



FINANCE & PERFORMANCE SCRUTINY COMMITTEE

This meeting will be recorded and the sound recording subsequently made available via the Council's website: charnwood.gov.uk/pages/committees

Please also note that under the Openness of Local Government Bodies Regulations 2014 that other people may film, record, tweet or blog from this meeting. The use of any images or sound recordings is not under the Council's control.

To: Councillors Maynard (Chair), Forde (Vice-Chair), Baines, Campsall, Charles, Cory-Lowsley, S. Forrest, D. Taylor and Westley (For attention)

All other members of the Council
(For information)

You are requested to attend the meeting of the Finance & Performance Scrutiny Committee to be held in Committee Room 1, at the Council Offices, Southfields, Loughborough on Tuesday, 28th November 2023 at 6.00 pm for the following business.

Chief Executive

Southfields
Loughborough

20th November 2023

AGENDA SUPPLEMENT

11. CAPITAL MONITORING REPORT

2 - 8

A report of the acting Head of Finance setting out the capital spend position at the end of Period 7.

FINANCE & PERFORMANCE SCRUTINY COMMITTEE

28TH NOVEMBER 2023

Report of the Head of Finance

Lead Member: Cllr Ashcroft

CAPITAL MONITORING REPORT: PERIOD 7 OCTOBER 2023

Purpose of Report

This report is to inform Finance and Performance Scrutiny of the General Fund and Housing Revenue Account (HRA) Capital spend position at Period 7, 31st October 2023 compared with the profiled budget to date.

Recommendation

That the Capital Monitoring Summary position for Period 7, 31st October 2023 for the General Fund and Housing Revenue Account be noted as per Table1. The detailed Capital Monitoring Report is included in Appendix 1.

Reasons

To enable the information to be used as a monitoring tool and when considering the future 3-year Capital Plan and Capital Strategy.

Policy Justification and Previous Decisions

Financial resources are required to carry out all the aims and strategies of the Council.

Report Implications

The Capital Programme is fully funded and there are no financial implications identified for this report.

Risk Management

There are no specific risks associated with this decision.

Key Decision: No

Background Papers: None

Officers to Contact: Neil Whittall
Acting Head of Finance
01509 632515
Neil.whittall@charnwood.gov.uk

Part B

Executive Summary

1. The General Fund full year capital budget is £24,892k with a Period 7 profiled budget of £14,521k. Spend to Period 7 is £8,962k which represents 62% of budget and an underspend of £5,559k to this date.
2. The HRA Full year capital budget is £13,769k with Period 7 profiled budget of £8,032k. The spend to the end of Period 7 was £3,956k, representing 49% of the profiled budget and an underspend of £4,076k.

Table 1

Capital Summary	Full Year Budget	Period 7			
		Budget	Actual Spend	Variance under/(over) spend	% Spend against budget
General Fund	24,892	14,521	8,962	5,559	62
HRA	13,769	8,032	3,956	4,076	49
Total	38,661	22,552	12,917	9,635	57
General Fund Split					
Live	7,671	4,476	4,016	460	90
Provisional	15,087	8,801	4,161	4,640	47
3rd Party	2,134	1,245	785	460	63
Total	24,892	14,521	8,962	5,559	62

General Fund

3. In delivering the Capital Plan the Council focusses on 'Live' schemes, where schemes have been fully developed and can be reasonably be expected to be delivered within the budget period. Ov
4. Delivery of the General Fund capital plan is reasonable at 90%, but it may be noted that this figure is somewhat skewed by overspends on Bedford Square (more detail in paragraph below) and timing differences versus budget profile on the Shepshed Town Centre improvement project, adjusting for which would see delivery fall to around 60%.
5. The major underspends are in the 'block' amounts set aside for property maintenance (£351k) and carbon neutral initiatives (£344k). Expenditure of these funds will be influenced by the ongoing accommodation review. It is likely that unspent funding will be requested as carry forward into future financial years.

