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**Meeting:** Executive  
**Date:** 15 July 2014  
**Subject:** March 2014 – Capital Budget Monitoring Provisional Outturn Report ( Subject to Audit)  
**Report of:** Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources  
**Summary:** The report provides information on the provisional capital outturn position for 2013/14 as at March 2014. It excludes the Housing Revenue Account which is subject to a separate report.

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**Advising Officer:** Charles Warboys, Chief Finance Officer  
**Contact Officer:** Charles Warboys, Chief Finance Officer  
**Public/Exempt:** Public  
**Wards Affected:** All  
**Function of:** Executive  
**Key Decision** Yes  
**Reason for urgency/ exemption from call-in (if appropriate)** Not applicable

#### **CORPORATE IMPLICATIONS**

##### **Council Priorities:**

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:**

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

##### **Legal:**

2. None.

##### **Risk Management:**

3. None.

**Staffing (including Trades Unions):**

4. Any staffing implications will be dealt with in accordance with the Council's Managing Change Policy and in consultation with the Trades Unions.

**Equalities/Human Rights:**

5. Equality Impact Assessments were undertaken prior to the allocation of the 2013/14 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

**Public Health:**

6. None.

**Community Safety:**

7. None.

**Sustainability:**

8. None.

**Procurement:**

9. None.

**Overview and Scrutiny:**

10. The provisional outturn Capital Budget Monitoring report will be considered by the Corporate Resources Overview and Scrutiny Committee on 29 July 2014.

**RECOMMENDATIONS:****The Executive is asked to approve:**

1. **the provisional outturn position which is to spend £72.3m compared to the budget of £94.6m. A variance of £22.3m (24%) as a result of an overspend of £4.9m and proposed deferred spend to 2014/15 of £27.2m.**
2. **the deferred spend of £27.2m (Gross) £16.4m (Net) for capital schemes in progress from 2013/14 to 2014/15.**

*Reason for Recommendations: To complete schemes currently underway and facilitate effective financial management and planning.*

## Executive Summary

11. The report sets out the provisional capital outturn position for 2013/14 as at March 2014. Explanations for the variances are set out below. This report enables the Executive to review the overall capital position of the Council.

## 12. KEY HIGHLIGHTS

The capital budget for 2013/14 excluding HRA is £94.6m (£45.0m net). The main issues to note are:

- i) Provisional outturn is a spend of £72.3m, £27.2m proposed deferred spend to 2014/15 and an overspend of £4.9m (gross). This primarily relates to Section 278 schemes due to income timing differences and technical adjustments . The underspend is £3.5m (net).
- ii) £60.6m (64%) of the gross budget relates to the 20 top value schemes. £42.4m (59%) of the gross spend relates to these schemes.
- iii) Capital receipts outturned at £2.65m compared to budget of £6.7m.
- iv) A summary of the position is in the table below.

Directorate	Gross Budget £m	Gross Actual £m	Gross Variance £m	Net Budget £m	Net Actual £m	Net Variance £m
Children's Services	27.4	22.5	(4.9)	0.7	0.4	(0.3)
Community Services	37.4	32.6	(4.7)	24.3	11.4	(12.9)
Improvement & Corporate Improvement	14.4	10.8	(3.6)	14.4	10.6	(3.8)
Regeneration	5.1	1.0	(4.1)	2.7	1.0	(1.7)
SCHH	10.3	5.3	(4.9)	3.0	1.8	(1.2)
<b>Total Exc HRA</b>	<b>94.6</b>	<b>72.3</b>	<b>(22.3)</b>	<b>45.0</b>	<b>25.2</b>	<b>(19.9)</b>

## 13. DIRECTORATE COMMENTARY

### Social Care Health and Housing

- 13.1 The outturn position for capital is a net underspend of £1.237m. The shortfall relates to the Disabled Facilities Grant (DFG) programme £0.931m, the Empty Homes programme £0.205m and the redevelopment of the Timberlands gypsy and traveller site £0.079m.

