

# COMMUNITY AND SOCIAL AFFAIRS COMMITTEE

15 NOVEMBER 2017

## REPORT OF CORPORATE DIRECTOR

### CAPITAL PROGRAMME MONITORING TO 31 OCTOBER 2017 AND CAPITAL PROGRAMME 2017-2022

#### 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> October 2017.
- 1.2 To determine the Committee's Capital Programme for 2017-22 based on a review of spending in the current year's programme and schemes included in the programme for later years.

#### 2.0 RECOMMENDATIONS

- 2.1 **Members note the progress made on the capital schemes as attached at Appendix A; and**
- 2.2 **The Committee approves the revised Capital Programme for 2017-22 attached as Appendix B and note that there are no schemes currently being submitted for funding as part of the budget setting in 2018/19.**

#### 3.0 KEY ISSUES

##### 3.1 Capital Programme Monitoring

- 3.1.1 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 October which is the latest available information at the agenda date.
- 3.1.2 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 October 2017	Year End Forecast	Year End Variance (-) Underspend
	£'000	£'000	£'000	£'000	£'000
General Expenses	744	744	125	667	-77
HRA	7,851	7,851	1,116	4,127	3,724

- 3.1.3 The forecast with regard to general fund is generally in line with the budget with schemes progressing although much expenditure has yet to be incurred. There are two 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 regarding lightbulb which may progress the service. It should be noted that if there is any remaining underspend against funding it will have to be re-paid; and
  - The Warm Homes Grant budget has been reduced by £10k to reflect the refund of a repayment of a grant from 2016/17 which was partially funding the budget in 2017/18. It should be noted that as there have not yet been any repayments of grants in 2017/18, there is no provision included within the programme for 2018/19. Should any repayments be received, a request to use these to fund the on-going provision of the Warm Homes Grants will be brought back to Committee at a later date.
- 3.1.4 The HRA is expecting to be significantly underspent in 2017/18 following a review of the schemes and the programme has been re-profiled and adjusted more in line with the project requirements. The key issues affecting the spend profile, were around bedding in the corporate property services team, focus on properly closing key projects (Cattle Market phase 1 and Granby House) and robust project initiation for the Beckmill Regeneration project and feasibility for Gretton Court.

The HAMP which will be presented to members at their January 2018 committee will outline an ambitious, deliverable and affordable programme over the next 5 years.

## 3.2 Capital Programme 2017-22

- 3.2.1 The Capital Programme 2017-22 for this Committee is attached at Appendix B. The Programme gives the total cost of each scheme, the spending profile, the amounts authorised to be spent and the stage each scheme has reached within the Capital Programme Project Appraisal System

## 3.3 Changes to the Programme

- 3.3.1 The proposed changes that have been made to the Capital Programme for the current and future years are set out within Appendix B.
- 3.3.2 In addition to the changes highlighted above in section 3.1.3, a summary of the proposed changes to the General Fund and HRA Capital Programmes are as follows:

### General Fund

- Disabled Facilities Grants – Addition of £237k in 2021/22 to reflect the assumed funding. This funding going forward is linked to the Better Care Fund and the Council has signed up to the Lightbulb project which includes the delivery of the DFG service. The amounts within the programme include an allowance for capitalisation of some associated costs.

### HRA

- The additions to the capital programme for 2019/20 to 2021/22 have been included as per the Head of Communities and Neighbourhoods delegation to amend the schemes, with costs based on the refreshed stock condition database which shows the investment needed to maintain decent homes which is a key feature in the HAMP priorities.

3.3.3 The above changes result in £6,121k of schemes being included in the capital programme for 2018-19, £237k related to General Expenses and £5,884k related to the HRA as shown in Appendix B.

3.3.4 Members should note that within the Homelessness revenue budget there is £53k of grant funding which has been received in relation to Flexible Homeless Support. A review is currently being undertaken to determine what this funding will be used for which may result in a capital bid being presented to this Committee at a later date. Any amounts used would reduce the amount available to be spent within revenue.

#### **4.0 POLICY AND CORPORATE IMPLICATIONS**

4.1 Policy and corporate implications in relation to the current capital programme were addressed in setting the current year's budget. Any policy and corporate implications for the proposed capital programme should be covered in any associated reports and forms linked to these schemes as they progress through the decision making process.

#### **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 The financial and resource implications for the proposed capital programme have been addressed within section 3.

5.2 The financial implications for each current scheme are as set out in Appendix A.

#### **6.0 LEGAL IMPLICATIONS**

6.1 Legal implications/powers were addressed in setting the current year's programme. For the proposed capital programme individual schemes could have links to legal issues. These should be covered in any associated reports and forms linked to these schemes as they progress through the decision making process.

#### **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 There will be risks associated with each of the individual projects and these should be considered as the schemes progress through the decision making process. There is also the risk that the Council is unable to fund all of the schemes in the Capital Programme and therefore public expectations may not be met.

#### **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 to be included in Appendices A and B. In addition, the capital programmes reports are submitted to the Council's Programme Board. The extent to which consultation has been undertaken on individual schemes is set out in the associated project mandates.

## 12.0 WARDS AFFECTED

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

Contact Officer: Natasha Allsopp  
Date: 2 November 2017  
Appendices: Appendix A – Capital Programme Progress Report – Oct 2017  
Appendix B – Capital Programme 2017-2022  
Background Papers: Oracle Financial Reports  
Budget Holder Comments on Performance  
Reference: X:\Cttee, Council & Sub Cttees\CSA\2017.18\151117/DG-Capital Prog. Monitoring-  
Apr 17 to Oct 17 and Capital Programme 2017-22.