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**Meeting:** Sustainable Communities Overview & Scrutiny Committee  
**Date:** 10 October 2013  
**Subject:** Capital Programme Report for the Quarter ended 30<sup>th</sup> June, 2013  
**Report of:** Cllr Nigel Young– Executive Member for Regeneration and Business Support  
**Summary:** Forecast capital expenditure and external funding for 2013/14 as at the end of June, 2013.

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Contact Officer: Sue Templeman, Senior Finance Manager

Public/Exempt: Public

Wards Affected: All

Function of: Council

## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

The capital programme provides the necessary infrastructure to support the Council. In particular the Regeneration and Business Support Directorate has direct impact on the stated Council priorities of:

- Enhancing your local community, and
- Better infrastructure.

### **Financial:**

The financial implications are set out in the report.

### **Legal:**

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

### **Risk Management:**

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):**

Covered in business cases as relevant

### **Equalities/Human Rights:**

Covered in business cases as relevant

### **Community Safety:**

Covered in business cases as relevant

### **Sustainability:**

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

## RECOMMENDATION(S):

### 1. That the Overview & Scrutiny Committee note:

- (a) Forecast capital expenditure of £8,246k and external funding of £5,480k;
- (b) A full year variance of £890k on expenditure and of £124k on external income resulting in a net spend below budget of £766k .

## 2.0 Introduction

2.1 The Regeneration and Business support capital programme in 2013/14 is made up of 22 schemes which include large groupings of projects that were the result of developer funds to deliver planning requirements, associated with new developments.

## 3.0 Overall position

The directorate expects to spend £8,246k and receive external income of £5,480k, leaving net spend below budget in 2013/14 of £766k. The majority of this slippage is due to delays because of external factors beyond the control of the Council.

## 3.1 Summary Table A

Table A shows the Directorate's net budget and forecast for 2013/14. The forecast variance is due to the acquisition of the final property of the Dunstable regeneration scheme. There is also the potential rule 6 compensation claims in respect of all the acquired properties which may take up to six years to finalise.

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

Scheme Categories	Net Expenditure Budget	Net Expenditure Forecast	Net Expenditure Forecast Variance
	£'000	£'000	£'000
Regeneration	3,532	2,766	-766
<b>Total</b>	<b>3,532</b>	<b>2,766</b>	<b>-766</b>
Percentage of budget		78.3%	21.7%

#### 4.0 Major schemes

The Capital Programme is key to delivering the priorities set out in the Medium Term Plan, the majority of which were led by the former Sustainable Communities directorate. These supported the aim of keeping Central Bedfordshire as a great place to live and work. The position with major schemes are as follows:

- 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.

#### 5.0 S106 Schemes

- 5.1 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. S106 agreements are legally tied to the delivery of specific planning obligations associated with the development permitted and cannot lawfully be used to deliver infrastructure requirements not listed in the legal agreement.
- 5.2 The Regeneration and Business Support directorate coordinates S106 requirements and spend for 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.

**Table B – S106 schemes by status (£'000)**

Purpose / Responsibility	FUNDING STATUS			
	Opening Balance	Contributions received up to June 2013	Expenditure up to June 2013	Closing Balance
Childrens Families & Learning	6,383	62	-1235	5,210
Regeneration	11,158	402	-777	10,783
Pratts Quarry	2,910	0	0	2,910
<b>Sub-total</b>	<b>20,451</b>	<b>464</b>	<b>-2,012</b>	<b>18,903</b>
Revenue	64			64
<b>Total</b>	<b>20,515</b>	<b>464</b>	<b>-2,012</b>	<b>18,967</b>

#### APPENDICES

Appendix 1 – Corporate Capital Summary 2013/14

Appendix 2 – Regeneration Actual as at June, 2013

**Background Papers:** None

**Location of papers:** Technology House, Bedford