Housing Revenue Account

6. Delivery of the HRA Capital Programme has been significantly hampered in recent years due to issues with contractors. There is initial evidence

that the 'run rate' on individual programmes has now increased such that delivery is in line with funding with expenditure increasing for the second half of the year. However, it is unlikely that the shortfall in the first half of the year will be recovered and an underspend versus the total budget will be expected. Usual practice is that the underspend rolls forward into HRA reserves where it is available for future capital schemes and/or repayment of HRA debt.

7. More detail on Major Capital schemes is set out below:

Enterprise Zone - This budget is a provisional budget of £10m in 2023/24. The fund was created to allow "forward funding" of buildings or infrastructure within the Zone financed by future business rate receipts. On 9th March 2023 Cabinet report approved a new Enterprise Zone agreement with Charnwood Campus of £4.1m, this was paid over in October 2023 and will be reclaimed over a 15-year period. The remaining budget of £5.8m is likely to be carried forward into 2024/25.

Bedford Square Project - Delegated Decision 182, 15th October 2021 approved a revised total budget of £3.869m funded by Town Deal £1.7m, External Funding £708k, Capital Receipts £1.461m. This scheme is near complete and is currently in the construction defects period. Leicestershire County Council, require final works to be inspected for snagging and a cost for this is still to be determined. Some costs may be mitigated via claims on contractors. The latest projected overspend is estimated to be in the region of approximately £700k.

Regeneration Projects - As part of the Treasury Management Strategy report 9th February 2022, £5m was set aside for Regeneration Schemes, and to date there have been no projects identified. Any project would be subject a Capital Appraisal and could be expected to be supported by a Cabinet report.

Lanes and Links – Town Deal Project (including Hope Bell)

The budget for 2023/24 is £509k, and profiled budget is £297k against spend of £64k, 13% spend to date. Festive lights proposal is to install permanent multi-coloured lighting on catenary lines along Bleach Yard, quotes are now being sought. This is lighting that can be used all year-round, with the ability to change colours for different seasons, including seasonal colours at Christmas. Hope Bell quotes have been secured and planning application submitted. The project is due to be completed towards the end of 2023/24.

Living Loughborough – Town Deal Project

The budget for 2023/24 is £1,568k, and profiled budget is £915k against spend to date £741k, 47% spend to date. Planning application has been submitted for the Granby Street Car Park Gateway. Work has commenced on developing the BID's digital business support training package. Design of the Southfields Park canopy has been reviewed and the costs are now within budget. DLUCH has confirmed that Living Loughborough has passed the performance review process and the release of further funding can be expected at the end of October 2023.

Disabled Facilities Grants

The budget for 2023/24 is £1.3m, and the profiled budget is £764k up to Period 7. Actual spend up to Period 7 is £648k, representing 50% of the profiled budget. An independent consultant has been appointed to carry out an options review for the delivery of disabled facilities grants within Charnwood. The review is currently underway and the Housing Grants Policy is due to be completed by 31st March 2024. One of the main objectives of the review is to identify ways to enable adaptation delivery (or other projects) in line with the grant funding received.

Shepshed Town Centre Development and Public Realm - The total budget for phase one scheme is £2.475m, as per 13th April Cabinet Report 2022, actual spend to date £2,131k, 86% spend to date. The scheme is now progressing well following long delays with the current contractors and Leicestershire County Council. No progress has been made to secure an agreement with City Fibre to recover £30k costs incurred to facilitate the laying of their cables across the site area.

HRA Capital Schemes

Acquisition of Affordable Housing to meet Housing Needs –

The budget for 2023/24 is £3.86m, to date 1 property has been purchased for £207k and several properties are under consideration plus 2 assets have been gifted. The current Housing Acquisition policy is being reviewed to enable further purchases to be made.

Sheltered Accommodation Scheme -The total budget is £2m, spend to date is £200k, the balance of the budget will be spent in 2024/25. The scheme comprises of building 9 bungalows, significant engagement, and communication with stakeholders, including the church adjacent to the site has taken place. An open day in June 23 was held to talk to residents. A specification for a contractor to deliver the work is in development. Subject to planning permission work (i.e., demolition) is expected to start in early 2024 / calendar year.

