

# FINANCE & PERFORMANCE SCRUTINY COMMITTEE – 6<sup>TH</sup> DECEMBER 2022

## Report of the Head of Finance Lead Member: Councillor Barkley

### Part A

#### CAPITAL MONITORING REPORT PERIOD 7, October 2022

##### 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, 31<sup>st</sup> October 2022 compared with the profiled budget.

##### Recommendation

That the Capital Monitoring Summary position for Period 7, 31<sup>st</sup> October 2022 for the General Fund and Housing Revenue Account be noted as per Table 1. The detailed Capital Monitoring Report is included in Appendix 1.

##### Reason

To enable the information to be used when considering the future 3 year Capital Plan and the future 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 following implications have been identified for this report.

None the Capital Programme is fully funded.

##### *Risk Management*

There are no specific risks associated with the decisions requested.

Key Decision: No

Background Papers: None

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## **Part B**

### **Executive Summary**

To highlight the following :-

1. The General Fund Capital Plan is split into 3 sections, Live schemes, Provisional schemes held as a place marker in the plan should an opportunity arise and other capital schemes such as S106 schemes. Details of major scheme are included in summary table below and each capital scheme is detailed in Appendix 1.

|                        | <b>Budget to Date</b> | <b>Spend to Date</b> | <b>%</b> |
|------------------------|-----------------------|----------------------|----------|
|                        | <b>£</b>              | <b>£</b>             | <b>%</b> |
| Live Schemes           | 2,093,217             | 1,833,507            | 87.59%   |
| Provisional Schemes    | 19,522,067            | 181,457              | 0.93%    |
| Other (including S106) | 2,619,592             | 962,235              | 36.73%   |

2. The HRA Capital budget to period 7 is £7,019,950 against spend of £1,773,128 (25.25%) spend to date. This is due to a large number of schemes currently being procured from September 2022.

The Disabled Facilities Grants capital scheme full year budget is £2,496k, this is a fully funded government scheme, the funding has increased significantly on this scheme. Forecast year end spend is £1,100k and slippage is £1,396k.

### **Disabled Facility Grants**

We currently have 132 live disabled facilities grants we are currently processing and are broken down as follows:

|   |     |
|---|-----|
| Total Live Cases  | 132 |
| Approved 01/04/22 to date   | 35  |
| Completed (paid) since 01/04/22 to date                                 | 45  |
| Progressed – visits, apps completed, schedules of works written up etc  | 113 |
| On waiting list – PTOR forms posted, waiting to be allocated to Officer | 19  |
| Referral received 01/04/22 - date                                       | 93  |

3. Shepshed Public Realm Scheme full year budget £1,065k in 2022/23, spend is £25k at period 7. The total budget for this scheme over the 3 year plan is £1,404k. A cabinet report was submitted 9<sup>th</sup> June 2022, and procurement is currently being undertaken. Invitations to Tender for the procurement of a contractor through the Early Contractor involvement (ECI) route for the Market Place street works was published on the Crown Commercial Services' online procurement portal on 25 October 2022. Bids are due to be returned by 5

December 2022 and an award made before Christmas. The work on Stage One of the contract is planned to start on 9 January 2023, with the appointed contractor submitting a Target Price for the Stage Two construction works by 13 March 2023. A report will be taken to the 13 April 2023 Cabinet meeting for a decision on whether to proceed to Stage Two or not.

4. Bedford Square Scheme DD 182, 15th October 2021 approved a revised budget of £3.869m funded by Town Deal £1.7m, External Funding £708k, Capital Receipts £1.461m. This scheme is complete (bar snagging) July 2022. 12 month maintenance period is underway. LCC costs will arise for adoption and inspection fees as per project expenditure profile and currently the project forecast to be £408k overspend on this budget although mitigation of some costs are being considered.
5. Carbon Neutral Project Budget period 7 is £365k against spend nil to date, consultants are engaged to help with the development of the Climate Action Strategy. Taking into account LCC's forthcoming plan, this will be reviewed by SLT in December 2022. The LED Lighting project is currently being procured as a cost saving scheme in Southfields Offices.

