
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 08
DATE OF MEETING:	20 JULY 2023	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
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SUBJECT:	FINAL CAPITAL OUTTURN 2022- 23	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

1.0 Recommendations

- 1.1 To approve the final Capital outturn position for both the General Fund and Housing Revenue Account (HRA) for 2022/23.
- 1.2 To approve the final balance on Capital Reserves for 2022/23.

2.0 Purpose of the Report

- 2.1 To detail the final outturn position for 2022/23 on the Council's capital accounts.
- 2.2 This report is divided into the following sections:
 - Section 3 – General Fund and HRA Capital 2022/23
 - Section 4 – Capital Reserves

3.0 Detail

- 3.1 The Council's capital programme consists of many different projects covering both the General Fund and HRA.
- 3.2 General Fund projects are developed in line with strategies reported to policy committees and are funded through Section 106 developer contributions, General Fund contributions, grant income and capital receipts generated from asset sales.
- 3.3 HRA projects are mainly for refurbishment of council houses, disabled adaptations to council housing and new build and are funded by HRA reserves plus grant income.
- 3.4 The capital budget for 2022/23 was approved in February 2022 and was updated in July 2022 following the outturn for 2021/22, to reflect the carry forward of income and expenditure for incomplete projects.

- 3.5 Additional budgets have also been included for schemes relating to environmental and energy efficiency works following successful bids for funding during the year, together with property acquisitions in the HRA.
- 3.6 Outturn for the year on capital projects and the total financing of all the projects is summarised in the following tables. A detailed list of the projects is attached in **Appendix 1**.

	Actual £	Budget £	Variance £
Council House Improvements	2,456,166	2,620,000	163,834
Council House New Build and Acquisition	0	280,000	280,000
Private Sector Housing	1,052,350	1,555,269	502,919
Community Services	1,234,663	2,975,003	1,740,340
Environmental Services	383,538	420,000	36,462
Property, Plant and Equipment	1,342,792	687,465	-655,327
TOTAL EXPENDITURE	6,469,509	8,537,737	2,068,228

	Actual £	Budget £	Variance £
External Grant and Contributions	2,224,831	1,887,269	-337,562
Capital Resources	630,422	2,117,354	1,486,932
S106 Contributions	690,114	1,038,440	348,326
General and Earmarked Reserves	2,924,142	3,494,674	570,532
TOTAL FUNDING	6,469,509	8,537,737	2,068,228

HRA Capital

- 3.7 HRA projects mainly consist of refurbishment of council housing, new build and acquisition of council dwellings, disabled adaptations for council house tenants and vehicle replacements.
- 3.7 The budget for new build and acquisition schemes was for the acquisitions in Newhall due to delays the scheme completed in April 2023. No expenditure has yet been incurred, but the budget has been carried forward into 2023/24.

General Fund Capital

Private Sector Housing Works

- 3.8 The list of projects, which are mainly financed through the Derbyshire County Council's Better Care Fund, are detailed in Appendix 1. These schemes were approved by the Housing and Community Services Committee.

Leisure and Community Schemes

- 3.9 Most projects were approved as part of the last Capital Bidding Round in October 2020. Many projects were delayed and were also subject to the securing of external funding and procurement processes.

- 3.10 Effectively, there are two major projects that account for most of the allocated resources, i.e., the Urban Park at Cadley Hill and the community/football pitch facilities at Oversetts Road.
- 3.11 The Urban Park scheme was almost complete at the end of the year and hosted a grand opening in April 2023. The procurement process for Oversetts Road is complete with Turner & Townsend Contractors appointed as project managers. The Community Partnership Scheme funds specific projects, a portion of the funding has been allocated during 2022/23 with residual funding being carried over. The remaining funding can be down from the Council by community groups.
- 3.12 Unspent budgets will be carried forward into 2022/24.

Environmental Projects

- 3.13 The main project relates to the Green Homes Grant. Following the securing of Government funding in 2022/23, good progress has been made on delivery. The project is being monitored by the Environmental and Development Services Committee in conjunction with the Climate Change Action Plan.

Vehicle Replacements

- 3.14 The vehicle replacements within the year, were the procurement of 2 hydrogen refuse freighters, 1 older refuse vehicle for spares and a new Gully Cleaner. The freighters were brought as a part of an environmental trail. They will be not in full operation until the hydrogen conversion kits are fitted in early 2023/24.

Regeneration Works and Asset Upgrades

- 3.15 The main project relates to the approved improvements in Swadlincote Town Centre. During 2022/23 the Delph has been resurfaced, the shop fronts have been refurbished and work has commenced on the demolition of Bank House and Sabins yard. Work to create a car park and a pocket park. The refurbishment works at Melbourne Assembly rooms has completed in year.
- 3.16 It is anticipated that all remaining works will be completed in 2022/23 on all projects and funding will be carried forward to meet expenditure.

