

CABINET

15th June 2017

Report of the Portfolio Holder for Assets and Finance

CAPITAL OUTTURN REPORT 2016/17

PURPOSE

To advise Members on the final outturn of the Authority's Capital Programme for 2016/17 (subject to audit confirmation) and to request formal approval to re-profile specific programme budgets into 2017/18.

This report is a key decision due to expenditure in excess of £100k requiring approval.

RECOMMENDATIONS

That Cabinet:

1. receive the final outturn position of the 2016/17 capital programme as summarised in Appendix A;
2. approve for each of the projects detailed in Appendix B the re-profiling of the budget into the Authority's Capital Programme 2017/18 (total £12.306m);

RESOURCE AND VALUE FOR MONEY IMPLICATIONS

There are no additional financial implications from this report as all scheme budgets detailed for re-profiling into 2017/18 have already been committed against available capital resources.

There is a medium risk associated with this report due to the level of requests for re-profiling of budgets into next financial year. For the majority of the projects requesting re-profiling approval, measures have been put in place to address ongoing issues, commitments have been placed with suppliers to provide the service/ goods, or the works have been completed since 31st March 2017.

As capital funding is very limited for 2017/18 the capital programme will also need to be closely monitored.

EXECUTIVE SUMMARY

Progress on the capital programme is reported quarterly to Cabinet and monitored on a monthly basis by the Corporate Management Team with project managers providing project progress information and a predicted outturn. The outturn for the 2016/17 capital programme identifies an underspend of **£14.555m** against the approved budget of **£23.311m** (actual spend £8.756m - no change since Provisional Outturn).

However, it has been requested that **£12.306m** (as detailed in Appendix B) of scheme spend be re-profiled into 2017/18. This will result in an overall underspend of **£2.249m** for the 2017/18 capital programme.

General Fund

The outturn on General Fund capital schemes (including contingency) spend is **£1.408m** compared to a full year budget of **£6.253m** resulting in an underspend of **£4.845m**. It has been requested that **£2.731m** be re-profiled into 2017/18 meaning that the actual under spend is **£2.114m**. This is mainly due to the amended timeline in respect of the Assembly Rooms Development. The revised spend profile has been reflected within the approved 2017/18 capital programme.

Housing Revenue Account

The outturn on Housing Revenue Account (HRA) capital schemes (including contingency) spend is **£7.348m** compared to a full year budget of **£17.058m**, resulting in an underspend of **£9.710m**. It has been requested that **£9.575m** be re-profiled into 2017/18 meaning that the actual underspend is **£0.135m**

The table below shows the actual amounts to be re-profiled into 2017/18 compared to what was forecast at period 11 and, for information, shows the amounts that were re-profiled into 2016/17

	Budget 16/17	Outturn 16/17	Variance	Re- profile to 17/18	Underspend	P11 predicted re-profile	Re-profiled 16/17
	£000	£000	£000	£000	£000	£000	£000
General Fund	6,253	1,408	(4,845)	2,731	2,114	2,802	2,686
Housing Revenue Account	17,058	7,348	(9,710)	9,575	135	10,316	6,844
Total	23,311	8,756	(14,555)	12,306	2,249	13,118	9,530

It should be noted that the following items to the value of £65.76k have been included in the balance sheet as capital items but have been financed from the revenue account:-

Revenue Purchase	
ICT Hardware Revenue Purchases	£10.27k
ICT Software Revenue Purchases	£10.80k
Dosthill Play Equipment	£15.00k
Warwickshire Moor Boardwalk	£17.25k
Lighting	£12.44k

Appendix A

GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000
Chief Executive	-	-	-	-	-	-
Executive Director Corporate Services	-	-	-	-	-	-
Director of Finance	-	-	-	-	-	-
Director of Technology & Corporate Programmes	116	223	75	(148)	148	223
Solicitor to the Council	-	-	-	-	-	-
Director of Transformation & Corporate Performance	1	1	1	-	-	1
Director of Communities, Planning & Partnerships	-	-	-	-	-	-
Director of Housing & Health	120	120	28	(92)	92	120
Director of Assets & Environment	1,108	4,569	1,304	(3,265)	1,151	2,455
Contingency	1,340	1,340	-	(1,340)	1,340	1,340
TOTAL GENERAL FUND	2,685	6,253	1,408	(4,845)	2,731	4,139

HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000
Director of Housing & Health	4,477	10,624	4,252	(6,372)	6,324	10,576
Director of Assets & Environment	2,266	6,334	3,096	(3,238)	3,151	6,247
HRA Summary	-	-	-	-	-	-
HRA Contingency	100	100	-	(100)	100	100
TOTAL HOUSING REVENUE ACCOUNT	6,843	17,058	7,348	(9,710)	9,575	16,923
TOTAL	9,528	23,311	8,756	(14,555)	12,306	21,062