13.2 The shortfall represents deferred capital expenditure of £0.401m (£0.2m DFGs, £0.1m Empty Homes, £0.079m Timberlands and £0.022m Renewals) and genuine underspend of £0.836m (£0.731m DFGs and £0.105m Empty Homes). Other 100% externally funded schemes are also requested to slip in full into futures years i.e. Campus Closure £3.073m, Adults Social Care ICT projects £0.3m and Review of Accommodation/Day Support £0.347m).

13.3 The following table summarises the position against the revised budget as at the end of March.

<u>Table 1 Capital programme summary</u>	<b>Full Year Outturn and Variances 2013/14</b>						
	<b>Gross Expend Budget</b>	<b>Gross Income Budget</b>	<b>Net Total</b>	<b>Gross Expend Outturn</b>	<b>Gross Income Outturn</b>	<b>Net Total</b>	<b>Net Variance</b>
<b>SCHH Directorate</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
NHS Campus Closure	5.297	(5.297)	0	2.224	(2.224)	0	0
Disabled Facilities Grants Scheme	3.000	(0.588)	2.412	2.162	(0.681)	1.481	(0.931)
Timberlands and Chiltern View Gypsy and Traveller Sites	0.914	(0.687)	0.227	0.590	(0.442)	0.148	(0.079)
Review of Accommodation/Day Support	0.347	(0.347)	0	0	0	0	0
Adult Social Care ICT Projects	0.300	(0.300)	0	0	0	0	0
Empty Homes	0.270	0	0.270	0.065	0	0.065	(0.205)
Renewal Assistance	0.150	(0.050)	0.100	0.290	(0.212)	0.078	(0.022)
<b>Total</b>	<b>10.278</b>	<b>(7.269)</b>	<b>3.009</b>	<b>5.331</b>	<b>(3.559)</b>	<b>1.772</b>	<b>(1.237)</b>

13.4 Disabled Facilities Grant

For the Disabled Facility Grants, the reduced outturn of £1.481m (net) is due to a more robust approach to assessments, with a higher proportion of recommendations for equipment and minor works than previously, resulting in a lower proportion of referrals for DFG. This more robust approach provides better value for money for the Council.

Client contributions of £0.078m and contributions from other services of £0.015m account for the additional income received to support the DFG programme.

Information on the types of Disabled Facilities Grants (DFGs) and the number completed are reported on a quarterly basis. The table below provides details up to March 2014. In the year 2013/14, 232 DFG cases were completed which resulted in 374 major adaptations.

<b>Type of adaptation</b>	<b>No completed</b>
Level access shower/wet room	167
Straight stair lift	32
Curved stair lift	24
Toilet alterations	20
Access ramps	25
Dropped kerb and hard standing	1
Wheelchair/step lift	0
Through floor lift	3
Major extension	15
Kitchen alterations	8
Access alterations (doors etc)	35
Heating improvements	5
Garage conversions/minor additions	9
Safety repairs/improvements	5
Other	25
<b>Total</b>	<b>374</b>

- 13.5 The grants provided to residents through the DFG programme assist some of the poorer and most vulnerable members of the community. Without these grants in many cases the properties involved would be unsuitable for the needs of the occupiers.
- 13.6 By providing such residents with the facilities required to enable them to remain in their current homes, the DFG programme is helping to enhance the quality of their lives. This also reduces pressure on health service resources and residential care, as without these improvements more residents would require emergency or longer term care solutions.
- 13.7 There is £2.5m value of work in progress, most of which will be completed in 2014/15. Given the context of the work currently in the system, it is proposed to slip £0.2m of the £0.931m underspend into 2014/15.

### 13.8 Renewals Assistance

The Renewals Assistance programme includes Safety Security Emergency Repair assistance and is an “emergency” type of assistance for the most vulnerable households, for example dangerous wiring, a condemned boiler, etc. In the year 2013/14, 70 renewals cases were completed and are broken down as follows:

<b>Type of Assistance</b>	<b>Number</b>
Safety Security Emergency Repair	19
Home Improvement Assistance	32
Affordable Warmth Assistance	12
Relocation assistance	2
Discounted DFG	5

13.9 The HRA Capital programme is now monitored as part of the HRA’s budget report.

### Children’s Services

13.10 Children’s Services annual capital expenditure budget is £27.395m (including slippage from 2012/13). The income budget is £26.691m, a net expenditure capital budget of £704k.

