

CABINET - THURSDAY, 13TH JULY 2023**Report of the Head of Finance
Lead Member Finance, Customer & Support Services, Revenues
and Benefits: Cllr Ashcroft****Part A**CAPITAL PLAN OUTTURN REPORT (2022/23)Purpose of Report

This report shows the total expenditure on the Capital Plan for the year 2022/23 compared with the current budget, which was reported to Cabinet in the Capital Plan Amendment Report on 9th February 2022 (minute 59) and 9th March 2022 (minute 68) In addition, the report details those schemes that require carry forward of budget to 2023/24 and the financing of the Capital Plan.

Recommendations

1. That the outturn position for 2022/23 be recommended to Council and that slippage of capital budgets totalling £9,755,421 being General Fund £6,080,121 and Housing Revenue Account £3,675,300 be carried forward into 2023/24 and added to the Capital Plan.
2. That the financing of the Plan set out in Table 2 be recommended to Council.

Reasons

1. To enable projects to be completed.
2. To indicate how the Plan is to be financed.

Policy Justification and Previous Decisions

The Capital Plan is fundamental to all strategic aims of the Council.

Implementation Timetable including Future Decisions

The decision will come into effect immediately (subject to Call-in).

The Scrutiny Commission will have the opportunity to consider this report for pre-decision scrutiny at its meeting on 3rd July 2023, if it so wishes.

Report Implications

The following implications have been identified for this report.

Financial Implications

The financial implications of the recommendations are covered in the body of this report.

Risk Management

There are no specific risks associated with this decision.

Equality and Diversity

None identified

Climate Change and Carbon Impact

None identified

Crime and Disorder

None identified

Links to the Corporate Strategy

Caring for the Environment	Yes
Healthy Communities	Yes
A Thriving Economy	Yes
Your Council	Yes

Key Decision: Yes

Date included on Forward Plan 07/06/2023

Background Papers: None

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Part B

Background

1. The Capital Plan amendment report was reported to Cabinet on the 9th February 2022 and 9th March 2022 for the HRA, the current budget is £22.9m of which £9.7m has been requested as slippage into 2023/24.
2. Table 1 below shows the total capital spend for 2022/23 of £7,794k, overall being 34% of the budget. Capital expenditure on General Fund projects was £3,804k being 35% of the budget, the major area of General Fund spend on the Live Schemes being 71%, the HRA expenditure of £3,990k being 33% of the budget.
3. The slippage amounts below are detailed in Appendix 1, these have been requested by the officers responsible for the schemes and will be added to the Capital plan for 2023/24 (subject to approval of this report).

Table 1

Capital Outturn Summary 2022/23

	Current Budget	Actual Spend 31/3/23	% Spend	Slippage into 2023/24 Requested
	£	£	£	£
General Fund				
Live schemes	2,769,200	1,952,503	70.51%	666,579
Block Sums/ (Provisional schemes)	4,507,500	782,183	17.35%	2,934,621
3rd Party/S106 Schemes	3,662,700	1,069,670	29.20%	2,478,921
Total General Fund	10,939,400	3,804,356	34.78%	6,080,121
HRA				
Live schemes	12,034,200	3,990,271	33.16%	3,675,300
Total HRA	12,034,200	3,990,271	33.16%	3,675,300
Overall Total	22,973,600	7,794,627	33.93%	9,755,421

The Major Capital Schemes in 2022/23 are detailed below:-

4. Enterprise Zone - This budget was amended as part of the Treasury Management Strategy report 9th February 2022, from £13m to £10m and reprofiled into 2023/24. The fund was created to allow “forward funding” of buildings or infrastructure within the Zone financed by future business rate receipts. £2m was paid over as a grant to the Leicester & Leicestershire Economic Partnership to support a grant in respect of the Loughborough Charnwood Campus Site in 2021. This was internally borrowed by Charnwood Borough Council and will be re paid back over a 4-year period. The balance of £10m is a provisional budget for 2023/24. 9th March 2023 Cabinet report approved a new EZ agreement with Charnwood Campus of up to £5m, any additional new schemes in 2023/24 will be reported to Cabinet.
5. 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 complete, the final costs are yet to be determined. Leicestershire County Council, require final works to be inspected for snagging and a cost for this is still to be determined, cost to date is £3.985m, in addition some costs are being reclaimed with two contractors.

