

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO HEALTH AND HOUSING COMMITTEE

meeting date: 19 JANUARY 2023
title: REVISED CAPITAL PROGRAMME 2022/23
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the 2022/23 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 2022/23 CAPITAL PROGRAMME BACKGROUND

2.1 Six capital schemes for this Committee's original estimate budget, totalling £782,540, were approved by the Policy and Finance Committee and Full Council at their meetings in February 2022 and March 2022 respectively. This included two new scheme budgets for 2022/23 and budgets on five schemes that had been moved from the 2021/22 capital programme to the 2022/23 capital programme.

2.2 In addition to the original estimate budget above, the following budget changes have been made so far in 2022/23:

- Two 2021/22 capital schemes were not completed by 31 March 2022 and had unspent budget available at that date. The total unspent budget of £657,620 on those schemes, known as slippage, was moved into the 2022/23 capital programme budget, after approval by this Committee in June 2022.
- Two additional capital schemes, with budgets totalling £2,166,450, were approved by Policy and Finance Committee in March 2022. The budget of £118,370 on one of the schemes was funded by reducing the budget on another capital scheme by £118,370. The total additional new budget funding was therefore £2,048,080. **NOTE - The budget of £2,048,080 on one of the schemes was subsequently split into two separate schemes for reporting purposes, with budgets of £422,130 and £1,625,950 respectively.**
- Additional 2022/23 external funding of £48,799 was received from Onward Homes for one scheme, so the budget on that scheme was increased by £48,800.
- Additional budgets on two existing schemes, totalling £44,000, were approved by Policy and Finance Committee in September 2022.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of ten schemes was £3,581,040. This is shown at Annex 1.

3 REVISING THE 2022/23 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 capital programme revised estimate is £1,397,630 for eight schemes, a reduction of £2,183,410 from the total approved budget. The reasons for this are as follows:

- **Clitheroe Market Improvements (-£72,600):** The consultants work to consider the strategic way forward for the next stage of market improvements is in progress. This work has included meeting with market traders in both October and December 2022. The consultant's report is expected in early 2023 and following this a plan for the next stage of the market improvements will be drawn up and reported to members of this Committee in March 2023. The improvement works would then be undertaken in 2023/24, subject to the plan being agreed by members. Therefore, the £6,000 cost for the market consultants report, which has now been confirmed as being funded by the UK Shared Prosperity Fund, is the only spend expected on this scheme in 2022/23.

Given the above, it is proposed that £72,600 of the scheme budget is moved to the 2023/24 capital programme and the 2022/23 revised estimate budget is reduced to £6,000.

- **Replacement of Pest Control Van PK13 FJP (-£32,280):** This scheme is for the purchase of an electric replacement van with adaptations and charging point installation. The replacement van was ordered in October 2022 and the supplier has confirmed that the van is likely to be delivered around about July 2023, so the scheme will not be completed in this financial year. At this stage there is no confirmation of when the charging point installation will take place, so it may happen in either 2022/23 or 2023/24.

Given the above, it is proposed that the estimated cost of the van and adaptations, £32,280, is moved to the 2023/24 capital programme and the 2022/23 revised estimate scheme budget is reduced to £5,610. This would ensure that budget is available for the charging point installation if it takes place in 2022/23.

- **Replacement of Dog Warden Van PE64 EYC (-£32,500):** This scheme is for the purchase of an electric replacement van with adaptations and charging point installation. The replacement van was ordered in October 2022 and the supplier has confirmed that the van is likely to be delivered around about July 2023, so the scheme will not be completed in this financial year. At this stage there is no confirmation of when the charging point installation will take place, so it may happen in either 2022/23 or 2023/24.

Given the above, it is proposed that the estimated cost of the van and adaptations, £32,500, is moved to the 2023/24 capital programme and the 2022/23 revised estimate scheme budget is reduced to £5,610. This would ensure that budget is available for the charging point installation if it takes place in 2022/23.

