

Appendix A

DIRECTORATE COMMENTARY

Social Care Health and Housing

- 1 The full year forecast is below gross budget by £1.9M and net budget by £0.8M. The net position is primarily due to deferred spend for the Review of Accommodation/Day Support project (all externally funded) and unspent Disabled Facilities Grant budget.

The table 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	10	(230)	(230)	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	200	(100)	0	(100)
Renewal Assistance	172	375	203	0	203
Total	8,198	6,280	(1,918)	(1,619)	(299)
% of Budget		76.6%			

SCHH Full Year Net Budget and Forecast					
Scheme Categories	Net Budget £k	Net Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £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	80	1	0	1
Additional Gypsy and Traveller Sites	90	10	(80)	(80)	0
Review of Accommodation/Day Support	0	0	0	0	0
Adult Social Care ICT Projects	0	0	0	0	0
Empty Homes	300	170	(130)	0	(130)
Renewal Assistance	122	250	128	0	128
Total	2,703	1,900	(803)	(80)	(723)
% of Budget		70.3%			

2. The Review of Accommodation/Day Support project
Detailed plans to improve residential and day care services are still subject to consultation and Executive approval. This includes spend relating to the capital maintenance requirements of the seven homes which transferred back to the Authority in August 2014 – work is underway to identify and prioritise these. It is expected that spend will be deferred to 2015/16.

3. **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.
4. Information on the types of DFGs and the number completed are reported on a quarterly basis. The table below provides details for the third quarter of 2014/15.

Type of adaptation	Total Q1	Total Q2	Total Q3	Year to Date 2014/15	Q1 to Q3 2013-14	funded by HRA) 2014/15	funded by General Fund 2014/15
Level access shower/wet room	32	26	43	101	121	19	82
Straight stair lift	16	6	7	29	24	5	24
Curved stair lift	5	7	4	16	17	-	16
Toilet alterations	5	9	15	29	12	3	26
Access ramps	7	7	8	21	17	2	19
Dropped kerb and hard standing	0	1	1	2	0	0	2
Wheelchair/step lift	2	1	2	5	0	1	4
Through Floor lift	0	1	3	4	2	-	4
Major extension	2	2	5	9	13	1	8
Kitchen alterations	1	3	1	5	8	1	4
Access alterations (doors etc)	9	15	7	31	26	3	28
Other	7	5	7	19	28	1	18
Total	86	83	106	275	229	37	238

Children's Services

The table 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	24,559	26,953	2,394	0	2,394
CS Operations	986	724	(262)	0	(262)
Partnerships	139	30	(109)	0	(109)
Total	25,684	27,707	2,023	-	2,023

% of Budget

107.9%

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%

5. The forecast expenditure outturn position for 2014/15 is £27.7M, £2.0M above the original Council's Capital Programme approved in February 2015. The 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, Health Services and housing trajectories). This also reflected the need for a £1.0M Council contribution to New School Places (NSP) in 2016/17 (2014/15 MTFP).
6. 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 £2M and an increased 2016/17 contribution of £6M. The Council's Capital Programme was not updated to reflect this and remained at the position based on data from early 2012.
7. The Council's School Organisation Plan and NSP programme have now been subject to its 2014 review and refresh and the detail 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).

8. With fixed levels of DfE Basic Need Grant through to 2016/17 and demographic increases attributable to housing and population 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 2015/16 – 2018/19 Capital MTFP which has confirmed the Council's contributions required of:
 - £2M in 2015/16
 - £7M in 2016/17
 - £18M in 2017/18
 - £12M in 2018/19.

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 outturn is £45.6M, below budget by £22.3M.

£15.9M of the variance is proposed slippage of which £12.2M relates to Transport Schemes. Within that £8.2M of the transport variance relates to the Woodside Link scheme as the start of the tender process for the main contract award for road construction was delayed until the end of November 2014 to better accommodate developer needs and to provide a better "fit" with external funding. The completion date is not impacted.