Further detail on schemes is tabulated at Appendix 1.

APPENDIX

Capital Monitoring Report - Oct 2023

Category	Project Officer	Costc	Costc(T)	Full Year		Year to date				
				Original Budget	Current Budget	Current Budget	Actual	Accruals	Outstanding PO's	Variance (Overspend)/Underpend
				£	£	£	£	£	£	£
Head of Assets and Property										
Live	I. Browne	Z310	Planned Property Refurbishment	750,000	655,000	382,083	25,488	0	5,791	350,805
		ASP	Head of Assets and Property	750,000	655,000	382,083	25,488	0	5,791	350,805
Director Commercial and Economic Development										
Live	J. Henry	Z796	Carbon Neutral Action Fund - Block Sum	0	909,100	530,308	90,227	14,310	81,973	343,798
Prov	J. Henry	Z817	Regeneration Projects	0	5,000,000	2,916,667	0	0	0	2,916,667
Live	J. Henry	Z832	Feasibility Work – New Council Offices	0	138,400	80,733	0	0	0	80,733
		CDV	Director Commercial and Economic Development	0	6,047,500	3,527,708	90,227	14,310	81,973	3,341,198
Head of Contracts: Leisure,Waste and Environment										
Live	M. Bradford	Z484	Closed Churchyard Walls	0	8,100	4,725	4,630	0	0	95
3rd Party	M. Bradford	Z500	Cedar Academy – contribution towards all weather pitch	0	50,000	29,167	0	0	0	29,167
3rd Party	J. Trill	Z697	Bell Foundry Pocket Park	0	32,200	18,783	24,903	0	0	(6,119)
3rd Party	M. Bradford	Z699	Shelthorpe Public Open Space Enhancements	0	111,700	65,158	0	0	111,724	(46,566)
Live	M. Bradford	Z757	Town Hall Roof Upgrade	0	17,200	10,033	0	0	0	10,033
3rd Party	M. Bradford	Z778	Syston Community Garden	0	21,600	12,600	0	0	0	12,600
Live	M. Bradford	Z784	Loughborough Cemetery - New Burial Provision	0	28,000	16,333	0	0	0	16,333
Live	M. Bradford	Z791	Shelthorpe Golf Course - Fencing	0	77,100	44,975	0	0	0	44,975
Live	M. Bradford	Z792	Community Tree Planting Programme	0	0	0	0	0	3,103	(3,103)
Live	M. Bradford	Z798	Town Hall - Victorial Room - Air Handling	0	23,500	13,708	0	0	0	13,708
Live	M. Bradford	Z799	Town Hall - additional seating	0	140,000	81,667	0	0	0	81,667
Live	M. Bradford	Z802	Allotment Improvements	0	10,000	5,833	3,767	0	0	2,067
Live	M. Bradford	Z805	Queens Park Aviary Improvements	0	20,000	11,667	0	0	0	11,667
Live	M. Bradford	Z806	Playing Pitch Strategy Action Plan	0	36,300	21,175	4,715	0	3,184	13,275
Live	M. Bradford	Z824	Shepshe Provision of Openspace Enhancement Scheme	0	61,400	35,817	0	0	0	35,817
3rd Party	M. Bradford	Z825	Loughborough Police Station Centre - Front Enquiry Desk	0	98,800	57,633	0	0	0	57,633
Live	M. Bradford	Z828	Queens Park - Improvements to Children's Play Provision & Adult Recreation Provision Z828	0	203,200	118,533	0	0	11,952	106,581
3rd Party	M. Bradford	Z830	Holt Drive PA Enhancements Z830	0	11,000	6,417	0	0	0	6,417
Live	M. Bradford	Z831	Loughborough Playground Improvement Plan Z831	0	100,000	58,333	0	0	0	58,333
3rd Party	M. Bradford	Z850	Sileby Parish Council – Sileby Memorial Park	0	174,600	101,850	0	0	0	101,850
Live	M. Bradford	Z854	Lodge Farm Public Open Space Enhancements	0	31,200	18,200	0	0	0	18,200
Live	M. Bradford	Z855	Cemetery Ashes Plot	0	40,000	23,333	0	0	0	23,333
Live	M. Bradford	Z856	Cemetery Gates	0	15,000	8,750	0	0	0	8,750
Live	M. Bradford	Z859	Syston Riverside Walk	0	45,200	26,367	5,485	1,925	0	18,957
3rd Party	M. Bradford	Z860	Radmoor Road Public Open Spaces Enhancements	0	53,600	31,267	0	0	0	31,267
Live	M. Bradford	Z862	Leisure Centre Barrier and Control	50,000	50,000	29,167	0	0	0	29,167
3rd Party	M. Bradford	Z864	Hathern Village Hall - additional community space	0	3,900	2,275	0	0	0	2,275
3rd Party	M. Bradford	Z874	Barrow Parish Council - Youth/Adult Recreation - new facilities at Willow Road Park, Barrow Upon Soar	0	41,500	24,208	0	0	0	24,208
Live	M. Bradford	Z875	Town Hall - Main Auditorium Air Handling Equipment	0	90,000	52,500	65,246	0	0	(12,746)
3rd Party	M. Bradford	Z876	Anstey Parish Council - Jubilee Hall, Stadon Rd, Anstey - extension & redevelopment	0	90,900	53,025	0	0	0	53,025
3rd Party	R. Bennett	Z877	Hathern Community Woodland Project - planting and enhancement	0	44,200	25,783	0	0	0	25,783
Live	M. Bradford	Z878	Refuse Collection Vehicles	0	440,000	256,667	0	0	448,272	(191,605)
3rd Party	M. Bradford	Z879	Sileby Memorial Park	0	83,100	48,475	0	0	0	48,475
Live	M. Bradford	Z881	Loughborough Town Hall - new website commissioning	0	15,000	8,750	0	0	0	8,750
		COS	Head of Contracts: Leisure,Waste and Environment	50,000	2,268,300	1,323,175	108,746	1,925	578,235	634,269

