

# AGENDA ITEM 6

## COMMUNITY AND SOCIAL AFFAIRS COMMITTEE

13 SEPTEMBER 2017

### REPORT OF CORPORATE DIRECTOR

#### CAPITAL PROGRAMME MONITORING TO 31 JULY 2017

#### 1.0 PURPOSE OF THE REPORT

- 1.1 To update the Committee on the progress of schemes within the Capital Programme to 31<sup>st</sup> July 2017.

#### 2.0 RECOMMENDATIONS

- 2.1 Members note the progress made on each capital scheme and that the capital programme will be amended as part of the budget setting process as outlined in sections 5.3 and 5.4; and
- 2.2 Members note the revised HRA capital programme under the Head of Communities and Neighbourhoods delegation as detailed in paragraph 5.4.
- 2.3 Members consider whether to reduce the Public Conveniences scheme or recommend a supplementary estimate to the Policy, Finance & Administration Committee for approval of £50,000 to be funded from capital receipts in order to progress the Public Conveniences Project for the construction of two new facilities.

#### 3.0 KEY ISSUES

- 3.1 Under the Capital Programme Project Appraisal System, monitoring of actual capital expenditure against authorised expenditure is undertaken on a regular basis and reported to the Management Team in its capacity as the Council's Programme Board. Appendix A gives details of the spending against budget for all schemes within this Committee up to 31 July which is the latest available information at the agenda date.

#### 4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 Policy and corporate implications were addressed in setting the current year's budget. There are no further policy and corporate implications arising from this report.

#### 5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 The financial implications for each scheme are as set out in Appendix A
- 5.2 The overall position for all capital schemes falling within this Committee is as set out below.

Capital Schemes	Allocated Funding 2017/18 Budget	Authorised Funding 2017/18 (Business Case Approved)	Actual Expenditure to 31 July 2017	Year End Forecast	Year End Variance (-) Underspend
	£'000	£'000	£'000	£'000	£'000
General Expenses	694	694	76	667	-27
HRA	7,851	7,851	613	7,851	0

- 5.3 The forecast is generally in line with the budget with schemes progressing although much expenditure has yet to be incurred. There are three exceptions to this:

#### General Expenses:

- Disabled Facilities Grants – At this early stage it is expected that there will be an underspend against budget of £67k for which alternative uses are being explored. However, it is difficult to predict given the changes due to come in October regarding lightbulb which may progress the service. The Project Manager will produce a report with the options for the underspend as the year progresses to reach an agreement on alternative uses with other partners. It should be noted that if there is any remaining underspend against funding it will have to be re-paid.
- The Warm Homes Grant budget will be reduced by £10k as part of the budget setting process later in the year to reflect the refund of a repayment of a grant from 2016/17 which was partially funding the budget in 2017/18.
- Tenders in relation to the Public Conveniences project have been received and evaluated with the anticipated costs of the main contract and other associated costs being £50k over budget. Members are asked to consider either increasing the programme or developing only one of the two sites (likely Wilton Road) and are asked to instruct officers as per recommendation 2.3

5.4 It should be noted that under delegated authority, the Head of Communities and Neighbourhoods has adjusted the HRA capital programme as outlined in Appendix A. As also outlined in Appendix A, there are two programmes for which the budget will be moved into 2018/19 as part of the budget setting process later in the year.

#### 5.5 HRA

One of the key aims of the HRA capital programme is to address any Decent Homes failures. The Housing Stock Condition shows the following major failures for 2017/18:-

- Kitchens & Bathroom - 167 properties-Contract let, completed in 2017/18
- Roofing -91 properties- Final year of contract, nearly completed.
- Electrical Works- 400 properties- Contract procurement commenced, contract to be let during 2017/18.

The Electrical re-wiring contract has taken longer than anticipated due to procurement compliance issues; however, the tender notice has been issued and is on track with the revised project plan.

#### 6.0 LEGAL IMPLICATIONS

6.1 Legal implications/powers were addressed in setting the current year's programme. There are no further legal implications arising from this report.

#### 7.0 COMMUNITY SAFETY

7.1 Individual schemes could have links to community safety issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

#### 8.0 EQUALITIES

8.1 Individual schemes could have links to equalities issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

#### 9.0 RISKS

9.1 These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

## **10.0 CLIMATE CHANGE**

10.1 Individual schemes could have links to climate change issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

## **11.0 CONSULTATION**

11.1 Consultation takes place between project managers and the Financial Accountant to determine the information included in Appendix A. Reports are also prepared on a quarterly basis for the Programme Board.

## **12.0 WARDS AFFECTED**

12.1 To varying degrees all wards are affected by capital schemes within this Committee

Contact Officer: Natasha Bailey  
Date: 18<sup>th</sup> August 2017  
Appendices: Appendix A – Capital Programme Progress Report – Jul 2017  
Background Papers: Oracle Financial Reports  
Budget Holder Comments on Performance  
Reference: X:\Cttee, Council & Sub Cttees\CSA\2017.18\130917/DG-Capital Prog. Monitoring-  
Apr 17 to Jul 17.