

Eden District Council
Council

24 November 2022

21-22 Q4 Revenue and Capital Slippage

Portfolio:	Resources
Report from:	Interim Director of Resources
Wards:	All Wards
OPEN PUBLIC ITEM	

1 Purpose

- 1.1 The purpose of the report is for Council to approve the slippage in Revenue and Capital budgets from 2021-22 to 2022-23.

2 Recommendation

The Council is recommended to:

- 2.1 Approve the slippage of Revenue budgets of £206k from 21/22 to 22/23 as set out in Section 3.5 and endorsed by Cabinet.
- 2.3 Approve the slippage of Capital budgets of £1,355k from 21/22 to 22/23 as set out in Section 3.11 and endorsed by Cabinet.

3 Report Details

Background

- 3.1 The Council set its budget in February 2022. This included budget set aside for corporate priorities.
- 3.2 The 2021-22 Draft Outturn Report was considered by Cabinet on 18 October 2022 and Revenue and Capital slippage recommended to be approved by Council.
- 3.3 Slippage occurs when project spend is delayed due to internal or external factors. The slippage mainly falls into the following categories:
- Revenue spend has been committed to with a third party through a legal arrangement (eg contract) but the work has not been done/service provided by year end
 - A grant has been awarded but the conditions have not yet been met and hence the payment has not yet been made.
 - Revenue spending relating to corporate priority of the Council which has been delayed due to internal or external factors
 - Capital projects progressing quicker or slower than originally anticipated

21-22 Revenue Slippage

- 3.4 Slippage is proposed of £206k, being only 2% of the full year budget of £10,231k.
- 3.5 The slippage proposed is:

	£'000
Community Fund	35
Play Areas and Parks – Corporate Priority	20
Sustainability Fund COP26 – Corporate Priority	40
Parks and Open Spaces – Contractor Commitment	10
Economic Development - Grant Commitments	60
Town Centres - Grant Commitments	27
Other	14
	206

- 3.6 Community Fund. The Eden District Council Community Fund is for projects and events which deliver wider community benefit in Eden. In 2022/23, the total available was £110k, however only £75k was allocated. It is anticipated that uptake will be higher in 2022-23.
- 3.7 Play Areas and Parks. The November 2021 Revised Budget for 2021-22, included £100k for improvement to community owned Play areas and Parks. This was split £20k in 2021-22 and £80k in 2022-23. Unfortunately the creation of the scheme was not completed in 2021-22, however it is progressing in 2022-23 and it is therefore recommended to slip this budget into 2022-23 to allow the full intended benefit.
- 3.8 Sustainability Fund COP26. The November 2021 Revised budget for 2021-22, included £200k to increase funding to support communities and Parish and Town Councils in implementing zero carbon and biodiversity schemes. This was split £40k in 2021-22 with the balance in 2022-23. The Scheme was developed and launched in 2022-23 and hence no spend was incurred in 2021-22. It is recommended to slip this budget into 2022-23 to allow the community to receive the full benefit.
- 3.9 Parks and Open Spaces. Orders were placed with contractors that due to contractor availability were unable to be fulfilled prior to year-end. The works went ahead in early 2022-23.
- 3.10 Economic Development & Town Centres. Grants were approved by HAZ board in February 2022 and due to be paid in September 2022.

21-22 Capital Slippage

- 3.11 Capital Slippage of £1,355k is proposed as follows:

	Budget	Slippage
	£'000	£'000
IT Renewals	123	56
Development Management Systems	40	19
Eden Business Park Phase 1	59	59
Leisure Centre Equipment & Maintenance	464	464
Single Site – Voreda House	1,250	(198)
Heart of Cumbria funding	939	209
Green Business Support Fund	100	100

Green Homes Grant Extension	150	133
Green Home Exemplar	50	50
Frenchfield Stadium	100	100
EV Charging Points Appleby	113	113
Carbon Reduction Scheme	250	250
		1,355

- 3.12 IT Renewals. There is a rolling programme of IT renewals that was delayed partly due to Covid-19. For the programme to be met, ensuring that members and officers are equipped to do their roles, this funding must be maintained.
- 3.13 Development Management Systems – the implementation of the new development management system started in 2021/22 but did not complete. The balance of funding of £19k is required to complete the project in 2022-23.
- 3.14 Eden Business Park Phase 1 – This project has been delayed into 2022-23.
- 3.15 Leisure Centre Equipment & Maintenance – Tenders were sought prior to the year-end however contract award for the majority of the spend was post year end and hence funding is requested to be slipped into 2022-23.
- 3.16 Single Site – Voreda House. Works were slightly ahead of original budget phasing by year end and hence the project was overspent in 2021-22 compared to the budget for that period.
- 3.17 Heart of Cumbria Funding – Properties due in March were not delivered to Heart of Cumbria until May and hence the loan facility was not required until post year end for these properties.
- 3.18 Green Business Support Fund – Project has been delayed into 2022-23.
- 3.19 Green Homes Grant Extension – Scheme extended into 2022/23.
- 3.20 Green Home Exemplar – Total scheme budget remains unchanged however there have been planning delays including relating to nutrient neutrality.
- 3.21 Frenchfield Stadium – Following approval of the funding by EDC, final negotiations are now underway with the Football Foundation for the balance of the funding required.
- 3.22 EV Charging Points Appleby – delays have been incurred due to the Flood prevention works on site.
- 3.23 Carbon Reduction Scheme – full budget unchanged but timing of project has been re-scheduled.

4 Policy Framework

- 4.1 The Council has four corporate priorities which are:
- Sustainable;
 - Healthy, safe and secure;
 - Connected; and
 - Creative
- 4.2 This report meets the Sustainable corporate priority.

5 Consultation

5.1 No consultation has taken place.

6 Implications

6.1 Financial and Resources

6.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2019-2023 as agreed at Council on 7 November 2019.

6.1.2 The Revenue slippage will be funded from the provisional outturn underspend of £311k.

6.1.3 The Capital slippage does not involve any changes to total spend, but only to timing and hence there is no change to the funding.

6.2 Legal

6.2.1 There are no legal implications.

6.3 Human Resources

6.3.1 There are no human resource implications.

6.4 Environmental

6.4.1 There are no environmental implications.

6.5 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	No implications
Health, Social Environmental and Economic Impact	No implications
Crime and Disorder	No implications
Children and Safeguarding	No implications

6.6 Risk Management

Risk	Consequence	Controls Required
That the Council is unaware of its financial pressures and fails to plan adequately	Council is financially unsustainable	Regular monitoring reports provided to members

7 Other Options Considered

7.1 No other options have been considered.

8 Reasons for the Decision/Recommendation

- 8.1 The Cabinet is recommended to review this report to ensure that they are aware of the financial position of the Council to inform decisions.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	16 November 2022 (Deputy)
Monitoring Officer (or Deputy)	15 November 2022
Relevant Assistant Director	16 November 2022 (AD Finance)

Background Papers: None

Appendices: None

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