

Appendix A

Capital Budget Monitoring Detailed Directorate Commentary

KEY HIGHLIGHTS

DIRECTORATE COMMENTARY

Social Care Health and Housing

1. The forecast is to underspend by £1.563M gross £0.626M net, mainly due to deferred spend on the Review of Accommodation/Day Support project (£1.089M) which is not expected to commence in 2014/15 and Disabled Facilities Grant (£0.722M) offset by a forecast overspend on Renewals (£0.178M).

The tables below highlights the areas of spend

SCHH Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget £k	Gross Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
NHS Campus Closure	3,073	3,271	198	0	198
Disabled Facilities Grants Scheme	2,700	2,100	(600)	0	(600)
Timberlands and Chiltern View Gypsy and Traveller Sites	324	324	0	0	0
Additional Gypsy and Traveller Sites	240	240	0	0	0
Review of Accommodation/Day Support	1,089	0	(1,089)	(1,089)	0
Adult Social Care ICT Projects	300	0	(300)	(300)	0
Empty Homes	300	250	(50)	0	(50)
Renewal Assistance	172	450	278	0	278
Total	8,198	6,635	(1,563)	(1,389)	(174)

% of Budget

80.9%

SCHH Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
NHS Campus Closure	0	0	0	0	0
Disabled Facilities Grants Scheme	2,112	1,390	(722)	0	(722)
Timberlands and Chiltern View Gypsy and Traveller Sites	79	79	0	0	0
Additional Gypsy and Traveller Sites	90	90	0	0	0
Review of Accommodation/Day Support	0	0	0	0	0
Adult Social Care ICT Projects	0	0	0	0	0
Empty Homes	300	220	(80)	0	(80)
Renewal Assistance	122	300	178	0	178
Total	2,703	2,079	(624)	0	(624)
% of Budget		76.9%			

2. Disabled Facilities Grants (DFG)
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 who may then be unable to remain in their own homes. 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.
3. Information on the types of DFGs and the number completed are reported on a quarterly basis. The table below provides details for the second quarter of 2014/15.

Type of adaptation	Total Q1	Total Q2	Year to Date	Council tenants (funded by HRA)	Other
Level access shower/wet room	32	26	58	11	47
Straight stair lift	16	6	22	4	18
Curved stair lift	5	7	12	-	12
Toilet alterations	5	9	14	1	13
Access ramps	7	7	14	1	13
Dropped kerb and hard standing	0	1	1	0	1
Wheelchair/step lift	2	1	3	1	2
Through Floor lift	0	1	1	-	1
Major extension	2	2	4	-	2
Kitchen alterations	1	3	4	1	3
Access alterations (doors etc)	9	15	24	2	22
Other	7	5	12		12
Total	86	83	169	21	148

Children's Services

4. The forecast expenditure outturn position for 2014/15 is £29.6M, £3.9M above the original Council's capital programme approved in February. The large variance is mainly due to the original programme being based on the Council's School Organisation Plan of September 2013, which used the latest validated data available for forecasting at that point, which was from early 2012 (School census, area health authority and housing trajectories). This also reflected the need for a £1M Council contribution to New School Places (NSP) in 2016/17.
5. The detailed capital business cases subsequently submitted and approved at the end of January 2014 were updated and based on data from early 2013 and the latest DfE announcement on its basic need allocations through to 2016/17. The business case for NSP identified a further requirement for Council contributions to the programme in 2015/16 of £2.0M and an increased 2016/17 contribution of £6.0M. The Council's capital programme was not updated to reflect this and remained at the position based on data from early 2012.
6. The Council's School Organisation Plan and NSP programme have now been subject to its 2014 review and refresh and the detail will be reported in December 2014 to Council's Executive, as is now the established procedure for this programme. The latest data has enabled confirmation of a number of localised growth forecasts that can now be seen to be sustained, rather than temporary increases in demographic pressures.

This requirement for further permanent provision has led to the addition of specific projects to the Council's New school Places programme from 2017/18 and beyond in Leighton Linlade (additional lower and middle places required) and in Stotfold and Arlesey (additional middle and upper places required).
7. With fixed levels of DfE Basic Need Grant through to 2016/17 and much of the demographic increase not solely attributable to housing growth, it is likely that the financial impact of the additional school places will require significant additional funding by the Council through borrowing or use of its own capital reserves. The refreshed forecasts and financial impact have informed an update to the Council's capital MTFP through to 2018/19 which has confirmed the Council's contributions required of £2M in 2015/16, £7M in 2016/17 and also now forecasts of £18M in 2017/18 and £12M in 2018/19.
8. All but two projects (£600K), Schools Access and Temporary Accommodation, are funded wholly by grant receipts that have no expenditure deadline.