- **Joiners Arms Roof Renewal (+£2,050):** The current estimated scheme cost is £44,250, based on the original order cost of £43,050 plus an additional £1,200 for the increased slate costs notified by the contractor. Therefore, it is proposed that the 2022/23 revised estimate scheme budget is increased by £2,050 to £44,250.

The main roof works part of the scheme was due to start in November 2022 but these works have been delayed. The contractor has now confirmed he is due to start the scheme works in January 2023. The completion date will be dependent on weather conditions from January onwards, but at this stage the aim is to complete all the scheme works, including the rendering works, in the 2022/23 financial year.

- **Equity Share Option Schemes (-£422,130):** The locality-based equity share option schemes will not start until a scheme policy document is presented to this Committee for agreement. The policy document is still to be finalised, including confirmation of some legal issues being considered. Therefore, it is unlikely that there will be any expenditure on this scheme in 2022/23.

Given the above, it is proposed that the £422,130 scheme budget is moved to the 2023/24 capital programme and the 2022/23 revised estimate scheme budget is reduced to nil.

- **Affordable Housing – Longridge (-£1,625,950):** There has been no spend on this scheme to date. Suggestions for use of the Land North of Dilworth Lane, Longridge S106 funding will be presented to members once more information is collated. Therefore, it is unlikely that there will be any expenditure on this scheme in 2022/23.

Given the above, it is proposed that the £1,625,950 scheme budget is moved to the 2023/24 capital programme and the 2022/23 revised estimate scheme budget is reduced to nil.

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 2022/23 £	Budget Moved from 2021/22 £	Slippage from 2021/22 £	Additional Approvals 2022/23 £	Total Approved Budget 2022/23 £	Revised Estimate 2022/23 £	Budget Moved to 2023/24 £	Actual Expenditure including commitments as at end of November 2022 £
443,000	339,540	657,620	2,140,880	3,581,040	1,397,630	2,185,460	401,422

3.3 At the end of November 2022 £401,422 had been spent or committed. This is 28.7% of the revised estimate capital programme for this Committee.

3.4 Of the eight schemes in the proposed revised capital programme:

- three schemes are currently expected to be completed in-year
- it is unclear whether spend on two schemes will be completed in-year; and
- three schemes are on-going grants schemes.

3.5 Current progress on the schemes with the largest remaining budgets (amounts shown in brackets) is as follows:

- **Disabled Facilities Grants (£750,742):** Committed expenditure at the end of November 2022 was based on twenty-four schemes approved in previous years and thirty-one schemes approved so far in 2022/23. In addition to this, there were a further ten applications working towards approval, two currently approved schemes where additional approval may be required to fund further work now identified and there were fifteen referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

The number of schemes approved and completed in-year so far is lower than officers would like. The main reason for this continues to be the limited availability of contractors to quote for work and be available to complete work promptly. Given this, at this stage it

is unlikely that the scheme budget will be fully committed in-year, dependent on the level of referrals and applications received by year-end. Any unspent DFGs budget at year-end will be rolled forward as slippage into 2023/24 because this scheme is financed by ring-fenced DFGs grant income from DLUHC and some disabled adaptations funding from Onward Homes.

Housing officers are considering additional discretionary schemes as part of the yearly review of the DFGs policy (see separate report elsewhere on this meeting's agenda). If approved, the additional schemes would result in increased DFGs applications going forwards.

- **Landlord/Tenant Grants (£118,370):** There is no spend for the year to date and no schemes have been approved so far in 2022/23. This reflects reduced landlord interest in the scheme, despite the recent changes in the grant scheme rules. There have however been some initial enquiries from landlords in recent months and there is the possibility, but no certainty, that some applications may be received before financial year-end. Given the above, at this stage it is unlikely that the scheme budget will be fully committed by financial year-end, so any unspent budget at year-end will be requested to be rolled forward as slippage into 2023/24.
- **First Time Buyers Grants (£106,306):** At the end of November 2022, there had been four grant applications approved and three of these schemes were now complete. There were also five grant applications working towards approval. In recent months interest in the scheme and the numbers of applications have steadily increased, so there may be the possibility that a significant part of the scheme budget will be committed by year-end, but this depends on the amounts subsequently approved on the current applications.
- **Clitheroe Affordable Housing Scheme (£8,370):** Roof works and boiler replacement works have been completed in-year so far on the property at Peel Street. However, the property is still being used as a homeless unit, because of increased demand for temporary accommodation for larger families. This arrangement was planned to end in November 2022 so that any final refurbishment works required could be completed and the property leased to the registered housing provider by financial year-end. This timescale has slipped because the current occupant remains in the property and there may also be the need to use the property as cover for Joiners Arms Flat 2, which is currently out of service following a water pipe leak in December 2022, for a short period of time. At this stage, the aim is to still complete the affordable housing refurbishment work by year-end, dependent on the above issues.