13.11 The provisional expenditure outturn position for 2013/14 is £22.46m, £4.9m below the original budget, which is in line with previous forecasts.

13.12 All but two projects (£704k), Schools Access and Temporary Accommodation are funded wholly by grant receipts that have no expenditure deadline.

### **Summary Table: Directorate Overall position**

	<b>Gross Expenditure Budget</b>	<b>Provisional Gross Expenditure Outturn</b>	<b>Gross Expenditure Variance</b>	<b>Slippage</b>	<b>(Under) / Over spend</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Children Services	27,195	22,399	(4,796)	(4,618)	(178)
Partnerships	200	61	(139)	(139)	0
<b>Total</b>	<b>27,395</b>	<b>22,460</b>	<b>(4,935)</b>	<b>(4,757)</b>	<b>(178)</b>

### 13.13 **New School Places/Basic Need**

This grant funding is to enable management of pressures related to population growth and capacity within our schools. The outline programme to commission new school places over the next five years will drive the expenditure of basic need grant and will also align S106 contributions that are being collected for major projects.

13.14 In December 2013 the Department for Education (DfE) announced the Basic Need allocations for 2014/15 to 2016/17 allocating £21.219m over the three years. The allocations for 2015/16 (£5.9m) and 2016/17 (£6.2m) are a reduction on the current year and 2014/15 (£9.1m) but the total over the 3 years is still significant (£21.2m for CBC vs £11.3m Luton and £9.9m Bedford over the same period).

13.15 The allocations for 2015/16 and 2016/17 are a change to the previous budget assumed for this period and reduce the amount of grant income to the programme. The New School Places Programme and the progress of projects within it are currently undergoing an annual review and refresh and the impact on the capital cashflow will be reported to Executive as part of the Council's capital programme in December 2014.

13.16 The New School Places Programme was originally forecast in 2013/14 to achieve expenditure of £13.285m but was reduced in year to achieve reduced expenditure of £12m as a result of a delay in commencement of the expansion of Church End Lower in Marston which started on site on 10 February 2014. The provisional outturn for the programme for 2013/14 is £12.6m.

### 13.17 **Schools Capital Maintenance**

This rolling programme is externally funded by DfE grant but does require schools to contribute to the cost of works, as set out in a formula contained within the Scheme for Financing Schools. These contributions are invoiced once planned works are complete.

13.18 The initial programme of £4.5m was subsequently reduced to £3.15m, following a much reduced DfE grant of £2.562m compared to previous years as a result of Academy capital held centrally by the Education Funding Agency. In addition there were savings as a result of works removed from the indicative programme following reassessment, schemes being re scoped following initial survey inspections and tendering. The provisional outturn for the programme for 2013/14 is £3.3m.

13.19 The DfE announced an allocation for schools capital maintenance in 2014/15 of £2.532m of grant funding. Uncommitted funds from 2013/14 will increase the available budget for new works to £3.5m. This gives a total value programme, including slippage from 2013/14, of £4.4m of works to complete in 2014/15.

13.20 The £3.5m 2014/15 indicative programme of works has been drafted and surveyors have visited each school identified with potential works to validate the data used to provide the indicative programme. Tender packages for works are now being developed.

### Community Services

13.21 The Community Services capital programme in 2013/14 is made up of 43 schemes which includes large groupings of projects that relate to Environmental services, Libraries, Leisure and Transport.

13.22 The directorate spent £32.6m (gross), below budget by £4.7, and external income was higher than budget by £8.2m. This resulted in £12.9m (net) below budget.

Overall underspend was £12.9m, of which £10.7m is proposed to be deferred to 2014/15. The majority of this slippage is due to the BEaR project and leisure schemes.

