

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 19 JANUARY 2021  
title: REVISED CAPITAL PROGRAMME 2020/21  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

## 1 PURPOSE

1.1 To approve the 2020/21 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 2020/21 CAPITAL PROGRAMME BACKGROUND

2.1 Four capital schemes for this Committee's original estimate budget, totalling £204,530, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2020 and March 2020 respectively. This included two new schemes for 2020/21 and budget for two 2019/20 schemes that had been moved from the 2019/20 capital programme to the 2020/21 capital programme.

2.2 In addition to the original estimate budget above, the following budget changes have been made so far in 2020/21:

- Four 2019/20 capital schemes were not completed by 31 March 2020 and had unspent budget available at that date. Unspent budget of £33,480 on those schemes, known as slippage, was moved into the 2020/21 capital programme budget, after slippage requests from the budget holders were agreed by the Director of Resources. The slippage requests were agreed by the Director of Resources because there were no Policy and Finance Committee meetings between March 2020 and September 2020 because of Covid-19.
- In August 2020, the Emergency Committee approved a new scheme budget of £25,000 for the Purchase of land behind Old Row, Barrow. This was added to this Committee's capital programme.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of eight schemes was £263,010. This is shown at Annex 1.

## 3 REVISING THE 2020/21 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 proposed revised estimate is £158,310 for seven schemes, which is a reduction of £104,700 from the total approved capital budget. The reasons for this are as follows:

- **Dewhurst Road, Langho – Resurfacing Works (Decrease of £55,700):** This net reduction in budget is made up of two elements, an estimated increase of £10,100 in the overall cost of the scheme due to additional works and the moving of the main resurfacing works element of the scheme, estimated at £65,800, to 2021/22.

As reported to this Committee in November 2020, the main resurfacing works tender specification will be drawn up after additional pre-tender works are completed on the site to enable the site to be clear from flooding for the main resurfacing works to take place. The current aim is for the additional pre-tender works to be completed in 2020/21. These pre-tender works were not included in the original capital scheme budget because officers were not aware of the flooding and drainage issues when the initial scheme budget was set in 2017. The latest estimate for the additional pre-tender works at this stage is £10,100, which will increase the overall scheme cost to £75,900. However, there is always the risk of further unexpected costs when drainage and culvert works are undertaken. Also, some of the additional pre-tender works costs may be recovered from other landowners/leaseholders, but this is still to be confirmed.

The main resurfacing contract works will not now take place in 2020/21 and will be moved back to 2021/22, due to waiting on the additional pre-tender works and the timescales involved in the specification and tender process.

Given the above, it is recommended that the overall scheme budget is increased by £10,100 to £75,900, that the 2020/21 revised estimate for the scheme is reduced to £10,100 and that £65,800 of the scheme budget is moved to the 2021/22 financial year.

- **Network Infrastructure (Decrease of £30,000):** As reported to this Committee in November 2020, there has been no progress to date on this scheme because ICT staff resources have been focussed on supporting the Council's Covid-19 response and new ways of working since the end of March 2020. Therefore, the scheme will not take place in 2020/21. It is recommended that the 2020/21 revised estimate for the scheme is reduced to nil and the £30,000 scheme budget is moved to the 2021/22 financial year.
- **Lift replacement at Council Offices (Decrease of £6,400):** The main contract works are complete and all amounts due in 2020/21 have been paid, totalling £75,022. The actual scheme costs were £6,408 lower than budgeted for in 2020/21 for two reasons:
  - Actual non-contract costs were £4,305 lower than budgeted for mainly due to less surveyors input, technical input, building regulations fees and temporary stairlift costs than initially planned for.
  - The final retention payment of £2,103 on the main contract is still to be paid. This is not due until twelve months after practical completion, which will be summer 2021.

Given the above, it is recommended that the 2020/21 revised estimate for the scheme is reduced to £75,030 and £2,110 of the scheme budget is moved to the 2021/22 financial year.

- **Committee Administration IT System (Decrease of £7,600):** The implementation of the ModGov system software was completed in December 2020 and the final acceptance payment of £4,750 is expected to be made in early 2021. The outstanding budget of £7,600 relates to IT hardware purchases and the hardware requirements needed to support the use of the system (possibly some laptops) will be considered in 2021 now the system software is up and running. Therefore, any IT hardware purchases, if required, will not be undertaken in 2020/21.

Given the above, it is recommended that the 2020/21 revised estimate for the scheme is reduced to £4,750 and £7,600 of the scheme budget is moved to the 2021/22 financial year.

