

## CABINET – 17TH JANUARY 2019

### Report of the Head of Strategic Support

#### ITEM 6 CAPITAL PROGRAMME UNDERPEND – RECOMMENDATIONS OF AUDIT COMMITTEE

##### Purpose of Report

To consider the recommendation of the Audit Committee relating to the spend level of the capital programme (which arose during the Committee's consideration of the Treasury Management Strategy and the Annual Investment Strategy for the first 6 months of 2018/19, see Audit Committee Minute 35, 2018/19), alongside an officer recommendation and advice in response, with a view to the Cabinet deciding if it wishes to agree the action it wishes to take.

##### Recommendations and Reasons

Set out below is a recommendation and reason of the Committee, followed by the officer recommendation and advice.

##### Committee Recommendation

That the Cabinet respond to the concerns of the Committee over the level of Capital Programme underspend and provide assurances that the programme would be significantly delivered before the end of the financial year.

##### Reason

The Committee had concerns about the level of capital programme expenditure against the budget expected at year end and wished to refer the matter to the Cabinet and re-visit the matter at the Audit Committee meeting scheduled for 26th February 2019.

##### Officer Recommendation

In light of capital expenditure to date, the Head of Finance and Property Services recommends that the Capital Plan continues to be amended to reflect revised expenditure on a quarterly basis.

##### Reason

To reflect the likely outcome for the Capital Plan.

##### Response of the Head of Finance and Property Services to concerns raised by the Audit Committee

There is an update below of the activity since the Audit Committee on 27th November 2018 which gives the latest position on the Capital Plan budgets and expenditure.

## Review of the General Fund Capital Plan

Since the Capital Plan spend to date figures were presented in the Treasury Management Mid-year Review report to the Audit Committee in November, Cabinet has approved a net reduction to the General Fund capital plan of £323k from £5,213k to £4,890k on 13 December 2018. A breakdown of this net reduction is given below.

	Full year budget £'000
Position as at the end of Period 7 (end of October)	5,213
Capital Plan amendments as reported to Cabinet 13.12.18	
Budget carry forwards:	
Loughborough University Science & Enterprise Park	(350)
Leicestershire Superfast Broadband	(100)
Carbon Management Scheme	(57)
Public Realm Shepshed town centre	(12)
Budget brought forward from 2019/20:	
Replacement Hardware Programme - Block Sum	40
Additional funding/New scheme	
Carillon Tower Restoration Project (covered by increase in external funding)	7
Messenger Close (covered by income from tenants)	12
Loughborough Market - new tug	22
The Outwoods (covered by increase in external funding)	140
Reduction in budget	
Green Spaces Programme (reduced level of external funding being received)	(25)
Position as at the end of Period 8 (end of November)	4,890

The ongoing review and amendment of the Capital plan are processes embedded in the Council's procedures. The impact of the latest set of amendments is to revise the total planned capital expenditure downwards by a net £323k, principally due to the ongoing carry forward of prospective investment in Loughborough University Science & Enterprise Park (for which no concrete plans exist) and the carry forward of the next tranche of funding for Leicestershire Superfast Broadband, which is not a project that is managed by the Council.

The revised budget for 2018/19 at the end of Period 8 (November) was therefore £4,890k, of which £2,013k was profiled to have been spent at this time. The actual spend to the end of period 8 was £1,715k. Thus 85% of the profiled budget had been spent at this time compared to only 53% at the end of period 7. A summary of the General Fund spend as at the end of Period 7 and Period 8 are shown below.

<b>Capital Programme - updated position as at Period 8 (end of November)</b>					
	Actual spend £'000	Profiled budget £'000	Spend as a % of profiled budget	Full year budget £'000	Spend as a % of full-year budget
<b>General Fund</b>					
Position as at the end of Period 7 (end of October)	940	1,787	53%	5,213	18%
Position as at the end of Period 8 (end of November)	1,715	2,013	85%	4,890	35%

The capital plan can be broken down into two distinct elements i.e. the directly delivered schemes and indirectly delivered schemes. It is important to understand that there is a difference between the two. Directly delivered schemes are the ones that the council has control over and the council is responsible for carrying out all aspects of the scheme from the design, through to the appointment of contractors and completion. Examples include capital spend on council car parks or the Town Hall. Indirectly delivered schemes are the schemes that the council is either funding or 'passporting' funding from third parties to individuals and organisations. These schemes will include the Disabled Facilities Grants and all the s106 funded schemes.