4.0 Capital Reserves

- 4.1 The capital reserve balances for the General Fund and HRA as at the 31 March 2023, after financing expenditure in 2022/23, are listed below.

	£
New Build and Acquisition Reserve	£3,534,460
Major Repairs Reserve	£4,986,832
Debt Repayment Reserve	£5,693,000
HRA Capital Reserves	£14,214,292
General Capital Receipts Reserve	£2,281,797
Total Capital Reserves	£16,496,089

HRA Capital Reserves

- 4.2 The New Build and Acquisition Reserve is topped up by all retained receipts of sales of Council houses under Right to Buy.
- 4.3 Right to Buy (RTB) sales totalled 8 in 2022/23, which generated £539,318 in retained receipts and are included in the above balance. properties previously sold under RTB. In addition to the right to by monies the relaxation of a covenant in the year provided a receipt of £10,000.
- 4.4 Details of sales are summarised in the following table.

	Sales	Gross Receipts
	£	£
Quarter 1	1.00	£65,900
Quarter 2	4.00	£296,708
Quarter 3	3.00	£226,710
Quarter 4	0.00	£0
Total	8.00	£589,318
Less Pooled		£0
Retained		£589,318
%		100

- 4.5 Any underspends on the HRA capital programme are transferred to the Major Repairs Reserve at year-end and the balance is utilised in future years as the new schedule for capital works is implemented.
- 4.6 Currently the HRA has debt of £47.4m to be repaid to the Public Works Loan Board at specific dates over a 20-year period. £10 million was repaid in March 2022 and financed from the Debt Repayment reserve. The profile of future debt repayment is shown in the following table.

Date due	£
28-Mar-24	10,000,000
28-Mar-27	10,000,000
28-Mar-32	10,000,000
28-Mar-37	10,000,000
28-Mar-42	7,423,000
	<u>47,423,000</u>

- 4.7 Sums are being set-aside each year for the scheduled repayments which are included in the HRA MTFP and are transferred to the Debt Repayment Reserve each year.

General Fund Capital Reserves

- 4.8 The Capital Receipts Reserve is made up of asset sales in recent years and there are many projects to be funded from the balance.

4.9 A sum of £195,612 was received during 2022/23 as part of the collaboration agreement for the sale of land at Oversetts Road. A negotiation regarding an Bridge option accounts for the additional £8,000 receipt.

4.10 The position on this Reserve is detailed below.

	£ 2022/23	£ 2023/24	£ 2024/25	£ 2025/26	£ 2026/27	£ 2027/28
General Capital Receipts B/fwd	2,707,657	2,281,797	604,415	519,415	-80,585	-80,585
Receipts in Year:						
Bridge Option Notice	8,000					
Land at Oversetts Road	195,612					
Vehicle Disposals	950	0.00	0.00	0.00	0.00	0.00
Specific Projects:						
Strategic Housing Market Assessment	0	0	-25,000	0	0	0
Private Sector Stock Condition Survey	0	0	-60,000	0	0	0
Empty Property Grants	0	-38,000	0	0	0	0
Vehicle Replacements	0	0	0	-600,000	0	0
Repairs to Village Hall	0	-6,700	0	0	0	0
Urban Country Park	-154,635	-110,000	0	0	0	0
Melbourne Assembly Rooms	-132,991	0	0	0	0	0
Midway Community Centre Extension	-111,367	0	0	0	0	0
Rosliston	-89,350	0	0	0	0	0
Miners Memorial	-52,948	0	0	0	0	0
Improvements to Play Areas	-27,156	0	0	0	0	0
Improvements to Swadlincote Woodlands	-24,614	0	0	0	0	0
Eureka Bowling Green	-12,935	0	0	0	0	0
Extension to Marston on Dove Cemetery	-9,040	0	0	0	0	0
Oversetts Road Football Facility	-1,465	0	0	0	0	0
Fly Tipping	-13,921	0	0	0	0	0
SuDS Improvements		-5,550				
Capital Bids approved October 2020	0	-1,517,132		0	0	0
Total Capital Receipts Reserve Balance	2,281,797	604,415	519,415	-80,585	-80,585	-80,585

4.11 The Strategic Market Housing Assessment and Private Sector Stock Condition Survey are both scheduled to recur every five years.

4.12 Planned vehicle replacements may need to be drawn from capital receipts in 2025/26 as there is currently a shortfall in funding. This is under review and the planned scheduled replacements are due to be reported to Environmental and Development Services Committee and this Committee later in 2022/23.