Director Finance, Governance and Contracts

Provisional	S. Jackson	Z818	Enterprise Zone	0	10,000,000	5,833,333	4,161,423	0	0	1,671,910
Live	M. Bradford	Z873	Town Deal - Lanes & Links	0	509,400	297,150	60,401	0	3,259	233,490
		CSS	<i>Director Finance, Governance and Contracts</i>	<u>0</u>	<u>10,509,400</u>	<u>6,130,483</u>	<u>4,221,824</u>	<u>0</u>	<u>3,259</u>	<u>1,905,400</u>

Customer Experience

Live	A. Khan	Z085	Hardware Replacement Programme	45,000	90,000	52,500	73,615	0	213	(21,327)
Live	A. Khan	Z354	Infrastructure Development	30,000	50,000	29,167	7,909	0	21,650	(393)
Live	A. Khan	Z812	Server Redesign	0	70,000	40,833	39,733	0	0	1,100
Live	A. Khan	Z813	Cloud Implementation	0	60,000	35,000	40,000	0	2,100	(7,100)
Live	A. Khan	Z816	Northgate – Single Use System	0	15,200	8,867	0	0	2,500	6,367
		CUS	<i>Customer Experience</i>	<u>75,000</u>	<u>285,200</u>	<u>166,367</u>	<u>161,257</u>	<u>0</u>	<u>26,463</u>	<u>(21,353)</u>

Head of Economic Development and Regeneration

Live	C. Grace	Z861	Town Deal– Living Loughborough	500,000	1,568,000	914,667	200,186	25,655	515,227	173,599
		EDR	<i>Head of Economic Development and Regeneration</i>	<u>500,000</u>	<u>1,568,000</u>	<u>914,667</u>	<u>200,186</u>	<u>25,655</u>	<u>515,227</u>	<u>173,599</u>

Head of Finance

Live	L. Tansey	Z810	Unit4 Agresso Upgrade	0	32,800	19,133	0	0	0	19,133
		FPS	<i>Head of Finance</i>	<u>0</u>	<u>32,800</u>	<u>19,133</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,133</u>