6. Regeneration Projects - This budget was amended as part of the Treasury Management Strategy report 9th February 2022, which reduced this provisional budget down from £15m to £5m and reprofiled into 2023/24. Major projects will be coming forward where the Regeneration capital funds may be required – those include the 2 Town Deal projects, “Lanes and Links” and “Living Loughborough”. Whilst Town Deal funding will be available, these projects may incur extra costs or their scopes may be expanded, if it proves beneficial to do so.
7. Disabled Facilities Grants – The total budget is £2.496m block sum in 2022/23 includes carry forward balances from previous years and is fully funded by the Better Care grant. Mandatory and Discretionary grants are approved in line with the Private Sector Housing Grant Policy, spend in 2022/23 is £645k and the slippage requested for this scheme is £1.851m, to cover commitment of DFG approvals and will be profiled over the next two years. Further resource has recently been added to the Housing Team which will help improve the level of spend on the grants in the future.
8. Acquisition of Affordable Housing to meet Housing Need - The budget in 2022/23 is £3.303m, the Council signed an agreement with the Government to retain Right to Buy receipts on the basis that this funding will be used to increase the supply of affordable homes for rent. If the budget is not carried forward and spent, the Council would need to return the receipts to the Government, with interest. The Council purchased 4 properties in 2022/23 and gifted 1 through S106 Agreement. (10 properties purchased and 1 gifted in 2021/22). Slippage of the budget into 2023/24 is £2.739m towards acquisition of affordable housing.
9. Shepshed Town Centre Development and Public Realm - The total budget for this scheme is £2.475m, as per 13th April Cabinet Report 2022, spend to date is £395k, and a further Cabinet report was approved on 9th June 2022, giving approval to commence procurement and provided a detailed plan of the project. Phase one of the project (Market Place) will be undertaken in 2023 and phase two of the project will be undertaken in 2024, update reports are taken to the Senior Leadership Capital Board on a quarterly basis. Slippage of the budget into 2023/24 is £792k.
10. HRA Capital Schemes
After a significant round of procurement, all HRA planned maintenance contracts are now in place. Major adaptations, kitchens, bathrooms, heating, and roofing contracts have all mobilised and improvements are being delivered to tenants’ homes. Some contracts mobilised earlier than others and this is reflected in the spend, which is expected to increase significantly in 2023/24.

11. The funding arrangements for 2022/23 are detailed in Table 2 below.

Table 2

<u>Funding the Capital Programme 2022/23</u>	<u>Amount</u>
	<u>£'000</u>
Grants, Contributions, S106 Contributions	2,532
Capital Receipts	1,413
Revenue Contribution to Capital	86
HRA Major Repairs Reserve	3,764
	7,795

12. After allowing for the funding of the Capital spend, slippage and funding all known future schemes up to 2024/25 there will be a balance left of £8.7m of Capital receipts available for future General Fund projects, we will have to monitor the Housing Pooling to ensure that retained receipts are spent within the allowable period. The Capital Plan Reserve has balance £1.8m, also for General Fund projects, a total of £10.5m. In addition, the HRA Revenue Contribution to Capital is used each year to fund HRA Capital schemes.
13. The Capital Plan is subject to amendment within the financial year via the Capital Plan amendment reports presented to Cabinet.

Appendices

Appendix 1 - Capital Plan 2022/23 Detailed 'scheme by scheme' Outturn.