4.12 This potentially leaves a shortfall on capital receipts by 2025/26. However, it is anticipated that further receipts from land sales will be generated in the meantime, but these are not guaranteed.

Section 106 Contributions

4.13 Section 106 contributions are a large element of funding for the Council's capital programme and future planned works. The list of contributions within the Council's control are detailed in **Appendix 2** with commentary regarding committed projects

and the time frame to spend. In summary, the total balance of S106 held by the Council is included in the table below.

	£
Affordable Housing	6,996,941
Community	3,343,172
Property	39,933
Other	89,768
	10,469,815

4.0 Financial Implications

4.1 Detailed in the report.

5.0 Corporate Implications

5.1 None directly.

6.0 Community Impact

6.1 None directly.

CAPITAL EXPENDITURE 2022/23

	Actual £	Budget £	Variance £
Disabled Facility Grants and other Works	412,526	450,000	37,474
Discretionary Top-up Grants for under 18's	0	25,000	25,000
Healthy Homes Project	50,676	50,000	-676
Dedicated Mental Health Worker	43,696	50,000	6,304
Additional Technical Officer	37,864	40,000	2,136
Empty Property Grants	0	38,000	38,000
Relocation Grant	0	100,000	100,000
Domestic Violence Crisis Prevention	69,583	70,000	417
Hospital Discharge Grant	34,165	45,000	10,835
Healthy Homes Assistance Fund	194,705	200,000	5,295
Pilot Schemes	58,798	58,798	0
Handy Person Plus Project	28,063	28,000	-63
Stay Active and Independent for Longer	41,465	75,471	34,006
Temporary Health and Housing Co-ordinator	0	45,000	45,000
Temporary Public Health Officer	42,655	45,000	2,345
Temporary Trusted Assessor Post	0	55,000	55,000
Fuel Poverty	0	50,000	50,000
Careline Digital Equipment	4,830	90,000	85,170
Foundations Consultancy Project	7,000	40,000	33,000
Property Flood Resilience Recovery Support Scheme	26,324	0	-26,324
Private Sector Housing	1,052,350	1,555,269	502,919
Community Partnership Scheme	95,858	239,853	143,995
Urban Park William Nadin Way	858,437	691,619	-166,818
Revitalising Rosliston Forestry Centre	88,376	376,372	287,996
Oversetts Road Football Facility	1,465	1,188,159	1,186,694
SuDS Improvements	5,550	58,000	52,450
Paradise Garden	0	30,000	30,000
Miners Memorial Project	52,948	169,000	116,052
Improvements to Swadlincote Woodlands	26,089	30,000	3,911
Eureka Park Bowling Green Improvements	12,935	40,000	27,065
Improvements to Play Areas	79,000	152,000	73,000
Drainage Works at Rosliston Pitches	9,720	0	-9,720
Newhall Park Improvements	4,285	0	-4,285
Community Services	1,234,663	2,975,003	1,740,340
Fly Tipping & Surveillance	13,921	0	-13,921
Carbon Reduction	0	50,000	50,000
Green Homes Grant - Local Authority Delivery	369,617	370,000	383
Environmental Services	383,538	420,000	36,462
Vehicle Replacements	639,834	0	-639,834
Asset Replacement and Investment	0	87,000	87,000
Repairs to Village Halls and Community Facilities	55,878	2,375	-53,503
IT Strategy	18,301	160,000	141,699
Repairs to Melbourne Assembly Rooms	132,991	131,725	-1,266
Purchase Of Chamber Building	0	0	0
Town Centre Regeneration	158,997	258,365	99,368
Delph Resurfacing	160,869	0	-160,869
Shop Frontages	55,516	0	-55,516
Extension to Marston on Dove Cemetery	9,040	48,000	38,960

Midway Community Centre Extension	111,367	0	-111,367
Property, Plant and Equipment	1,342,793	687,465	-655,328
GENERAL FUND CAPITAL	4,013,344	5,637,737	1,624,393

Acquisitions - Newhall	0	280,000	280,000
Major Improvements under Self-financing	1,643,158	2,320,000	676,842
Major Disabled Adaptations	314,729	300,000	-14,729
Social Housing Decarbonisation Fund	498,279	0	-498,279
HRA CAPITAL	2,456,166	2,900,000	443,834

