

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 12

meeting date: 19 OCTOBER 2017  
title: CAPITAL MONITORING 2017/18  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

### 1 PURPOSE

1.1 To provide this Committee with information relating to the progress of the approved 2017/18 capital programme, for the period to the end of August 2017.

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 need.
- Other Considerations – none identified.

### 2 BACKGROUND

2.1 Two new schemes for this Committee, totalling £211,000, were approved by the Policy and Finance Committee and Full Council at their meetings in February 2017.

2.2 Since approval of the budget for this Committee it was confirmed that the Disabled Facilities Grants (DFGs) funding for 2017/18 was £297,106. The DFGs scheme budget was initially set at £161,000 on the basis that this would be changed to reflect the DFGs funding that was received. Therefore, the DFGs original estimate was confirmed as £297,110 and this Committee's original estimate capital programme was increased by the difference of £136,110 to £347,110.

2.3 In addition to the original estimate, the following changes have been made so far in 2017/18:

- The Clitheroe Market Improvements scheme, totalling £175,000, was put on hold in 2016/17 and the scheme budget was moved from 2016/17 to the 2017/18 capital programme.
- Not all planned capital budgets for 2016/17 were spent on three schemes. The unspent balance of this, £210,190, is known as slippage. This slippage has been transferred into the 2017/18 capital programme budget.
- A new scheme, Remaining Share of Alma Place Property, with a budget of £26,670, was approved to be added to the 2017/18 capital programme in June 2017.
- Additional Affordable Warmth – Capital Grants ring-fenced funding was received from Lancashire County Council in-year. This has increased the budget for that scheme by £10,250, as reported to this Committee on 7 September 2017.

2.4 As a result of the above, the total approved budget for this Committee's capital programme of five schemes is £769,220. This is shown at Annex 1.

### 3 CAPITAL MONITORING 2017/18

3.1 The table below summarises this Committee's capital programme budget, expenditure to date and variance, as at the end of August 2017. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

BUDGET					EXPENDITURE	
Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
347,110	175,000	210,190	36,920	769,220	131,693	-637,527

3.2 At the end of August 2017 £131,693 had been spent or committed. This is only 17.1% of the annual capital programme budget for this Committee.

3.3 The Remaining Share of Alma Place Property scheme has been completed and spend on the Affordable Warmth – Capital Grants scheme is in line with the current budget available.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Disabled Facilities Grants (-£391,506):** Committed expenditure at the end of August 2017 was £75,734, based on six schemes approved prior to this financial year and nine schemes approved so far in 2017/18. There are a further seventeen applications awaiting approval and six applications working towards approval following recommendation referrals received from Occupational Therapists. All these schemes can be funded from the remaining 2017/18 budget.

Further applications are expected in-year and we have seen an increase in referrals now that Lancashire County Council have appointed additional Occupational Therapists, but the budget may not be fully committed in-year, based on the level of applications received to date against the level of funding received from DCLG this year and the high level of slippage carried forward from 2016/17.

More applications will be received if we get confirmation that the Council's new "DFG adaptations grants" and "provision to allow a discretionary grant above the current DFG maximum" proposed schemes meet the regulations for use of Disabled Facilities Grants monies.

- **Landlord/Tenant Grants (-£59,620):** One scheme for £15,900 has been completed, but there is a lower level of commitments against budget than expected because a previously proposed scheme is not currently able to go ahead. Housing officers are now encouraging new applications for schemes in-year. One potential application is being considered currently.
- **Clitheroe Market Improvements (-£175,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

4 AFFORDABLE WARMTH – CAPITAL GRANTS 2017/18 FUNDING BID

4.1 Lancashire County Council have confirmed to Housing officers that the Council can bid for up to £21,684 of further Affordable Warmth – Capital Grants funding in 2017/18. This funding is ring-fenced for use on affordable warmth capital grants only. A bid is currently being prepared. We will report to the next Committee meeting on whether the bid has been successful or not. If it is successful, the additional funding will be added to the Affordable Warmth – Capital Grants scheme budget.

5 CONCLUSION

5.1 At the end of August 2017 £131,693 had been spent or committed. This is only 17.1% of the annual capital programme budget for this Committee.

5.2 The Remaining Share of Alma Place Property scheme has been completed.

5.3 Spend on the Affordable Warmth – Capital Grants scheme is in line with the current budget available.

5.4 The Disabled Facilities Grants budget may not be fully committed in-year, based on the level of applications received to date against the budget available.