The tables below highlights the areas of spend:

Children's Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget £k	Gross Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
CS Commissioning & Partnerships	24,545	28,872	4,327	0	4,327
CS Operations	986	686	(300)	0	(300)
Partnerships	139	30	(109)	0	(109)
Total	25,670	29,588	3,918	-	3,918
% of Budget		115.3%			

Children's Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget £k	Net Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
CS Commissioning & Partnerships	600	600	0	0	0
CS Operations	0	0	0	0	0
Partnerships	0	0	0	0	0
Total	600	600	-	-	0
% of Budget		100.0%			

Community Services

9. The Community Services capital programme in 2014/15 is made up of 69 schemes which include large groupings of projects that relate to Environmental Services, Libraries, Leisure and Transport.
10. The forecast underspend of £9.4M relates to the Council's new approach to the procurement of a long-term waste management solution. At this time alternative waste disposal solutions are being explored by developing new and existing facilities.

The tables below highlights the areas of spend

Community Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget £k	Gross Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
Environmental Services	12,544	2,023	(10,521)	(1,521)	(9,000)
Libraries	167	167	0	0	0
Leisure	9,856	8,456	(1,400)	(1,400)	0
Transport	45,242	36,576	(8,666)	(11,666)	3,000
Total	67,809	47,222	(20,587)	(14,587)	(6,000)
% of Budget	69.6%				

Community Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget £k	Net Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
Environmental Services	11,421	1,839	(9,582)	(582)	(9,000)
Libraries	167	167	0	0	0
Leisure	9,256	7,856	(1,400)	(1,400)	0
Transport	33,077	21,631	(11,446)	(11,446)	0
Total	53,921	31,493	(22,428)	(13,428)	(9,000)
% of Budget	58.4%				

11. The start of the tender process for Woodside Link for the main contract award for road construction has moved back to the end of November 2014 to better accommodate developer needs and to provide a better “fit” with external funding. Work on other elements of the road, such as putting electric cables underground and advanced infrastructure work remain on target. This decision does not change the end date for the scheme, which also remains on target.
12. The capital spend for the Luton Dunstable busway is proposed to be deferred into next year although the scheme itself has been completed and is operational.
13. **Highways and Transport**
Activity completed so far includes:
Highways
 - a) A total of 27.118km of roads and 1.065km of footways have been resurfaced. The 2014/15 target is 40.483km of roads and 6.248km of footways to be resurfaced.
 - b) A total 1,485 lanterns have been replaced. The 2014/15 target is 3,925 lanterns to be replaced.
 - c) 7 Integrated Transport schemes have been implemented, with a further 8 designed and 30 commenced. The 2014/15 target is 45.

- d) Detailed design underway for Stratton Street Railway Bridge, Biggleswade and track possessions are booked with Network Rail for Christmas 2015.
- e) A1 Longabout scheme substantially completed, currently in defects correction period.

Luton Dunstable Busway

- f) Luton Dunstable Busway – The Busway has now been in operation for over a year and while patronage figures have not met the predictions in the business case they have been very positive considering the current economic situation.
- g) Patronage figures revealed that just under 1,040,000 passenger journeys were undertaken on the busway's four core routes up to the quarter ending June 2014 (latest data). While patronage data is confidential information to the individual bus operators, it can be confirmed that 346,854 passenger journeys were registered using the busway in the quarter from 1 October to 31 December, 338,810 in the quarter from 1 January to 31 March, and 351,625 from 1 April to 30 June.
- h) A new service using the Luton Dunstable Busway has been announced by Arriva, an hourly F70 service using the guideway will begin on 2 November, saving up to half-an-hour on journey times between Luton, Dunstable, Leighton Buzzard and Milton Keynes.

A5 – A1 Link Road

- i) In addition, businesses within Leighton Buzzard will benefit from a fast and efficient link on to the strategic M1 motorway at the new junction 11a. Advanced Statutory Apparatus diversionary work is currently underway. Main construction is likely to begin early 2015.

Woodside Link

- j) 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.

- k) 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). The examination has taken place and the Planning Inspectorate issued a report of recommendation to the Secretary of State on 4 July 2014. The Secretary of State granted Development Consent for the project on the 30th September
- l) Progress continues on the detailed design to finalise the alignment, address environmental constraints, take account of issues raised and work constructively with the developer where possible.
- m) Preparation for tendering is well underway with the Pre Qualification Questions process finished and contract documents near ready for tendering of the works later this year with a view to start construction early 2015.

14.

Local Sustainable Transport

- a) All three phases of work on the Cranfield Cycle Route scheme are now complete and the last grant form submitted to DfT to claim the outstanding funding.
- b) Around 15 Local Sustainable Transport Fund -funded schemes remain ongoing and works will continue through to February 2015. Three tenders responses were submitted for the commission to install CCTV on Dog Kennel Path and a contract will be issued later this month with works to be completed by end January 2015.

15.