The table 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	2,064	(10,480)	(3,045)	(7,435)
Libraries	167	0	(167)	(167)	0
Leisure	9,856	9,601	(255)	(486)	231
Transport	45,242	33,892	(11,350)	(12,231)	881
Total	67,809	45,557	(22,252)	(15,929)	(6,323)
% of Budget		67.2%			

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	1,550	(9,871)	(2,298)	(7,573)
Libraries	167	0	(167)	(167)	0
Leisure	9,256	8,469	(787)	(800)	13
Transport	33,077	22,338	(10,739)	(10,744)	5
Total	53,921	32,357	(21,564)	(14,009)	(7,555)
% of Budget		60.0%			

11. £2.0M of the deferred spend relates to the Luton Dunstable busway which has been pushed forward into next year as the final payment for the construction has still to be agreed. The scheme itself has been completed and is fully operational.
12. £9.6M of the waste underspend relates to the Council changing its 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. £7.6M of the £9.6M is no longer required and so will not be spent, the remaining £2.0M has been deferred to 2015/16.
13. The leisure underspend is in relation to the work planned for Dunstable library and leisure centre for which the feasibility study is being undertaken.
14. **Highways and Transport**

Activity completed so far includes:

- a) This year's structural maintenance programme is progressing well with 32.9km of roads and 5.9km of footways resurfaced to date, against a full year target of 39.2km of roads and 6.2km of footways and we are on programme to complete this work in February 2015. The Area Teams have continued utilising the successful Cat1/Cat2 initiative whereby defects are repaired at the same time. The Jetpatcher has been employed and has repaired over 6000 potholes in 204 roads.

- b) 23 Integrated Transport schemes have been implemented including Stotfold Town Centre improvement, traffic calming schemes at Clifton, Henlow and Slip End. There have been zebra crossings installed at Brewers Hill Road, Dunstable and Hitchin Road, Shefford. Cycling improvements have been made at Flitwick Road, Ampthill and University Way, Cranfield. A variety of signage and lining improvements have been made including those at Northill, Old Warden and Barton.
- c) Speed cameras have been implemented at Soulbury Road, Leighton Buzzard and Dead Mans Cross (on the A600).
- d) The A1 Biggleswade southern roundabout has been substantially completed and is currently in the defects correction period.
- e) Stratton Street Railway Bridge, Biggleswade continues to progress with the contractor now selected. Track possessions are booked with Network Rail for Christmas 2015. The following structures have been strengthened or replaced; Ouzel Bridge, Leighton Linlade, Waterloo Bridge, Arlesey, Church End Culvert, Eversholt, Ford Bridge, Stotfold.
- f) 7 drainage improvement schemes have been delivered including Grovebury Road, Leighton Buzzard, Daubeney Close, Harlington and Brook End, Eversholt.

15. **Local Sustainable Transport**

The final phase of programmed LSTF works within Dunstable and Houghton Regis is underway with schemes under construction on Dog Kennel Path (installation of CCTV and access improvements); Brewers Hill Road (shared path provision); Capron Road (busway cycle path gateway improvements), Beech Road (shared path provision), Grove Gardens (National Cycle Network 6 gateway improvements), College Drive (landscaping works); Drury Lane (shared path provision), Sundon Road (landscaping works), Hammersmith Gardens (shared path provision).

16. **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 (the software developer) and work has been undertaken to ensure go live in April 2015.

17. **Transport Strategy**

Woodside Link:

Detailed design is now complete and the scheme went out to tender December 2014 with return due February 2015. Advanced works are underway to divert overhead high voltage electric cables underground. Further works to clear and protect the site started on site on 21 January 2015 to clear and protect the site before the main civil engineering work start in May 2015. Completion is expected in 2016/2017.

Luton Dunstable Busway:

Negotiations are ongoing to settle the final account with the contractor. The scheme has now been operational for over a year and, as is usual with all larger schemes, is now subject to claims under the Land Compensation Act 1973. These are being submitted to Luton Borough Council as lead authority on the scheme.