Appendix B

GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Director of Technology & Corporate Programmes							
Replacement It Technology	41	101	60	(41)	41	101	Storage/server upgrades and data re-configuration is now complete. The remaining budget is requested to be re-profiled to 2017/18
EDRMS (Electronic Document Records Management System)	63	63	-	(63)	63	63	Project will not recommence until 2017/18 and budget requested to be re-profiled
Air Conditioning	-	32	-	(32)	32	32	Lead in time of up to 10 weeks for air conditioning units - order placed but won't be received until new financial year therefore budget requested to be re-profiled
Backup Solution	-	15	15	-	-	15	Project now complete
Gazetteer Development	12	12	-	(12)	12	12	Project progressing but budget to be re-profiled to 2017/18
Directorate Total	116	223	75	(148)	148	223	

GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Director of Transformation & Corporate Performance							
HR / Payroll System	1	1	1	-	-	1	Remaining budget utilised for consultancy re pension changes
Directorate Total	1	1	1	-	-	1	
Director of Communities, Planning & Partnerships							
Directorate Total	-	-	-	-	-	-	
Director of Housing & Health							
Private Sector Coalfields Fund	120	120	28	(92)	92	120	No further spend anticipated this year. Programme of new initiatives to be devolved to target help for vulnerable residents based on results of recent stock condition survey. Will need to re-profile significant budgets into 2017/18.
Directorate Total	120	120	28	(92)	92	120	
Director of Assets & Environment							
Disabled Facilities Grant	180	530	439	(91)	91	530	Full budget allocated to approved grants some of which will not complete until 17/18.

GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Cctv Camera Renewals	14	29	-	(29)	29	29	Review of cameras locations etc. due to be completed by April - spend plan to be formulated following results of review will need to re-profile budget to 2017/18.
Streetscene Service Delivery Enhancements	30	30	-	(30)	30	30	Delays in the project due to the delays in the full implementation of the CRM system - future agile service delivery dependant on delivery of scheme. Delivery of new vehicles expected in April 2017 may need to use to facilitate purchase of software interface.
Wigginton Park Section Section 106	42	42	14	(28)	29	43	Plans ongoing to deliver items from the Wigginton Park Management Plan
Broadmeadow Nature Reserve	52	52	8	(44)	44	52	Ongoing works to complete management plan and HLS agreement. Contract awarded for bridge works with view to works being completed early summer weather permitting, so will need to re-profile some funding to 2017/18

Public Open Space Section 106	99	126	95	(31)	31	126	Project group established - list of works currently being collated for remaining budget. Will need to re-profile funds in to 2017/18.
GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Agile Working Phase 2	310	310	186	(124)	124	310	6th floor now complete and occupied. The underspend will be required to remodel 1st floor pending NHS occupation of Marmion House.
Street Lighting	-	53	51	(2)	1	52	Contractors working to management plan with completion for end of financial year.
Assembly Rooms Development	180	2,316	232	(2,084)	100	332	Project team has now reviewed revised plans and now working to an amended timeline. The budgets included in 2017/18 MTFS reflect the revised expenditure plans however it is now anticipated that there will be an underspend which it will be necessary to carry forward the underspend in the current year.

Castle Mercian Trail	69	675	39	(636)	635	674	Delays in the project suggest that will only be able to complete some of the Development Phase in 2016/17 will therefore need to re-profile part of Development Phase and all the Delivery Phase into 2017/18.
GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Gateways Page 83	132	252	225	(27)	27	252	The County Council are progressing the works to phase two between the Station and the town however, may need to re-profile remaining budgets into 2017/18 depending on progress. Budget reduced to reflect external spend on project previously included.
Cultural Quarter - Phil Dix Centre	-	144	12	(132)	-	12	Work progressing well and should be nearing completion at end of April 2017. Change in funding (reported to Cabinet February 2017) as majority of funding now from SCC / SLGF, no longer need to re-profile budgets to 2017/18. Budget reduced to reflect external spend on project previously included.

Cultural Quarter - Carnegie Centre	-	10	-	(10)	10	10	No update to report progress not likely until towards the end of the year
Cultural Quarter – Public Realm	-	-	3	3	-	3	
Directorate Total	1,108	4,569	1,304	(3,265)	1,151	2,455	
GENERAL FUND	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Contingency							
Gf Contingency	50	50	-	(50)	50	50	Funding to be released by Cabinet once a report detailing any new project has been approved.
Contingency Return On Investment	160	160	-	(160)	160	160	Funding to be released by Cabinet once a report detailing any new project has been approved.
GF Contingency Plant and Equipment	1,000	1,000	-	(1,000)	1,000	1,000	Funding to be used to provide most financially advantageous replacement of plant and equipment. Business case to be provided for any potential schemes.
Private Sector Improvement Grants (Coalfields Funding)	130	130	-	(130)	130	130	Spending plans to be reviewed for the remainder of the budget so may need to re-profile significant spend into 2017/18.
Directorate Total	1,340	1,340	-	(1,340)	1,340	1,340	
GENERAL FUND TOTAL	2,685	6,253	1,408	(4,845)	2,731	4,139	

HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Director of Housing & Health							
Gas Cent Heating Upgrade & Ren 2012	122	658	626	(32)	-	626	Contract behind to achieve spend with no time to complete budgeted spend, will be an underspend. Properties missed will be picked up as part of future programmes.
Tinkers Green Project	762	2,924	312	(2,612)	2,613	2,925	Contract for the demolition of the blocks awarded and works now unlikely to be complete by end of March 2017. Procurement has commenced for the construction contract and expect to award multiple contracts over the next few months
Kerria Estate Project	646	1,495	755	(740)	739	1,494	Procurement has commenced for the construction contract and expect to award multiple contracts over the next few months. Decant nearing completion with only a handful of tenants left however, unlikely that the remainder will now be paid this financial year.

HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Regeneration General	2,947	2,447	394	(2,053)	2,054	2,448	Several contracts underway with start on sites expected Jan - Feb 2017. As a result it is anticipated that major spend will need to be re-profiled into 2017/8.
Other Acquisitions	-	3,100	2,182	(918)	918	3,100	Amendments to the acquisitions policy have made the process more flexible. Initial review indicates that amendments have been successful with a wider range of properties being purchased.
Gas Heating - Belgrave	-	-	(17)	(17)	-	(17)	
Directorate Total	4,477	10,624	4,252	(6,372)	6,324	10,576	
Director of Assets & Environment							
Structural Works	-	103	98	(5)	-	98	All identified works completed, some properties are still being monitored and may require works in future.

Bathroom Renewals 2012	-	774	772	(2)	-	772	All works identified from stock condition database for the year have been completed
Kitchen Renewals 2012	-	928	927	(1)	-	927	All works identified through the stock condition database have been completed.
HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
High Rise Lift Renewals 2012	712	1,055	-	(1,055)	1,055	1,055	Works were delayed pending the outcome of a structural survey. Works have been tendered and are planned for completion during the summer of 2017 with budgets to be re-profiled into 17/18
Fire Upgrades To Flats 2012	453	718	-	(718)	718	718	Works were delayed pending the outcome of a structural survey. Works have been tendered and are planned for completion during the summer of 2017 with budgets to be re-profiled into 17/18
Sheltered Schemes	235	179	36	(143)	143	179	Majority of spend was anticipated between Oct & March, however delay in the delivery will mean that budgets will need to be re-profiled to 2017/18 to complete the works.

Energy Efficiency Improvements	50	100	-	(100)	100	100	Budget to be re-profiled and added to 17/18 budget to allow delivery of a larger scheme.
Glenfield and Oakendale Heating System Replacements	95	95	73	(22)	-	73	-
HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Roofing High-Rise 2012	43	43	-	(43)	43	43	Works were delayed pending the outcome of a structural survey. Works have been tendered and are planned for completion during the summer of 2017 with budgets to be re-profiled into 17/18
Roofing Overhaul & Renewal 2012	-	160	156	(4)	-	156	All identified works completed.
Window & Door Renewals 2012	-	250	229	(21)	-	229	Works commenced in July and due to complete by December.
High Rise Balconies	577	577	-	(577)	577	577	Works were delayed pending the outcome of a structural survey. Works have been tendered and are planned for completion during the summer of 2017 with budgets to be re-profiled into 17/18

Works to High Rise Flats	-	523	8	(515)	515	523	Works were delayed pending the outcome of a structural survey. Works have been tendered and are planned for completion during the summer of 2017 with budgets to be re-profiled into 17/18
External and Environmental Works	55	205	204	(1)	-	204	All agreed projects were completed.
HOUSING REVENUE ACCOUNT	Budget Re-profiled from 2015/16 £000	YTD Budget £000	YTD Spend £000	Variance £000	Re-profile £000	Outturn £000	Comments
Disabled Adaptations	46	445	440	(5)	-	440	All identified works completed in year. Some works held back until 2017/18
Capital Salaries 2012	-	169	153	(16)	-	153	Costs and provisional outturn based on latest estimates of staffing costs
Cdm Fees 2012	-	10	-	(10)	-	-	-
Directorate Total	2,266	6,334	3,096	(3,238)	3,151	6,247	
HRA Contingency							
HRA Contingency	100	100	-	(100)	100	100	Funding to be released by Cabinet once a report detailing any new project has been approved.
Directorate Total	100	100	-	(100)	100	100	
HOUSING REVENUE ACCOUNT TOTAL	6,843	17,058	7,348	(9,710)	9,575	16,923	
TOTAL	9,528	23,311	8,756	(14,555)	12,306	21,062	

