

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 13 JANUARY 2022
title: REVISED CAPITAL PROGRAMME 2021/22
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the 2021/22 revised estimate for this Committee's capital programme.

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 needs.
- Other Considerations – none identified.

2 2021/22 CAPITAL PROGRAMME BACKGROUND

2.1 Five capital schemes for this Committee's original estimate budget, totalling £639,640, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2021 and March 2021 respectively. This included four new scheme budgets for 2021/22 and budgets for two 2020/21 schemes that had been moved from the 2020/21 capital programme to the 2021/22 capital programme.

2.2 In addition to the original estimate budget above, the following budget changes have been made so far in 2021/22:

- Three capital schemes were not completed by 31 March 2021 and had unspent budget available at that date. The total unspent budget of £595,170 on those schemes, known as slippage, has been moved into the 2021/22 capital programme budget, after approval by this Committee in June 2021.
- Since approval of the original estimate budget for this Committee, the Disabled Facilities Grants (DFGs) funding for 2021/22 from Central Government has been confirmed as £393,008. The DFGs scheme budget was initially set at £347,000 on the basis that this would be changed to reflect the confirmed DFGs funding that was received. Therefore, the DFGs 2021/22 budget was increased by £46,010 to £393,010.
- Two additional capital schemes, with budgets totalling £55,740, were approved by Policy and Finance Committee in March 2021.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of eight schemes was £1,336,560. This is shown in Annex 1.

3 REVISING THE 2021/22 CAPITAL PROGRAMME

3.1 We have now discussed each of the schemes in the capital programme with budget holders and revised the programme to reflect their progress and estimated full year expenditure. Following this review, the revised estimate is £1,049,100, a reduction of £287,460 from the total approved budget. The reasons for this are as follows:

- **Disabled Facilities Grants (+£47,380):** In Autumn 2021, Onward Homes confirmed that they will contribute £47,377 towards the cost of disabled adaptations carried out at their properties in 2021/22 under the DFGs regime. This is in line with the transfer agreement undertakings agreed in 2008 when the Council transferred its council housing stock to Ribble Valley Homes (who are now part of Onward Homes). This funding is ring-fenced for disabled adaptations only so the DFGs 2021/22 revised estimate has been increased by £47,380 to £1,007,890.
- **Landlord/Tenant Grants (-£186,740):** Committed expenditure of £15,900 at the end of November 2021 was based on the one scheme approved and completed in-year so far. No other schemes have been approved so far in 2021/22. This reflects reduced landlord interest in the scheme. Proposals continue to be developed to amend the scheme following which further promotion will be undertaken.

Given the above, further grant approvals are unlikely in-year and it is proposed that the 2021/22 revised estimate is reduced to £15,900 and £186,740 of the budget is moved to 2022/23.

- **Clitheroe Market Improvements (-£78,600):** The meetings with market traders began again (following their postponement during lockdowns), but engagement with the casual stallholder traders is also planned, so improvement plans can be developed. The aim is to complete the improvement works in 2022/23, so it is proposed that the 2021/22 revised estimate is reduced to nil and the £78,600 scheme budget is moved to 2022/23.

The temporary improvements to weatherproof the backs of stalls have been completed. In addition, the Council have invested in enhanced Christmas lighting as part of the Welcome Back Fund work and facilitated a Christmas lights switch on.

- **Replacement of Pest Control Van PK13 FJP (-£13,800):** The current van is in good enough condition to continue to be used throughout 2021/22, so the purchase of the new van will now take place in 2022/23. An updated guide price has been obtained for a replacement van. This price, plus additional costs for fitting out the van so it is fit for pest control use, mean the latest cost estimate is now £16,000, which is a £2,200 increase on the current £13,800 scheme budget.

Given the above, it is proposed that the 2021/22 revised estimate is reduced to nil, that the current scheme budget of £13,800 is moved to 2022/23 and that this Committee recommends Policy and Finance Committee to approve additional budget of £2,200 for this scheme in 2022/23.

- **Replacement of Dog Warden Van PE64 EYC (-£13,500):** The current van is in good enough condition to continue to be used throughout 2021/22, so the purchase of the new van will now take place in 2022/23. An updated guide price has been obtained for a replacement van. This price, plus additional costs for fitting out the van so it is fit for dog warden use, mean the latest cost estimate is now £16,000, which is a £2,500 increase on the current £13,500 scheme budget.

Given the above, it is proposed that the 2021/22 revised estimate is reduced to nil, that the current scheme budget of £13,500 is moved to 2022/23 and that this Committee recommends Policy and Finance Committee to approve additional budget of £2,500 for this scheme in 2022/23.

- **Joiners Arms Roof Renewal (-£42,200):** The completion of the scheme is subject to delay due to the lead time for the slate roof tiles (estimated delivery time being August 2022) meaning this will not be complete in the current programme year. The contractor has also notified the Council of an 8% uplift in the slate materials costs from the supplier. The latest scheme cost is £43,050 plus an 8% increase in slate costs, meaning the scheme cost is likely to increase further. The work was ordered on this basis.

Given this, it is proposed that the 2021/22 revised estimate is reduced to nil and the £42,200 scheme budget is moved to 2022/23. Once the final scheme cost is confirmed then an additional budget approval will be requested.

- 3.2 Annex 1 shows the full capital programme by scheme, including the budget and expenditure (including commitments) to date. The summary position is shown below.