Passenger Transport

Passenger Transport are working with Procurement to set up a new Fleet Vehicle procurement framework which is due to be in place by January 2015. Routewise Integration with SAP has not been completed because of the delay in receiving information from Tribal so in preparation to go live in April 2015 a temporary member of staff has been engaged to undertake a data cleanse of the system and ensure accuracy and costings of routes are in place and also undertake training for colleagues.

16.

Countryside Access

a) Transport Schemes
Rights of Way and Countryside Sites achievements include bank repairs at Clipstone Brook, Leighton Buzzard, surfacing works on Houghton Regis Footpath (FP) 18 and path improvements on Biggleswade Footpath 21 at Back Meadows. Works have also started to repair the bank of the River Ivel adjacent to Biggleswade FP21 near Jordans Mill. In addition funds have been spent on the new toilet building at Rushmere Country Park.

b) Leisure and Culture Schemes

£100K was paid to the Shuttleworth Trust as match funding towards the delivery of the £2.6M Stage 2 Heritage Lottery funded (HLF) improvements to the Swiss Garden. Although restoration works are now complete and the Garden was officially re-opened to the public in August further approved expenditure will occur on interpretation and developing the outreach programme.

c) Development work has been completed on Stage 1 on the Renaissance and Renewal Project, creating detailed plans for the restoration and improvement of Houghton Hall Park in Houghton Regis. The Stage 2 HLF bid for approximately £2.2M of funding was submitted in August 2014, with a decision expected in December 2014.

d) Construction has commenced on the extension to the car park at Houghton Hall Park. This project is a partnership arrangement with Whitbread bringing in valuable income to financially sustain the park. Work is due to be completed by the end of November.

e) Outdoor Access and Greenspace Improvement Projects achievements included completion of the bridleway road crossings at Stoke Road and Soulbury Road, Leighton Buzzard and construction of the causeway section of the new Biggleswade cyclepath to the west of the A1.

17. **Leisure**

a) The leisure capital programme is well underway with significant improvements now being enjoyed by the public at Tiddenfoot Lesiure Centre, a new football centre at Flitwick Football Centre and Stotfold Football pitches and from reopening the swimming pool at Houghton Regis Leisure Centre. The remainder of the programme of investment at Saxon Pool and Houghton Regis Leisure Centre is on track for completion within this financial year.

b) Flitwick Leisure Centre redevelopment is on track, and is planned to start on site in the next couple of months.

18. **Libraries**

a) Work at Leighton Buzzard Library and Theatre was delayed due to issues with electrical distribution boards in the building. These issues will shortly be addressed, and plans are now being finalised to close the theatre in February to undertake the refurbishment of the bar and box office and install modern theatre lighting (capital allocation£50K). The tender for the theatre lighting is currently on Intend; responses will be evaluated in mid-October (allocation £35K).

b) Work on Biggleswade, Flitwick, Ampthill and Pottton Libraries has been delayed slightly due to an offer from Pottton Town Council to consider a move of the current library into the Town Council offices. A decision will be made on this matter by early November. Tender for works following.

c) A tender for the upgrade of meeting room equipment is currently being finalised (tender in late October/early November). The capital allocation for Arts projects in libraries will be paid following agreement of contract with Bedford Community Arts (October – November 2014).

19. **Waste**

Sundon Landfill Restoration

The contract for grass seeding has been awarded with works due to commence in mid October. The soil element of the restoration is progressing with over half of the area completed. Planned procurements for grass cutting, fencing and tree planting will commence this financial year.

Waste & Recycling Containers

This is forecast to achieve budget.

Regeneration & Business Support

20. The Regeneration and Business support capital programme in 2014/15 is made up of 8 schemes.
21. The forecast outturn is an underspend by £100K.

The tables below highlights the areas of spend

Regeneration & Business Support Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget £k	Gross Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
Local Broadband Infrastructure	1,748	1,748	0	0	0
Dunstable Town Centre Regeneration Phase 2	684	584	(100)	0	(100)
Local Flood Defence Scheme	466	466	0	0	0
Other	511	511	0	0	0
Total	3,409	3,309	(100)	0	(100)
% of Budget	97.1%				

Regeneration & Business Support Full Year Net Budget and Forecast					
Scheme Categories	Net Budget £k	Net Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
Local Broadband Infrastructure	11	11	0	0	0
Dunstable Town Centre Regeneration Phase 2	684	584	(100)	0	(100)
Local Flood Defence Scheme	466	466	0	0	0
Other	211	211	0	0	0
Total	1,372	1,272	(100)	0	(100)
% of Budget	92.7%				

22. **Local Flood Defence**

The Flood Risk Management Team continues to progress capital schemes to reduce the effect of flooding across the district. Joint land drainage/highway schemes have recently been completed in Caddington and Tingrith. A developer led scheme in Stondon is complete and should provide better flood protection during this coming winter. Further schemes are progressing in Clifton and in Leighton Buzzard in conjunction with the Environment Agency.