5.5 The Landlord/Tenant Grants scheme has a lower level of commitments against budget because a previously proposed scheme is not currently able to go ahead. Housing officers are now encouraging new applications for schemes in-year.

5.6 The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH11-17/AC/AC  
4 October 2017

For further information please ask for Andrew Cook.

BACKGROUND PAPERS – None.

## Health and Housing Committee – Capital Programme 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 £	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	0	-175,000
DISCP	Disabled Facilities Grants	297,110	0	170,130	0	467,240	75,734	-391,506
LANGR	Landlord/Tenant Grants	50,000	0	25,520	0	75,520	15,900	-59,620
CWARM	Affordable Warmth – Capital Grants	0	0	14,540	10,250	24,790	13,392	-11,398
PURAP	Remaining Share of Alma Place Property	0	0	0	26,670	26,670	26,667	-3
	<b>Total Health and Housing Committee</b>	<b>347,110</b>	<b>175,000</b>	<b>210,190</b>	<b>36,920</b>	<b>769,220</b>	<b>131,693</b>	<b>-637,527</b>

## Individual Scheme Details and Budget Holder Comments

### Clitheroe Market Improvements

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

**Brief Description of the Scheme:**

The Clitheroe Market Improvements scheme bid for 2016/17 was initially approved in 2015, before the separate market re-development scheme plans were announced. There is now no need to progress the Clitheroe Market Improvements scheme in its original format because the market re-development scheme aims to improve Clitheroe Market for the future.

The Clitheroe Market Improvements scheme remains in the capital programme for now, but the detail of the scheme will be reviewed to take into account and complement the way forward decided for the market re-development scheme.

**Revenue Implications:**

Not known at this stage.

**Timescale for Completion:**

Not known at this stage.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	175,000		
Total Approved Budget 2017/18	175,000	0	-175,000
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>175,000</b>		

**Progress - Budget holder comments:**

*August/September 2017: No change - The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.*

*July 2017: No change - The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.*

*December 2016: The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.*

*September 2016: The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.*

*July 2016: No change to May 2016 comments.*

*May 2016: The Clitheroe Market Improvements scheme budget was initially approved in 2015, before the Clitheroe Market Development scheme plans were announced. The detail of the Clitheroe Market Improvements scheme will be reviewed to take into account and complement the final plans for the Clitheroe Market Development scheme. No expenditure will take place until that detail has been confirmed.*

## Individual Scheme Details and Budget Holder Comments

### Disabled Facilities Grants

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

#### Brief Description of the Scheme:

The scheme provides mandatory grant aid to adapt homes so that older and disabled occupants can remain in their own home. The maximum grant is £30,000 and for adults is means tested. The grants can provide for minor adaptation, for example the installation of a stair lift, up to the provision of a bathroom and bedroom extension.

#### Revenue Implications:

Existing service – no change

#### Timescale for Completion:

The disabled facilities grant budget operates on a financial year basis, April to March each year.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
Original Estimate 2017/18	297,110		
Slippage from 2016/17	170,130		
Total Approved Budget 2017/18	467,240	75,734	-391,506
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>467,240</b>		

#### Progress - Budget Holder Comments

*August/September 2017: Committed expenditure at the end of August 2017 was £75,734, based on six schemes approved prior to this financial year and nine schemes approved so far in 2017/18. There are a further seventeen applications awaiting approval and six applications working towards approval following recommendation referrals received from Occupational Therapists. All these schemes can be funded from the remaining 2017/18 budget.*

*Further applications are expected in-year and we have seen an increase in referrals now that Lancashire County Council have appointed additional Occupational Therapists, but the budget may not be fully committed in-year, based on the level of applications received to date against the level of funding received from DCLG this year and the high level of slippage carried forward from 2016/17. More applications will be received if we get confirmation that the Council's new "DFG adaptations grants" and "provision to allow a discretionary grant above the current DFG maximum" proposed schemes meet the regulations for use of Disabled Facilities Grants monies.*

*July 2017: Committed expenditure at the end of July 2017 was £65,664, based on six schemes approved prior to this financial year and eight schemes approved so far in 2017/18. There are a further eleven applications awaiting approval and three applications working towards approval following recommendation referrals received from Occupational Therapists. All these schemes can be funded from the remaining 2017/18 budget. Further applications are expected in-year but the budget is unlikely to be fully committed in-year, based on the level of applications received to date against the level of funding received from DCLG this year and the high level of slippage carried forward from 2016/17.*

*There may be an increase in schemes approved and completed in-year as a result of the following:*

