
Meeting: Sustainable Communities Overview & Scrutiny Committee
Date: 26 September 2012
Subject: Capital Programme Report for the Quarter ended 30 June, 2012
Report of Executive Member: Cllr Nigel Young– Executive Member for Sustainable Communities Planning & Economic Development
Member: Cllr Brian Spurr – Executive Member for Sustainable Communities Services
Summary: The schemes that are proceeding in 2012/13 expenditure are expected to total £33,655k gross, £19,587k net.
Due to external factors beyond the control of the Council £9,511k gross and £4,254k net capital expenditure is likely to be delayed into 2013/14

Contact Officer: Sue Templeman, Senior Finance Manager
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. Sustainable Communities capital programme provides the necessary infrastructure to support the Council priority of Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.

Financial:

2. The financial implications are set out in the report.

Legal:

3. All expenditure is in accordance with the Constitution of the Council and Public Procurement Regulations.

Risk Management:

4. Outline and detailed business cases ensure that risks are addressed before schemes are accepted into the programme. Project Managers oversee delivery risks.

Staffing (including Trades Unions):

5. Covered in business cases as relevant

Equalities/Human Rights:

6. Covered in business cases as relevant

Community Safety:

7. Covered in business cases as relevant

Sustainability:

8. Resource usage and project outcomes are assessed at business case stage.

RECOMMENDATION(S):

That the Overview & Scrutiny Committee considers and provides appropriate comments in relation to:

- (a) The actual gross expenditure to date of £4,455k and external funding of £1,718k resulting in net expenditure of £2,737k;**
- (b) A forecasted gross expenditure of £33,655k and external funding of £14,068k resulting in net expenditure of £19,587k; and**
- (c) A forecasted delay from 2012/13 to 2013/14 of gross expenditure of £9,511k, external funding of £5,257k , net expenditure of £4,254k due largely to external factors beyond the control of the Council.**

Introduction

9. Sustainable Communities capital programme in 2012/13 is made up of 59 schemes which include the large groupings of projects that are the result of developer funds to deliver planning requirements, including highways schemes, associated with new developments.

Capital Position

10. Overall position

The directorate forecasts to spend £33,655k and expects to receive external income of £14,068k, leaving spend below budget in 2012/13 of £4,254k which is forecasted to delay until 2013/14. The majority of this is due to external factors beyond the control of the Council which total £3,693k net expenditure.

- 10.1 Profiled spend to date

Expenditure to date was £4,455k against a profiled budget of £7,349k, a difference of £2,894k mainly due to lag in spend on highways schemes including S278 schemes where delivery is dependant on the developer.

External funding of £1,718K was received compared to a budget of £2,323k, a difference of £605k including s278 schemes.

- 10.2 Summary Table

Table A shows the Directorate's period to date and annual forecast by scheme categories. The scheme categories are broadly related to the type of asset being created or enhanced.

Table A – Capital budget by Category (£'000)

Scheme Categories	Net Expenditure Budget	Net Expenditure Forecast	Net Expenditure Variance
Community Safety & Public Protection Infrastructure	103	0	(103)
Leisure & Culture Infrastructure	3,793	3,273	(520)
Regeneration & Affordable Housing	7,232	4,003	(3,229)
Transport Infrastructure	12,276	11,874	(402)
Waste Infrastructure	437	437	0
Total	23,841	19,587	(4,254)
Percentage of budget		82.2%	17.8%

Major Schemes

11. Overview and impact on programme

The top 10 schemes make up 66% of expenditure budget and 79% of external funding budget. Three of the top 10 schemes relate to the highways contract, and are part of rolling programmes that enhance or prolong the life of the road network. The remaining seven schemes cover strategic transport, town centre regeneration and land parcelling, and construction of leisure facilities.

Table B1 shows those schemes which will spend as originally budgeted in 2012/13 and Table B2 shows those schemes where major spend will be delayed into 2013/14 due to external factors.

