

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO HEALTH AND HOUSING COMMITTEE

Agenda Item No 7

meeting date: 7 NOVEMBER 2019  
title: CAPITAL MONITORING 2019/20  
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 2019/20 capital programme, for the period to the end of September 2019.

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 schemes for this Committee's original estimate capital programme, totalling £370,000, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2019 and March 2019 respectively.

2.2 In addition to the original estimate budget, the following budget changes have been made so far in 2019/20:

- The Clitheroe Market Improvements scheme, totalling £175,000, was on hold in 2018/19 and the scheme budget was moved from the 2018/19 capital programme to the 2019/20 capital programme.
- There were three 2018/19 capital housing grants schemes that were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £451,280, is known as slippage. This slippage was transferred into the 2019/20 capital programme budget, after approval by this Committee in June 2019.
- Since approval of the original estimate budget for this Committee, the Disabled Facilities Grants (DFGs) funding for 2019/20 from Central Government has been confirmed as £346,368. The DFGs scheme budget was initially set at £320,000 on the basis that this would be changed to reflect the confirmed DFGs funding that was received. Therefore, the DFGs 2019/20 budget was increased by an additional approval of £26,370 to £346,370.
- The Longridge Affordable Housing scheme, with a budget of £234,000, was approved for inclusion in this Committee's capital programme by the Policy and Finance Committee in June 2019.
- The Chipping Community Housing Grant scheme, with a budget of £115,000, was initially approved by this Committee in March 2018, subject to the award meeting the requirements of the Community Housing Fund award. The scheme has now been added to this Committee's capital programme in 2019/20, as the grant is expected to be paid in-year.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of six schemes is £1,371,650. This is shown at Annex 1.

### 3 CAPITAL MONITORING 2019/20

3.1 The table below summarises this Committee's capital programme budget, expenditure to date and variance, as at the end of September 2019. 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.

Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
370,000	175,000	451,280	375,370	1,371,650	267,523	-1,104,127

3.2 At the end of September 2019 £267,523 had been spent or committed. This is 19.5% of the annual capital programme budget for this Committee.

3.3 At this stage, the Affordable Warmth - Capital Grants, Longridge Affordable Housing and Chipping Community Housing Grant schemes are all on track to be completed in-year. Of the other three schemes in the capital programme:

- an initial phase of works on the Clitheroe Market Improvements scheme is on-track to be completed in 2019/20 and some budget will be carried forward at year-end for any future work; and
- spend and commitments on the demand-led Disabled Facilities Grants and Landlord/Tenant Grants schemes are on-going in-year.

3.4 Progress on the schemes with the largest remaining budgets is as follows:

- **Disabled Facilities Grants (-£445,567):** Committed expenditure at the end of September 2019 was based on twenty-four schemes approved in 2018/19 and thirty-two schemes approved so far in 2019/20. In addition to this, there were a further sixteen applications working towards approval, one currently approved scheme where additional approval may be required to fund further work now identified and there are twenty-two referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

This grant scheme is demand-led, being dependent on referrals from Occupational Therapists. Therefore, the actual level of committed expenditure for the year as a whole will be dependent on the number of and value of approved referrals in-year. The number of and value of referrals can vary throughout the year and between years. The DFGs budget is monitored by officers on a monthly basis.

- **Landlord/Tenant Grants (-£134,240):** No schemes have been approved so far in 2019/20, but there are now two potential applicants that are likely to make formal applications before Christmas 2019 and Housing officers will continue to promote the scheme. At this stage, there is no certainty that the scheme budget will be fully committed by year-end. However, because this is a demand-led grant scheme, this may change if additional grant applications are made in-year.

- **Clitheroe Market Improvements (-£175,000):** Initial work on this scheme was approved by this Committee in September 2019. This initial phase of work comprises erecting new uniform canopies on all cabins, hand painting fascia signs on all cabins, refurbishing the market toilets and removing all stalls in the bullring. This work is currently being programmed in and the work is expected to be completed by early 2020.

