

## CABINET

14<sup>th</sup> June 2018

### Report of the Portfolio Holder for Assets and Finance

#### CAPITAL OUTTURN REPORT 2017/18

##### PURPOSE

To advise Members on the final outturn of the Authority's Capital Programme for 2017/18 (subject to audit confirmation) and to request formal approval to re-profile specific programme budgets into 2018/19.

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 2017/18 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 2018/19 (total £27.304m);

##### RESOURCE AND VALUE FOR MONEY IMPLICATIONS

There are no additional financial implications from this report as all scheme budgets detailed for re-profiling into 2018/19 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 31<sup>st</sup> March 2018.

As capital funding is very limited for 2018/19 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 2017/18 capital programme identifies an underspend of **£28.499m** against the approved budget of **£37.699m** (actual spend £9.200m - no change since Provisional Outturn).

However, it has been requested that **£27.304m** (as detailed in Appendix B) of scheme spend be re-profiled into 2018/19. This will result in an overall underspend of **£1.195m** for the 2018/19 capital programme.

### General Fund

The outturn on General Fund capital schemes (including contingency) spend is **£1.545m** compared to a full year budget of **£11.590m** resulting in an underspend of **£10.045m**. It has been requested that **£9.106m** be re-profiled into 2018/19 meaning that the actual under spend is **£0.939m**.

### Housing Revenue Account

The outturn on Housing Revenue Account (HRA) capital schemes (including contingency) spend is **£7.655m** compared to a full year budget of **£26.109m**, resulting in an underspend of **£18.454m**. It has been requested that **£18.198m** be re-profiled into 2018/19 meaning that the actual underspend is **£0.256m**

The table below shows the actual amounts to be re-profiled into 2018/19 compared to what was forecast at period 11 and, for information, shows the amounts that were re-profiled into 2017/18

	<b>Budget 17/18</b>	<b>Outturn 17/18</b>	<b>Variance</b>	<b>Re- profile to 18/19</b>	<b>Underspend</b>	<b>P11 predicted re-profile</b>	<b>Re-profiled 17/18</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
General Fund	11,590	1,545	(10,045)	9,106	939	3,009	2,731
Housing Revenue Account	26,109	7,655	(18,454)	18,198	256	17,774	9,575
<b>Total</b>	<b>37,699</b>	<b>9,200</b>	<b>(28,499)</b>	<b>27,304</b>	<b>1,195</b>	<b>20,783</b>	<b>12,306</b>

It should be noted that the following items to the value of £61.27k have been included in the balance sheet as capital items but have been financed from the revenue account:-

<b>Revenue Purchase</b>	
ICT Hardware Revenue Purchases	£20.70k
ICT Software Revenue Purchases	£40.57k

## Appendix A

GENERAL FUND	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000
Director of Finance	-	6,000	-	(6,000)	6,000	6,000
Director of Technology & Corporate Programmes	148	372	147	(225)	209	356
Director of Communities, Partnerships & Housing	92	92	-	(92)	92	92
Director of Growth, Assets & Environment	1,151	3,667	1,398	(2,269)	2,246	3,644
<b>Contingency</b>	1,340	1,459	-	(1,459)	559	559
<b>TOTAL GENERAL FUND</b>	<b>2,731</b>	<b>11,590</b>	<b>1,545</b>	<b>(10,045)</b>	<b>9,106</b>	<b>10,651</b>

HOUSING REVENUE ACCOUNT	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000
Director of Communities, Partnerships & Housing	6,324	18,275	3,840	(14,435)	14,427	18,267
Director of Growth, Assets & Environment	3,151	7,734	3,815	(3,919)	3,671	7,486
HRA Summary	-	-	-	-	-	-
<b>HRA Contingency</b>	100	100	-	(100)	100	100
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>9,575</b>	<b>26,109</b>	<b>7,655</b>	<b>(18,454)</b>	<b>18,198</b>	<b>25,853</b>
<b>TOTAL</b>	<b>12,306</b>	<b>37,699</b>	<b>9,200</b>	<b>(28,499)</b>	<b>27,304</b>	<b>36,504</b>

## Appendix B

General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
<b>Director of Finance</b>							
Property Funds	-	6,000	-	(6,000)	6,000	6,000	Budget approved by Council in February 2018 but unable to spend funds before 31/03/18. Reprofile all budget into 2018/19
<b>Directorate Total</b>	<b>-</b>	<b>6,000</b>	<b>-</b>	<b>(6,000)</b>	<b>6,000</b>	<b>6,000</b>	
<b>Director of Technology &amp; Corporate Programmes</b>							
Replacement It Technology	41	118	111	(7)	7	118	Remaining licence has been ordered but will not be received before end March therefore remaining budget requested to be re-profiled into 2018/19
EDRMS (Electronic Document Records Management System)	63	63	-	(63)	63	63	Scoping of project following migration from Oracle platform to SQL server to be agreed with supplier. Budget will not be spent this year.
Air Conditioning	32	32	32	-	-	32	Project now completed



