

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 10

meeting date: 22 MAY 2018
title: CAPITAL OUTTURN 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

- 1.1 The purpose of this report is to review the final outturn of the 2017/18 capital programme for this Committee and to seek member approval for the slippage of some capital scheme budgets from the 2017/18 financial year to the 2018/19 financial year.
- 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 Nine new capital schemes for this Committee, totalling £447,610, were approved by the Policy and Finance Committee and Full Council at their meetings in February 2017.
- 2.2 In addition to the original estimate budget, the following changes were approved:
- There were two 2016/17 capital schemes that were not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on these schemes, £23,600, is known as slippage. This slippage was transferred into the 2017/18 capital programme budget, after approval by this Committee in May 2017.
 - Increases in budget on two schemes, totalling £3,240, were approved by Policy and Finance Committee on 12 September 2017. These are known as additional approvals.
- 2.3 As a result of the above, the total approved budget for this Committee's capital programme of eleven schemes was £474,450.
- 2.4 The revised capital programme budget of £457,630 was then approved by this Committee in January 2018, following a review of progress on each of the eleven schemes.
- 2.5 During the financial year this Committee has received reports monitoring the progress of schemes within the programme.
- 2.6 As part of the closure of accounts process, capital programme expenditure has been capitalised and added to the balance sheet or charged to revenue where appropriate.

3 CAPITAL OUTTURN 2017/18

3.1 Annex 1 shows this Committee's capital programme outturn position by scheme, including budget approvals, actual expenditure in-year and requested slippage into 2018/19. The table below summarises the final outturn position.

Original Estimate 2017/18 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
447,610	23,600	3,240	474,450	457,630	353,871	93,320

3.2 Actual expenditure on this Committee's capital programme was £353,871, which is 77.3% of the revised estimate budget.

3.3 Six of the eleven capital programme schemes were completed in-year and there were no overspends against the revised estimate budgets set for those schemes.

3.4 One of the completed schemes, Renewal of Sections of Floor to Residual Waste Transfer Station, had a large underspend of £10,438. This was because the original scheme was planned for full refurbishment of the shed 1 concrete flooring and drainage works, but following a condition survey it was decided that only partial concrete flooring refurbishment was required alongside drainage works, at a much reduced cost of £4,732. Around the same time, refurbishment work was required on the transfer station roller shutter doors. It was agreed that this work should be undertaken as an addition to this scheme, because it related to and enhanced the useful working life of the waste transfer station and the cost, £4,330, could be contained within the scheme budget.

3.5 Five schemes were not completed in 2017/18, as follows:

- **Play Area Improvements 2017/18 (-£12,939):** Two elements of this scheme were planned and ordered but not completed by the end of March 2018. Firstly, new fencing and footpath work at Edisford play area was in progress at year-end, but completion was held up, largely by bad weather. Secondly, the supplier of the new roundabout ordered at Low Moor was not able to fit the roundabout until June 2018. Slippage of £12,940 into 2018/19 is requested to fund the expenditure required on these two jobs.
- **Off-Street Car Parks – Update of Payment Systems (-£16,340):** The refurbishment update work was initially planned for the final quarter of 2017/18. Following discussions with the preferred supplier who is refurbishing the seven car parking machines, there are issues with compatibility of the replacement mechanism and it will be later in 2018 before this can be resolved by the manufacturer, Thus, the scheme could not be completed in 2017/18 and slippage of £16,340 into 2018/19 is requested to fund the expenditure required in the latter part of 2018/19.
- **Castle Museum – Refurbishment of Windows (-£36,000):** Work has been held up since January 2018, as the Council had to obtain planning approval for lintels work, which was not obtained until March 2018, and the works administration team were subsequently employed on other priority repair and maintenance work. Slippage of £36,000 into 2018/19 is requested to complete the final phases of the originally planned work, along with the additional lintels work and potentially additional lead flashing and pointing work. The lead flashing and pointing was not part of the original scheme specification but the work is required

to prevent water ingress that may affect the windows. Any additional costs will be contained within the scheme budget.

- **Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) – PK07 LSY and PK07 TZG (-£21,589):** Both vehicles were ordered in June 2017, but delivery was put back on several occasions by the supplier. By year-end only one of the two vehicles had been delivered. The one vehicle delivered was only delivered in late March 2018 and this left no time to complete the fitting of additional kit on that vehicle to make it fit for purpose for Council use in-year. Slippage of £21,590 into 2018/19 is requested to complete the purchase of the second vehicle and to fit additional kit on both vehicles so they are fit for purpose for Council use.
- **Ribblesdale Pool Improvement Work (-£6,449):** The main contract retention payment was due to be paid in March 2018, but the contractor is still to complete some final snagging work, which will be undertaken in spring 2018. The retention payment will not be paid until the snagging work is completed. Slippage of £6,450 into 2018/19 is requested to fund the main contract retention payment.