An overall budget of £118,000 has been set aside for this initial work in 2019/20. It is currently planned to move any unspent budget on the scheme at year-end into the 2020/21 financial year and to bring a report to a future meeting of this Committee in respect of any further improvements proposed to the Market.

- **Longridge Affordable Housing Scheme (-£234,000):** The Council has had an offer accepted on one of the two properties subject to contract and conveyancing is underway. A second property is being considered currently, subject to the budget available and works required. In addition, the lease and management agreement with the registered provider is close to being finalised. At this stage, the scheme is still on-track to be completed in-year, but is dependent on the time taken to complete purchase of and undertake any associated works on the two properties.
- **Chipping Community Housing Grant (-£115,000):** The grant agreement is now in agreed form, subject to the final completion of some supporting documentation. Chipping Land Trust now plan to complete the purchases before the end of the calendar year. The Council will pay the grant monies to the Land Trust just prior to completion of the purchases, in line with the grant agreement. The scheme will be complete at that stage.

#### 4 CONCLUSION

4.1 At the end of September 2019 £267,523 had been spent or committed. This is 19.5% of the annual capital programme budget for this Committee.

4.2 Of the six schemes in the capital programme, three are on-track to be completed in-year. Of the other three schemes:

- an initial phase of works on the Clitheroe Market Improvements scheme is on-track to be completed in 2019/20 and some budget will be carried forward at year-end for any future work; and
- spend and commitments on the demand-led Disabled Facilities Grants and Landlord/Tenant Grants schemes are on-going in-year.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH12-19/AC/AC  
25 October 2019

For further information please ask for Andrew Cook  
BACKGROUND PAPERS – None

## Health and Housing Committee – Capital Programme 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
DISCP	Disabled Facilities Grants	320,000	0	360,120	26,370	706,490	<b>260,923</b>	-445,567
LANGR	Landlord/Tenant Grants	50,000	0	84,240	0	134,240	<b>0</b>	-134,240
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	<b>0</b>	-175,000
CWARM	Affordable Warmth – Capital Grants	0	0	6,920	0	6,920	<b>6,600</b>	-320
LONAH	Longridge Affordable Housing Scheme	0	0	0	234,000	234,000	<b>0</b>	-234,000
CHCHG	Chipping Community Housing Grant	0	0	0	115,000	115,000	<b>0</b>	-115,000
<b>Total Health and Housing Committee</b>		<b>370,000</b>	<b>175,000</b>	<b>451,280</b>	<b>375,370</b>	<b>1,371,650</b>	<b>267,523</b>	<b>-1,104,127</b>

## 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 grant aid to adapt homes so elderly and disabled occupants can remain in their own home. 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:

Administration fees are paid to the Council for any individual Disabled Facilities Grants scheme that the Council administers. The actual administration fee income varies each year, dependent on the number and value of schemes completed in-year.

#### Timescale for Completion:

The Disabled Facilities Grants budget operates throughout the financial year.

#### Capital Cost:

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	320,000		
Slippage from 2018/19	360,120		
Additional Approval 2019/20	26,370		
<b>Total Approved Budget 2019/20</b>	<b>706,490</b>	<b>260,923</b>	<b>-445,567</b>
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>706,490</b>		

#### Progress - Budget Holder Comments

**September 2019:** Committed expenditure at the end of September 2019 was based on twenty four schemes approved in 2018/19 and thirty two schemes approved so far in 2019/20. In addition to this, there were a further sixteen applications working towards approval, one currently approved scheme where additional approval may be required to fund further work now identified and there are twenty two referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

**July 2019:** Committed expenditure at the end of July 2019 was based on twenty five schemes approved in 2018/19 and twenty schemes approved so far in 2019/20. In addition to this, there were a further sixteen applications working towards approval, three currently approved schemes where additional approvals may be required to fund further work now identified and there are fifteen referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

## 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 temporary accommodation as the social housing waiting list is so long. The scheme is also used to bring empty properties back into use.

