

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 9 JUNE 2022
title: CAPITAL OUTTURN 2021/22
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To report the 2021/22 capital programme outturn for this Committee and to seek member approval for the slippage of some capital scheme budgets from the 2021/22 financial year to the 2022/23 financial year.

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 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 were made:

- 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, was 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 was 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-year.

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.

2.4 The revised capital programme budget of £1,049,100 for four schemes was then approved by the Special Policy and Finance Committee in February 2022, following a review of progress on all schemes in the capital programme. This included moving £334,840 of budget on five schemes into the 2022/23 financial year. The revised estimate budget is shown at Annex 1.

2.5 During the financial year this Committee has received reports monitoring the progress of schemes within the capital programme.

3 CAPITAL OUTTURN 2021/22

3.1 Annex 1 shows this Committee's capital programme outturn position by scheme, including budget approvals, actual expenditure in-year and requested slippage into 2022/23. The table below summarises the final outturn position.

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 2021/22 £	Requested Slippage into 2022/23 £
424,300	215,340	595,170	101,750	1,336,560	1,049,100	334,840	391,039	657,620

3.2 Actual expenditure on the capital programme was £391,039, which is 37.3% of the revised estimate budget.

3.3 Two of the four schemes in the revised capital programme were completed in-year.

3.4 Two schemes were not completed in-year, as follows:

- **Disabled Facilities Grants (-£645,852):** A reduced number of DFGs schemes were approved and completed in-year. This was due to continuing concerns around the Pandemic for the first threequarters of the year, a vacancy in the Surveyors' team for part of the year and reduced contractor availability to complete works all year. Slippage of £645,850 into 2022/23 is requested to fund on-going DFGs spend in 2022/23. *NOTE - The underspent budget is financed by ring-fenced funding from DLUHC, so any underspend from 2021/22 must be allocated to Disabled Facilities Grants in 2022/23.*
- **Clitheroe Affordable Housing Scheme (-£11,770):** The property was purchased in 2020/21 and some of the planned refurbishment work was completed in that year also. However, this scheme was put on-hold in January 2021 whilst the property was temporarily used as a homeless unit. Use as a homeless unit has continued throughout 2021/22 and into 2022/23 to cover initially for Flats 1 and 2 at Joiners Arms being out of service and most recently because of an increased demand for temporary accommodation for larger families. As a result of this the final refurbishment works on this scheme were not completed in 2021/22.

The latest plan is for this property to be used as a homeless unit until November 2022, at which point the refurbishment can be completed and the property leased to the registered provider for affordable rent. Slippage of £11,770 into 2022/23 is requested to fund the final refurbishment works required.

4 SLIPPAGE

4.1 Where capital schemes are not complete at year-end and budget is requested to be moved into the next financial year, this is known as slippage. For this Committee slippage of £657,620 is requested into 2022/23 for two schemes:

- Disabled Facilities Grants, £645,850.
- Clitheroe Affordable Housing Scheme, £11,770.

4.2 Attached at Annex 2 are the individual “Request for slippage” forms. This Committee is asked to consider and approve these requests.

5 RISK ASSESSMENT

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

- Resources – There are no additional financing requirements needed for this Committee’s 2021/22 capital programme. Capital resources are already in place to fund the £657,620 requested slippage to the 2022/23 financial year. The Council is required to use any ring-fenced funding received only for the specific purposes it is granted for. The slippage on the Disabled Facilities Grants scheme falls within this area.
- 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.

6 CONCLUSION

6.1 Actual expenditure on the capital programme was £391,039, which is 37.3% of the revised estimate budget.

6.2 Two of the four schemes in the revised capital programme were completed in-year.

6.3 Two schemes were not completed in 2021/22. Slippage of £657,620 has been requested to fund expenditure on those schemes in 2022/23.