The split of the General Fund capital plan into the two elements is shown in the table below.

<b>Capital Programme - updated position as at Period 8 (end of November)</b>					
	Actual spend £'000	Profiled budget £'000	% of profiled budget	Full year budget £'000	Spend as a % of full-
<b>General fund</b>					
Directly delivered schemes	1,267	1,213	104%	2,790	45%
Indirectly delivered schemes	448	801	56%	2,104	21%
<b>Total - General Fund</b>	<b>1,715</b>	<b>2,013</b>	<b>85%</b>	<b>4,894</b>	<b>35%</b>

As illustrated by the table above, expenditure on the directly delivered schemes is broadly on track in respect of the budget profile. Some risk exists with the delivery of the various schemes by the end of the financial year as profiling shows that over half of the expenditure is due to occur in the last third of the year (although much of this is already committed). There are other schemes within the capital plan where budgets are fully committed and will be spent by the year-end e.g. Information Technology related schemes. No one scheme is especially significant in the context of the total budget but certain schemes around the delivery of open spaces projects appear to carry a risk that not all will be complete by the end of the financial year.

As the figures in the table show, it is the indirectly delivered schemes, which the council cannot directly influence and control, where there is the highest level of underspend. A significant variance is around the Disabled Facilities Grants which at present is showing a spend of £379k to the end of period 8 against a total budget for the year of £1,029k (representing expenditure of 37% of the budget to this date). Of the full year budget 96% is committed (i.e. applications have been approved and each application has a budget set aside for it) but the council has no control beyond committing the budget and clearly some risk of underspending exists.

Appendix A gives details of all the schemes and budget managers have forecast their expected year-end position and commented on their schemes.

## Review of the HRA Capital Plan

The HRA capital plan for 2018/19 is £7,566k, and 30% of this had been spent by the end of period 8. The actual expenditure at the end of period 8 was £2,281k and the profiled budget to the end of period 8 was £1,512k, thus 151% spent. The table below summarises the position and movement since the end of Period 7.

Capital Programme - updated position as at Period 8 (end of November)					
HRA	Actual spend £'000	Profiled budget £'000	Spend as a % of profiled budget	Full year budget £'000	Spend as a % of full-year budget
Position as at the end of Period 7 (end of October)	681	1,123	61%	7,566	9%
Position as at the end of Period 8 (end of November)	2,281	1,512	151%	7,566	30%

All HRA services are directly delivered services. The total budget for these is £7,566k.

The total HRA budget can be split into two elements i.e. property acquisitions and improvements and enhancements to HRA assets. This is shown in the table below.

Capital Programme - updated position as at Period 8 (end of November)					
HRA	Actual spend £'000	Profiled budget £'000	Spend as a % of profiled budget	Full year budget £'000	Spend as a % of full-year budget
Property Acquisitions	1,170	514	228%	1,953	60%
Improvements & Enhancements to HRA Assets	1,111	998	111%	5,613	20%
<b>Total - HRA</b>	<b>2,281</b>	<b>1,512</b>	<b>151%</b>	<b>7,566</b>	<b>30%</b>

The budget for property acquisitions has been 60% spent which is above the target for spend as at Period 8. It is anticipated that the full year budget will be spent by the end of the year if appropriate and suitable properties become available for sale and the council is able to purchase them. Any underspend for this budget for the year will be carried forward into 2019/20.

The rest of the HRA budget of £5,613k is for improvements and enhancements to HRA assets, primarily the housing stock. The spend at the end of period 8 was £1,111k which is 20% of the full year budget and there appears to be a significant risk that this element of the capital plan will not be completed within the financial year.