| Summary Position Period 7 July 2022 Capital Monitoring Report |                          |                     |                                     |                                   |                    |                    |                    | Table 1  |
|---|--------------------------|---------------------|-------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|--|
|   | Full Year Budget 2022/23 | Budget P7 July 2022 | Actual include Commitments Period 7 | Variance to P7 Under/(over spend) | P7 % Spend to Date | Forecast Y/E Spend | Year End % Spend   | Y/E Splippage  |
|   | £                        | £                   | £                                   | £                                 | %                  | £                  | %                  | £  |
| General Fund  | 41,545,500               | 24,234,875          | 2,977,200                           | 21,257,675                        | 12.28%             | 4,950,140          | 11.91%             | 34,384,022   |
| HRA   | 12,034,200               | 7,019,950           | 1,773,128                           | 5,246,822                         | 25.26%             | 5,766,400          | 47.92%             | 2,647,700  |
| <b>Total Capital Plan</b>                                     | <b>53,579,700</b>        | <b>31,254,825</b>   | <b>4,750,328</b>                    | <b>26,504,497</b>                 | <b>15.20%</b>      | <b>10,716,540</b>  | <b>20.00%</b>      | <b>37,031,722</b>  |
| <b>Breakdown Major Capital Schemes</b>                        | Full Year Budget 2022/23 | Budget P7 July 2022 | Actual include Commitments Period 7 | Variance to P7 Under/(over spend) | P7 % Spend to Date | Forecast Y/E Spend | Y/E Splippage      | Head of Service Comments   |
|   | £                        | £                   | £                                   | £                                 | %                  | £                  | £                  |  |
| Live Scheme - Shepshed Public Realm                           | 1,065,200                | 638,808             | 25,088                              | 613,720                           | 0.00%              | 150,000            | 915,200            | Currently procuring the contractor for street works, planned to commence in 2023/24.   |
| Live Scheme - Carbon Neutral Project                          | 1,095,100                | 365,033             | 0                                   | 365,033                           | 0.00%              | 110,088            | 0                  | Consultants engaged to help with the development of the Climate Action Strategy. Taking into account LCC's forthcoming plan, this will be with SLT for review in Dec 22. LED Lighting on Southfileds Offices   |
| Live scheme - Bedford Square                                  | 1,867,500                | 1,089,375           | 1,808,418                           | (719,043)                         | 166.01%            | 1,867,500          | 0                  | Scheme completed (bar snagging) July 2022. 12 month maintenance period underway. LCC costs will arise in 2023/24 for adoption and inspection fees as per project expenditure profile project forecast overall estimated at £408k overspend and mitigations are being considered. |
| <b>Sub Total Live Schemes</b>                                 | <b>4,027,800</b>         | <b>2,093,217</b>    | <b>1,833,507</b>                    | <b>259,710</b>                    | <b>87.59%</b>      | <b>2,127,588</b>   | <b>915,200</b>     |  |
| DFG Grant Funded  | 2,496,400                | 1,456,233           | 181,457                             | 1,274,776                         | 12.46%             | 1,100,000          | 1,396,400          | Grant Funded Scheme - see Capital report for detail.   |
| Provisional - Town Deal                                       | 2,970,000                | 1,732,500           | 0                                   | 1,732,500                         | 0.00%              |                    | 2,970,000          | CBC Schemes Lanes & Links ( Including Hope Bell) & Living Loughborough to be split into two projects. Grant Funds Awarded in 2022/23, project appraisal in progress.   |
| Provisional Scheme- Enterprise Zone                           | 13,000,000               | 7,583,333           | 0                                   | 7,583,333                         | 100.00%            | 0                  | 13,000,000         | Internal Borrowing/Loan X510 Charnwood Campus Forward Funding - No additional expenditure in pipeline at present (expenditure dependent on LLEP processes in the first instance)   |
| Provisional - Regeneration Project                            | 15,000,000               | 8,750,000           | 0                                   | 8,750,000                         | 0.00%              | 0                  | 15,000,000         | External Borrowing- No spend activity this far and currently no plans to spend.  |
| <b>Sub Total Provisional/Grant Funded Schemes</b>             | <b>33,466,400</b>        | <b>19,522,067</b>   | <b>181,457</b>                      | <b>19,340,609</b>                 | <b>0.93%</b>       | <b>1,100,000</b>   | <b>32,366,400</b>  |  |
| <b>Other General Fund Capital Schemes</b>                     | <b>4,051,300</b>         | <b>2,619,592</b>    | <b>962,235</b>                      | <b>1,657,356</b>                  | <b>36.73%</b>      | <b>1,722,552</b>   | <b>-33,281,600</b> | See detailed Capital Monitoring Report included  |
| <b>Total General Fund</b>                                     | <b>41,545,500</b>        | <b>24,234,875</b>   | <b>2,977,200</b>                    | <b>21,257,675</b>                 | <b>12.28%</b>      | <b>4,950,140</b>   | <b>0</b>           |  |
| <b>Total HRA</b>  | <b>12,034,200</b>        | <b>7,019,950</b>    | <b>1,773,128</b>                    | <b>5,246,822</b>                  | <b>25.26%</b>      | <b>5,766,400</b>   | <b>2,647,700</b>   | See detailed Capital Monitoring Report and includes Acq of Affordable Homes position below   |
| <b>Total Capital Plan</b>                                     | <b>53,579,700</b>        | <b>31,254,825</b>   | <b>4,750,328</b>                    | <b>26,504,497</b>                 | <b>15.20%</b>      | <b>10,716,540</b>  | <b>2,647,700</b>   |  |