4 SLIPPAGE

4.1 Where capital schemes are not complete at year-end and there is an unspent budget to be moved into the next financial year, this is known as slippage. For this Committee slippage of £93,320 is requested into 2018/19 for five schemes:

- Play Area Improvements 2017/18, £12,940.
- Off-Street Car Parks – Update of Payment Systems, £16,340.
- Castle Museum – Refurbishment of Windows, £36,000.
- Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) – PK07 LSY and PK07 TZG, £21,590.
- Ribblesdale Pool Improvement Work, £6,450.

4.2 Attached at Annex 2 are the individual requests for slippage forms. This Committee is asked to consider and approve these requests.

5 RISK ASSESSMENT

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

- Resources – There are no additional financing requirements needed for this Committee's 2017/18 capital programme. A sum of £93,320 has been set aside in the Council's capital resources to fund the schemes with identified slippage.
- 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 Actual expenditure on this Committee's capital programme was £353,871, which is 77.3% of the revised estimate budget.
- 6.2 Six of the eleven capital programme schemes were completed in-year and there were no overspends against the revised estimate budgets set for those schemes.
- 6.3 Five schemes were not completed in 2017/18 and slippage of £93,320 has been requested to fund the completion of those schemes in the 2018/19 financial year.

7 RECOMMENDED THAT COMMITTEE

- 7.1 Consider the requests for slippage shown at Annex 2 and approve the slippage of £93,320 into the 2018/19 financial year for five schemes:

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM6-18/AC/AC
11 May 2018

For further information please ask for Andrew Cook.

BACKGROUND PAPERS – None

COMMUNITY SERVICES COMMITTEE
CAPITAL PROGRAMME OUTTURN 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Slippage from 2016/17 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Revised Estimate 2017/18 £	Actual Expenditure 2017/18 £	Requested slippage into 2018/19 £
PLAYR	Play Area Improvements 2017/18	40,000	0	0	40,000	40,000	27,061	12,940
CPPAY	Off-Street Car Parks – Update of Payment Systems	14,550	0	1,790	16,340	16,340	0	16,340
CMWIN	Castle Museum – Refurbishment of Windows	62,560	0	0	62,560	62,560	26,560	36,000
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station	19,500	0	0	19,500	19,500	9,062	0
RVJJK	Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)	218,000	0	0	218,000	216,630	216,626	0
WCOJV	Replacement of Works Vehicle (PO54 COJ)	23,500	0	0	23,500	20,950	20,953	0
GVSWO	Replacement of Mower (Kubota) PN09 SWO	15,500	0	1,450	16,950	16,950	16,949	0
SCGMW	Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014)	13,000	0	0	13,000	11,980	11,976	0
GVLSY+ GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	41,000	0	0	41,000	41,000	19,411	21,590
RPIMP	Ribblesdale Pool Improvement Work	0	16,820	0	16,820	4,940	-1,509	6,450
PLAYQ	Play Area Improvements 2016/17	0	6,780	0	6,780	6,780	6,782	0
	Total Community Committee	447,610	23,600	3,240	474,450	457,630	353,871	93,320

COMMUNITY SERVICES COMMITTEE

Annex 2

Request for slippage into 2018/19

Cost Centre and Scheme Title	PLAYR: Play Area Improvements 2017/18
Scheme Description	Improvements to the Borough's eighteen play areas.
Head of Service	Mark Beveridge
Year Originally Approved	2017/18
Revised Estimate 2017/18 for the Scheme	£40,000
Actual Expenditure in the Year 2017/18	£27,061
Variance - (Underspend) or Overspend	(£12,939)
Please provide full reasons for the (under) or over spend variance shown above?	<p>The following projects within this budget were planned and ordered but not completed by the end of March 2018:</p> <ul style="list-style-type: none"> • New fencing and new footpath at Edisford play area, estimated cost £8,206 - This work was in progress at year-end, but completion was held up, largely by bad weather. • New roundabout at Low Moor, estimated cost £4,376 – The supplier was not able to fit the roundabout until June 2018.

Slippage Request

Please grant the amount of Budget Slippage from 2017/18 to 2018/19 requested.	£12,940
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	<p>Slippage will fund the following:</p> <ul style="list-style-type: none"> • New fencing and new footpath at Edisford play area, estimated cost £8,206. • New roundabout at Low Moor, estimated cost £4,376. <p>It is suggested that slippage of £12,940 to 2018/19 is provided to cover these estimated costs plus some contingency.</p> <p>If the slippage cannot be permitted the work will still need to be undertaken and will reduce the scope of work which can be carried out in the new financial year with the budget available.</p>
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	<ul style="list-style-type: none"> • New fencing at Edisford play area - The work has been completed in April 2018. • New footpath at Edisford play area – May 2018. • New roundabout at Low Moor – June 2018.

