

Thursday, 21 July 2022

Report of the Portfolio Holder for Finance, Risk and Customer Services**Capital Outturn Report 2021/22****Exempt Information**

None

Purpose

To advise Members of the final outturn of the Authority's Capital Programme for 2021/22 (subject to audit confirmation) and to request formal approval to re-profile specific programme budgets into 2022/23.

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

Recommendations

It is recommended that Cabinet:

1. receive the final outturn position of the 2021/22 capital programme as summarised in Appendix A; and
2. approve for each of the projects detailed in Appendix B the re-profiling of the budget into the Authority's Capital Programme 2022/23 (total **£30.528m**).

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 2021/22 capital programme identifies an underspend of **£34.843m** against the approved budget of **£52.659m** giving an actual spend **£17.816m** (no change from the provisional outturn). It has been requested that **£30.528m** (as detailed in Appendix B) of scheme spend be re-profiled into 2022/23 (£30.427m reported in the Provisional Outturn). This will result in an overall underspend of **£4.315m** for the 2021/22 capital programme.

General Fund

The outturn on General Fund capital schemes (including contingency) spend is **£7.823m** compared to a full year budget of **£31.201m** resulting in an underspend of **£23.378m**. It has been requested that **£19.230m** be re-profiled into 2022/23 meaning that the actual underspend is **£4.148m**.

Housing Revenue Account

The outturn on Housing Revenue Account (HRA) capital schemes (including contingency) spend is **£9.993m** compared to a full year budget of **£21.458m**, resulting in an underspend of **£11.465m**. It has been requested that **£11.298m** be re-profiled into 2022/23 meaning that the actual underspend is **£0.167m**.

The table below shows the actual amounts to be re-profiled into 2022/23 compared to that forecast at period 11 and, for information, shows the amounts that were re-profiled into 2021/22.

	Budget 21/22	Outturn 21/22	Variance	Re- profile to 22/23	Under/Over spend	P11 predicted re-profile	Re- profiled into 21/22
	£000	£000	£000	£000	£000	£000	£000
General Fund	31,201	7,823	(23,378)	19,230	(4,148)	17,484	15,548
Housing Revenue Account	21,458	9,993	(11,465)	11,298	(167)	9,051	11,997
Total	52,659	17,816	(34,843)	30,528	(4,315)	26,535	27,545

Options Considered

None

Resource Implications

As set out within the report. It should be noted that the following items to the value of £184k have also been included in the balance sheet as capital items but have been financed from the revenue account:-

Revenue Purchase	
ICT Hardware Revenue Purchases	£8,857
ICT Software Revenue Purchase	£115,311
Production of Augmented reality Software	£20,000
Cinema Screen	£40,241
Total	£184,409

Legal/Risk Implications Background

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 2022.

As capital funding is very limited for 2022/23 the capital programme will also need to be closely monitored.

Equalities Implications

None

Environment and Sustainability Implications (including climate change)

None

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Appendix A

GENERAL FUND	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000
Chief Executive	-	95	-	(95)	95	95
AD Growth & Regeneration	1,526	15,454	2,563	(12,891)	12,864	15,427
AD People	151	253	121	(132)	132	253
AD Operations & Leisure	669	1,565	392	(1,172)	1,169	1,562
AD Finance	12,131	12,131	4,083	(8,048)	4,000	8,083
AD Assets	817	1,538	617	(921)	849	1,467
AD Neighbourhoods	-	46	46	-	-	46
AD Partnerships	-	-	-	-	-	-
GF Contingency	255	120	-	(120)	120	120
TOTAL GENERAL FUND	15,548	31,201	7,823	(23,378)	19,230	27,053
HOUSING REVENUE ACCOUNT	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000
AD Assets	11,897	21,358	9,993	(11,365)	11,198	21,190
HRA Contingency	100	100	-	(100)	100	100
TOTAL HOUSING REVENUE ACCOUN	11,997	21,458	9,993	(11,465)	11,298	21,290
TOTAL	27,545	52,659	17,816	(34,843)	30,527	48,343

