

FINANCE & PERFORMANCE SCRUTINY COMMITTEE

5TH MARCH 2024

Capital Monitoring Position for December 2023

Report of the Head of Finance Cabinet Lead Member for Finance, Customer & Support Services, Revenue and Benefits

CAPITAL MONITORING REPORT PERIOD 9 DECEMBER 2024

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 9, 31st December 2023 compared with the profiled budget to date.

Recommendation

That the Capital Monitoring Summary position for Period 9, 31st December 2023 for the General Fund and Housing Revenue Account be noted as per Table1. The detailed Capital Monitoring Report is included in Appendix 1.

Reason

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 following implications have been identified for this report.

None the Capital Programme is fully funded.

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

To highlight the following: -

1. The General Fund full year capital budget is £25,151k, Period 9 profiled budget is £18,863k compared to spend of £9,252k, 49% with an underspend of £9,611k.
2. The HRA Full year capital budget is £13,769k, Period 9 profiled budget is £10,327k compared to spend of £6,173k, 60% with an underspend of £4,154k.

Table 1

Capital Summary	Full Year Budget	Period 9			
		Budget	Actual Spend	Variance under/(over) spend	% Spend against budget
General Fund	25,151	18,863	9,252	9,611	49
HRA	13,769	10,327	6,173	4,154	60
Total	38,920	29,190	15,425	13,765	53
General Fund Split					
Live	17,921	13,441	8,467	4,974	63
Provisional	5,087	3,815	0	3,815	0
3 rd Party	2,143	1,607	785	822	49
Total	25,151	18,863	9,252	9,611	49

3. Some of the Major Capital schemes are as follows-

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 4-year period. The remaining budget of £5.8m will 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 complete and is currently in the construction/maintenance defects period, the latest projected overspend is predicted to be in the region of approximately £700k. Leicestershire County Council, require final works to be inspected for snagging

and a cost for this is still to be determined, totals costs to date are £4.470m, some costs are being reclaimed with two contractors.

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 external borrowing sought.

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

The budget for 2023/24 is £509k, and profiled budget is £382k against spend of £65k, 17% spend to date. Festive lights proposal is to install permanent multi-coloured lighting on catenary lines along Bleach Yard. 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 August 2024. A further revision to the quote from Taylors Bell Foundry for the Hope Bell framework structure has been received. This shows a 20% increase in costs. Consideration is now being given to seeking a quote from an alternative fabricator to bring costs back towards the approved budget envelope.

Living Loughborough – Town Deal Project

The budget for 2023/24 is £1,568k, and profiled budget is £1,176k against spend to date £817k, 52% spend to date. There are several significant works to be completed by the end of 2023/24. This includes the completion of the Southfields Park Undercover, and a significant element of the Markets Undercover, Market Stalls and Markets Electrical Improvements work packages. Overall, work package leads remain confident that it should be possible to achieve the expenditure forecasts for these work packages.

Disabled Facilities Grants

The budget for 2023/24 is £1.3m, and the profiled budget is £982k and actual spend is £799k, 81%. An independent consultant has been appointed to carry out an options review for the delivery of disabled facilities grants within Charnwood. The review has now been completed and options identified to the Housing Grants Policy. One of the main objectives of the review was to identify ways to maximise the grant spend and reduce timeframes.

Shepshed Public Realm - The budget for 2023/24 is £1,092m, actual spend to date £1,767k, 161% spend to date. The scheme is now progressing well. Unforeseen additional drainage works have been carried out in order to minimise delays. The Market Place scheme is now forecast to be completed by the end of January (weather dependant). The remaining works to be carried out in January will largely focus on carriageway resurfacing. LCC have said this work can only be undertaken at weekends to minimise disruption.

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 £174k, 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.