23. **Dunstable Town Centre Regeneration Phase 2 (Acquisition of Dorchester Close properties).**

The acquisition of the last Dorchester Close property is still being negotiated. Two Rule 6 Compensation claims have recently been settled with negotiations still progressing in respect of another claim. There is a need to retain a budget to cover the outstanding acquisition and Rule 6 claims as there is a 6 year time period for submission of claims.

24. **Broadband**

Early cabinets were upgraded at the end of June 2014, 10 months after contract award. The first quarter of the deployment across the local authority areas is also now complete, and 4,288 premises now enabled for superfast broadband, exceeding the target and timescales for Phase 1, with a number of CBC cabinets being brought forward and upgraded earlier than expected.

Deployment has begun for Phase 2 and planning has now been completed by BT and surveys started for works up to and including Phase 4. Spend on the project will now significantly increase as we accelerate delivery and complete planning.

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.

Improvement & Corporate Services

25. The overall forecast outturn for ICS Capital is £11.0M, an underspend of £0.65M. At the end of Period 6 there is expenditure of £1.3M expected to be deferred into future financial years, mitigated by an overspend of £0.65M.

The table below highlights the areas of spend

Improvement & Corporate Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross/Net	Gross/Net	Variance	Deferred Spend	Over / (Under) spend
	Budget	Forecast			
	£k	£k	£k	£k	£k
Assets	7,905	7,224	(681)	(681)	0
Information Assets	3,528	3,555	27	(622)	649
Others	238	238	0	0	0
Total	11,671	11,017	(654)	(1,303)	649

% of Budget

94.4%

(Note gross and Net are the same as all internally funded)

26. **Assets**
The current capital programme for Assets is £7.905M. The major projects are 2014/15 Corporate Property Rolling Programme (£1.5M), 2013/14 Corporate Property Rolling Programme spend deferred from 2013/14 (£1.29M), Ivel Medical Centre spend deferred from 2013/14 (£0.991M), Stratton Phase 4 Access (£0.75M), Acquisition of land in Leighton Buzzard (£0.638M), and Local Development Fund related costs (£0.636M).
27. The forecast outturn position for Assets is currently £7.224M. It is expected that there will be a deferral of spend to 2015/16 of £0.341M for the Ivel Medical Centre and £0.34M for Stratton Phase 4, based on current cash flows.
28. Overall there is a year to date underspend in Assets Capital of £0.196M of which £0.151M relates to development projects. This is largely due to a planning query relating to green belt on Thorn Turn. There is also a delay on the Ivel Medical Centre due to ongoing negotiations with the tenant for a break clause to be included in the terms. The remaining underspend of £0.044M relates to minor slippage on a number of rolling programmes.

29. **Information Technology**
The current capital programme for IT is £3.528M. The major projects are 2014/15 ICT Strategic Investment (£0.342M), Customer First Phase 2 (£0.622M), PSN Re-Architecture Phase 2 (£0.5M) & IT Infrastructure Rolling Programme 2014/15 (£0.5M).
30. Of the £3.528M budget in IT there is £0.622M of cost expected to be incurred in future financial years. Capital budget is proposed to be deferred from the current year to cover this. The scheme involved Customer First Phase 2 and is as a result of delays in the implementation of Customer First Phase 1.
31. The forecast outturn position for IT is currently expected to be an overspend of £0.649M. This related to £0.2M overspend against the Customer First scheme, as previously notified to CMT, and a £0.457M overspend on the PSN Re-Architecture and Compliance projects, due to XP replacement work required (as per Business Case) and requirement to bring additional applications into the Blue Network; Cabinet Office requirements on the PSN project have changed since the early stages of this project.
32. There is a year to date (YTD) underspend in IT Capital of £0.813M. Some of the schemes with significant YTD variances include PSN Phase 1 (£0.319M) as a result of clarifications needed on Cabinet Office requirements & Applications Architecture Phase 1 (£0.258M) due to Project Manager leaving and delays in allocating a new one. IT expect this to be resolved by end of October and for the scheme to progress.
33. **Other ICS Projects**
The current capital programme for Other ICS Projects is £0.238M. The major project is Your Space 2 (£0.225M) which was slipped from 2013/14. These schemes are forecast to achieve budget.

CAPITAL RECEIPTS

34. The overall budget for Capital receipts is £7.450M. The current forecast is £1.456M based on the latest update from the disposals list. Property 57 Wilbury Drive is being appropriated to Housing (£0.160M projected receipt), as well as the sale of Kennel Farm land having been slipped to 2015/16 due to ongoing negotiations relating to site costs and Heads of Terms. Kennel Farm House has been brought forward to be sold by auction in January or February 2015, with completion taking place before year end 2014/15.