7 RECOMMENDED THAT COMMITTEE

7.1 Approve the slippage of the following budgets into the 2022/23 capital programme:

- Disabled Facilities Grants, £645,850.
- Clitheroe Affordable Housing Scheme, £11,770.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH3-22/AC/AC
25 May 2022

ANNEX 1

HEALTH AND HOUSING COMMITTEE – CAPITAL PROGRAMME OUTTURN 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 2021/22 £	Requested Slippage into 2022/23 £
DISCP	Disabled Facilities Grants	347,000	0	567,500	46,010	960,510	1,007,890	0	362,038	645,850
LANGR	Landlord/Tenant Grants	50,000	136,740	15,900	0	202,640	15,900	186,740	15,900	0
CMIMP	Clitheroe Market Improvements	0	78,600	0	0	78,600	0	78,600	0	0
PVFJP	Replacement of Pest Control Van PK13 FJP	13,800	0	0	0	13,800	0	13,800	0	0
PVEYC	Replacement of Dog Warden Van PE64 EYC	13,500	0	0	0	13,500	0	13,500	0	0
CLIAH	Clitheroe Affordable Housing Scheme	0	0	11,770	0	11,770	11,770	0	0	11,770
JROOF	Joiners Arms Roof Renewal	0	0	0	42,200	42,200	0	42,200	0	0
JRENO	Joiners Arms Flats 1 and 2 Renovation	0	0	0	13,540	13,540	13,540	0	13,101	0
Total Health and Housing Committee		424,300	215,340	595,170	101,750	1,336,560	1,049,100	334,840	391,039	657,620

ANNEX 2

**HEALTH AND HOUSING COMMITTEE – CAPITAL PROGRAMME
OUTTURN 2021/22**

Request for slippage into 2022/23

Cost Centre and Scheme Title	DISCP: Disabled Facilities Grants
Scheme Description	Disabled Facilities Grants (DFGs) are grants delivered by the Council to assist people with disabilities to be able to stay in their own home.
Head of Service	Colin Hirst
Year Originally Approved	2021/22 (Annual Scheme)
Revised Estimate 2021/22 for the Scheme	£1,007,890
Actual Expenditure in the Year 2021/22	£362,038
Variance - (Underspend) or Overspend	(£645,852)
Please provide full reasons for the (under) or over spend variance shown above?	A reduced number of DFGs schemes were approved and completed in-year. This was due to continuing concerns around the Pandemic for the first threequarters of the year, a vacancy in the Surveyors' team for part of the year and reduced contractor availability to complete works all year.

Slippage Request

Please grant the amount of Budget Slippage from 2021/22 to 2022/23 requested.	£645,850
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered.	Slippage will fund on-going DFGs spend in 2022/23. <i>NOTE - The underspent budget is financed by ring-fenced funding from DLUHC, so any underspend from 2021/22 must be allocated to Disabled Facilities Grants in 2022/23.</i>
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	On-going spend throughout 2022/23.

ANNEX 2

**HEALTH AND HOUSING COMMITTEE – CAPITAL PROGRAMME
OUTTURN 2021/22**

Request for slippage into 2022/23

Cost Centre and Scheme Title	CLIAH: Clitheroe Affordable Housing Scheme
Scheme Description	The purchase of one property in Clitheroe to be rented out as an affordable rental unit, utilising commuted sum monies. The property will be leased to a registered provider and the Council will have 100% nomination rights and the rent will be capped at LHA rate.
Head of Service	Colin Hirst
Year Originally Approved	2020/21
Revised Estimate 2021/22 for the Scheme	£11,770
Actual Expenditure in the Year 2021/22	£0
Variance - (Underspend) or Overspend	(£11,770)
Please provide full reasons for the (under) or over spend variance shown above?	The property was purchased in 2020/21 and some of the planned refurbishment work was completed in that year also. However, this scheme was put on-hold in January 2021 whilst the property was temporarily used as a homeless unit. Use as a homeless unit has continued throughout 2021/22 and into 2022/23 to cover initially for Flats 1 and 2 at Joiners Arms being out of service and most recently because of an increased demand for temporary accommodation for larger families. As a result of this the final refurbishment works on this scheme were not completed in 2021/22.

Slippage Request

Please grant the amount of Budget Slippage from 2021/22 to 2022/23 requested.	£11,770
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered.	To fund the final refurbishment works required.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	By March 2023. The latest plan is for this property to be used as a homeless unit until November 2022, at which point the refurbishment can be completed and the property leased to the registered provider for affordable rent.