CAPITAL PLAN OUTTURN 2022/23

Appendix 1

	Current Budget £	Actual Spend 31/3/23 £	Balance £	Slippage into 2023/24 Requested £	Under/ (Overspend) £
GF Summary Total	10,939,400	3,804,356	7,135,044	6,080,121	1,054,923
HRA Summary Total	12,034,200	3,990,271	8,043,929	3,675,300	4,368,629
Grand Total	22,973,600	7,794,627	15,178,973	9,755,421	5,423,552
Z823 Performance Management System	15,400	3,793	11,607	0	11,607
Z310 Planned Building Improvements - Block Sum	742,000	13,336	728,664	0	728,664
Z748 Loughborough Festive Lights and Street Dressing	4,400	0	4,400	0	4,400
Z796 Carbon Neutral Action Fund - Block Sum	1,095,100	123,968	971,132	909,100	62,032
Z801 Lighting strategy to support the Masterplan lane strategy - feasibility study	10,000	11,500	(1,500)	0	(1,500)
Z832 Feasibility Work - New Council Offices	150,000	11,615	138,385	138,400	(15)
Z396 Public Realm - Shepshed Town Centre	8,400	0	8,400	0	8,400
Z861 Town Deal - Living Loughborough	248,000	202,821	45,179	45,200	(21)
Z815 Rothley Parish Council - upgrade Rothley Centre	173,200	101,968	71,232	0	71,232
Z484 Closed Churchyard Wall	8,100	0	8,100	8,100	0
Z757 Town Hall Roof Upgrade	17,200	0	17,200	17,200	0
Z784 Loughborough Cemetery - New Burial Provision	52,500	24,483	28,017	28,000	17
Z791 Shelthorpe Golf Course - Fencing	77,100	0	77,100	77,100	0
Z792 Community Tree Planting Programme	82,800	81,209	1,591	0	1,591
Z797 Loughborough Town Hall - Lower Level Elevation Repairs & Feasibility Study	1,900	2,100	(200)	0	(200)
Z798 Town Hall - Victorial Room - Air Handling	23,500	0	23,500	23,500	0
Z799 Town Hall - additional seating	155,000	0	155,000	155,000	0
Z802 Allotment Improvements	10,000	0	10,000	10,000	0
Z805 Queens Park Aviary Improvements	20,000	0	20,000	20,000	0
Z806 Playing Pitch Strategy Action Plan	91,900	55,611	36,289	36,300	(11)
Z810 Unit4 Agresso Upgrade	32,800	0	32,800	32,800	0
Z811 Legal Case Management System	13,200	8,839	4,361	0	4,361
Z824 Shepshed Provision of Open Space scheme	102,500	65,269	37,231	37,200	31

	Queens Park - Improvements to Childrens Play Provision & Adult					
Z828	Recreation Provision	203,200	0	203,200	203,200	0
Z831	Loughborough Playground Improvement Plan	100,000	0	100,000	100,000	0
Z854	Lodge Farm Public Open Space Enhancements	31,200	0	31,200	31,200	0
Z855	Cemetery Ashes Plots	40,000	0	40,000	40,000	0
Z856	Cemetery Gates	15,000	0	15,000	15,000	0
Z859	Syston Riverside Walk	50,000	4,775	45,225	45,200	25
Z873	Town Deal - Lanes and Links	100,000	86,013	13,987	14,000	(13)
Z500	Birstall Cedars Academy all weather pitch	50,000	0	50,000	50,000	0
Z697	Bell Foundry Pocket Park - Phase 1 & 2	25,100	0	25,100	25,100	0
Z699	Shelthorpe Public Open Space Enhancements	111,700	0	111,700	111,700	0
Z778	Syston Community Garden	22,300	695	21,605	21,600	5
Z795	Syston Town Council - redevelopment of sports pavilion at Memorial Park	57,000	56,977	23	0	23
Z825	Loughborough Police Station Centre - Front Enquiry Desk	98,800	0	98,800	98,800	0
Z830	Holt Drive PA Enhancements	11,000	0	11,000	11,000	0
Z847	Barrow Town Cricket Club - extend clubhouse facilities, creating additional changing and ancillary provision	9,000	9,000	0	0	0
Z849	Barrow Town Council - new play area Mill Lane	2,200	2,200	0	0	0
Z850	Sileby Parish Council - improvement and provision of additional youth/adult facilities at Sileby Memorial Park	70,700	0	70,700	70,700	0
Z852	Shepshed Town Council - Skate Bowl, Oakley Road Playing Fields	49,700	49,709	(9)	0	(9)
Z860	Radmoor Road Public Open Space Enhancements	53,600	0	53,600	53,600	0
Z864	Hathern Village Hall - additional community space	34,400	30,535	3,865	3,900	(35)
Z865	Quorn Parish Council - additional play equipment - Cave's Field, Quorn	29,900	29,944	(44)	0	(44)
Z866	Barrow Upon Soar Parish Council - Barrow Cemetery extension	100,000	99,999	1	0	1
Z872	Barrow PC - new children's play facilities - King George V Playing Fields	33,800	33,764	36	0	36
Z085	Replacement Hardware Programme	52,500	79,021	(26,521)	0	(26,521)
Z354	Infrastructure Development	59,700	36,422	23,278	0	23,278
Z388	CCTV	136,600	0	136,600	136,600	0
Z423	Call Secure System - PCI Compliance	4,200	4,160	40	0	40
Z744	Beehive Lane Car Park Improvements and refurbishment scheme	120,600	55,522	65,078	65,100	(22)
Z786	Car Parks Resurfacing and Improvements	32,800	0	32,800	32,800	0
Z787	Bedford Square Gateway	1,867,500	1,404,682	462,818	462,800	18
Z812	Server Redesign	70,000	0	70,000	70,000	0
Z813	Cloud Implementation	108,400	43,927	64,473	40,000	24,473
Z814	Meeting Rooms - presentation screens	0	4,009	(4,009)	0	(4,009)