#### Revenue Implications:

Administration fees are paid to the Council for any individual Landlord/Tenant Grants scheme that the Council administers. The actual administration fee income varies each year, dependent on the number and value of schemes completed in-year.

#### Timescale for Completion:

The Landlord/Tenant Grants budget operates throughout the financial year.

#### Capital Cost:

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	50,000		
Slippage from 2018/19	84,240		
Total Approved Budget 2019/20	134,240	0	-134,240
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>134,240</b>		

#### Progress - Budget Holder Comments

**September 2019:** No schemes have been approved so far in 2019/20, but there are now two potential applicants that are likely to make formal applications before Christmas 2019 and Housing officers will continue to promote the scheme. At this stage, there is no certainty that the scheme budget will be fully committed by year-end. However, because this is a demand-led grant scheme, this may change if additional grant applications are made in-year.

**July 2019:** No schemes have been approved so far in 2019/20. A site visit has been made to one potential applicant, but the property would require planning permission in advance of a grant application. Housing Officers will look to promote the scheme more widely in coming months. At this stage, there is no certainty that the scheme budget will be fully committed by year-end.

## Individual Scheme Details and Budget Holder Comments

### Clitheroe Market Improvements

Service Area: Clitheroe Market  
Head of Service: Heather Barton

#### Brief Description of the Scheme:

The Clitheroe Market Improvements scheme was initially approved in 2015, before the proposed Clitheroe Market re-development plans were announced. As part of approving the 2018/19 capital programme revised estimate at its meeting on 17 January 2019, this Committee approved the move of this £175,000 scheme budget from the 2018/19 capital programme to the 2019/20 capital programme. This is because the scheme was on hold, awaiting the final plans for any development on the market site.

Policy and Finance Committee have since agreed to terminate the Clitheroe Market re-development procurement. As a result of this, officers are developing a new set of plans for this Clitheroe Market Improvements scheme, after consultation with the Market traders, and these plans will be reported to members at a future Health and Housing Committee meeting.

#### Revenue Implications:

To be confirmed - dependent on the proposals developed for approval.

#### Timescale for Completion:

To be confirmed - dependent on the proposals developed for approval.

#### Capital Cost:

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	0		
Budget Moved from 2018/19	175,000		
Total Approved Budget 2019/20	175,000	0	-175,000
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>175,000</b>		

#### Progress - Budget Holder comments:

**September 2019:** Initial work on this scheme was approved by this Committee in September 2019. This initial phase of work comprises erecting new uniform canopies on all cabins, hand painting fascia signs on all cabins, refurbishing the market toilets and removing all stalls in the bull-ring. This work is currently being programmed in and the work is expected to be completed by early 2020.

An overall budget of £118,000 has been set aside for this initial work in 2019/20. It is currently planned to move any unspent budget on the scheme at year-end into the 2020/21 financial year and to bring a report to a future meeting of this Committee in respect of any further improvements proposed to the Market.

**July 2019:** Initial plans to use part of the budget on this scheme are reported to this Committee elsewhere on this agenda. If approved, this initial work will comprise erecting new uniform canopies on all cabins, hand painting fascia signs on all

cabins, refurbishing the market toilets and removing all stalls in the bull-ring. The budgeted cost of this initial work is to be confirmed by this Committee and the work is expected to be completed by March 2020. It is proposed to bring a further report to this Committee in respect of any further improvements proposed to the Market.

**December 2018:** This scheme remains 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 2018/19. It is recommended that the £175,000 budget for this scheme is moved to the 2019/20 financial year and the 2018/19 revised estimate is nil.

**September 2018:** No change - The scheme remains on hold, awaiting the final plans for the Clitheroe Market Development scheme.

**July 2018:** No change - The Clitheroe Market Improvements scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

**November/December 2017:** 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.

**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

### 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 and 2017/18, to allow the Council to provide sustainable heating and insulation grants to eligible applicants. The funding provided can only be spent for this purpose. £6,920 of funding from 2017/18 was still unspent at the end of 2018/19, so this has been carried forward into the 2019/20 capital programme as slippage.

