

RIBBLE VALLEY BOROUGH COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

INFORMATION

meeting date: 3 NOVEMBER 2022
 title: CAPITAL MONITORING 2022/23
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To report the progress on this Committee's 2022/23 capital programme for the period to the end of September 2022.

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 2022/23 CAPITAL PROGRAMME BACKGROUND

2.1 One capital scheme for this Committee's original estimate budget, totalling £51,750, was approved by the Policy and Finance Committee and Full Council at their meetings in February 2022 and March 2022 respectively. This related to part of a capital scheme budget that had been moved from the 2021/22 capital programme to the 2022/23 capital programme.

2.2 £3,000 of budget on the part of the capital scheme budget that had been left in the 2021/22 capital programme was unspent at 31 March 2022. This is known as slippage and was moved into the 2022/23 capital programme budget, after approval by this Committee in June 2022.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of one scheme is £54,750.

3 CAPITAL MONITORING 2022/23

3.1 The table below summarises the progress on this Committee's one capital scheme, as at the end of September 2022. Annex 1 shows financial information and budget holder comments to date for the scheme.

Cost Centre	Scheme	Original Estimate 2022/23 £	Budget Moved from 2021/22 £	Slippage from 2021/22 £	Total Approved Budget 2022/23 £	Actual Expenditure including commitments as at end of September 2022 £	Remaining Budget as at end of September 2022 £
ECDVI	Economic Development Initiatives	0	51,750	3,000	54,750	0	54,750
Economic Development Committee Total		0	51,750	3,000	54,750	0	54,750

3.2 At the end of September 2022 there had been no spend on the **Economic Development Initiatives** capital scheme. This is because there were no appropriate economic development opportunities in progress at the end of September 2022 which were likely to be funded from this economic development capital budget. At this stage it is unclear if the scheme budget will be spent by financial year-end.

4 CONCLUSION

4.1 At the end of September 2022 there had been no spend on this Committee's one capital scheme. It is unclear if the scheme budget will be spent by financial year-end.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

ED8-22/AC/AC
24 October 2022

For further background information please ask for Andrew Cook.
BACKGROUND PAPERS – None

Economic Development Committee – Capital Programme 2022/23

Economic Development Initiatives

Service Area: Regeneration and Housing

Submitted by: Colin Hirst

Brief Description of the Scheme:

The project is to establish a general source of pump-priming and pre-investment funding to support the delivery of the Council's economic priorities. The bid particularly seeks to support our high growth sectors in the provision of land and premises or tourism infrastructure where applicable. The Council needs to be able to develop and respond to initiatives that will support delivery of business growth. In order to develop schemes, funding needs to be available to undertake works in areas such as valuation and feasibility assessments, due-diligence, initial planning and design work. As projects progress funding needs to be available to support acquisition, marketing and development. Specific funding for land or premises would be the subject of separate bids as required.

Projects include identifying options to deliver employment land, schemes to support high growth business opportunities and necessary infrastructure to support our rural business base including tourism.

Revenue Implications:

Unspecified – general revenue costs would be anticipated to be contained within existing budgets.

Timescale for Completion:

Key milestones will depend upon the individual projects developed.

Capital Cost:

	£	Actual Expenditure including commitments as at end of September 2022 £	Remaining Budget as at end of September 2022 £
Original Estimate 2022/23	0		
Budget Moved from 2021/22	51,750		
Slippage from 2021/22	3,000		
Total Approved Budget 2022/23	54,750	0	54,750
ANTICIPATED TOTAL SCHEME COST	54,750		

Progress - Budget Holder Comments

September 2022: There were no appropriate economic development opportunities in progress at the end of September 2022 which were likely to be funded from this economic development capital budget. At this stage it is unclear if the scheme budget will be spent by financial year-end.

July 2022: There are no appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital budget.

Economic Development Committee – Capital Programme 2022/23

March 2022: Appraisal work on a piece of land along the A59 with a budget of £30,000 was the one scheme identified as appropriate for funding from this capital budget in 2021/22. The total estimated cost of the A59 land appraisal work at financial year-end was £27,000, with £16,528 related to work completed in 2021/22. Based on the work undertaken by the external consultants up to financial year-end, there was no certainty at that stage that the A59 land appraisal expenditure would result in the development of a capital asset.

Given this, the A59 land appraisal estimated costs of £27,000 and associated funding from earmarked reserves are to be accounted for through the Council's revenue accounts rather than the capital programme, because at 31/3/2022 there was no certainty that the A59 land appraisal expenditure would result in the development of a capital asset. Therefore, the £16,528 actual expenditure on A59 land appraisal work in 2021/22 was charged to the Economic Development revenue cost centre and the expenditure on this capital scheme was nil.

Slippage of the remaining £3,000 Economic Development Initiatives capital budget into 2022/23 is requested to add to the £51,750 budget already moved to 2022/23 to fund any appropriate economic development opportunities that arise in 2022/23. *Note – Members will make the final decision on whether to further consider the land potential along the A59, based on the external consultants' final report presented elsewhere on the agenda for this meeting.*

December 2021: Consultants have now been engaged to undertake the land appraisal work on the piece of land along the A59 and it is expected that their work will be reported to officers by the last week of March 2022. At this stage, there are no other development opportunities being considered that are likely to lead to further spend on this capital budget in 2021/22. Given this, it is proposed that the 2021/22 revised estimate for this scheme is reduced to £30,000 and that £51,750 of the scheme budget is moved to 2022/23.

September 2021: There is no spend to date but the Council are continually seeking to identify economic development schemes which this budget is set aside for. Members will recall that a proportion of the budget was set aside to assess a piece of land along the A59 and work is on-going with this.

