

REPORT TO EXECUTIVE



DATE	12th July 2023
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Craig Finn
TEL NO	01282 475811
EMAIL	CFinn@burnley.gov.uk

2022/23 Final Capital Outturn Position

PURPOSE

1. To report on the performance of the 2022/23 capital investment programme and present the financing of capital expenditure incurred during 2022/23.
2. To seek approval of a revised 2023/24 capital budget after incorporating net carry forward commitments (slippage) from 2022/23.

RECOMMENDATION

3. That the Executive Members are requested to recommend that Full Council approve:
 - a) The final position on capital spending and financing of £21.810m for 2022/23 as shown in Appendices 1 & 2, which equates to 92% of the final resources position.
 - b) The revised capital budget for 2023/24 totalling £40.426m as outlined in Appendix 3, (including net carry forward of £1.925m).

REASONS FOR RECOMMENDATION

4. To conclude the capital budget monitoring process for 2022/23 and report the final outturn position as outlined in the Council's Statement of Accounts for 2022/23.
5. To increase the 2023/24 Council capital programme for amounts carried forward from 2022/23 and other budget adjustments as shown in Appendix 3.

SUMMARY OF KEY POINTS

6. **Capital Outturn Position**

Budget Changes and Expenditure Outturn Position:

After incorporating all the recommendations approved throughout the financial year, the original capital budget of £37.805m (approved at Full Council on 23 February 2022) was revised to a final position of £20.226m per the cycle 3 capital monitoring report presented to the Executive on the 13 February 2023.

Appendix 1 shows the final resources and outturn position. Additional resources have been utilised in financing the outturn expenditure position totalling £3.591m split between:

- £2.938m of brought-forward funding from 2023/24:
 - utilising in advance, resources originally approved within the 2023/24 capital programme at Full Council on 13 February 2023 (“reverse slippage”), or
 - re-phasing those sums previously refiled into future years as part of the in-year monitoring process but where final 2022/23 spend has exceeded forecasts at Q3. This has been due to better than expected progress on major capital schemes and the need to pre-order materials in advance.
- £0.653m of other resources ‘in hand’ to fund additional expenditure, principally the application of Better Care Grant funding.

Available capital resources to fund expenditure totalled £23.817m. The final Capital expenditure outturn totalled £21.810m, equating to approximately 92% of the revised capital investment programme for 2022/23.

Appendix 2 lists the financing elements of each scheme within the 2022/23 capital programme spend, totalling £21.810m.

7.

Carry Forward Requests (slippage)

Members are asked to note that a net £2.006m has been recommended to be carried forward into 2023/24. The following schemes account for the majority of the total slippage requested:

Padiham Townscape Heritage Initiative (THI) (£518k)

Sandygate Halls (Commercial Units & Car Parking) (£191k)

Burnley Pendle Growth Programme (£300k)

Building Infrastructure Works (£502k)

Further details can be seen in Appendix 1.

8.

Revised Capital Budget for 2023/24

Members are asked to approve a revised capital budget for 2023/24 after incorporating the adjustments identified within this outturn report.

Appendix 3 details the 2023/24 capital programme incorporating the carry forward requests. This results in a revised capital programme totalling £40.426m.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

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

POLICY IMPLICATIONS

10. The provisional outturn position will be reflected in the draft Statement of Accounts which will show 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 temporary extension to the deadline for production of the draft financial statements for the two-year period 2020/21 and 2021/22 to 31st July each year, there has been a reversion to 31st May 2023 for production of the draft 2022/23 accounts. The Council's draft 2022/23 Statement of Accounts is available for inspection on the website.

The deadline for publishing audited local authority accounts is 30th September 2023. This deadline is expected to remain for at least six years, up to and including completion of 2027/28 accounts.

The draft Statement of Accounts will be subject to audit by the Council's external auditors, Grant Thornton UK LLP. There may be minor adjustments to the figures included within the provisional outturn as a result of the audit. The Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

11. None.

BACKGROUND PAPERS

12. None.

FURTHER INFORMATION

PLEASE CONTACT:

Craig Finn – Principal Accountant