General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Director of Communities, Partnerships & Housing							
Private Sector Coalfields Fund	92	92	-	(92)	92	92	Programme of new initiatives to be developed to target help for vulnerable residents based on results of recent stock condition survey however, will need to reprofile significant funds to 2018/19 to deliver schemes.
<b>Directorate Total</b>	<b>92</b>	<b>92</b>	<b>-</b>	<b>(92)</b>	<b>92</b>	<b>92</b>	

General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Director of Growth, Assets & Environment							
Disabled Facilities Grant	91	592	561	(31)	31	592	Current commitments nearly accounts for the budget available for the full year and new cases are still being referred all the time . This position confirms the current budget allocation is significantly insufficient to meet demand. Monies allocated but not actually paid to 3rd parties - outside TBC control so may need to reprofile some funds into 2018/19.
Cctv Camera Renewals	29	44	-	(44)	44	44	Review of cameras locations etc. now completed - Report to Scrutiny Committee in 2018 to discuss way forward. Will need to reprofile all funds to 2018/19 to reflect Scrutiny recommendations.
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. Delivery of new vehicles in 2017/18 may need to use these funds to facilitate purchase of software interface.

General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Wigginton Park Section Section 106	29	31	11	(20)	20	31	Plans ongoing to deliver items from the Wigginton Park Management Plan - may need to reprofile £20k to 2018/19 depending on delivery timescales
Broadmeadow Nature Reserve	44	69	47	(22)	23	70	Ongoing works to complete management plan and HLS agreement. Bridge works completed however ongoing contractual dispute over rates and works undertaken.
Public Open Space Section 106	31	98	75	(23)	24	99	Project group established - list of works currently being collated for remaining budget. Need to reprofile £24k to 2018/19 depending on delivery timescales
Agile Working Phase 2	124	124	-	(124)	124	124	Expenditure of this budget is reliant upon us entering into a formal lease agreement with the NHS. Based on recent discussions it would appear that the NHS will not be in a position to make any formal decisions within the current financial year and as such we would not propose undertaking any alteration works in Marmion House. The full amount is to be re-profiled into 2018/19.

General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Street Lighting	1	4	-	(4)	4	4	-
Belgrave Play Area	-	60	60	-	-	60	All works completed - Official opening on Friday 12/01/18
Local Nature Reserve	-	36	-	(36)	36	36	Section 106 funds released September - plans to deliver being developed but will have to reprofile to 2018/19
Assembly Rooms Development	100	1,680	540	(1,140)	1,140	1,680	Work started on site December - Building works to be finished in approx. 15 months. Will be necessary to reprofile funds into 2018/19 to complete works.
Castle Mercian Trail	635	766	18	(748)	748	766	Bid to HLF has been successful - project update report sent to Cabinet January 2018. Tenders out for main designer with closing date Feb so likely to need to reprofile funds to 2018/19.
Gateways	27	99	62	(37)	15	77	The County Council are progressing the works to phase two between the Station and the town. Budget reduced to reflect external spend on project previously included.
Cultural Quarter - Phil Dix Centre	-	2	3	1	-	3	Project complete - official opening of the centre on 26th July

General Fund	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Cultural Quarter - Carnegie Centre	10	10	3	(7)	7	10	No update to report, currently being used as site office for overall project, will need to reprofile any underspends into 2018/19.
Cultural Quarter - Public Realm	-	22	18	(4)	-	18	Works being lead by SCC - although any spend from TBC to support project will be reclaimed through SLGF Returns.
<b>Directorate Total</b>	<b>1,151</b>	<b>3,667</b>	<b>1,398</b>	<b>(2,269)</b>	<b>2,246</b>	<b>3,644</b>	
<b>Contingency</b>							
Gf Contingency	50	50	-	(50)	50	50	Carry forward as contingency for 2018/19
Cont-Return On Investment	160	160	-	(160)	160	160	Carry forward as contingency for 2018/19
GF Contingency Plant and Equipment	1,000	1,000	-	(1,000)	100	100	Carry forward £100,000 as contingency for 2018/19
Civil Contingencies Technology 17/18 (Contingency)	-	19	-	(19)	19	19	Alternatives to the Emergency Control Room originally planned are to be investigated, and budget is unlikely to be spent this year