Scheme Categories	Net Expenditure Budget	Net Actual Expenditure	Net Expenditure Variance
	£'000	£'000	£'000
Environmental Services	6,058	1,033	(5,025)
Libraries	202	78	(124)
Leisure	4,379	2,541	(1,838)
Transport	13,625	7,713	(5,912)
<b>Community Services</b>	<b>24,264</b>	<b>11,366</b>	<b>(12,898)</b>

<b>Percentage of budget</b>		<b>46.8%</b>	<b>-53.2%</b>
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13.23 Highways and Transport

The following improvements were delivered in 2013/14.

- A total of 48.42km of roads and 12.058km of footways have been resurfaced. This included the deep insitu recycling of Poynters Road, Dunstable prior to the opening of the Luton Dunstable Busway. The target was 45.5km of roads and 12km of footways to be resurfaced.



- A total of 771 street lighting columns and 3,560 lanterns have been replaced. The target was 928 street lighting columns and 2,636 lanterns to be replaced.
- Stratton Street Railway Bridge, Biggleswade is being designed and track possessions are booked for Christmas 2015.
- 43 Integrated Transport schemes have been implemented.
- The A1 Longabout scheme has commenced on site.

A number of major schemes were either progressed or completed in 2013/14 including:

#### Luton Dunstable Guided Busway

- Construction of the Busway finished in July/August 2013 allowing driver training to take place during August and September ready for opening at the end of September 2013. All three local bus operators elected to use the system and provided their own additional vehicles, conversions and collaborated to provide a common training programme based on experience gained from the Cambridge busway project.
- All three operators have reported good take-up figures, a total of 685,664 journeys were made on Busway Routes up to 31 March 2014 (346,854 to December 2013; 338,810 January – March 2014). Arriva invested in new vehicles and operates the Houghton Regis, Dunstable town centre, Luton station/interchange and Luton London Airport route known as Service A.
- Centrebus opted for refurbished vehicles and operates the Dunstable – Downside, Dunstable town centre, Luton station/interchange route known as Service B and also Toddington, Houghton Regis, Luton Galaxy route known as Service E. Grant Palmer opted for refurbished vehicles on the Dunstable – Hillcroft, Dunstable town centre, Luton station/interchange route known as Service C.
- As part of the wider implementation of the busway upgrade works to on-street stops using the busway services have also been completed including installation of real time passenger information displays. These wider works have also addressed some of the access issues including junction improvements and local carriageway widening.

## A5-M1 Link Road

- The link road will be a two-lane dual carriageway running between the A5 north of Dunstable and the M1 at a new Junction 11a south of Chalton. The scheme will provide a number of benefits including improved strategic journey time reliability and safety by removing the need for long distance traffic to travel on the A5 through Dunstable. At the local level it will provide the much needed traffic relief to the local areas including Dunstable town centre with the reduction in through traffic reducing the environmental effects from pollution associated with vehicle traffic such as air and noise quality.
- While the scheme is promoted by the Highways Agency to address shortfalls in the trunk road network it will, with the Woodside Link also enable growth to the north of Houghton Regis and Dunstable. To allow the scheme to be brought forward to meet the local aspirations for development a contribution of £45m has been made by the developers and £5m of growth area funds by Central Bedfordshire Council. This will allow construction to begin late 2014.
- Central Bedfordshire Council contribution continues to fund detailed design and advanced work which has enabled a Section 274 agreement between Highways Agency, CBC and LIH (developers) to be signed and will enable pre-construction works in spring 2014.

## Woodside Link

- The Woodside Link will reduce traffic congestion and improve capacity by providing a more direct route for traffic between the primary road network (the M1 motorway and the A5) and the Woodside area of Dunstable / Houghton Regis, a major employment area in Bedfordshire. The scheme runs between a new M1 junction 11a (created as part of the Highways Agency A5-M1 Link) and the local road network - junction of Porz Avenue / Poynters Road / Park Road North.
- Due to the interaction with the national road network planning consent is through the Planning Inspectorate in the form of a Development Consent Order (DCO). An application was submitted by CBC on 14 May 2013 for examination under the Planning Act 2008. The Inspectorate accepted the application on the 11 June 2013 and the examination started on 8 October, which included a site visit on 20 January 2014 before closing on 4 April 2014. This will be followed by a period of 3 months for the Examining Authority to consider and make a recommendation to the Secretary of State.