**Revenue Implications:**

None

**Timescale for Completion:**

Throughout the financial year – April to March

**Capital Cost:**

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	0		
Slippage from 2018/19	6,920		
Total Approved Budget 2019/20	6,920	6,600	-320
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>6,920</b>		

**Progress - Budget Holder comments:**

**September 2019:** Committed expenditure at the end of September 2019 was based on three grants approved in 2018/19 and six grants approved so far in 2019/20. The rest of the budget is expected to be fully committed in-year.

**July 2019:** Committed expenditure at the end of July 2019 was based on three grants approved in 2018/19 and five grants approved so far in 2019/20. The rest of the budget is expected to be fully committed in-year.

## Individual Scheme Details and Budget Holder Comments

### Longridge Affordable Housing Scheme

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

#### Brief Description of the Scheme:

The purchase of two properties in Longridge to be rented out as affordable rental units, utilising commuted sum monies. The proposal is to purchase 1 x 3 bed and 1 x 2 bed property in the town centre. The properties will be leased to a registered provider and the Council will have 100% nomination rights and the rent will be capped at LHA rate.

#### Revenue Implications:

Annual lease income from the registered provider (amount to be confirmed).

#### Timescale for Completion:

Purchase the properties in 2019/20.

#### Capital Cost:

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	0		
Additional Approval 2019/20	234,000		
Total Approved Budget 2019/20	234,000	0	-234,000
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>234,000</b>		

#### Progress - Budget Holder comments:

**September 2019:** The Council has had an offer accepted on one of the two properties subject to contract and conveyancing is underway. A second property is being considered currently, subject to the budget available and works required. In addition, the lease and management agreement with the registered provider is close to being finalised. At this stage, the scheme is still on-track to be completed in-year, but is dependent on the time taken to complete purchase of and undertake any associated works on the two properties.

**July 2019:** Following members approval to purchase two properties in Longridge, to be affordable units, discussions have been on-going with a registered provider, who will manage the properties, and a draft Management Agreement is currently under consideration. A joint visit has been arranged with the Council's surveying team and the registered provider's surveying team to view one of the properties in early September 2019. The scheme is on-track to be completed in-year, but is dependent on final agreement of the lease and Management Agreement and the time taken to complete purchase of and undertake any associated works on two suitable properties.

## Individual Scheme Details and Budget Holder Comments

### Chipping Community Housing Grant

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

**Brief Description of the Scheme:**

Use of £115,000 of Community Housing Fund grant from MHCLG to provide a grant to Chipping Community Land Trust to help purchase three new properties in Chipping. The grant will fund 50% of the purchase price paid by the Land Trust. Once purchased, the three properties will be rented out by the Land Trust as affordable rental units. The Council will have 100% nomination rights and the rent will be capped at LHA rate.

This grant award was approved by the Health and Housing Committee in March 2018, subject to the award meeting the requirements of the Community Housing Fund award, which it does. The scheme has now been added to this Committee's capital programme, as the grant agreement with the Land Trust is close to being finalised.

**Revenue Implications:**

None.

**Timescale for Completion:**

November 2019.

**Capital Cost:**

	£	Actual Expenditure including commitments as at end of September 2019 £	Remaining Budget as at end of September 2019 £
Original Estimate 2019/20	0		
Additional Approval 2019/20	115,000		
Total Approved Budget 2019/20	115,000	0	-115,000
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>115,000</b>		

**Progress - Budget Holder comments:**

**September 2019:** The grant agreement is now in agreed form, subject to the final completion of some supporting documentation. Chipping Land Trust now plan to complete the purchases before the end of the calendar year. The Council will pay the grant monies to the Land Trust just prior to completion of the purchases, in line with the grant agreement.

**July 2019:** Chipping Community Land Trust have a planned completion date of November 2019 for the three properties being purchased. The Council will pay the grant monies to the Land Trust just prior to completion of the purchases, under a grant agreement between the Council and the Land Trust. The grant agreement has been considered by Corporate Management Team and is close to being finalised.