In respect of the above, the Head of Landlord Services has commented that "Mobilisation of the new capital contract with Fortem has been slower than expected, and there have been issues with Fortem's performance. A remedial plan and draft revised forecast have been provided by Fortem and are under review. It is expected that there will be an underspend across some Fortem capital budget lines based on performance to date. That said, a significant volume of work has been largely completed (Fortem estimate £1.7m to the end of December 2018) although not all of the amounts claimed have been agreed by the Council due to (for example) the required certification not being provided."

## Forecast of Year-end Position for the Capital Programme

As noted above, Appendix A lists all the schemes that make up the capital plan. It shows the actual spend as at the end of November, the full year budget and the variance between these. It also gives a forecast of spend for the year and a comment about the scheme, both of which have been provided by the budget holder. The forecast spend for the full year is £10,461k which when compared to the full year budget of £12,661k shows that overall budget managers expect 84% of the budget to be spent. The capital budget will continue to be monitored. This forecast assumes full year spend of indirectly delivered schemes such as s106 schemes which can have the budget carried forward and the grants will be grant funded at the actual level of spend. As the indirectly delivered schemes are funded by external sources they do not impact on the council's availability of resources to fund capital schemes.

### Policy Justification and Previous Decisions

Chapter 5, section 5.5 (b) of the Constitution states that the Audit Committee can refer matters of concern to the Council, Cabinet, or appropriate committee. The Chair or Vice Chair of the Committee may address the Cabinet or a committee and the Vice-chair of the Committee may address the Council before the report is considered.

### Implementation Timetable including Future Decisions and Scrutiny

Monitoring of the capital programme is ongoing.

### Report Implications

The following implications have been identified for this report.

#### *Financial Implications*

There are no direct financial implications.

#### *Risk Management*

There are no specific risks associated with the recommendations of the Audit Committee.

Key Decision:	No
Background Papers:	Audit Committee Minute 35, 27th November 2018
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## APPENDIX A