Table B1 – Top 10 schemes by gross expenditure budget value (£'000) that are proceeding as originally budgeted in 2012/13

Category	Scheme	Capital Programme		
		Gross Expenditure	External Funding	Net Expenditure
Transport Infrastructure	<u>Section 278 Schemes(R)</u> Improvement schemes within the public highway which are funded entirely by the development and agreed as part of the planning permission to ensure the development is safe in highways terms. The delivery is entirely dependant upon when a developer starts a development and reaches the stage where the highways works need to be undertaken .	4,500	(4,500)	0
Transport Infrastructure	<u>Highways Structural Maintenance Additional Expenditure(R)</u> Maintenance of the highways network including structures and footpaths funded by the Council over and above the Government Highways Structural Maintenance Block Grant below.	4,323	0	4,323
Transport Infrastructure	<u>Highways Structural Maintenance Block (R) £4m</u> These schemes seek to ensure that transport links are maintained to an acceptable standard and to create safer communities by reducing accidents caused by poor road and footway maintenance. This is 100% funded by Central Government.	3,920	(3,920)	0
Regeneration & Affordable Housing	<u>Dunstable Town Centre Regeneration Phase 2</u> The project will see the purchase of properties that will assist with the delivery of the Town Centre masterplan.	3,095	0	3,095
Leisure & Culture Infrastructure	<u>Leisure Strategy Implementation Invest to Save Project.</u> An allocation of capital to schemes which will generate a positive revenue return of investment across the Council's leisure facilities.	2,000	0	2,000
Regeneration & Affordable Housing	<u>Flitwick Land Purchase.</u> Further land purchase to support the Town Centre Regeneration Scheme	1,850	0	1,850
Transport Infrastructure	<u>Highways Integrated Schemes (R)</u> The Local Transport Plan 3 sets out a programme of improvement works such as "shared space" road layouts to deliver the Council's priorities for managing growth, reducing congestion, creating safer communities. This is funded 100% by Central Government	1,547	(1,547)	0
Transport Infrastructure	<u>Dunstable A5/M1 Link Road Strategic Infrastructure Projects</u> Funding allocated to assist the Highways Agency deliver on a new strategic road link, critical to enabling regeneration of South West Bedfordshire.	1,534	(1,534)	0
Total Sustainable Communities		22,769	(11,501)	11,268

Table B1 – Top 10 schemes by gross expenditure budget value (£'000) that due to external factors beyond the Council's control, are likely to be delayed into 2013/14

Category	Scheme	Capital Programme		
		Gross Expenditure	External Funding	Net Expenditure
Regeneration & Affordable Housing	<u>Local Flood Defence Funding (DEFRA).</u> Flood alleviation Leighton Buzzard.	4,333	(4,000)	333
Regeneration & Affordable Housing	<u>Dunstable Town Centre Reperation Phase1.</u> Funds to support the regeneration of the Town Centre.	1,500	0	1,500
	Total Sustainable Communities	5,833	(4,000)	1,833

Local Flood Defence Funding (DEFRA)

Discussions between the Environment Agency, Internal Drainage Board and Central Bedfordshire Council are ongoing in respect of the modelling work for the flood alleviation scheme at Leighton Buzzard. Whilst the major scheme originally planned will not be required, discussions continue in respect of this site to identify the size and scope of scheme required to ensure any potential flooding problems are addressed.

Dunstable Town Centre Regeneration Phase 1

This funding was agreed to support the regeneration of the town centre, specifically to assist in the acquisition of the Quadrant Shopping Centre. Whilst discussions are continuing between the current owners and interested parties, the ownership of the shopping centre has yet to change.

Section 106 Status

- In granting planning permission for new development, legally binding Section 106 agreements are often made between the Council and the applicant. These agreements require the applicant to provide for or contribute to the costs of infrastructure, community facilities and other planning requirements which ensures that development which would otherwise be unacceptable due to its local impact is made acceptable.

Sustainable Communities coordinates S106 requirements and spend for the of the Council. The S106 information in this report indicates the total value of contributions comprising a substantial number of schemes. For ease of reading the contributions are presented as running totals. The balances are made up of schemes that have different delivery schedules and the amounts do not all have to be spent in the current financial year.

12.1 **Table C – s106 schemes by status (£'000)**

Purpose / Responsibility	FUNDING STATUS			
	Opening Balance	Contributions received up to June	Expenditure up to June	Closing Balance
Childrens Families & Learning	4357	89	0	4445
Sustainable Communities	8023	489	-153	8359
Pratts Quarry	6490	0	-286	6205
Sub-total	18870	578	-439	19009
Revenue	82			82
Total	18952	578	-439	19091

APPENDICES

Appendix A – Corporate Capital Summary 2012/13

Appendix B – Sustainable Communities Spend to Date, June 2012

Background Papers: None

Location of papers: Technology House, Bedford