<b>General Fund</b>	<b>Budget Reprofiled from 2016/17 £000</b>	<b>YTD Budget £000</b>	<b>YTD Spend £000</b>	<b>Variance £000</b>	<b>Reprofile £000</b>	<b>Outturn £000</b>	<b>Comments</b>
Refurbishment of Marmion House Reception (Contingency)	-	100	-	(100)	100	100	Carry forward as contingency for 2018/19
Private Sector Improvement Grants (Coalfields Funding)	130	130	-	(130)	130	130	Carry forward as contingency for 2018/19
<b>Directorate Total</b>	<b>1,340</b>	<b>1,459</b>	<b>-</b>	<b>(1,459)</b>	<b>559</b>	<b>559</b>	
<b>GENERAL FUND TOTAL</b>	<b>2,731</b>	<b>11,590</b>	<b>1,545</b>	<b>(10,045)</b>	<b>9,106</b>	<b>10,651</b>	

Housing Revenue Account	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
<b>Director of Communities, Partnerships &amp; Housing</b>							
Gas Cent Htng Upgrade & Ren 2012	-	-	(7)	(7)	-	(7)	Final charges for 2016/17 works from Mears less than anticipated
Tinkers Green Project	2,613	9,253	699	(8,554)	8,554	9,253	Awarded construction contract with start on site anticipated early Spring 2018. Decision required from January Project Board re level of pre contract spend required before contract can be signed. Will need to reprofile significant budgets to 2018/19
Kerria Estate Project	739	2,550	372	(2,178)	2,178	2,550	Awarded construction contract with start on site anticipated early Spring 2018. Decision required from January Project Board re level of pre contract spend required before contract can be signed. Will need to reprofile significant budgets to 2018/19

Housing Revenue Account	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Regeneration General	2,054	4,304	2,070	(2,234)	2,234	4,304	Garage programme T1a sites completed early 2018 (19 council homes). November Cabinet agreed to a review of programme which will result in an underspend in the current year. It is likely that the funds will need to be reprofiled to 2018/19,
Other Acquisitions	918	2,168	706	(1,462)	1,461	2,167	Delays in build process on section S106 acquisitions and one off acquisitions likely to mean schemes will not complete by end of financial year so may need to reprofile funds in to 2018/19.
<b>Directorate Total</b>	<b>6,324</b>	<b>18,275</b>	<b>3,840</b>	<b>(14,435)</b>	<b>14,427</b>	<b>18,267</b>	
<b>Director of Growth, Assets &amp; Environment</b>							
Structural Works	-	100	7	(93)	-	7	All identified works in-year completed.
Bathroom Renewals	-	796	812	16	-	812	All identified works complete

Housing Revenue Account	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
Gas Central Heating Upgrades and Renewals	-	514	355	(159)	-	355	Sufficient work has been identified to take up the full budget and full spend is anticipated at year-end
Kitchen Renewals	-	945	937	(8)	8	945	Works are on site and nearing completion but not complete/valued at year-end.
Major Roofing Overhaul and Renewals	-	161	165	4	-	165	All identified works complete
Window and Door Renewals	-	250	238	(12)	12	250	Works have commenced on site to take up full year budget but not completed/valued at year-end
Neighbourhood Regeneration	-	100	122	22	-	122	This is an ad-hoc budget - spending plans being considered.
Disabled Facilities Adaptations	-	316	208	(108)	108	316	Works on site to take up full year budget but not yet completed/valued.
High Rise Lift Renewals 2012	1,055	606	328	(278)	278	606	Lift works have commenced on first block. Manufacture commenced on remaining blocks. Project to be delivered over 2 years.
Fire Upgrades To Flats 2012	718	2,079	22	(2,057)	2,057	2,079	Contract has not yet been awarded due to further survey works being required from South Staffs Water. Project to take place over two years.



Housing Revenue Account	Budget Reprofiled from 2016/17 £000	YTD Budget £000	YTD Spend £000	Variance £000	Reprofile £000	Outturn £000	Comments
HRA Contingency							
HRA Contingency	100	100	-	(100)	100	100	Carry forward as contingency for 2018/19
<b>Directorate Total</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>(100)</b>	<b>100</b>	<b>100</b>	
<b>HOUSING REVENUE ACCOUNT TOTAL</b>	<b>9,575</b>	<b>26,109</b>	<b>7,655</b>	<b>(18,454)</b>	<b>18,198</b>	<b>25,853</b>	
<b>TOTAL</b>	<b>12,306</b>	<b>37,699</b>	<b>9,200</b>	<b>(28,499)</b>	<b>27,304</b>	<b>36,504</b>	

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