APPENDIX B

GENERAL FUND	Budget £000	Actual Spend £000	Variance £000	Reprofile to 2022/23 £000	Outturn £000	Comments
Chief Executive						
Joint Waste Service Additional Bins	95	-	(95)	95	95	Delivery delayed until April 2022
Service Area Total	95	-	(95)	95	95	
AD Growth						
Gungate Development	718	-	(718)	718	718	Ongoing discussions with County Council re land assembly. Budget likely to be spent next year, as currently going through approval process this year.
Castle Mercian Trail	96	69	(27)	27	96	The project has now been signed off by the Heritage Fund
Gateways	424	24	(400)	400	424	Further design and public consultation to be undertaken in Q1 22/23
Cultural Quarter - Carnegie Centre	3	5	2	-	5	Overspend on utilities authorised S151 Officer
Repairs to Castle Elevation	464	35	(429)	429	464	Cabinet approved additional budget Jan 22. Tender is pending outcome of legal process.
Castle Lighting	40	40	-	-	40	Now Complete
Off Street Car Parking Infrastructure Update	50	-	(50)	22	22	Cabinet approved preferred tender 9/9/21, slight delay due to Worldpay, £28k saving with remaining budget to be re-profiled to 22/23.
FHSF Castle Gateway	2,750	129	(2,621)	2,621	2,750	Revised spending profile submitted to DLUHC
FHSF Middle Entry	2,125	58	(2,067)	2,067	2,125	Revised spending profile submitted to DLUHC
FHSF College Quarter	8,783	2,204	(6,580)	6,580	8,783	Revised spending profile submitted to DLUHC
Service Area Total	15,454	2,563	(12,891)	12,864	15,427	
ED Organisation				-		
AD People				-		
Replacement It Technology	70	46	(24)	24	70	Previously planned spend eg on network refresh may be delayed pending R & R/Marmion House de-commissioning - budget to be re-profiled.
New Time Recording System 17/18	15	-	(15)	15	15	Funds to be re-profiled as commencement of project subject to Recovery & Reset

GENERAL FUND	Budget £000	Actual Spend £000	Variance £000	Reprofile to 2022/23 £000	Outturn £000	Comments
Self Service Customer Portal	45	18	(27)	27	45	Portal 'soft launch' go live achieved in January, remaining funds to be c/f for further development.
Member Device Refresh	3	1	(2)	2	3	Remaining budget to be used for purchase of replacement kit in 22-23
Asset Management Database	42	-	(42)	42	42	Additional modules are required but it not expected that this will be progressed until next year therefore funds to be re-profiled.
Mobile Phone Contract	-	-	-	-	-	Funds vired into new scheme for Replacement Back-Up System following Cabinet approval
V13 Income Management Systems & 3D Secure	27	5	(23)	23	27	System upgrade and move to Cloud - expected go live Oct 22
Replacement Back-Up System	51	51	-	-	51	Implemented January and project now complete
Service Area Total	253	121	(132)	132	253	
AD Operations & Leisure				-		
Wigginton Park Section Section 106	11	-	(11)	11	11	Volunteers returning to site, management plans being reviewed, spend anticipated within next 6 months
Broadmeadow Nature Reserve	18	6	(11)	11	18	Volunteers returning to site, management plans being reviewed, spend anticipated within next 6 month
Public Open Space Section 106	27	-	(27)	27	27	Allocated to Rainscar play area
Street Lighting	79	10	(69)	69	79	40 year plan, extension to scheme being submitted. To query works with Eon and if works have been completed
Local Nature Reserves	24	-	(24)	24	24	Management plans being reviewed to assess planned spend in 2022/23
Community Woodland Cycleway	-	-	-	-	-	Cabinet approved the merger of this scheme with Amington Community Woodland Jan 2022
Amington Community Woodland	762	5	(757)	757	762	Cabinet report approved. Tender process on hold due to waiting for final documentation from Redrow.
3G Sports Facility	-	(4)	(4)	-	(4)	Completed
Replacement Castle Grounds Play Area	374	373	-	-	373	Completed
Refurbishment Castle Grounds Tennis Courts	120	-	(120)	120	120	Specification final checks before tendering
Refurbishment of Play Areas	50	-	(50)	50	50	Released from capital contingency following Cabinet approval

GENERAL FUND	Budget £000	Actual Spend £000	Variance £000	Reprofile to 2022/23 £000	Outturn £000	Comments
Assembly Rooms Development	-	1	1	-	1	Anticipated extra £1k in costs pending review of legal case and evaluation to be completed
Indoor and Outdoor Sports Feasibility	100	-	(100)	100	100	Tender awarded. Awaiting first meeting, spend next year
Service Area Total	1,565	392	(1,172)	1,169	1,562	
ED Finance						
AD Finance						
Property Funds	8,131	4,083	(4,048)	-	4,083	Investments in property funds made at the end October. c.£4m capital fund and c.£4m treasury management investment therefore budget will underspend by £4m.
Solway Tamworth LTD LATC	4,000	-	(4,000)	4,000	4,000	Review underway to confirm viability of scheme post pandemic
Service Area Total	12,131	4,083	(8,048)	4,000	8,083	
ED Communities						
AD Assets						
Disabled Facilities Grant	1,467	617	(849)	849	1,467	Predicted underspend which needs to be reprofiled, as there is more work identified
Energy EFF Upgrade Commercial and Industrial Properties	72	-	(72)	-	-	This budget won't be spent this year - savings
Service Area Total	1,538	617	(921)	849	1,467	
AD Neighbourhoods						
CCTV Infrastructure	46	46	-	-	46	Payment made to West Midlands Combined Authority, no predicted outturn variance
Service Area Total	46	46	-	-	46	
GF Contingency						
Gf Contingency	-	-	-	-	-	Funds released following Cabinet approval.
Cont-Return On Investment	20	-	(20)	20	20	Budget to be re-profiled
GF Contingency Plant and Equipment	100	-	(100)	100	100	Budget to be re-profiled
Service Area Total	120	-	(120)	120	120	
GENERAL FUND TOTAL	31,201	7,823	(23,378)	19,230	27,053	