Z816	Northgate - Single Use System	71,500	56,307	15,193	15,200	(7)
	Hybrid Council Meeting - Camera and audio equipment - Virtual					
Z822	Meetings	3,900	34	3,866	0	3,866
Z835	Shepshed Public Realm	1,065,200	273,020	792,180	792,200	(20)
Z853	Phone System - Migration to Teams	30,000	28,640	1,360	0	1,360
Z348	Charnwood Community Facilities Grants	139,600	40,490	99,110	0	99,110
Z424	Choice Based Lettings Software	0	0	0	0	0
Z427	Members Grants - Members Choice	13,000	13,120	(120)	0	(120)
Z210	Disabled Facilities Grants - Block Sum	2,496,400	644,879	1,851,521	1,851,521	0
Z346	Private Sector Housing Grants - Block Sum	174,000	0	174,000	174,000	0
Z141	Regional Housing Pot Grant	42,900	0	42,900	0	42,900
Z363	Fuel Poverty Scheme	7,000	0	7,000	7,000	0
	John Storer House - extension and reconfiguration of Community					
Z868	Hub Venue	10,000	10,000	0	0	0
	Total General Fund Schemes	10,939,400	3,804,356	7,135,044	6,080,121	1,054,923
	<u>HRA - Housing Revenue Account Capital Schemes</u>					
Z761	Major Adaptations	700,000	538,837	161,163	161,200	(37)
Z301	Minor Adaptations	50,000	1,414	48,586	0	48,586
Z302	Stairlifts	60,000	56,871	3,129	0	3,129
Z762	Major Voids	420,000	43,970	376,030	376,000	30
	<u>Compliance</u>					
Z434	Asbestos Removal	250,000	200,966	49,034	50,000	(966)
Z771	Communal Area Improvements	300,000	109,682	190,318	200,000	(9,682)
Z742	Communal Area Electrical Upgrades	200,000	133,103	66,897	0	66,897
Z772	Smoke/CO & Heat Detection	149,800	19,907	129,893	0	129,893
Z773	Fire Safety Works	100,000	81,379	18,621	0	18,621
	<u>Stock Maximisation</u>					
Z375	Garages	50,000	0	50,000	0	50,000
	<u>Decent Homes</u>					
Z763	Kitchens	767,000	59,069	707,931	0	707,931
Z764	Bathrooms	1,478,100	195,906	1,282,194	0	1,282,194
Z765	Electrical Upgrades	212,500	49,546	162,954	0	162,954
Z454	Electrical Upgrades	0	800	(800)	0	(800)
Z766	Window Replacement	213,300	3,033	210,267	0	210,267
Z767	Heating	710,400	694,545	15,855	0	15,855
Z743	Sheltered Housing Improvements	50,000	45,371	4,629	0	4,629

	Redevelopment Sheltered Accommodation - St Michael's Court,					
Z871	Thurmaston	0	0	0	0	0
Z768	Door Replacement	850,000	129,577	720,423	0	720,423
Z769	Roofing Works & Insulation	920,000	171,715	748,285	0	748,285
Z770	Major Structural Works	250,000	301,813	(51,813)	0	(51,813)
	General Capital Works					
Z776	Estate and External Works	205,000	2,840	202,160	100,000	102,160
Z857	Housing Capital Technical Costs	312,000	179,812	132,188	0	132,188
Z378	Door Entry Systems	230,000	262,323	(32,323)	0	(32,323)
Z760	Acquisition of Affordable Housing to meet housing need	3,302,700	563,988	2,738,712	2,738,700	12
Z851	Acquisition of Dwellings - S106	1,200	0	1,200	1,200	0
Z775	Mobility Scooter Storage	15,000	0	15,000	15,000	0
Z867	Delivery of Stock Condition Survey and Associated Costs	204,000	143,804	60,196	0	60,196
Z869	Digital Filing - HRA Software	33,200	0	33,200	33,200	0
	HRA - Total	12,034,200	3,990,271	8,043,929	3,675,300	4,368,629