4 RISK ASSESSMENT

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

- Resources - Approval of the 2022/23 revised capital programme will see a decrease of £2,183,410 in the budgets required for the capital schemes remaining in 2022/23 and £2,185,460 of currently funded capital scheme budgets will be transferred to the 2023/24 capital programme. Therefore, approval of the 2022/23 revised capital programme will mean that £2,050 of additional capital funding will be required in 2022/23. The additional funding required relates to the additional budget required on the Joiners Arms Roof Renewal scheme in 2022/23.
- 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 proposed revised estimate for this Committee's 2022/23 capital programme is £1,397,630, which is a reduction of £2,183,410 from the previously approved capital budget.
- 5.2 It is recommended that budgets totalling £2,185,460 on five schemes are moved to the 2023/24 financial year.
- 5.3 At the end of November 2022 £401,422 had been spent or committed. This is 28.7% of the revised estimate capital programme for this Committee.
- 5.4 Of the eight schemes in the proposed revised capital programme, three schemes are currently expected to be completed in-year, it is unclear whether spend on two schemes will be completed in-year and three schemes are on-going grants schemes.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve the 2022/23 revised estimate of £1,397,630 for this Committee's capital programme, as set out in Annex 1.
- 6.2 Approve the transfer of the following capital budgets from 2022/23 to 2023/24:
- Clitheroe Market Improvements, £72,600.
 - Replacement of Pest Control Van PK13 FJP, £32,280.
 - Replacement of Dog Warden Van PE64 EYC, £32,500.
 - Equity Share Option Schemes, £422,130.
 - Affordable Housing – Longridge, £1,625,950.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH4-23/AC/AC
11 January 2023

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

ANNEX 1

HEALTH AND HOUSING COMMITTEE – REVISED CAPITAL PROGRAMME 2022/23

Cost Centre	Scheme	Original Estimate 2022/23 £	Budget Moved from 2021/22 £	Slippage from 2021/22 £	Additional Approvals 2022/23 £	Total Approved Budget 2022/23 £	Revised Estimate 2022/23 £	Budget Moved to 2023/24 £	Actual Expenditure including commitments as at end of November 2022 £
DISCP	Disabled Facilities Grants	393,000		645,850	48,800	1,087,650	1,087,650		336,908
LANGR	Landlord/Tenant Grants	50,000	186,740		-118,370	118,370	118,370		0
CMIMP	Clitheroe Market Improvements		78,600			78,600	6,000	72,600	6,000
PVFJP	Replacement of Pest Control Van PK13 FJP		16,000		21,890	37,890	5,610	32,280	0
PVEYC	Replacement of Dog Warden Van PE64 EYC		16,000		22,110	38,110	5,610	32,500	0
JROOF	Joiners Arms Roof Renewal		42,200			42,200	44,250		43,050
FTBGR	First Time Buyers Grants				118,370	118,370	118,370		12,064
EQSOS	Equity Share Option Schemes				422,130	422,130	0	422,130	0
AHLON	Affordable Housing - Longridge				1,625,950	1,625,950	0	1,625,950	0
CLIAH	Clitheroe Affordable Housing Scheme			11,770		11,770	11,770		3,400
Total Health and Housing Committee		443,000	339,540	657,620	2,140,880	3,581,040	1,397,630	2,185,460	401,422