

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO HEALTH AND HOUSING COMMITTEE

DECISION

Agenda Item No 5

meeting date: 18 JANUARY 2018
title: REVISED CAPITAL PROGRAMME 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the 2017/18 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 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 and March 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 actually 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 was 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 (LCC) in-year. This 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 was £769,220. This is shown at Annex 1.

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

3 REVISING THE 2017/18 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 £634,340, a reduction of £134,880 from the total approved budget. The main reasons for this are:

- **Clitheroe Market Improvements (-£175,000):** This scheme is 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 2017/18. It is recommended that the £175,000 budget for this scheme is moved to the 2018/19 financial year and the 2017/18 revised estimate nil.
- **Disabled Facilities Grants (+£27,110):** £27,113 extra DFGs funding has been allocated to the Council directly from the DCLG in December 2017, on top of the current DFGs budget allocation. Thus, the revised estimate for DFGs is £494,350, an increase of £27,110.
- **Affordable Warmth - Capital Grants (+£13,010):** The Council has now received confirmation from LCC that it has been granted up to £21,684 of additional capital funding in 2017/18 for the Affordable Warmth Capital Grants scheme. 60% of the total grant funding (£13,010) has been allocated to the Council already. The final 40% will only be allocated by LCC in-year once the Council can demonstrate it can spend at least 50% of the full allocation (i.e. £10,842).

At this stage, it is not guaranteed that enough spend will be undertaken in-year to trigger receipt of the final 40% of funding in the 2017/18 financial year. Thus, the revised estimate for the scheme has been set at £37,800, which is an increase of £13,010 to match the additional 2017/18 allocation already received.

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 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure and Commitments as at end of December 2017 £
347,110	175,000	210,190	36,920	769,220	634,340	175,000	267,312

3.3 Expenditure (including commitments) on these schemes at the end of December 2017 is £267,312, which is 42.1% of the revised estimate.

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

- **Disabled Facilities Grants (-£297,176):** Committed expenditure at the end of December 2017 was £197,174, based on six schemes approved prior to this financial year and twenty six schemes approved so far in 2017/18. There are a further nine applications awaiting approval and thirteen applications working towards approval following recommendation referrals received from Occupational Therapists. All schemes approved to date and those applications awaiting approval can be funded from the remaining 2017/18 budget.

Further applications are expected in-year. The level of these and the rate at which applications in the system are approved will determine whether the DFGs budget will be fully committed or not by year-end. *Note - The Council has now implemented its new DFGs policy, covering the "Ribble Valley Adaptations Grant" and "Discretionary Top-up Grant" schemes.*

- **Landlord/Tenant Grants (-£49,020):** One scheme for £15,900 has been completed and one scheme for £10,600 has been approved in October 2017 and work has started on that scheme. Two potential applicants are currently in touch with the Council.
- **Affordable Warmth - Capital Grants (-£20,829):** The committed expenditure at the end of December 2017 was £16,971, based on six grants approved in 2016/17, fourteen grants approved so far in 2017/18 and also the purchase of radiator reflectors to be granted to eligible residents in due course. The number of further applications received in-year will determine whether the Affordable Warmth budget will be fully committed or not by year-end.

4 RISK ASSESSMENT

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

- Resources – Approval of the revised capital programme will see a decrease of £134,880 in the level of financing resources needed in 2017/18 and £175,000 of capital financing resources will be moved into 2018/19.
- 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 £634,340, which is a reduction of £134,880 from the previously approved capital budget.

5.2 The Clitheroe Market Improvements scheme is on hold and it is recommended that the £175,000 budget is moved to 2018/19 at revised estimate stage.

5.3 Additional external funding has been received to support two of the housing capital grant schemes in-year and the additional budget amounts, totalling £40,120, have been included in the 2017/18 revised estimate.

5.4 The £367,028 underspend to date against the full year revised estimate is due to lower levels of grant applications being approved for the year to date when compared to the levels of full-year funding the Council has in place for the Disabled Facilities Grants, Landlord Tenant Grants and Affordable Warmth Capital Grants schemes.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve the 2017/18 revised estimate of £634,340 for this Committee's capital programme, as set out in Annex 1.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH3-18/AC/AC
4 January 2018

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

HEALTH AND HOUSING COMMITTEE – REVISED 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 £	Revised Estimate 2017/18 £	Budget Moved to 2018/19 £	Actual Expenditure and Commitments as at end of December 2017 £
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	0	175,000	0
DISCP	Disabled Facilities Grants	297,110	0	170,130	0	467,240	494,350	0	197,174
LANGR	Landlord/Tenant Grants	50,000	0	25,520	0	75,520	75,520	0	26,500
CWARM	Affordable Warmth – Capital Grants	0	0	14,540	10,250	24,790	37,800	0	16,971
PURAP	Remaining Share of Alma Place Property	0	0	0	26,670	26,670	26,670	0	26,667
	Total Health and Housing Committee	347,110	175,000	210,190	36,920	769,220	634,340	175,000	267,312