### General Fund Directly Delivered Schemes

Cost Centre	Cost Centre(T)	Profiled		Variance	Current Budget	Variance	Full Year Forecast	Budget Holder Comments
		Actual as at Period 8	Budget as at Period 8					
Z744	Beehive Lane Car Park Improver	10,524	50,000	39,476	50,000	39,476	30,530	Planning permission obtained in October 2018. Detailed specification produced and invitation to Tender was issued in December 2018. Work scheduled to commence in March 2019 and finish April/May 2019. Carry forward of budget will be required. Potential Overspend predicted, due to extra costs for specialist architectural engineers.
Z781	Beehive Lane Car Park fire & saf	-	5,000	5,000	125,000	125,000	125,000	Invitation to Tender through Efficiency East Midlands Framework issued in December 2019. If successful work scheduled to commence in February/ March 2019. Potential carry forward to 2019/20 if deals in work.
Z738	Carbon Management	32,503	32,500	(3)	32,800	297	32,500	Completed
Z468	Planning & Regeneration essent	-	-	-	1,100	1,100	-	
Z424	Choice Based Lettings Software	16,063	-	(16,063)	35,000	18,938	35,000	This is the balance remaining from the P&R Backoffice upgrade. The budget can be given up.  To date we have paid the 50% upfront costs. We have a number of issues with the implementation of the software and are working through this with the supplier and will not be making any more payments until this has been resolved. The money is therefore committed and will be paid once the system is fully operational.
<b>D50</b>	<b>Housing, Planning, Regeneratic</b>	<b>59,089</b>	<b>87,500</b>	<b>28,411</b>	<b>243,900</b>	<b>184,811</b>	<b>223,030</b>	
Z421	Carillon Tower Restoration Proje	258,840	282,000	23,160	289,500	30,660	289,500	This has been spent, but there are invoices to be paid.
Z494	Public Art Provision - Loughborc	-	-	-	75,100	75,100	75,100	
Z503	Charnwood Sites Access and Sei	8,600	50,000	41,400	50,000	41,400	50,000	This budget is for Shepshed. There has been an extension to the timetable. The design work has all been done and the project start date is imminent so it could potentially be completed by the year end, if not it will be shortly after the beginning of the new year. The 2 priority schemes at Bradgate Road and Maxwell Drive have now been completed, and invoices are awaited.
Z697	Bell Foundry Pocket Park	62,528	62,000	(528)	62,200	(328)	62,500	Completed
Z739	Green Spaces Programme		30,000	30,000				This is a budget for 7 schemes totalling £512k. £180k had been spent to date. Some of the schemes have been delayed due to issues with access which have had to be resolved with the county council. The Southfields Park skate park has just got planning permission and work on this should be starting shortly and the budget should be spent by the year end. The cemetery extension scheme has required a revision as the land that was intended for burials is not suitable and it is now intended to use this (once purchased) to use as an Ashes Garden. Another parcel of land has been identified for burials. Works for all schemes will be contained within the existing budget either by managing it overall or modifying schemes to match the budget. Whilst it is anticipated that the budgets will spent by the year end, if there are any unspent budgets, these will need to be carried forward at the year end to enable the schemes to be finished in the new year.
	Kirkstone Drive Play Area	2,538	-	(2,538)	4,800	2,262	511,800	
	Great Central Park	-	-	-	20,000	20,000		
	Southfields Park	63,222	-	(63,222)	224,000	160,778		
	Park Road	112,880	-	(112,880)	108,000	(4,880)		
	Sidings Park	1,240	-	(1,240)	75,000	73,760		
	Jubilee Park	-	-	-	20,000	20,000		
	Cemetery Extension	-	-	-	60,000	60,000		
Z748	Loughborough Festive Lights an	103,000	103,000	-	130,000	27,000	103,000	It is estimated that £103k has been spent to date, but the invoice has not been paid as there is some remedial work that need to be carried out before releasing the payment.
Z749	Loughborough Market Improve	7,426	35,000	27,574	60,000	52,574	40,000	£33,000 has been spent to date on this scheme. The coding of this is being investigated

