

Meeting: Corporate Resources Overview and Scrutiny Committee
Date: 30 July 2013
Subject: Q4 Outturn Capital Report 2012/13
Report of: Councillor Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: The report provides information on the capital 2012/13 outturn position.

Advising Officer: Charles Warboys, Chief Finance Officer
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 5 Council priorities.

Financial:

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

Legal:

3. None.

Risk Management:

4. None.

Staffing (including Trades Unions):

5. Any staffing reductions will be carried out in accordance with the Council's Managing Change Policy and in consultation with the Trades Unions.

Equalities/Human Rights:

6. Equality Impact Assessments were undertaken prior to the allocation of the 2012/13 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Public Health:

7. None.

Community Safety:

8. None.

Sustainability:

9. None.

Procurement:

10. None.

RECOMMENDATIONS:

The Committee is asked to:-

- 1. Consider and comment on the attached Executive report and associated appendices which was reviewed by the Executive on the 25th June 2013.**

Executive Summary

11. The report sets out the capital financial outturn position for 2012/13.

Explanations for the variances are set out below. This report enables the Committee to consider the overall financial position of the Council

12. KEY HIGHLIGHTS (Appendices A1, A2, A3)

- 13 The revised gross programme following the capital review approved by Council in November 2012, excluding HRA is £80.1m (£36.7m net). The main issues to note are:
 - i) Gross outturn spend is £64.4m, with proposed deferral of £14.0m into 2013/14 and underspend of £1.7m.
 - ii) £60.5m (75.5%) of the gross budget relates to the top 20 value schemes. £51.3m (84.8%) of the outturn gross spend relates to these schemes.

Analysis of CBC Funded and Externally Funded Capital Spend

	Budget £m	Outturn £m	Variance £m	Proposed Deferral £m	(Under)/ Overspend £m
CBC Funded	36.5	27.7	(8.8)	(7.1)	(1.7)
Externally Funded	43.6	36.7	(6.9)	(6.9)	0.0
Total	80.1	64.4	(15.7)	(14.0)	(1.7)

Summary of Externally Funded Schemes

	Budget £m	Outturn £m	Variance £m	Proposed Deferral £m	(Under)/ Overspend £m
Childrens	27.1	23.9	(3.2)	(4.3)	1.1
Campus Closure	2.8	1.2	(1.6)	(1.6)	0.0
S278	3.0	2.8	(0.2)	(0.2)	0.0
Highways	6.2	5.3	(0.9)	0.0	(0.9)
Other	4.5	3.5	(1.0)	(0.8)	(0.2)
Total	43.6	36.7	(6.9)	(6.9)	0.0

15 **DIRECTORATE COMMENTARY**16 **Social Care Health and Housing**

17 The year end outturn is an underspend of £2.81m (gross) of which £1.9m is proposed to be deferred to 2013/14. The balance is an under spend of £0.9m.

18 For the Disabled Facility Grants, the outturn of £2.67 million (gross) is below budget by £0.749m and is due to a lower than expected rate of referrals in the second half of the financial year, a higher than expected number of Council tenant adaptation cases (which are funded from HRA, not the General Fund DFG programme), and some delays caused by contractors not being able to respond quickly to increased workload.

19 In the year 2012/13, 284 DFG cases were completed which resulted in 426 major adaptations as detailed below:

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Type of adaptation	No completed
Level access shower/wet room	192
Straight stair lift	52
Curved stair lift	33
Toilet alterations	14
Access ramps	28
Dropped kerb and hard standing	0
Wheelchair/step lift	1
Through floor lift	5
Major extension	14
Kitchen alterations	2
Access alterations (doors etc)	34
Heating improvements	2
Garage conversions/minor additions	7
Safety repairs/improvements	5
Other	37
Total	426

21 Children's Services

22 Children's Services revised annual capital expenditure budget is £28m, this includes £7.1m of slippage from 2011/12. The income budget is £27.1m which leaves a net expenditure capital budget of £0.9m.