Original Estimate 2021/22 £	Budget Moved from 2020/21 £	Slippage from 2020/21 £	Additional Approvals 2021/22 £	Total Approved Budget 2021/22 £	Revised Estimate 2021/22 £	Budget Moved to 2022/23 £	Actual Expenditure including commitments as at end of November 2021 £
424,300	215,340	595,170	101,750	1,336,560	1,049,100	334,840	337,794

- 3.3 At the end of November 2021 £337,794 had been spent or committed. This is 32.2% of the revised estimate capital programme for this Committee.

- 3.4 Of the four schemes in the capital programme at this stage, two are currently expected to be completed in-year, although one scheme must await the completion of the other scheme before further work can commence, and the other two schemes are on-going grants schemes.

- 3.5 Progress on the three schemes with remaining budgets in 2021/22 is as follows:

- **Disabled Facilities Grants (£685,996):** Committed expenditure at the end of November 2021 was based on seventeen schemes approved in previous years and thirty-one schemes approved so far in 2021/22. In addition to this, there were a further fifteen applications working towards approval, six currently approved schemes where additional approval may be required to fund further work now identified and there were twenty-eight referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

Progressing grants to approval continues to be delayed particularly by contractor availability and concerns around the Pandemic resulting in less grants being approved and completed in-year.

At this stage, there is no certainty that the scheme budget will be fully committed by year-end. Any unspent budget at year-end will be rolled forward as slippage into 2022/23 because this scheme is financed by ring-fenced DFGs grant income from MHCLG and disabled adaptations funding from Onward Homes.

- **Joiners Arms Flats 1 and 2 Renovation (£13,540):** This renovation has been dependent upon the roof renewal works at the Joiners Arms, which are delayed until 2022/23. However, urgent patch repairs will now be undertaken at the Joiners Arms to enable the renovation to go ahead earlier thereby bringing the flats back into use. The flats renovation project should therefore be completed within the programme year.

- **Clitheroe Affordable Housing Scheme (£11,770):** The property is still being temporarily used as a homeless let until the Joiners Arms Flats 1 and 2 Renovation scheme is completed, meaning the final refurbishment works are still to be completed. At this stage, subject to the return of flats 1 and 2 into use (see above) it is possible that this work may now be completed within the programme year.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – Approval of the revised capital programme will see a decrease of £287,460 in the level of financing resources needed within the 2021/22 financial year. This reflects £334,840 of budget on five schemes being moved to the 2022/23 financial year, together with the associated capital financing resources, and also the additional DFGs in-year budget of £47,380, which has been financed by additional funding received from Onward Homes. £4,700 additional budget is required for two of the schemes being moved to the 2022/23 financial year. Additional financing of £4,700 must be approved by Policy and Finance Committee before those two schemes can go ahead.
- 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.

5 CONCLUSION

5.1 The 2021/22 revised estimate for this Committee's capital programme is £1,049,100, with £334,840 proposed to be moved into the 2022/23 financial year.

5.2 £4,700 additional budget approval and financing is required for two schemes being moved to the 2022/23 financial year.

5.3 At the end of November 2021 £337,794 had been spent or committed. This is 32.2% of the revised estimate capital programme for this Committee.

5.4 Of the four schemes in the capital programme at this stage, two are currently expected to be completed in-year, although one scheme must await the completion of the other scheme before further work can commence, and the other two schemes are on-going grants schemes.

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the 2021/22 revised estimate of £1,049,100 for this Committee's capital programme, as set out in Annex 1.

6.2 Approve the transfer of the following capital budgets from 2021/22 to 2022/23:

- Landlord/Tenant Grants, £186,740.
- Clitheroe Market Improvements, £78,600.
- Replacement of Pest Control Van PK13 FJP, £13,800.
- Replacement of Dog Warden Van PE64 EYC, £13,500.

- Joiners Arms Roof Renewal, £42,200.

6.3 Recommend to Policy and Finance Committee the approval of additional budgets on the following capital schemes in 2022/23, subject to additional funding being identified:

- Replacement of Pest Control Van PK13 FJP, £2,200.
- Replacement of Dog Warden Van PE64 EYC, £2,500.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH03-22/AC/AC

4 January 2022

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

HEALTH AND HOUSING COMMITTEE – REVISED CAPITAL PROGRAMME 2021/22

Cost Centre	Scheme	Original Estimate 2021/22 £	Budget Moved from 2020/21 £	Slippage from 2020/21 £	Additional Approvals 2021/22 £	Total Approved Budget 2021/22 £	Revised Estimate 2021/22 £	Budget Moved to 2022/23 £	Actual Expenditure including commitments as at end of November 2021 £
DISCP	Disabled Facilities Grants	347,000	0	567,500	46,010	960,510	1,007,890	0	321,894
LANGR	Landlord/Tenant Grants	50,000	136,740	15,900	0	202,640	15,900	186,740	15,900
CMIMP	Clitheroe Market Improvements	0	78,600	0	0	78,600	0	78,600	0
PVFJP	Replacement of Pest Control Van PK13 FJP	13,800	0	0	0	13,800	0	13,800	0
PVEYC	Replacement of Dog Warden Van PE64 EYC	13,500	0	0	0	13,500	0	13,500	0
CLIAH	Clitheroe Affordable Housing Scheme	0	0	11,770	0	11,770	11,770	0	0
JROOF	Joiners Arms Roof Renewal	0	0	0	42,200	42,200	0	42,200	0
JRENO	Joiners Arms Flats 1 and 2 Renovation	0	0	0	13,540	13,540	13,540	0	0
Total Health and Housing Committee		424,300	215,340	595,170	101,750	1,336,560	1,049,100	334,840	337,794