

REPORT TO EXECUTIVE



DATE	14 th July 2021
PORTFOLIO	Resources & Performance Management
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2020/21 Final Capital Outturn Position
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PURPOSE

1. To report to Members on the performance of the 2020/21 capital investment programme and present the financing of capital expenditure incurred during 2020/21.
2. To seek approval of a revised 2021/22 capital budget after incorporating net carry forward commitments (slippage) from 2020/21.

RECOMMENDATION

3. That the Executive Members are requested to recommend that Full Council approve:
 - a) The final position on capital spending and financing of £11.915m for 2020/21 as shown in Appendices 1 & 2, which equates to 87% of the final resources position.
 - b) The revised capital budget for 2021/22 totalling £20.527m as outlined in Appendix 3, (including net carry forward of £1.735m).

REASONS FOR RECOMMENDATION

4. To conclude the capital budget monitoring process for 2020/21 and report the final outturn position as outlined in the Council's Statement of Accounts for 2020/21.
5. To increase the 2021/22 Council capital programme for amounts carried forward from 2020/21 and other budget adjustments as shown in Appendix 3.

SUMMARY OF KEY POINTS

Capital Outturn Position

6. **Budget Changes and Expenditure Outturn Position:**

After incorporating all the recommendations approved throughout the financial year, the original capital budget of £19.468m (approved at Full Council on 26 February 2020) was revised to a final position of £14.477m per the cycle 3 capital monitoring report presented to the Executive on the 15 February 2021.

Appendix 1 shows the final resources and outturn position. Additional resources have been utilised in financing the outturn expenditure position totalling £0.085m split between:

- £0.068m of brought-forward funding from 2021/22 (“reverse slippage”), utilising in advance, resources originally approved within the 2021/22 capital programme at Full Council on 24 February 2021.
- £0.017m of other additional resources were identified, utilising more of the Better Care Funding.

Resources of £0.853m were no longer required, including £0.549m of Housing Capital underspends, and £0.295m Lower St James Street funding from LCC, which were deducted from the budget.

Therefore, the final position available to finance capital expenditure in 2020/21 totalled £13.719m. The final outturn level of expenditure incurred for 2020/21 totalled £11.915m which gives a net underspend of £1.804m or 87% spend against the final resources position.

Appendix 2 lists the financing elements of each scheme within the 2020/21 capital programme spend, totalling £11.915m.

7. **Carry Forward Requests (slippage)**

Members are asked to note that a net £1.735m (£1.803m slippage less £0.068m reverse slippage) is the total that has been recommended to be carried forward into 2021/22. The following schemes account for the majority of the total slippage requested:

Safer Streets (£396k)

The Home Office funded Safer Streets project is one that has encountered delays as a result of conditions relating to Covid. As such we have applied for, and received, an extension to the program into 2021/22. The expenditure will be completed by the end of quarter 1 of this financial year.

Sandygate Halls (£219k)

This work has been delayed due to the Covid pandemic and will now take place during the summer of 2021/22.

Burnley Pendle Growth Programme (£300k)

Works to the Rosegrove junction, being undertaken by Lancashire County Council, have been slipped into quarter 1 of 2021/22.

Building Infrastructure Works (£668k)

The capital schemes included within this budget were being undertaken during the 2020/21 and 2021/22 financial years and an estimate of the allocation between the years was included within the quarter 3 monitoring report. This outturn report now reflects the actual spend in 2020/21 and the balance is requested to be slipped into 2021/22.

Further details can be seen in Appendix 1.

8. Revised Capital Budget for 2021/22

Members are asked to approve a revised capital budget for 2021/22 after incorporating the adjustments identified within this outturn report.

Appendix 3 details the 2021/22 capital programme financing elements along with incorporating the year end resources adjustments and brought-forward funding elements identified within this outturn report, and incorporating the carry forward requests. This results in a revised capital programme totalling £20.527m.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

9. As shown in the body of the report and appendices.

POLICY IMPLICATIONS

10. The final outturn position will be reflected in the Statement of Accounts which shows the spending by the Council in pursuit of declared objectives in that financial year and the reserves and balances available for future spending. Following a consultation exercise by MHCLG the deadline for the completion of the draft Statement of Accounts has been extended from 31st May to 31st July and the audited Statement of Accounts from 31st July to 30th September. These deadlines are in accordance with recommendation 10 of the Redmond Review and the change will initially be for a 2 year period: 2020/21 and 2021/22. The Statement of Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

11. None.

BACKGROUND PAPERS

12. None.

FURTHER INFORMATION

PLEASE CONTACT:

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