East West Rail - Western Section:

Network Rail are currently looking at options for the closure of the level crossings as priority advanced works between Bicester and Bedford. The hourly Bedford to Oxford service (with a stop at Ridgmont) is expected to be in service by March 2019. Electrification of the Marston Vale line including rail infrastructure enhancements is likely in the 2020/21 period as part of the wider Midland Mainline Electrification programme.

Biggleswade Transport Interchange

An outline design for the interchange has been produced following a detailed survey of the site. It provides 4 bus stops and 1 bus stand and is supported by all internal partners. Negotiations have commenced with Network Rail regarding the acquisition or lease of the required land. Detailed design is now underway with a planning application submission in 2015 and expected delivery in 2016.

Leighton Buzzard Transport Interchange

Land Searches have been undertaken to determine the land ownership within the station forecourt. Assets will undertake the negotiation process to acquire this land. There has been a recent planning application by the land owners to turn the derelict land into a public car park, discussions are now taking place with Network Rail to determine their preference with regards to this but it would have major implications for any Interchange facilities. There is a meeting between CBC and Network Rail in February 2015 to discuss the whole project.

18. **Countryside Access**

After completing development work, a Parks for People bid for £2.2M of funding towards the restoration and improvement of Houghton Hall Park in Houghton Regis has been successful with work on this project due to commence in Spring 2015.

The construction of an extension to the car park at Houghton Hall Park has been completed. The extended car park will be jointly used by Whitbreads bringing in income to financially sustain the park.

£100K was paid to the Shuttleworth Trust as match funding towards the delivery of the £2.6M Stage 2 Heritage Lottery funded improvements to the Swiss Garden.

Outdoor Access and Greenspace Improvement Projects: achievements have been delivered including completion of the bridleway road crossings at Stoke Road and Soulbury Road, Leighton Buzzard and completion of the new Biggleswade cycle path to the west of the A1.

19. Leisure

The Leisure Capital Programme is well underway with significant improvements now being enjoyed by the public including improvements to Tiddenfoot Leisure Centre, new football facilities at Flitwick and Stotfold and the reopening of 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.

Flitwick Leisure Centre redevelopment started on site 18 November 2015 and the foundations are near completion in readiness for the steel frame.

At Dunstable Leisure Centre, investment was considered as part of the Draft Capital Programme by Executive in January 2015 and should budget be approved by Council in February, then the redevelopment of the leisure centre and library will proceed with a view to completion in 2017.

20. Libraries

Leighton Buzzard Library and Theatre will be closed from 1-10 February for refurbishment of the bar and box office and the installation of modern theatre lighting. The tender for the lighting contract has been awarded.

The tender for work on Biggleswade, Flitwick, Ampthill and Potton Libraries will be finalised in January.

21. Environmental Services - Waste

Waste Infrastructure Grant

This scheme has been moved to the 2015/16 financial year during the recent MTFP Capital Budget planning.

Sundon Landfill Restoration

The soil element of the restoration is progressing with over half of the area completed and seeding underway. Procurements for grass cutting, fencing and tree planting will commence this financial year.

Enhanced Waste Solution

This work consists of two projects; HWRC remodelling and facilities at Thorn Turn, Both Projects are currently in the detailed design phase with the HWRC project currently further ahead of Thorn Turn, hence the greater spend this financial year. For both projects the bulk of the costs are attributable to construction and the majority of construction costs will occur in 2015/16.

As our waste solution has developed a reduction in spend of £7.6M is forecast vs. budget.

Regeneration & Business Support

22. The forecast outturn is a variance to budget of £1.2M (gross), of which £1.0M is proposed to be deferred to 2015/16. The main projects with proposed deferred spend are Dunstable Town Centre Regeneration Phase 2 (£0.55M) and Cranfield Technology park at £0.3M.