- Progress continues on detailed design to finalise the alignment, address environmental constraints, take account of issues raised in the examination, plan for advanced works (underground and overhead 132kv electric cables) and prepare and compile contract documents ready for tendering of the works latter this year with a view to start construction early 2015 subject to a favourable decision by the Secretary of State.

#### 13.24 **Leisure**

The following improvements on Leisure facilities were progressed or delivered in 2013/14.

- Astral Park - Football pitches and community centre with car park was completed and handed over to Leighton Linlade Town Council.
- Leisure Strategy - The Leisure Strategy was adopted in March 2014, which comprises a suite of strategic, planning and technical guidance to inform the emerging development strategy and provides evidence and policy justification for provision of open space, outdoor and indoor sporting facilities in Central Bedfordshire. Design requirements have been agreed for Houghton Regis Leisure Centre on work to reopen the pool.
- Stock Condition - A number of essential works have been successfully completed, including new boilers, refurbishment of wetside and replacement of weights floor at Dunstable Leisure Centre. New pool pumps at Saxon Leisure Centre; new locks and new lights in the front of house at the Grove Theatre; replacement of tiles in the changing area at Flitwick Leisure Centre. Equipment was purchased at Sandy Sports Centre to ensure a wide range of fitness classes are available.
- Flitwick Leisure Centre Redevelopment - A robust feasibility study was completed for the Flitwick Leisure Centre development.
- Stotfold Football Centre - Design and Tender have been completed and the successful contractor appointed. Community pitches laid and the surrounding area has been prepared for seeding.
- Dunstable Creasey Park - Work was undertaken to ensure that the roof does not leak, currently monitoring the works before the retention is released.

- Tiddenfoot Leisure Centre refurbishment - First floor gym was completed and handed over. Dance studio completed, extension and reception area are near completion. The car park has been resurfaced.
- Flitwick Leisure Centre Football Facilities - Tenders were completed and successful contractors appointed for both pitches and pavilion. Football pitches were drained and prepared for seeding and ground works for the pavilion have been started.
- Saxon Leisure Centre - Design requirements changed a number of times but agreement was finally achieved. Tender was completed and the successful contractor appointed.

### 13.25 **Waste**

The following improvements on Waste handling/treatment were progressed or delivered in 2013/14.

- Waste Infrastructure Grant - Successful procurement and provision of a replacement glass collection vehicle for the South Collection Fleet.
- Sundon Landfill Restoration - Phase 1 and 2 of the restoration are near completion. Lease negotiated, renewed and continued access secured to the landfill site. The Gas infrastructure is progressing to plan. The Loop line for Network Rail is nearing the completion stage. Waste Services continues to have a good working relationship with the Environment Agency.
- There has also been work focussed on increasing the provision of Waste & Recycling Containers (Provision of Replacement Bins & Containers). Additional purchase of waste & recycling containers for new domestic properties and replacement waste & recycling containers, and installation of recycle on the go bins, litter bins and dog bins as required.

### 13.26 **Libraries**

The following outcomes in Libraries have been delivered:

- Made improvements to security at Ampthill Library.
- Undertook minor building works at Barton Library.
- Installed a new self service machine at Dunstable Library.
- Refurbished the meeting room and improved security at Flitwick Library.
- Installed a new self service machine at Leighton Buzzard Library and made improvements to security.

- Undertook minor building works at Potton Library.
- Refurbished Shefford Library working with Assets to refurbish the library following the repair of the floor - installing new shelving, creating a new meeting room, up-grading security and improving facilities for children and PC users.
- Undertook minor electrical works at Toddington library.