Z751	Lough Playgrounds - Replaceme	-	-	-	60,000	60,000	60,000	A contractor has been appointed and the works are to be completed by the end of the financial year
Z755	Shortcliffe Park Access Bridges	34,750	50,000	15,250	50,000	15,250	50,000	Existing vehicular access bridge has been made safe and bollards erected to restrict use to pedestrians only. New pedestrian bridge has been installed from Sharpley Road. In liaison With LCC over requirements for improving/securing permanant access to site from Old Ashby Road.
Z757	Town Hall Roof Upgrade	4,854	50,000	45,146	50,000	45,146	50,000	If this scheme goes ahead as it is then the work is scheduled to be done and completed by the end of the financial year. However there is a proposal to combine the scheme with installing solar panels on hte roff at the same time as this will cut costs (e.g. not erecting scaffolding twice). Ifit is decided that a combined scheme would be vlue for money then the scheme may be delayed and there may be a requirement to carry forward the budget.
Z758	Town Hall Seating Replacement	84,845	80,000	(4,845)	84,800	(45)	84,850	Completed
Z388	CCTV	-	20,000	20,000	48,400	48,400	48,400	This is a budget to replace cameras that are at the end of their life. Some cameras were due to be replaced but this has been put on hold, following a recent incident where there was a loss of power, which has identified that there may be some critical work required on the electrics. Quotes have been received for both replacement cameras and some upgrade works to the control room to address work associated with the electrics. An order will be placed in January. If it is not all spent in year then it will be carried forward into 2019/20.
Z389	Loughborough - Town Centre si	-	-	-	5,000	5,000	5,000	This work is timed to fit in with the market review project
Z392	Public Realm and Art Improvem	3,200	-	(3,200)	9,600	6,400	9,600	This work is timed to fit in with the market review project
Z393	Grants for Shop Front Improven	500	-	(500)	1,600	1,100	1,600	This should probably be a revenue scheme
Z394	Provision of Neighbourhood No	4,155	-	(4,155)	6,100	1,945	6,100	This work is timed to fit in with the market review project
Z413	Town Hall - Tills	-	-	-	1,200	1,200	1,200	Please amend to revenue a scheme
Z478	Shortcliffe Community Park	2,380	-	(2,380)	17,700	15,320	2,400	De minimis, no comment required.
Z484	Closed Churchyard Walls	253	-	(253)	16,400	16,147	16,400	A number of orders have been placed for work to be completed. This has been delayed slightly but it is expected that the budget will be spent, by the year-end, but if not it will need to be carried forward into the new financial year.
Z746	Charnwood Museum Public Toil	-	-	-	16,000	16,000	16,000	This work is scheduled to be done and completed in January 2019.
Z747	Dishley Pool Access Works	12,432	-	(12,432)	32,600	20,168	32,600	The original scheme has been completed well under budget due to a company doing a lot of the work as part of their CSR. There is a possibility to extend the scope of the scheme using the remaining funds. The budget will be spent but may need to be carried forward into the new financial year.
Z750	Lough Old Cemetery Green Flag	-	-	-	40,000	40,000	-	Scheme being developed to improve access and signage within the site. The project is forcast for spend in 2020/21