23 The full year outturn position for 2012/13 is below budget by £3.283m. This is mainly due to significant proposed works that are funded through the Schools Capital Maintenance Grant (£2.198m) and Basic Need Grant (£1.05m) extending into 2013/14. There is no expenditure deadline to the spending of the grant receipts.

24 All but two projects (Schools Access £0.35m and Temporary Accommodation £0.55m) are funded wholly by grant receipts that have no spending deadline.

25 Sustainable Communities

26 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.

27 The directorate has spent £29.868m and received external income of £10.68m, leaving net spend below budget in 2012/13 of £1.041m. The majority of this is delayed due to external factors beyond the control of the Council. This includes leisure projects, compensation payments on Highways schemes and work on Sundon / Bluewater landfill site.

28 Leisure projects

Detailed specification is underway for work at Tiddenfoot and construction work is due to start in March. Further design work is required at Saxon Leisure Centre to ensure the spa business plan is robust

29 Compensation payments

Legal negotiations with landowners have yet to be concluded. These relate to compensation claims surrounding the Ridgmont bypass.

30 Sundon / Bluewater Landfill sites

The importation of restoration soils was delayed due to the lack of availability of soil to the contractor at the start of the contract which has pushed back landscaping and related infrastructure works.

Also the gas and leachate infrastructure programmes have been delayed by the Environment Agency in order to allow for additional investigatory/preparatory work to be undertaken.

31 The table below shows the Directorate's outturn spend by scheme categories. The scheme categories are broadly related to the type of asset being created or enhanced.

32 **Sustainable Communities Capital budget by Category (£'000)**

Scheme Categories	Net Expenditure Budget	Net Expenditure Actual	Net Expenditure Variance
Community Safety & Public Protection Infrastructure	47	10	(37)
Leisure & Culture Infrastructure	2,491	1,645	(846)
Regeneration & Affordable Housing	3,980	3,679	(301)
Transport Infrastructure	13,224	13,627	403
Waste Infrastructure	487	227	(260)
Total	20,229	19,188	(1,041)

Percentage of budget	94.9%	5.1%
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33 Major schemes completed in 2012/13 include:

34 Transport Schemes - Key Highlights

Total road treatment of resurfacing and surface dressing in 2012/13 was 62 kilometres.

A total of 695 columns including lanterns were replaced and a further 2,234 lanterns replaced.

17 Local Area Transport Plan schemes, including Hitchin Street, were delivered in 2012/13 and a further 15 designed and ready for construction

during 2013/14.

3 bridges were completely replaced and 6 were strengthened or partially replaced in 2012/13. Designs for 8 structures were completed for work programmed to start in 2013/14.

16 Drainage schemes were completed in 2012/13 and a further 4 schemes were designed for work that will be completed in 2013/14.

23 new bridges have been erected on rights of way including:

- Replacement of existing bridges with steel bridges at Eggington, Haynes, Arlesey, Hulcote & Salford, Astwick, & Leighton Buzzard (3 bridges).
- Upgrading of 20 sleeper footbridges in various locations to meet health and safety requirements.

35 Luton & Dunstable Guided Busway

Construction of the £90m Luton Dunstable Busway is nearing completion ready for opening later in 2013. The core route links the towns of Houghton Regis, Dunstable and Luton including two railway stations and Luton London Airport. The scheme enables buses to utilise its dedicated Busway (multi access/exit points along its length) to bypass local congestion providing passengers with a quick reliable service to key areas such as education establishments, employment areas, retail and leisure.

Works for the Busway included upgrading of approximately 90 on-street local bus stops in Dunstable and Houghton Regis along with a similar number in Luton to provide real time passenger information and level boarding, funding to date has been through the Department of Transport (DfT) grant apart from just under £30k which Central Bedfordshire Council has spent on design checks and approvals in 2012/13.

Central Bedfordshire Council this year constructed the bus lane element of the Court Drive works in Dunstable. This included a range of features to change the town centre environment including reduced road speeds, new crossing points, improved lighting and environmental planting. The scheme completes the bus lanes round Dunstable town centre by expanding on the Church Street bus lane completed a few years ago.