HOUSING REVENUE ACCOUNT	Budget £000	Actual Spend £000	Variance £000	Reprofile to 2022/23 £000	Outturn £000	Comments
ED Communities						
AD Assets						
Structural Works	200	192	(8)	8	200	Underspend to be reprofiled
Bathroom Renewals	312	306	(5)	5	312	Underspend to be reprofiled
Gas Central Heating Upgrades and Renewals	974	335	(639)	639	974	To be reprofiled in full
Kitchen Renewals	1,114	905	(209)	209	1,114	Predicted underspend to be reprofiled
Major Roofing Overhaul and Renewals	1,111	1,197	86	-	1,197	Overspend - high amount of work carried out
Window and Door Renewals	441	489	48	-	489	Overspend, work on site exceeded initial plan
Neighbourhood Regeneration	977	710	(267)	267	977	Predicted underspend this year but projects are ongoing - to be reprofiled
Disabled Facilities Adaptations	860	401	(460)	460	860	To be reprofiled in full
Rewire	150	3	(147)	30	33	Jobs identified in March but not completed, approx £30k to be reprofiled, rest as saving
CO2 / Smoke Detectors	124	-	(124)	124	124	Scheme identified but the contractor wasn't able to deliver the work before the end of the year, full amount to be reprofiled
Insulation	18	-	(18)	18	18	Work has been identified now and full amount to be reprofiled
Renew High Rise Lifts	243	-	(243)	243	243	To be reprofiled in full, it was expected that the Eringden lift would be worked on in March but there is a delay in delivery of this project
Replace High Rise Soil Stacks	1,750	9	(1,741)	1,741	1,750	It was planned to start before the end of March 22 but it wont be completed till next year
Fire Upgrades To Flats 2012	100	0	(100)	-	0	Savings, the project will be funded from the 2022/23 budget
Sheltered Schemes	184	72	(113)	113	184	To be reprofiled, schemes identified but not completed
Energy Efficiency Improvements	70	-	(70)	-	-	Ad hoc budget, work identified towards the end of March but not completed - to be reprofiled in full
Install Fire Doors High Rise	1,460	967	(493)	493	1,460	Works on-going, to be reprofiled in full
High Rise Ventilation System	120	-	(120)	120	120	Linked to soil stacks project, will need reprofiling
Retention of Garage Sites	750	110	(640)	640	750	Project runs into 22/23 so any underspend will need to be re-profiled
Capital Salaries	200	185	(15)	-	185	-

HOUSING REVENUE ACCOUNT	Budget £000	Actual Spend £000	Variance £000	Reprofile to 2022/23 £000	Outturn £000	Comments
Software Fire Safety Surveys	90	-	(90)	90	90	Not going to be spent this year - will need re-profiling
HRA Street Lighting	69	27	(42)	42	69	Any underspend will need to be re-profiled.
Asset Management Software HRA	69	43	(26)	26	69	Project ongoing, any underspend to be reprofiled
Telecare System Upgrades	36	-	(36)	36	36	Works have been identified but won't be completed this year - to be reprofiled
Kerria Estate Project	103	14	(88)	88	103	Final CPO settlements still being negotiated, to be reprofiled in full.
Other Acquisitions	599	541	(58)	58	599	Underspend to be reprofiled to Regeneration & Affordable Housing
Regeneration & Affordable Housing	7,725	3,483	(4,242)	4,242	7,725	Wilnecote scheme submitted to planning but works unlikely to commence until late 21/22, also additional £500k identified as underspend to be reprofiled.
Caledonian Depot New Build	1,508	2	(1,506)	1,506	1,508	Most spend being in 22/23.
Service Area Total	21,358	9,993	(11,365)	11,198	21,190	
HRA Contingency						
HRA Contingency	100	-	(100)	100	100	Budget to be re-profiled
Service Area Total	100	-	(100)	100	100	
HRA Total	21,458	9,993	(11,465)	11,298	21,290	