Z752	Mountsorrel Castle Park Green	-	-	-	40,000	40,000	45,000	This scheme is being done with the parishes
Z753	The Outwoods Country Park - Se	-	-	-	45,000	45,000	45,000	The Outwoods schemes span two financial years. This is the proportion of the expenditure that is expected to be spent in this financial year.
Z754	The Outwoods Country Park - Vi	-	-	-	35,000	35,000	35,000	
Z782	Outwoods Country Park	-	-	-	140,000	140,000	140,000	
Z756	Town Hall Public Wifi Installatio	-	-	-	15,000	15,000	15,000	De minimis, no comment required.
Z426	Lough Market - replacement of	-	-	-	21,500	21,500	21,500	This is a new addition to the capital plan. The tug and trailer should be purchased before the year end as they are deemed to be essential to service delivery.
<b>D55</b>	<b>Neighbourhoods &amp; Community</b>	<b>767,643</b>	<b>762,000</b>	<b>-5,643</b>	<b>1,914,500</b>	<b>1,146,857</b>	<b>1,757,550</b>	
Z085	Hardware Replacement Prograr	150,364	98,000	(52,364)	187,300	36,936	187,300	As more relacement equipment is purchased between now and year end it is expected that the full budget will be required to cover these purchases

Accrual

Z493	Fearon Hall	37,361	31,000	(6,361)	75,800	38,439	62,360	
Z759	Woodgate Chambers - high leve	-	50,000	50,000	50,000	50,000	50,000	There is a programme of improvement works which is ongoing. Spend for the year is forecast to be c. £62k. The remaining budget will need to be carried forward into 2019/20.
Z777	Messenger Close, Lough – Optic	205,959	184,000	(21,959)	196,300	(9,659)	206,000	Contractors are currently on site and it is expected that the work will be completed before the year end.
Z354	Infrastructure Development	15,831	-	(15,831)	30,000	14,169	30,000	This overspend will be met by contributions from tenants who requested the additional work on site.
Z415	Southfields Offices Roofing	12,590	-	(12,590)	15,400	2,810	15,400	The outstanding balance will be utilised before the end of the year
Z423	Call Secure System - PCI Compli:	-	-	-	35,900	35,900	35,900	De minimis, no comment required.
Z425	Corporate Booking System	-	-	-	6,900	6,900	6,900	The procurement for this is currently underway with the order expected to be placed during Feb 2019.
Z466	DWP Co-Location	-	-	-	-	-	-	There is currently some additional work taking place to the system after which, the remaining balance will be paid to the software provider
Z485	Online Customer Experience Pr	4,862	-	(4,862)	-	(4,862)	4,900	De minimis, no comment required.
Z740	Emergency Backup Generator &	1,663	-	(1,663)	2,000	337	1,700	De minimis, no comment required.
Z779	Jubilee Avenue Sibleby	5,647	-	(5,647)	7,000	1,353	5,700	De minimis, no comment required.
Z780	Wireless connectivity including	5,979	-	(5,979)	25,000	19,021	25,000	De minimis, no comment required.
								The first three installations have been completed and further rooms have been identified and equipment ordered than will utilise the rest of the existing budget before the end of the year
<b>D60</b>	<b>Corporate Services</b>	<b>440,256</b>	<b>363,000</b>	<b>(77,256)</b>	<b>631,600</b>	<b>191,344</b>	<b>631,160</b>	
	<b>Total of Directly Delivered Schemes</b>	<b>1,266,989</b>	<b>1,212,500</b>	<b>(54,489)</b>	<b>2,790,000</b>	<b>1,523,011</b>	<b>2,611,740</b>	