36 A5-M1 Link Road

The A5-M1 Link Road is being developed by the Highways Agency with an overall £5m contribution from CBC spread over a number of years. A contribution of £437k was made in 2012/13 to fund the public inquiry and enable detailed design works to be brought forward. This scheme will provide a dual carriageway between the A5 north of Dunstable and Houghton Regis to a new junction on the M1 motorway (M1/J11a).

37 Woodside Link

Woodside Link is a high priority road for CBC and 2012/13 funding progressed the design to planning application stage in spring 2013. Construction is expected to start in 2014/15 with a 12 to 18 month contract. Woodside Link will provide traffic relief to Dunstable and Houghton Regis and

is a key growth enabler for the development north of Houghton Regis. The link road will run between a new M1 junction 11a and the existing junction of Poynters Road, Park Road North, Porz Avenue.

38 Regeneration Schemes

The land purchase at Flitwick was completed in April 2012.

Dunstable Town Centre regeneration –purchase of five of the eight properties in Dorchester Close has been completed with two planned to be completed by September 2013.

Hitchin street improvements in Biggleswade completed.

One property at Duncombe Drive, Leighton Buzzard South of High Street, was acquired with negotiations progressing on the second.

Houghton Regis Town Centre road and public realm improvements completed.

39 Leisure and Culture schemes

Self service technology has been installed in all libraries. The first year of capital re-modelling works has been completed, this has included creating more public space and refurbishment work at Ampthill Library and introducing read and relax areas across 10 Libraries in response to customer feedback from the Big Library Debate.

Work has also continued on enhancing the rights of way network, on facilities to improve accessibility and public enjoyment on sites and to make sites financially more sustainable. Some of the schemes covered are:

- National Cycle Route 51 surface improvements
- Contributions towards the Rushmere Visitor Centre improvements (refurbishment of café to generate additional income) & accessibility trail
- Surfacing of key footpaths in Leighton Buzzard to afford pedestrian (including wheelchairs and pushchairs) and cycle access
- Feasibility studies for 4 key road crossings in the Linslade area to enable connectivity improvements
- Outline design for the Swale bridge (Pratts Quarry, Leighton Buzzard).
- Houghton Hall Park specialist services to enable the Stage 1 HLF bid to be prepared

40 **Corporate Services**

41 The approved revised capital programme for Resources is £9.163m. This is following the detailed review carried out in year. The budgets for projects within Assets now total £7.245m and within Information Assets (IA) project budgets are £1.900m.

42 In Assets there was an outturn underspend of £5.119m against budget with £3.796m proposed to be deferred to 2013/14. This leaves an underspend in the year of £1.323m. The majority of this underspend was as a result of the inclusion in 12/13 of budgets for the acquisition of cattle market and Parkridge land (£1.0m), which were actually completed in 2011/12.

43 In Information Assets the year end outturn was an underspend of £0.591m.

- Proposed deferred spend into 2013/14 is £0.732m with overspends of £0.141m.
- 44 The approved revised capital programme for People & Organisation is £3.128m. The two major schemes in People and Organisation are SAP Optimisation (£1.28m) and Customer First (£1.803m).
- 45 Customer First outturn underspend was £0.581m which is proposed to be deferred to 2013/14.
SAP Optimisation outturn underspend was £0.373m which is also proposed to be deferred to 2013/14.
- 46 The other capital project in People & Organisation was £45k for Performance/Complaints Management System. There was no spend in 12/13 on this project. There is a proposed slippage of £30k to cover costs expected in early 13/14 and the remaining £15k was declared as an underspend on the project.
47. **Conclusion**
- 48 2012/13 outturn spend of £66.1m is in line with the February forecast and also the 2011/12 outturn spend of £64.9m.
Although the revised budget 2012/13 was under spent by £15.7m (gross), the Council still undertook significant investment making a real, positive impact on peoples lives and improving Central Bedfordshire as a great place to live.

Appendices:

Appendix A1 – Summary outturn by directorate

Appendix A2 – Top 20 schemes

Appendix A3 – Proposed Deferred Spend to 2013/14

Background Papers: (open to public inspection)

None