

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 7 JUNE 2016

Title:

**CAPITAL PROGRAMME OUTTURN 2015/16
(GENERAL FUND and HOUSING REVENUE ACCOUNT)**

**[Portfolio Holder: Cllr Ged Hall]
[Wards Affected: All]**

Summary and purpose:

This report presents the outturn for the Council's 2015/16 Capital Programme. It also seeks approval to add rescheduled expenditure and minor slippage from the 2015/16 Programme to the 2016/17 Programme.

How this report relates to the Council's Corporate Priorities:

The Capital Programme is a key way of delivering the Council's Corporate Priorities.

Resource Implications:

The report details the expenditure during the past year and compares this with the previously approved budgets. External funding has been obtained in some areas, thereby achieving improved value for money.

Legal Implications:

This report does not have any direct legal implications.

Introduction

1. This report presents the outturn for the Council's 2015/16 Capital Programme for both the General Fund and Housing Revenue Account (HRA). This report is the final Budget report for the year and builds on the position previously reported to Members through the Budget Management Process.
2. Formal approval is sought to carry some unspent budget items forward to 2016/17. These requests have arisen due to unforeseen delays in spending and these budgets will be spent in 2016/17.
3. This report contains the following Annexes:
 - General Fund Outturn
 - HRA Core Capital Programme Outturn
 - HRA New Affordable Homes Outturn
 - HRA Stock Remodelling Outturn

General Fund Capital Programme

4. Annexe 1 shows details of the 2015/16 Capital Programme Outturn, together with the proposed transfer of budgets from 2015/16 to 2016/17.
5. The original approved Programme for Waverley Capital expenditure in 2015/16 was £3,916,175. Slippage from 2014/15, several additional schemes approved during the year financed from further external funding that had been secured, and some rescheduling due to project changes and delays resulted in an overall approved Programme for the year of £3,628,455 as detailed in paragraph 7.
6. Actual expenditure in the year against these Projects was £2,392,520. Slippage requests total £989,237, as detailed at Annexe 1.
7. The following table analyses the General Fund Capital Programme movements during the year, which are shown in more detail at Annexe 1:

	£
Original Capital Programme for 2015/16	3,916,175
Rescheduling from 2014/15	963,895
Supplemented by extra External Funding	966,385
Approved Rescheduling from 2015/16 into 2016/17	-2,218,000
Total Approved Programme	3,628,455
Expenditure in year	2,392,520
Proposed Rescheduling to 2016/17	989,237
Savings Achieved	246,698

8. Consultants have carried out a survey at Bowring House, which covered both the Sheltered unit and the attached Day Centre. This highlighted a number of minor works required to maintain the Day Centre. Therefore it is requested that £20,000 of the General Fund capital savings achieved is rescheduled into 2016/17 to cover the cost of these works.

Housing Revenue Account Capital Programme

9. Annexe 2 shows details of the 2015/16 HRA Core Capital Programme Outturn, together with the proposed transfer of budgets from 2015/16 to 2016/17.
10. Good progress was made in delivering the decent homes works programme despite problems gaining access to properties and tenant refusals to have the work carried out. Annexe 2 shows a total budget to be rescheduled to 2016/17 of £799,564.
11. The following table analyses the HRA Core Capital Programme movements during the year:

	£
Originally Approved Programme	7,530,000
Rescheduling from 2014-15	1,823,125
Approved Rescheduling from 2015/16 into 2016/17	-810,000
Total Approved Programme	8,543,125
Expenditure in the Year	6,444,465
Proposed Rescheduling	799,564
Savings in capital spend	1,299,096

New Affordable Homes

12. The focus of the original approved capital programme of some £9.25 million for 2015/16 has varied in the course of the year depending upon how individual schemes have progressed. New dwellings at Hullmead and Ladymead have been completed and further new dwellings should be completed at the Station Road site in May 2016 and a further three sites later in 2016/17. The detailed outturn is attached at Annexe 3, which shows the actual expenditure in year of just over £7.4 million and shows requested budget to be rescheduled to 2016/17 of £1.7 million.
13. In respect of the budgets requested for carry forward, a number of schemes are not progressing as originally expected. Some are ahead of original plans and some have been delayed for a number of reasons. Additionally it is hoped to complete on a number of property purchases by the end of May 2016. Works at the former police houses are underway and should complete by June 2016.
14. Pre-development costs have continued to be incurred for the approved Ockford Ridge redevelopment scheme together with some payments for home-loss and compensation. The work on the Ockford Ridge show homes is well underway and should be completed in summer 2016.

Stock Remodelling

15. Some former staff accommodation has undergone remodelling in 2015/16, with further work to be carried out. Costs have also been incurred in relation to the remodelling at Ockford Ridge and the conversion of community rooms.
16. Cranleigh Day Centre works are not currently being carried out, as a possible use of the community space may have been identified. Therefore the budget is offered a saving for use on other stock remodelling schemes.
17. The detailed outturn is attached at Annexe 4, which shows the actual expenditure in year of just over £121,395 and shows requested budget to be rescheduled to 2016/17 of £379,707.

Financing

18. The Council's total Capital Programme (General Fund, Affordable Housing Stock Remodelling and core HRA) expenditure amounted to £16,395,548, which has been financed as follows: -

	General Fund	HRA Core Capital	New Affordable Homes	Stock Remodelling	Total
	£	£	£	£	£
Use of Revenue Reserve Fund	1,226,602				1,226,602
Specific Grants and Contributions	576,771	4,360	1,892,413		2,473,544
Renewals Fund	23,682				23,682
Major Repair Reserve		5,668,904	258,090	65,630	5,992,624
Stock Remodelling Reserve	33,995	1,200		55,765	90,960
New Affordable Homes Reserve			5,286,666		5,286,666
Transferred to Revenue	531,470	770,000			1,301,470
	2,392,520	6,444,464	7,437,169	121,395	16,395,548

Conclusion

19. The underlying level of year-end slippage for the General Fund remains relatively low, with major schemes delivered successfully during the year. Delivery of the HRA Capital Programme is progressing well.

Recommendation

It is recommended that the Executive:-

1. notes the Capital Outturn position for 2015/16;
2. approves the transfer of budgets totalling £989,237 as shown in Annexe 1, from the 2015/16 General Fund Capital Programme into 2016/17;
3. approves the spend of £20,000 to carry out small works at Bowring House Day Centre, detailed in paragraph 8 to be financed from the General Fund capital savings;
4. approves the transfer of budgets totalling £799,564, as detailed in Annexe 2 from the 2015/16 HRA Capital Programme into 2016/17;
5. approves the transfer of budgets totalling £1,718,534, as detailed at Annexe 3 from the 2015/16 New Affordable Homes programme into 2016/17;

6. approves the transfer of budgets totalling £379,707, as detailed at Annexe 4 from the 2015/16 Stock Remodelling programme into 2016/17; and
7. approves the capital financing set out in paragraph 18.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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