Head of Governance and Human Resources

Live	A. Ward	Z870	Audio Visual Equipment – Loughborough Town Hall	0	75,000	43,750	0	0	0	43,750
		GHR	<i>Head of Governance and Human Resources</i>	<u>0</u>	<u>75,000</u>	<u>43,750</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>43,750</u>

Director Housing and Wellbeing

Live	V. Graham	Z348	Community Facilities Grants	50,000	50,000	29,167	25,655	0	0	3,512
Live	V. Graham	Z427	Members Grants	13,000	13,000	7,583	3,550	0	0	4,033
		HPR	<i>Director Housing and Wellbeing</i>	<u>63,000</u>	<u>63,000</u>	<u>36,750</u>	<u>29,205</u>	<u>0</u>	<u>0</u>	<u>7,545</u>

Head of Strategic Housing

3rd Party	K. Moore	Z210	DFG Disabled Facilities Grant	1,058,000	1,309,700	763,992	516,395	24,583	106,974	116,040
Prov	K. Moore	Z346	Private Sector Housing Grants	0	87,000	50,750	0	0	0	50,750
3rd Party	K. Moore	Z363	Fuel Poverty Scheme - DECC	0	7,000	4,083	0	0	0	4,083
		HSG	<i>Head of Strategic Housing</i>	<u>1,058,000</u>	<u>1,403,700</u>	<u>818,825</u>	<u>516,395</u>	<u>24,583</u>	<u>106,974</u>	<u>170,873</u>

Head of Planning & Growth

Live	R. Bennett	Z787	Bedford Square Gateway	0	462,800	269,967	167,360	0	457,850	(355,243)
Live	R. Bennett	Z835	Shepshed Public Realm	300,000	1,092,200	637,117	587,765	0	985,061	(935,710)
		PRN	<i>Head of Planning & Growth</i>	<u>300,000</u>	<u>1,555,000</u>	<u>907,083</u>	<u>755,125</u>	<u>0</u>	<u>1,442,911</u>	<u>(1,290,953)</u>

Head of Regulatory and Community Safety

Live	G. Harvey	Z388	CCTV	45,000	181,600	105,933	0	0	0	105,933
Live	G. Harvey	Z744	Beehive Lane Car Park Improvements and refurbishment scheme	0	65,100	37,975	25,912	0	0	12,063
Live	G. Harvey	Z786	Car Parks Resurfacing and Improvements	0	32,800	19,133	0	0	0	19,133
Live	G. Harvey	Z863	DNO Connections and Electric Vehicle Charge Points for Car Parks	150,000	150,000	87,500	0	0	0	87,500
		RSS	<i>Head of Regulatory and Community Safety</i>	<u>195,000</u>	<u>429,500</u>	<u>250,542</u>	<u>25,912</u>	<u>0</u>	<u>0</u>	<u>224,629</u>

GF General Fund

<u>2,991,000</u>	<u>24,892,400</u>	<u>14,520,567</u>	<u>6,134,363</u>	<u>66,473</u>	<u>2,760,834</u>	<u>5,558,897</u>
------------------	-------------------	-------------------	------------------	---------------	------------------	------------------