### 13.27 **Sustainable Transport**

The following outcomes on Sustainable Transport have been delivered:

- Improvements to National Cycle Route through Dunstable and Houghton Regis completed.
- Improvements to the south side of Poynters Road between Porz Avenue and Wilbury Drive completed in Dunstable.
- Provision of cycle link between Downs Road / Half Moon Lane and Apollo Close completed in south Dunstable.
- Improvements to provide cycle link between Apollo Close and Brive Road, Dunstable completed.
- 52 new cycle parking spaces created for businesses and associated measures to facilitate sustainable transport including showering facilities and Electric Vehicle charging point across the Leighton Buzzard, Dunstable and Houghton Regis project area.
- Cranfield cycle route - Phase I of the Cranfield Cycle Route has been completed, delivering an attractive off-road link between the village of Cranfield and the university and adjacent technology park. The agreed route extension works are now underway and are scheduled to be completed by the end of May 2014. These will extend the route into the university itself.

### Regeneration & Business Support

13.28 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.

13.29 The directorate spent £1.0m (gross), below budget by £4.1m. Net spend was below budget by £2.5m.

Overall underspend was £4.1m, of which £3.9m is proposed to be deferred to 2014/15. The majority of this relates to delays in Broadband and Dunstable town centre properties schemes which are due to external factors.

- 13.30 The table below shows the Directorate's budget and outturn for 2013/14.

<b>Scheme Categories</b>	<b>Net Expenditure Budget</b>	<b>Net Actual Expenditure</b>	<b>Net Expenditure Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Regeneration	2,653	975	(1,678)
<b>Total</b>	<b>2,653</b>	<b>975</b>	<b>(1,678)</b>
<b>Percentage of budget</b>		<b>36.8%</b>	<b>-63.2%</b>

- 13.31 Dunstable Town Centre Regeneration Phase 2 (Acquisition of Dorchester Close properties) - This budget is for the acquisition of the last 3 Dorchester Close properties; two were acquired in May and September 2013 and the final one is still being still negotiating. Four compensation claims have been settled with negotiations still progressing in respect of another 2 claims. There is a need to retain a budget to cover the outstanding acquisition and compensation as there is a 6 year time period for submission of claims.
- 13.32 Leighton Buzzard South Redevelopment - Central Bedfordshire Council acquired the second of two private dwellings in the centre of the land south of High Street site, the first having been acquired in the 2012-13 financial year. This, combined with the acquisition of the majority of the Cattle Market site and the former Co-Op car park towards the end of the 2013-14 financial year, means that the Council is now a major landowner on the site and this will help facilitate comprehensive regeneration on the site.
- 13.33 Broadband - Initial detailed survey works have now been completed by our project partner BT, and the first upgraded cabinets are expected to go live for service in early June 2014. The broadband project will support over 15,500 premises across Central Bedfordshire to receive superfast broadband services (speeds over 24 megabits per second). Deployment plans to approximately 90% of Central Bedfordshire Premises have been published at [www.centralbedfordshire.gov.uk/broadband](http://www.centralbedfordshire.gov.uk/broadband).

## Improvement & Corporate Services

- 13.34 The current capital programme for Improvement & Corporate Services is £14,403k. This includes £9,461k of funding for 2013/14 schemes and deferred expenditure of £4,942k from previous years. The total current approved budget for Assets projects is £8,753k. There is £3,139k of budget allocated to Information Assets (IA) projects with £2,511k for Other schemes. Some of the Other major schemes include SAP Optimisation (£373k), Your Space 2 (£1,256k) and Health & Safety Rolling Programme (£852k).
- 13.35 The overall outturn position for ICS Capital was spend of £10,644k with £3,784k proposed to be deferred into future financial years. Across all ICS schemes there was a £25k overspend.

