

# Cabinet

16 September 2020

**Report of:** Councillor Ronnie de Burle -  
Portfolio Holder for Corporate  
Finance and Resources

## Capital Programme Monitoring to 31 July 2020

<b>Corporate Priority:</b>	OG3 Becoming a more agile and commercial Council; securing our financial future
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No
<b>Key Decision:</b>	No
<b>Subject to call-in:</b>	No Not key decision

### 1 Summary

- 1.1 To provide a financial progress update on the Capital Programme for the period 1 April 2020 to 31 July 2020
- 1.2 As at 31 July budget holders are forecasting to be in line with budget on the HRA Capital Programme and General Fund.
- 1.3 In addition to formal Quarterly reporting to Cabinet, the budget position is reported regularly to the Senior Leadership Team. This is to ensure any early warnings that highlight pressures can be collectively resolved

### 2 Recommendation

- 2.1 That Cabinet notes the financial position on the Capital Programme to 31 July and year end forecast.

### 3 Reason for Recommendation

- 3.1 The Council, having set an agreed Budget at the start of the financial year, needs to ensure the delivery of this Budget is achieved. Consequently there is a requirement to regularly monitor progress so corrective action can be taken when required which is enhanced with the regular reporting of the financial position.

### 4 Background

- 4.1 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 Senior Leadership Team. Appendices A to B give details of the spending against budget for all projects up to 31 July 2020.

### 5 Main Considerations

- 5.1 The overall position for all capital projects is as set out below and the financial implications outlined in Appendices A to B.

	Budget For 2020-21 £000	Actual April 20 to July 20 £000	Year End Forecast £000	Variance (-) = Underspend £000
General Expenses	999	112	999	0
HRA	5,291	718	5,291	0
Total	6,290	830	6,290	0

- 5.2 Total Expenditure to date is £830k against annual budget and forecast of £6,290k.
- 5.3 General Expenses are forecasting to be in line with the original budget.
- 5.4 Within General Expenses Disabled facilities Grant (DFG) is include. In 2019 The Housing Services Partnership established a County-wide Task and Finish group. Their main aim was to establish demand and focus and on solutions for the increasing number of hoarding cases being referred to District Councils, County Council and the Housing Enablement Team. Hoarding is impactful for individuals, families, communities and services and anecdotally is reported by front line services in Leicestershire to be increasing in numbers and complexity. The recommendation was to top slice £315k (£45k per District) from the DFG monies within the Better Care Fund to run a pilot which will enable a clear assessment and outcome pathway's for hoarding and self neglect. The aim is to have a joined up preventative approach, which is cost effective. This will mean less cases being of higher need / expense for residents of Leicestershire. The provision in the capital programme reflects this top slice.
- 5.5 The HRA budget is forecasting to spend all capital project monies for 2020/21 by year end. Although some expenditure has been incurred the majority of projects in the programme are yet to commence. The key reasons for this are the impact of Covid-19 and resourcing issues with are now being progressed with the recommencement of recruitment. This poses a risk to the delivery of the programme in full as has currently been projected.

## **6 Options Considered**

- 6.1 No other options considered as If the report was not provided councillors would not be aware of ongoing developments and therefore would not be able to represent their residents effectively.

## **7 Consultation**

- 7.1 The Service Accountant and Budget Holders reviewed the financial performance of the Capital Programme.

## **8 Next Steps – Implementation and Communication**

- 8.1 None

## **9 Financial Implications**

- 9.1 It is still early in the year and the impact of Covid could affect the capacity to deliver. It is expected a clearer picture will emerge in later reports but it should be noted there is a risk of non-delivery in line with current forecast.

- 9.2 All other financial implications have been addressed in section 5.

**Financial Implications reviewed by: Section 151 Officer**

## **10 Legal and Governance Implications**

- 10.1 Cabinet are responsible for oversight of the financial management and monitoring of budgets. There are no legal implications arising from the report.

**Legal Implications reviewed by: Monitoring Officer**

## **11 Equality and Safeguarding Implications**

- 11.1 There are no equalities issues arising from this report.

## **12 Community Safety Implications**

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

## **13 Environmental and Climate Change Implications**

- 13.1 No implications have been identified.

## **14 Other Implications (where significant)**

14.1 No other implications have been identified.

## 15 Risk & Mitigation

15.1 The risks relating to individual projects will be considered as part of the project management process for each scheme.

15.2 There is as set out above the risk that the HRA budget will not be spent in year and this will be considered further against the resources available to deliver the programme moving forward

Risk No	Risk Description	Likelihood	Impact	Risk
1	Adequate resource in place to deliver projects	Significant	Critical	Medium Risk
2	Covid-19 may result in access to properties not be allowed and which could impact on delivering HRA Capital projects	Significant	Critical	Medium Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant			1,2	
	3 Low				
	2 Very Low				
	1 Almost impossible				

## 16 Background Papers

16.1 None

## 17 Appendices

17.1 Appendix A - General Expenses Capital Programme 2020-21

17.2 Appendix B - HRA Capital Programme 2020-21

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