Director Housing and Wellbeing									
D. Bartlett	Z301	Minor Adaptations	50,000	50,000	29,167	1,754	0	0	27,413
A. Moriarty	Z302	Stairlifts	60,000	60,000	35,000	47,902	0	0	(12,902)
P. Oliver	Z374	CO Monitors	0	0	0	704	0	0	(704)
N. Goutam	Z375	Garages	370,000	50,000	29,167	0	0	0	29,167
N. Goutam	Z378	Door Entry Systems	27,000	200,000	116,667	(31,015)	0	0	147,682
A. Moriarty	Z434	Asbestos Removal	100,000	200,000	116,667	178,130	0	0	(61,463)
A. Moriarty	Z742	Communal Area Electric	68,000	68,000	39,667	7,750	4,100	43,717	(15,900)
D. Bartlett	Z743	Sheltered Housing Improvements inc heating & equipment	100,000	239,800	139,883	27,834	0	5,460	106,589
N. Goutam	Z761	Major Adaptations	450,000	611,200	356,533	282,594	0	0	73,940
D. Bartlett	Z762	Major Void Works	280,000	656,000	382,667	(30,422)	0	0	413,089
N. Goutam	Z763	Kitchens	837,000	1,396,000	814,333	164,595	0	0	649,739
N. Goutam	Z764	Bathrooms	957,700	1,743,800	1,017,217	93,807	0	0	923,410
A. Moriarty	Z765	Electrical Upgrades	505,300	150,000	87,500	13,328	5,231	0	68,941
N. Goutam	Z766	Windows	44,800	426,000	248,500	1,910	0	0	246,590
A. Moriarty	Z767	Central Heating and Boiler Installation	504,000	543,000	316,750	150,198	0	0	166,552
N. Goutam	Z768	Door Replacement	700,000	700,000	408,333	147,121	0	0	261,212
N. Goutam	Z769	Re-roofing	250,000	650,000	379,167	72,177	0	10,000	296,990
N. Goutam	Z770	Major Structural Works	250,000	400,000	233,333	423,146	0	2,105	(191,918)
N. Goutam	Z771	Communal Area Improvements	75,200	350,000	204,167	56,251	0	0	147,915
A. Moriarty	Z772	Carbon Monoxide Alarms	149,800	50,000	29,167	4,426	0	0	24,740
N. Goutam	Z773	Fire Safety Works	100,000	100,000	58,333	743	0	0	57,591
N. Goutam	Z775	Mobility Scooter Storage	15,000	30,000	17,500	0	0	0	17,500
N. Goutam	Z776	Estate and External Works	200,000	300,000	175,000	256,128	0	0	(81,128)
D. Bartlett	Z857	Housing Capital Technical Costs	312,000	438,100	255,558	0	0	0	255,558
D. Bartlett	Z867	Delivery of Stock Condition Survey and Associated Costs	0	60,200	35,117	0	25,951	0	9,166
A. Staton	Z869	Digital Filing - HRA Software	0	33,200	19,367	26,775	3,875	15,000	(26,283)
P. Oliver	Z871	Redevelopment Sheltered Accommodation - St Michael's Court, Thurmaston	0	400,000	233,333	138,785	1,500	23,515	69,532
	HPR	Director Housing and Wellbeing	<u>6,405,800</u>	<u>9,905,300</u>	<u>5,778,092</u>	<u>2,034,622</u>	<u>40,657</u>	<u>99,798</u>	<u>3,603,015</u>
Head of Strategic Housing									
K. Moore	Z760	Acquisition of Affordable Housing to meet housing need	1,123,800	3,862,500	2,253,125	198,653	0	875	2,053,597
K. Moore	Z851	Acquisition of dwellings Z851	0	1,200	700	0	0	0	700
	HSG	Head of Strategic Housing	<u>1,123,800</u>	<u>3,863,700</u>	<u>2,253,825</u>	<u>198,653</u>	<u>0</u>	<u>875</u>	<u>2,054,297</u>
Housing and Wellbeing									
P. Oliver	Z369	Major Structural Works	0	0	0	215	0	0	(215)
	HWB	Housing and Wellbeing	<u>0</u>	<u>0</u>	<u>0</u>	<u>215</u>	<u>0</u>	<u>0</u>	<u>(215)</u>
HA	Housing Revenue Account		<u>7,529,600</u>	<u>13,769,000</u>	<u>8,031,917</u>	<u>2,233,490</u>	<u>40,657</u>	<u>100,673</u>	<u>5,657,096</u>
Grand Total			<u>10,520,600</u>	<u>38,661,400</u>	<u>22,552,483</u>	<u>8,367,854</u>	<u>107,130</u>	<u>2,861,507</u>	<u>11,215,993</u>

Note:

Accruals = Registered invoices on the system awaiting approval + PO's that have been goods received but not invoiced

Outstanding PO's = Requisitions that have been approved and turned into PO's but not goods received