- *There are two large schemes being considered by Occupational Therapists currently and it is hoped that these may be recommended, approved and delivered as soon as possible.*
- *Lancashire County Council have now appointed additional Occupational Therapists (there are now four in post in East Lancashire). This may drive an increase in applications.*
- *If we get confirmation that the Council's new "DFG adaptations grants" and "provision to allow a discretionary grant above the current DFG maximum" proposed schemes meet the DCLG regulations for use of DFG monies, then more eligible applications will be received.*



## Individual Scheme Details and Budget Holder Comments

### Landlord/Tenant Grants

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

#### Brief Description of the Scheme:

The scheme match funds a landlord's investment in a property in return for an affordable rental property. Conditions of the grant are nomination rights and a set rent level in line with LHA. The scheme is crucial for move on accommodation for families in the hostel as the social housing waiting list is so long. The scheme is also used to bring empty properties back into use.

#### Revenue Implications:

Existing service – no change

#### Timescale for Completion:

The grant budget operates on a financial year basis, April to March each year.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
Original Estimate 2017/18	50,000		
Slippage from 2016/17	25,520		
Total Approved Budget 2017/18	75,520	15,900	-59,620
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>75,520</b>		

#### Progress - Budget Holder Comments

*August/September 2017: One scheme for £15,900 has been completed. Housing officers are now encouraging new applications for schemes in-year and one potential application is being considered currently.*

*July 2017: One scheme for £15,900 was approved at the end of July 2017 and there was one other potential application in the pipeline. However, the low level of commitments against budget is due to a combined three property application for £47,700 failing to gain planning approval, so this scheme is unlikely to go ahead in 2017/18. Housing officers will now encourage applications for smaller schemes in-year.*

## Individual Scheme Details and Budget Holder Comments

### Affordable Warmth – Capital Grants

Service Area: Housing and Regeneration

Head of Service: Colin Hirst

**Brief Description of the Scheme:**

A grant scheme funded by Lancashire County Council in 2016/17, to allow the Council to provide sustainable heating and insulation grants to eligible applicants. The funding provided can only be spent for this purpose. Further funding is expected in 2017/18.

**Revenue Implications:**

None

**Timescale for Completion**

Throughout the financial year – April to March

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
Original Estimate 2017/18	0		
Slippage from 2016/17	14,540		
Additional Approval 2017/18	10,250		
Total Approved Budget 2017/18	24,790	13,392	-11,398
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>24,790</b>		

**Progress - Budget holder comments:**

*August/September 2017: Committed expenditure at the end of August 2017 was £13,392, based on six grants approved in 2016/17 and nine grants approved so far in 2017/18. The additional Affordable Warmth – Capital Grants funding from Lancashire County Council has been received. This has increased the budget to £24,790, as reported to Health and Housing Committee on 7 September 2017.*

*Note - Lancashire County Council have also confirmed that the Council can bid for £21,684 of further Affordable Warmth – Capital Grants funding in 2017/18. A bid is currently being prepared.*

*July 2017: Committed expenditure at the end of July 2017 was £11,985, based on six grants approved in 2016/17 and eight grants approved so far in 2017/18. The initial budget, based on slippage from 2016/17, is highly likely to be spent in-year.*

*Note - Lancashire County Council have paid the Council a further £10,251 of 2016/17 Affordable Warmth – Capital grant monies in 2017/18. This is money that the Council was unable to claim in 2016/17 under the original rules of the scheme. The Council can use this for further affordable warmth grant payments in 2017/18, subject to budget approval by Committee.*

## Individual Scheme Details and Budget Holder Comments

### Remaining Share of Alma Place Property

Service Area: Housing and Regeneration  
Head of Service: Colin Hirst

**Brief Description of the Scheme:**

To complete the purchase of the leasehold on a one bedroom flat, 16 Alma Place, to be used as accommodation to help the Council discharge its homelessness duty. The property can be used as move-on accommodation which is let under licence and aimed at single people under 35. The Council already owns two thirds of the leasehold for this property, so is purchasing the remaining one third share.

**Revenue Implications:**

Initial enabling works and purchases – to be funded by DCLG Single Homelessness Initiative and Flexible Homelessness Support grants.

On-going costs planned to be covered by rental income each year.

**Timescale for Completion:**

Summer 2017

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of August 2017 £	Variance as at end of August 2017 £
Original Estimate 2017/18	0		
Additional Approval 2017/18	26,670		
Total Approved Budget 2017/18	26,670	26,667	-3
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>26,670</b>		

**Progress - Budget holder comments:**

*July 2017: Scheme complete - The purchase of the remaining share of the leasehold for the property was completed on 19 July 2017.*