Accrual

### General Fund Indirectly Delivered Schemes

Cost Centre	Cost Centre(T)	Profiled			Current Budget	Variance	Full Year Forecast	Budget Holder Comments
		Actual as at Period 8	Budget as at Period 8	Variance				
Z210	DFG Disabled Facilities Grant	378,936	519,000	140,064	1,028,800	649,864	1,028,800	The budget is fully committed apart from c.£40k. However due to the nature of the application process whereby if an application is eligible for the grant, the budget will be committed, it does not guarantee that the expenditure will be incurred for numerous reasons e.g. the applicant may decide to delay the work for their own personal reasons or the applicant may not be able to find a suitable contractor to do the work.
Z346	Private Sector Housing Grants	1,312	62,000	60,688	111,300	109,988	111,300	There is a commitment of £4,500 for a Home Repair Grant. In reviewing grants provided by the Council, consideration is given to residents in most need of assistance, and each case is assessed on its own merits to ensure that all other available options have been fully explored and assistance through other means is not reasonably available or practicable. Therefore as the Council has no control over the demand and will always explore all available options open to the applicants it is very difficult to profile the budget and forecast spend. The purpose of the funding is to ensure that we maximise the number of discretionary grants we can offer within our budget and in line with the Policy and not just to maximise the spend.

Z141	Regional Housing Pot Grant	-	42,900	42,900	42,900	42,900	42,900	The Private Sector Housing Grants Policy was approved by Cabinet in August 2017. The Council are unable to control the demand for grant applications. The following Discretionary Grants are available: <ul style="list-style-type: none"> <li>• Discretionary Disabled Facility Grants</li> <li>- Relocation</li> <li>- Minor Works</li> <li>• Home Repair Grants</li> <li>• Home Safety Grants</li> <li>• Energy Company Obligation (ECO) "Help to Heat" Top up Grant</li> <li>• Partnership Grants</li> </ul>
Z363	Fuel Poverty Scheme - DECC	-	-	-	9,000	9,000	9,000	In reviewing the grants provided by the Council, consideration is given to those residents in most need of assistance, and each case will be assessed on its own merits to ensure that:  <ul style="list-style-type: none"> <li>• All other available options have been fully explored.</li> <li>• Assistance through other means is not reasonably available or practicable.</li> </ul> <p>Therefore as the Council has no control over the demand and will always explore all available options open to the applicants it is very difficult to profile the budget.</p> <p>The purpose of the funding is to ensure that we maximise the number of discretionary grants we can offer within our budget and in line with the Policy and not just to maximise the spend.</p>
Z367	Bleach Yard	3,751	-	(3,751)	9,700	5,949	9,700	This is forecast to be spent by year end on lighting and security
Z396	Public Realm - Shepshed Town C	-	37,000	37,000	24,600	24,600	24,600	This will be spent by the year-end
<b>D50</b>	<b>Housing, Planning, Regeneratic</b>	<b>383,999</b>	<b>660,900</b>	<b>276,901</b>	<b>1,226,300</b>	<b>842,301</b>	<b>1,226,300</b>	
Z292	Hallam Fields Community Buildi	22,610	90,000	67,390	350,000	327,390	350,000	This is fully funded by S106 contributions. The Parish Council is leading on the scheme and drawdown on the monies has started. The scheme involves 3 parties and has been a complicated scheme to get underway e.g. agreeing all the transfers of land and the required timings of these. The scheme has been out to tender, contractor appointed, works will commence in February 2019 with a completion date of August.
Z348	Community Facilities Grants	6,981	-	(6,981)	194,800	187,819	194,800	Expenditure is dependant on grant applications and requests for payment. The amount is a block sum to cover the capital plan period. Unspent budget to be carried forward.
Z488	Thorpe Acre Residents Associati	-	-	-	25,900	25,900	25,900	This is s106 monies. All monies to deliver the scheme are in place. The scheme has been delayed as the lease is still being negotiated. Until this is signed the work cannot begin.
Z499	Syston Town Council - contribut	9,663	-	(9,663)	209,900	200,238	209,900	This is fully funded by S106 contributions. The scheme has been delayed as setting it up has been a complicated process involving the transfer of land from the developer to the town council. Once this has been sorted out then the scheme can get underway.
Z500	Birstall Cedar Academy – contril	-	50,000	50,000	50,000	50,000	50,000	This scheme was expected to have completed in the year. This scheme is fully funded by S106 contributions. The scheme has been put on hold following the Academy, which is leading on the scheme, wanting to revisit the scheme proposals as the Football Association have approached them to explore making the pitch larger and of a higher specification.
Z502	Quorn Parish Council - redevelopo	25,168	-	(25,168)	25,200	32	25,200	Completed

