<b>Total Health and Housing Committee</b>	<b>523,220</b>	<b>22,420</b>	<b>0</b>	<b>545,640</b>	<b>386,020</b>	<b>175,000</b>	<b>175,825</b>	<b>210,190</b>
	<b>OVERALL TOTAL</b>	<b>1,027,920</b>	<b>194,920</b>	<b>68,425</b>	<b>1,291,265</b>	<b>961,705</b>	<b>342,450</b>	<b>715,909</b>	<b>270,640</b>