APPENDIX 2

		Cultural Services	Affordable Housing	Property	SDDC Unspecified	Spend Deadline	
		£	£	£	£		
2006/1453	Swadlincote	365	0	0	0	N/A	
2007/0873	Swadlincote	852	0	0	0	N/A	
2010/0320	Aston	932	0	0	0	N/A	£932 remaining - £19.7k claimed by Aston PC towards outdoor gym equipment in Aug-21.
2011/0292	Willington and Findern	41,007	0	0	0	N/A	Towards Twyford Pavilion - £5.8k paid to Willington Parish for tennis courts in Dec-21
2011/0952	Newhall and Stanton	15,708	0	0	0	05/05/2022	Included within the "Improvements to play areas" project at Newhall Park - SDDC currently retrieving quotes
2012/0568	Aston	351,130	0	0	0	£267,431 - 28/02/2024 £272,119 - 02/02/2026	180k to Derby City for Chellaston Community Centre (now paid out) - 87k is in discussion with Swarkestone / Elvaston Cricket Club
2012/0586	Woodville	11,918	0	0	0	N/A	Towards the provision of Open Space
2012/0743	Church Gresley	0		39,933	0	£135,922 - 20/11/2022 £156,778 - 30/08/2024	£212k towards Urban Park Project, £77.9k Green Bank
2012/0743	Church Gresley		152,773		0	N/A	Towards Cadley Hill affordable housing
2012/0861	Woodville	22,134	0	0	0	N/A	Towards the provision of open space - Including within the "Improvements to play areas" project
2013/0643	Repton	0	497,917	0	0	22/12/2026	Towards Provision, improvement, maintenance or management of affordable housing within the Repton Ward
2013/0818	Swadlincote	10	0	0	0	20/03/2024	Towards purchasing and maintaining off-site open space - Urban Park project
2013/1044	Hilton	70,723	0	0	0	£55,425 - 21/06/2023 £158,677 - 30/06/2026	Hilton PC taking lead - £55k towards Scout Hut
2014/0232	Aston	7,419	0	0	0	06/04/2024	Towards the provision of local outdoor recreational facilities - Weston & Aston PC have project for RIA
2014/0300	Swadlincote	25,858	0	0	0	22/10/2024	Towards renovation of multi-use games area at Maurice Lea Memorial Park

2014/0431	Seales	5,315	0	0	0	30/06/2022	Towards Salts Meadow and Swadlincote Woodlands Glade Creation in March 2022.
2014/0562	Etwall	63,789	0	0	0	£60,386 - 06/11/2024 £63,790 - 21/10/2026	Towards increasing the capacity of Etwall Leisure Centre - £60k to be claimed by JPS for tennis courts/MUGA - spend approved at JMC
2014/0740	Woodville	566,268				31/01/2027	£81K Outdoor sports, £45k Built facilities
2014/0888	Newhall and Stanton	710,210	0	0	0	15/03/2025	Towards Oversetts Road Football Facility
2014/0948	Linton	187,415	0	0	0	04/12/2025	Towards outdoor Recreational facilities & improvement of off-site open space at Rosliston Forestry Centre
2014/1141	Melbourne	15,326	0	0	0	£7,644 - 01/11/2028 £7,682 - 08/02/2029	Towards Kings Newton Bowls Club
2015/0029	Seales	19,423	0	0	0	£12,904 - 25/03/2026 £13,464 - 01/10/2026	Towards the changeroom at Overseal Rec
2015/0396	Newhall and Stanton	13,815	0	0	0	04/09/2024	Towards Oversetts Road Football Facility
2015/0518	Overseal	2,568				N/A	To pay the River Mease Contribution to the Council prior to Occupation of any Dwelling;
2015/0534	Woodville	-1	0	0	0	03/01/2023	Towards open space - Woodville PC taking lead
2015/0561	Woodville	20,401	0	0	0	12/12/2024	£16.9k towards Main Street Rec, £3.5k towards Goseley Community Centre
2015/0563	Woodville	8,335	0	0	0	07/02/2024	Towards provision of outdoor sports facilities, open space and build facilities - currently in talks with Hartshorne PC
2015/0723	Linton	71,655	0	0	0	14/08/2024	Towards enhancements to RFC visitor centre, RFC play equipment and sports pitches at Strawberry Lane
2015/0768	Etwall	249,984		0	0	£98,440 - 14/02/2023 £47,686 - 28/09/2025 £94,511 - 27/07/2026	£188k towards Newhouse Farm Community Centre £52k (now paid) towards group exercise and swimming provision at Etwall LC.
2015/0768	Etwall		1,071,180	0	0	09/08/2024	Towards housing within the Derby fringe
2015/0768	Etwall		1,071,180	0	0	20/10/2025	Towards housing within the Derby fringe
2015/0768	Etwall		1,103,640	0	0	27/07/2026	Towards housing within the Derby fringe
2015/0976	Woodville	3,783	0	0	0	29/11/2023	Woodville Parish looking to spend at Woodville Recreation Ground
2015/1108	Hatton	210,515	0	0	0	22/10/2026	Towards the enhancement of Scropton Road Recreation Ground