July 2021: There is no spend to date in-year but the Council are continually seeking to identify economic development schemes which this budget is set aside for. Members will recall that a proportion of the budget was set aside to assess a piece of land along the A59 which is subject to a separate report on this agenda.

March 2021: One appropriate scheme for funding from this capital budget, re improving employment land site access at Salthill, was identified as possibly taking place in early 2021. However, the scheme did not take place in 2020/21 because there was no further progress by the landowner before year-end. Slippage of £15,000 into 2021/22 is requested to add to the £66,750 budget already moved to 2021/22 to fund any economic development schemes that would be appropriate to fund from this capital budget in 2021/22.

December 2020: There is currently just one development initiative scheme being considered that, if given the go ahead, would incur expenditure in 2020/21. That scheme is a joint-funded site investigation and development modelling scheme for improving employment land site access at Salthill. If that scheme is approved to go ahead the Council's expenditure is estimated to be no more than £15,000 in 2020/21. Therefore, it is recommended that the 2020/21 revised estimate for the overall scheme is reduced to £15,000 and £66,750 of the overall scheme budget is moved to the 2021/22 financial year.

September 2020: There are no current schemes in progress which are likely to be funded from this economic development capital pot. Therefore, at this stage there is the possibility that not all of the budget will be committed by year-end. Officers will consider whether any of the scheme budget will be moved to 2021/22 when the revised estimate capital programme is presented for approval in January 2021.

December 2019: There are currently no development opportunities earmarked to draw on the funds from the Economic Development Initiatives scheme budget at this stage in the year. Therefore, it is recommended that the 2019/20 revised estimate for this scheme is reduced to nil and the £81,750 scheme budget is moved to the 2020/21 financial year.

Economic Development Committee – Capital Programme 2022/23

September 2019: No change - There are no current schemes in progress which are likely to be funded from this economic development capital pot. Therefore, at this stage there is the possibility that not all of the budget is committed by year-end. However, a number of site opportunities are being explored and will be the subject of future reports.

July 2019: There are no current schemes in progress which are likely to be funded from this economic development capital pot. A number of site opportunities are being explored and will be the subject of future reports.

March 2019: There was no expenditure on this Committee's capital scheme in 2018/19, because no appropriate development opportunities have arisen in-year which have required funding from this capital scheme.

December 2018: A number of site opportunities are being explored in more detail, as per the report elsewhere on this agenda. At this stage, no specific scheme costs are being charged to this Economic Development Initiatives capital budget, but there is always the possibility that a valuation or assessment in-year may require expenditure in relation to acquisition at short notice.

September/October 2018: A number of site opportunities are under preliminary investigation and will be reported to this Committee in due course. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report.

August 2018: Development opportunities to bring forward land for employment will be reported to this Committee in due course. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report.

December 2017: There has been no spend on the scheme in-year, with costs for support work being charged to revenue budgets rather than capital. Development opportunities to bring forward land for employment are being reviewed and will be reported to this Committee in due course. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report. It is recommended that the 2017/18 revised estimate is reduced to nil and the £100,000 budget is moved to 2018/19.

July 2017: Development opportunities to bring forward land for employment are being reviewed and will be reported to this Committee. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report.

December 2016: There are no appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital pot before the year-end. It is recommended that the revised estimate is reduced to nil and the £100,000 budget is moved to 2017/18.

September/October 2016: No change from July 2016 comments - There are no appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital pot.

July 2016: There are no appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital pot.

May/June 2016: The one site acquisition proposal being seriously considered will not now go ahead, as resolved by Policy and Finance Committee. There are no other appropriate economic development opportunities in progress currently which are likely to be funded from this economic development capital pot.

March 2016: One site acquisition investment was being considered in 2015/16, but no confirmation was in place for the acquisition to go ahead at year-end. Slippage of the 2015/16 underspend is requested to fund both the pump prime costs associated with the site acquisition being considered and any further economic development opportunities that may arise.

January 2016: The site acquisition approved by this Committee in October 2015 is the one economic development opportunity in progress currently that will require investment support funding from the Economic Development Initiatives budget. At this stage, the actual timing of the site acquisition and any support costs to be funded from this budget is not confirmed. Any unused budget from 2015/16 will be moved into 2016/17 as slippage.

Economic Development Committee – Capital Programme 2022/23

September 2015: The District Valuer has secured initial agreement with land owners on values and details are being progressed to acquire a site. Expenditure has been drawn from other revenue budgets to fund pre-investment works so far.

July 2015: The Council has instructed the District Valuer to negotiate the purchase of some land on one scheme and we are currently awaiting the outcome of this. Expenditure has been drawn from other revenue budgets to fund pre-investment works so far.

September 2014: The Council continues to seek land for potential economic development. Expenditure has been drawn from revenue budgets to fund pre-investment works to date.

July 2014: The Council continues to seek land for potential economic development.

March 2014: Projects have not reached a stage where capital is required. Expenditure has been drawn from other revenue budgets to fund pre-investment works.

September 2013: Work on the scheme has been undertaken, however expenditure has been revenue based rather than capital.

July 2013: An area of land has been identified and measures are being taken to secure the land for industrial development.

March 2013: The Council is continuing pursuing the acquisition of land for employment purposes.

September 2012: No further progress since June 2012.

June 2012: Initial discussions have been held with relevant landowners. The District Valuer has been instructed to prepare valuation advice on potential sites. This advice has been received and is being given further consideration. The Asset Management Group has considered site options. An options report will be prepared once options are determined. Expenditure will be required on feasibility reports once an option is agreed and on pre-acquisition and due diligence processes.