Z778	Syston Community Garden	-	-	-	22,300	22,300	22,300	This is fully funded by S106 contributions. Awaiting the signing of the lease. The lease needs to be signed before the land can be handed over.
	<b>Neighbourhoods &amp; Community</b>	<b>64,421</b>	<b>140,000</b>	<b>75,579</b>	<b>878,100</b>	<b>813,679</b>	<b>878,100</b>	
	<b>Total of Indirectly Delivered Scl</b>	<b>448,420</b>	<b>800,900</b>	<b>352,480</b>	<b>2,104,400</b>	<b>1,655,980</b>	<b>2,104,400</b>	
GF	<b>General Fund</b>	<b>1,715,408</b>	<b>2,013,400</b>	<b>297,992</b>	<b>4,894,400</b>	<b>3,178,992</b>	<b>4,716,140</b>	

## HRA Directly Delivered Schemes

Cost Centre	Cost Centre(T)	Profiled Budget as at			Current Budget	Variance	Forecast	Budget Holder Comments
		Actual	Period 8	Variance				
Z760	Acquisition of Affordable Housi	1,170,045	514,000	(656,045)	1,953,000	782,955	1,953,000	It is anticipated that this will be spent if appropriate and suitable properties become available for sale. Any underspend for the year will be carried forward into 2019/20.
Z301	Minor Adaptations	30,043	25,000	(5,043)	50,000	19,957	50,000	Demand led workstream
Z302	Stairlifts	50,764	45,000	(5,764)	60,000	9,236	60,000	Demand led workstream
Z357	Estate and External Works	-	-	-	7,000	7,000	-	Spend less than estimated accrual
Z374	CO Monitors	1,890	-	(1,890)	-	(1,890)	-	Recorded in period 9 to H058 B0191
Z375	Stock Maximisation - Garages	-	-	-	50,000	50,000	-	Spend held pending review of garage sites
Z378	Door Entry Systems	69,027	42,000	(27,027)	251,800	182,773	251,800	Programme on track and due to be completed around end of Q3
Z380	Major Voids	10,372	-	(10,372)	-	(10,372)	10,370	Spend greater than estimated accrual
Z419	New Build/Acquisitions	1,536	-	(1,536)	-	(1,536)	-	Not significant
Z434	Asbestos Removal	90,968	117,000	26,032	150,000	59,032	150,000	Removal of asbestos takes place in parallel with delivery of decent homes works e.g. kitchens, bathrooms, heating etc.
Z454	Electrical Upgrades	24,326	-	(24,326)	30,000	5,674	24,330	Not significant
Z459	Re-roofing	157,411	128,000	(29,411)	128,100	(29,311)	29,310	Spend greater than estimated accrual
Z460	Kitchens	7,332	-	(7,332)	-	(7,332)	7,340	
Z462	Door Replacement	-	47,000	47,000	17,400	17,400	-	Spend less than estimated accrual
Z470	Job Management System	700	22,000	21,300	21,800	21,100	21,100	Development of electronic capital works management system is nearing completion
Z741	Communal Area improvements	1,506	-	(1,506)	10,500	8,994	1,500	Spend less than estimated accrual
Z742	Communal Area Electric	289,252	52,000	(237,252)	289,300	48	289,250	Full spend achieved
Z743	Sheltered housing imprmnt inc	38,080	-	(38,080)	163,000	124,920	130,000	
Z761	Major Adaptations - Fortem	48,653	300,000	251,347	525,000	476,347	293,000	Projection based on performance YTD
Z762	Major Voids - Fortem	34,370	70,000	35,630	280,000	245,630	100,500	Demand led workstream. Around 50% of major void works are undertaken by the in-house Voids Team, however capitalisation is not possible due to accounting audit requirements. It is therefore expected that there will be an underspend at Z762 of approximately £180k, with an overspend of round £140K at the revenue void budget
Z763	Kitchens - Fortem	62,395	-	(62,395)	322,000	259,605	211,000	Projection based on performance YTD
Z764	Bathrooms - Fortem	45,076	-	(45,076)	616,300	571,224	190,000	Projection based on performance YTD
Z765	Electrical Upgrades - Fortem	4,800	-	(4,800)	66,000	61,200	7,000	
Z766	Window Replacement - Fortem	-	-	-	10,000	10,000	-	No work currently identified as necessary
Z767	Central Heating and Boiler Insta	119,123	-	(119,123)	518,000	398,877	465,000	Projection based on performance YTD
Z768	Door Replacement - Fortem	100	-	(100)	315,000	314,900	78,180	National issue in relation to fire door supply has slowed programme
Z769	Re-roofing - Fortem	3,741	-	(3,741)	600,000	596,259	556,000	Projection based on Fortem forecast
Z770	Major Structural Works - Fortem	-	100,000	100,000	250,000	250,000	40,000	Demand led workstream
Z771	Communal Area Improvements	16,030	-	(16,030)	150,000	133,970	174,000	Programme on track and expected to be completed end of Feb 2019
Z772	Carbon Monoxide Alarms - Fort	2,050	-	(2,050)	50,000	47,950	50,000	Works programmed with Fortem
Z773	Fire Safety Works - Fortem	1,292	50,000	48,708	100,000	98,708	100,000	Works are being completed by Ventro, not Fortem so please re-name budget line. Programme issued.
Z774	Cavity and Loft Insulation - Fort	-	-	-	50,000	50,000	20,000	Projection based on Fortem forecast
Z775	Mobility Scooter Storage - Forte	-	-	-	15,000	15,000	-	Results of survey of all scooter users currently being analysed to inform spend.
Z776	Estate and External Works - For	71	-	(71)	205,000	204,929	170,000	Estimating process due to be completed by end of Feb 2019
Z857	Housing Capital Technical Costs	-	-	-	312,000	312,000	312,000	Concerns capitalisation of salary. An accounting adjustment will be undertaken at the end of the financial year.

HA	Housing Revenue Account Imp	<u>1,110,907</u>	<u>998,000</u>	<u>(112,907)</u>	<u>5,613,200</u>	<u>4,502,293</u>	<u>3,791,680</u>
	Total HRA	<u>2,280,953</u>	<u>1,512,000</u>	<u>(768,953)</u>	<u>7,566,200</u>	<u>5,285,247</u>	<u>5,744,680</u>
	Total Programme	<u>3,996,361</u>	<u>3,525,400</u>	<u>(470,961)</u>	<u>12,460,600</u>	<u>8,464,239</u>	<u>10,460,820</u>