COMMUNITY SERVICES COMMITTEE

Annex 2

Request for slippage into 2018/19

Cost Centre and Scheme Title	CPPAY: Off Street Car Parks – Upgrade of Payment Systems
Scheme Description	Upgrade seven car parking payment machines, by refurbishment, to enable the machines to accept chip and pin payments.
Head of Service	Adrian Harper
Year Originally Approved	2017/18
Revised Estimate 2017/18 for the Scheme	£16,340
Actual Expenditure in the Year 2017/18	£0
Variance - (Underspend) or Overspend	(£16,340)
Please provide full reasons for the (under) or over spend variance shown above?	The refurbishment work was planned for the final quarter of 2017/18. Following discussions with the preferred supplier who is refurbishing the seven car parking machines, there are issues with compatibility of the replacement mechanism and it will be later in 2018 before this can be resolved by the manufacturer, Thus, the scheme could not be completed in 2017/18.

Slippage Request

Please grant the amount of Budget Slippage from 2017/18 to 2018/19 requested.	£16,340
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	To complete the planned refurbishment of seven car parking payment machines, in line with the preferred quote obtained.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	In the latter half of the 2018/19 financial year.

COMMUNITY SERVICES COMMITTEE

Annex 2

Request for slippage into 2018/19

Cost Centre and Scheme Title	CMWIN: Castle Museum – Refurbishment of Windows
Scheme Description	Refurbishment of all the windows at the castle museum and other associated works.
Head of Service	Adrian Harper
Year Originally Approved	2017/18
Revised Estimate 2017/18 for the Scheme	£62,560
Actual Expenditure in the Year 2017/18	£26,560
Variance - (Underspend) or Overspend	(£36,000)
Please provide full reasons for the (under) or over spend variance shown above?	Work has been held up since January 2018, as the Council had to obtain planning approval for lintels work, which was not obtained until March 2018, and the works administration team were subsequently employed on other priority repair and maintenance work.

Slippage Request

Please grant the amount of Budget Slippage from 2017/18 to 2018/19 requested.	£36,000
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	Slippage will be required to complete the final phases of the originally planned work, along with the additional lintel works and potentially additional lead flashing and pointing work. The lead flashing and pointing was not part of the original scheme specification but the work is required to prevent water ingress that may affect the windows. Any additional costs will be contained within the scheme budget.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	Summer 2018.

COMMUNITY SERVICES COMMITTEE

Annex 2

Request for slippage into 2018/19

Cost Centre and Scheme Title	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG
Scheme Description	Purchase of new vehicles for the Grounds Maintenance/Amenity Cleansing team.
Head of Service	Mark Beveridge
Year Originally Approved	2017/18
Revised Estimate 2017/18 for the Scheme	£41,000
Actual Expenditure in the Year 2017/18	£19,411
Variance - (Underspend) or Overspend	(£21,589)
Please provide full reasons for the (under) or over spend variance shown above?	Both vehicles were ordered in June 2017, but delivery was put back on several occasions by the supplier. By year-end only one of the two vehicles had been delivered. The one vehicle delivered was only delivered in late March 2018 and this left no time to complete the fitting of additional kit on that vehicle to make it fit for purpose for Council use in-year.

Slippage Request

Please grant the amount of Budget Slippage from 2017/18 to 2018/19 requested.	£21,590
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	Slippage is required to complete the purchase of the second vehicle and to fit additional kit on both vehicles so they are fit for purpose for Council use.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	The second vehicle has been delivered and additional kit has been fitted on both vehicles in April and May 2018.

COMMUNITY SERVICES COMMITTEE

Annex 2

Request for slippage into 2018/19

Cost Centre and Scheme Title	RPIMP: Ribblesdale Pool Improvement Work
Scheme Description	Major improvements at Ribblesdale Pool - modernisation work to the reception and changing areas and pool viewing balcony, and the creation of separate disability changing area provision with access from reception and straight to the pool hall.
Head of Service	Mark Beveridge
Year Originally Approved	2016/17
Revised Estimate 2017/18 for the Scheme	£4,940
Actual Expenditure in the Year 2017/18	-£1,509
Variance - (Underspend) or Overspend	(£6,449)
Please provide full reasons for the (under) or over spend variance shown above?	The main contract retention payment was due to be paid in March 2018, but the contractor is to complete some final snagging work in Spring 2018. The retention payment will not be paid until the snagging work is completed.

Slippage Request

Please grant the amount of Budget Slippage from 2017/18 to 2018/19 requested.	£6,450
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered. Attach any information that you feel may be relevant.	Slippage is required to fund the contract retention payment.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	Contract retention payment will be paid by summer 2018, subject to final snagging work being completed satisfactorily.