	Full Year Budget	Year End Spend	Variance	Proposed Slippage to 14/15	Year End Over/(Under)
Service	£000's	£000's	£000's	£000's	£000's
Assets	8,753	6,060	-2,693	2,493	-200
Info Assets	3,139	2,193	-946	964	18
Others	2,511	2,391	-120	327	207
<b>Totals</b>	<b>14,403</b>	<b>10,644</b>	<b>-3,759</b>	<b>3,784</b>	<b>25</b>

- 13.36 The 2013/14 net Capital budget for Assets schemes was £8,753k. The major projects were 2013/14 Corporate Property Rolling Programme (£2,357k), 2012/13 Corporate Property Rolling Programme (£1,373k), Ivel Medical Centre (£1.0m) & Acquisition of land south of High St Leighton Buzzard (£1.0m).
- 13.37 The outturn position on for Assets was a spend of £6,060k. £2,493k of this budget is proposed to be deferred to future financial years. This resulted in a net underspend of £200k.
- 13.38 Due to various timing changes to project delivery schedules and specifications there is spend of £2,493k proposed to be deferred into 2014/15. There was a delay on the start of the Ivel Medical Centre project awaiting agreement with the NHS & GP practice. We now have a way forward and Executive approval has been obtained and it is proposed to defer the remaining spend of £991k. The Corporate Property Rolling Programme 2013/14 is currently expected to defer expenditure of £632k into 2014/15 due to delays in the Watling House Replacement Windows project.

Leighton Buzzard Library re-furbishment (£323k) is also expected to be deferred to be spent in future years following delays in design and agreeing scope, work now scheduled to complete July 2014. Part of the land purchase on Acquisition of Cattle Market and Parkridge Land is now expected to be completed in 2014/15 rather than 2013/14 resulting in £638k which is proposed to be deferred to future years. There is also £232k expenditure on smaller projects that is expected to be deferred to future financial years.

13.39 There was an outturn underspend in Assets Capital of £200k. This mainly relates to the Beaches (-£150k) & Incuba (-£100k) parking projects which were cancelled. There were other small overspends on Assets schemes of £50k.

13.40 For Information Assets schemes there was a net outturn of £2,193k. There was also £946k of budget that has been proposed to be deferred to future financial years. This resulted in an overspend of £18k against IA projects.

13.41 The proposed deferred spend includes £304k for IA related to Applications Architecture due to delays in the commencement of the project, £254k on IA Infrastructure Rolling Programme due to Next Generation Network contract setup costs falling in 2014/15, £203k on Electronic Content Management (ECM) as a result of other urgent projects taking priority causing ECM activity to now be completed in 2014/15.

There was also £124k proposed deferred spend on Customer First due to supplier problems resulting in a pause in the project timetable and £79k on Data Centre Migration due to further infrastructure work required to support the replaced Storage Area Network.

13.42 There was a £24k pressure on the Public Service Network scheme as a result of Cabinet Office requirements changing during the life of the project. In order to meet the updated compliance targets more costs were incurred.

13.43 For other capital schemes budgeted at £2,511k, there was a net outturn of £2,391k. There was also £327k of budget that has been proposed to be deferred to future financial years. This resulted in an overspend of £207k against budget.

£203k of this overspend related to SAP Optimisation and was caused by higher than budgeted SAP Licence costs as a result of ESS/MSS implementation.

13.44 The proposed deferred spend for other projects predominantly related to £225k on Your Space 2, to complete the works for the moves and fund the final Contact Centre moves in the first half of 2014/15, and £89k on 2013/14 Health & Safety Rolling Programme due to a number of small projects needing to be completed in early 2014/15.



## **14. CAPITAL RECEIPTS**

- 14.1 The commercial settlement in relation to a site leased from the Council in Houghton Regis has been confirmed as a capital receipt and therefore included in the March 2014 figures. The outturn level of receipts was £2.65m which is £3.9m behind budget.
- 14.2 Two major disposals for Stratton IV and Dunstable Courthouse, planned for 2013/14 with a combined anticipated value of £5m, have been moved to future years. There are challenges ahead with significantly less receipts in the sales pipeline than the MTFP target; however a proposal to bring forward sites currently not on the pipeline is being developed.

### **Appendices :**

**Appendix A** - Proposed Deferred spend to 2014/15

**Appendix B** – Provisional Outturn by capital scheme