2016/0094	Midway	23,421	0	0	0	19/10/2025	Towards Eureka Park, Miner's memorial and Swadlincote Town Hall improvements
2016/0162	Hilton	85,185				N/A	Built facilities, Outdoor Sports, Open Space
2016/0288	Swadlincote	26,000	0	0	0	24/06/2026	Towards improving play or sports facilities at Swadlincote Woodlands
2016/0329	Woodville	28,960	0	0	0	02/07/2025	£5.5k towards improvements of the pavilion at Woodville Rec, £14k towards grass pitches at Woodville Rec, £9.3k towards Footpath connections at Woodville Woodlands - Including within the "Improvements to play areas" project
2016/0583	Aston	15,733	0	0	0	20/02/2024	Towards local areas of play - Derby City taking lead on spend
2016/0870	Aston	9,660	0	0	0	£4,775 - 26/06/2024 £4,885 - 21/11/2024	Towards provision of outdoor sports facilities at Aston recreation Ground - Aston PC claimed £5.3k in Oct-21 towards disabled access at Aston recreation centre
2016/0898	Aston	7,443	0	0	0	05/07/2023	Towards permitting public access to social and community facilities - Weston & Aston PC have project for RIA
2016/1118	Repton	34,767	0	0	0	£17,277 - 02/03/2026 £17,490 - 13/07/2026	£12.4k Towards extension of Repton Village Hall, £22.3k towards improvements to Broomfields Playing Fields
2017/0194	Repton	44,338	0	0	0	15/06/2026	£7.5k towards Repton Village Hall, £36.7k towards improvements & recreational facilities at Broomfields Playing Fields
2017/0349	Etwall	44,894		0	0	28/09/2025	£75k Potentially towards a sporting hub - discussions ongoing, £370.6k towards travel plan.
2017/0349	Etwall		1,580,131	0		05/01/2027	Affordable housing within the administrative area of the Council (North West fringe)
2017/0416	Church Gresley	24,979	0	0	0	N/A	£12k towards play equipment at Maurice Lea Memorial Park, £7k towards Woodhouse Recreation Ground, £4k towards Greenbank Leisure Centre
2017/0667	Newhall and Stanton	42,247		0	0	£42,246 - 02/02/2026 £76,182 - 02/02/2028	£76k Towards Urban Park project, £42k towards works to swimming pool at Green Bank
2017/0667	Newhall and Stanton		62,360	0	0	16/11/2025	Towards the provision of affordable housing on the Swadlincote South fringe

2017/0667	Newhall and Stanton		124,803	0	0	02/02/2026	Towards the provision of affordable housing on the Swadlincote South fringe
2017/0667	Newhall and Stanton		64,187	0	0	31/08/2026	Towards the provision of affordable housing on the Swadlincote South fringe
2017/0819	Seales	885	0	0	0	28/02/2023	Towards improving existing changing rooms at Overseal Recreation Ground. Currently speaking with Overseal PC
2017/0922	Deep Dale Lane	118,610	1,064,953			N/A	Community Facilities, Outdoor Sports, Affordable Housing Contributions
2017/1293	Hilton	66,339	203,817	0	0	04/10/2024	Towards the provision of native hedgerow planting as mitigation for the loss of hedgerow to be caused as a result of the Development
2018/0114	Swadlincote	15,835				N/A	Build, Open Space, Outdoor Sports Contribution
2018/0265	Linton	4,882	0	0	0	04/02/2027	Built facilities
2018/0377	Woodville	14,099	0	0	0	16/03/2026	£3.4k towards Goseley Community Centre, £10.6k towards Improvements to Swadlincote Woodlands. £6.2k paid to Hartshorne Cricket Club in Nov-21
2019/1183	Swadlincote	0	0	0	14,208	N/A	Towards the CCG and improvements at Swadlincote Surgery
2019/1205	Hilton	7,776	0	0	0	N/A	Towards enhancing and managing biodiversity
2019/1427	Newhall and Stanton	0	0	0	0	10/06/2026	Towards enhancements to the Urban Park
2020/1434	S106 Dove Valley Park	5,075	0	0	0	N/A	Towards Travel plan
2021/1686	Tetron Point, William Nadin Way	25,187	0	0	75,560	11/10/2027	Towards Drainage Contribution
TOTAL AVAILABLE		3,343,172	6,996,941	39,933	89,768	10,469,814	