- **Purchase of land behind Old Row, Barrow (Decrease of £5,000):** The land purchase was completed in October 2020, at a cost of £20,000. The other element of the scheme budget, £5,000 for the possible demolition and removal of garages on the site, is no longer required. This is because responsibility for the garages on the site has now transferred to Barrow Parish Council, who will use the site going forwards under the terms of a licence agreement between the Council and Barrow Parish Council. Therefore, it is recommended that the 2020/21 revised estimate for the scheme is reduced to £20,000.

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

Original Estimate 2020/21 £	Budget Moved from 2019/20 £	Slippage from 2019/20 £	Additional Approvals 2020/21 £	Total Approved Budget 2020/21 £	Revised Estimate 2020/21 £	Budget Moved to 2021/22 £	Actual Expenditure including commitments as at end of December 2020 £
95,800	108,730	33,480	25,000	263,010	158,310	105,510	142,452

3.3 At the end of December 2020 £142,452 had been spent or committed. This is 90% of the revised capital programme budget for this Committee.

3.4 Of the seven schemes in this Committee's revised estimate capital programme:

- the Lift replacement at Council Offices and Purchase of land behind Old Row, Barrow schemes have been completed; and
- at this stage, the aim is to complete the 2020/21 elements of the other five schemes in-year.

3.5 Progress on the schemes with the largest remaining 2020/21 budgets is as follows:

- **Dewhurst Road, Langho – Resurfacing Works (£3,850):** Some initial work has been undertaken, but the full pre-tender additional works will not be undertaken until the additional budget is approved by this Committee. The current aim is for the additional pre-tender works to be completed in 2020/21, once approval is obtained.
- **Re-design of Corporate Website (£12,000):** The website refresh work is in progress and officers are working with the current website provider on evaluating website designs and layouts and undertaking accessibility legislation compliance work. At this stage, it is expected that the refresh will be completed before financial year-end and within the budget set.

## 4 RISK ASSESSMENT

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

- Resources – Additional financing resources will be needed to fund the proposed additional budget of £10,100 on the Dewhurst Road, Langho – Resurfacing Works scheme. Approval of the revised capital programme will see a decrease of £104,700 in the overall level of financing resources needed in 2020/21 and £105,510 of capital financing resources will be moved into 2021/22.

- 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 2020/21 capital programme is £158,310 for seven schemes, which is a reduction of £104,700 from the previously approved capital budget.
- 5.2 It is recommended that budgets on four schemes, totalling £105,510, are moved to the 2021/22 financial year.
- 5.3 At the end of December 2020 £142,452 had been spent or committed. This is 90% of the revised capital programme budget for this Committee.
- 5.4 Of the seven schemes in the revised capital programme, two schemes had been completed by the end of December 2020 and the aim is to complete the 2020/21 elements of the other five schemes in-year.

## 6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve the 2020/21 revised estimate of £158,310 for this Committee's capital programme, as set out in Annex 1.
- 6.2 Approve the move of the following capital budgets from 2020/21 to 2021/22:
- Dewhurst Road, Langho – Resurfacing Works, £65,800.
  - Network Infrastructure, £30,000.
  - Lift replacement at Council Offices, £2,110.
  - Committee Administration IT System, £7,600.
- 6.3 Recommend Special Policy and Finance Committee to approve the additional budget of £10,100 on the Dewhurst Road, Langho – Resurfacing Works scheme.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF8-1/AC/AC  
8 January 2021

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

## POLICY AND FINANCE COMMITTEE – REVISED CAPITAL PROGRAMME 2020-21

Cost Centre	Scheme	Original Estimate 2020/21 £	Budget Moved from 2019/20 £	Slippage from 2019/20 £	Additional Approvals 2020/21 £	Total Approved Budget 2020/21 £	Revised Estimate 2020/21 £	Budget Moved to 2021/22 £	Actual Expenditure including commitments as at end of December 2020 £
DHRST	Dewhurst Road, Langho - Resurfacing Works	65,800				65,800	10,100	65,800	6,250
NTWRK	Network Infrastructure	30,000				30,000	0	30,000	0
COWEB	Re-design of Corporate Website		30,000			30,000	30,000	0	18,000
COLFT	Lift replacement at Council Offices		78,730	2,700		81,430	75,030	2,110	75,022
COADM	Committee Administration IT System			12,350		12,350	4,750	7,600	4,750
REPPC	Replacement PCs			10,000		10,000	10,000	0	10,000
CFUPG	Financial system upgrade			8,430		8,430	8,430	0	8,430
LANDB	Purchase of land behind Old Row, Barrow				25,000	25,000	20,000	0	20,000
<b>Total Policy and Finance Committee</b>		<b>95,800</b>	<b>108,730</b>	<b>33,480</b>	<b>25,000</b>	<b>263,010</b>	<b>158,310</b>	<b>105,510</b>	<b>142,452</b>