

APPENDIX 2

Outline of costs (see Executive report of 8 December 2009)

1. The 2008 'Conditional Approval' submission for Government funding was based on a scheme cost of £84.39m including construction, design, supervision, ecological mitigation, land and compensation.
2. On 3 September 2008 the Government confirmed 'Conditional Approval' status with a maximum contribution of £78.39m. This equates to 93% of estimated scheme cost.
3. Preliminary design costs have been identified at £4m, 50% of this can be claimed back (£850k already claimed leaving £1.15m).
4. The scheme has been moved onto a new funding system as detailed in the Executive report Appendix D par 22. This now requires a 10% local contribution on the Quantified Cost (scheme cost plus preliminary design) amounting to 10% of (£84m + £4m) = £8.8m.
5. The contribution sum can be offset by unclaimed preliminary design costs resulting in 50% of £4m leaving £6.8m local contributions to be found between the authorities.
6. Confirmed contributions are detailed in the Executive report Appendix D par 22 and amount to £4.5. This includes £1.1m for the Dunstable Town Centre Bus Loop which is in the authority's highway capital programme.
7. The outstanding local contribution still to be sourced is £2.3m (£6.8m - £4.5m). Negotiations are taking place with other parties and are expected to contribute towards the majority of this amount.
8. Any shortfall will be the subject of future negotiations for contributions during the scheme's construction period, should these not materialise then it will fall to the authorities.