The table 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	1,899	151	0	151
Dunstable Town Centre Regeneration Phase 2	684	30	(654)	(550)	(104)
Local Flood Defence Scheme	466	275	(191)	0	(191)
Other	511	30	(481)	(481)	0
Total	3,409	2,234	(1,175)	(1,031)	(144)
% of Budget		65.5%			

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	0	(11)	0	(11)
Dunstable Town Centre Regeneration Phase 2	684	30	(654)	(550)	(104)
Local Flood Defence Scheme	466	275	(191)	0	(191)
Other	211	30	(181)	(481)	300
Total	1,372	335	(1,037)	(1,031)	(6)
% of Budget		24.4%			

23. **Local Flood Defence**

The following schemes are complete or nearing completion

- Removal of vegetation on CBC land adjacent to the Clipstone Brook, Leighton Buzzard (£21K).
- Prevention of erosion on the River Ivel at Biggleswade (£27.5K).
- Improved drainage at Rushmere Park near Stockgrove (£45K).
- Prevention of highway flooding at Grovebury Road, Leighton Buzzard (£100K).
- Installation of a footbridge at Pix Brook, Arlesey (£22K).

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

Compensation payments are due to be paid out for all properties purchased to date. There is one remaining property and negotiations continue on this.

25. **Broadband**

The Broadband project is the Regeneration and Business Directorate's largest capital project. Following a slow start the project is now spending to profile, with significant acceleration planned for Q4 of 2014/15. To the end of P9 just over £325K capital has been spent and over 4,000 premises in Central Bedfordshire have received superfast broadband infrastructure. This covers parts of Ampthill and Cranfield. A total of 21 cabinets has also been installed. In total the project has enabled almost 10,000 premises to receive superfast broadband across Central Bedfordshire, Milton Keynes and Bedford, with Central Bedfordshire Council being the accountable body for the project.

It is anticipated that just under £1.9M will be spent by the end of 2014/15. In the coming months areas set to receive superfast broadband include Leighton Buzzard, Dunstable, Pottton and Whipsnade. Details on the superfast broadband project roll out and phasing can be found at: www.centralbedfordshire.gov.uk/broadband.

Improvement & Corporate Services

26. The overall forecast outturn for ICS Capital is below budget by £1.6M. Proposed deferred spend is £1.8M

The table below highlights the areas of spend

Improvement & Corporate Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross/Net Budget £k	Gross/Net Forecast £k	Variance £k	Deferred Spend £k	Over / (Under) spend £k
Assets	7,905	6,733	(1,172)	(1,172)	0
Information Assets	3,528	3,160	(368)	(622)	254
Others	238	225	(13)	0	(13)
Total	11,671	10,118	(1,553)	(1,794)	241

% of Budget

86.7%

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

27. Assets

The current net capital programme for Assets is £7.9M. 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 (£1.0M), Stratton Phase 4 Access (£750K), Acquisition of land in Leighton Buzzard (£640K), and Local Development Framework (LDF) related costs (£640K).

28. The forecast outturn position for Assets is currently £6.733M. It is expected that there will be deferral of spend to 2015/16 of £382K for the Ivel Medical Centre due to the delay in finalising the terms of the agreement of the lease in particular the personal liabilities of the doctors as tenant. There is also £590K of costs for Stratton Phase 4 expected to be incurred in 2015/16.

This is due to reconsideration of the approach to deal with the requirements of the existing occupants, infrastructure and future marketing of the site. Progress on the Thorn Turn project is dependent upon the re-design of the site and so costs of £150K have also been deferred. There has been a slight delay in the delivery of the TFCloud Asset system causing a slippage of £50K.

29. IT

The current net capital programme for IT is £3.528M. The major projects are 2014/15 ICT Strategic Investment (£342K), Customer First Phase 2 (£622K), PSN Re-Architecture Phase 2 (£500K) & IT Infrastructure Rolling Programme 2014/15 (£500K). The forecast outturn position for IT is currently expected to be an underspend of £368K against budget

30. Of the £3.528M budget in IT there is £622K of cost expected to be incurred in future financial years. Delays to the Customer First Phase 1 project have resulted in a subsequent delay to the Customer First Phase 2 project and so the capital budget for Phase 2 will be deferred to 2015/16.

31. There is a £256K 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. **Other ICS Projects**
These are currently forecast to be broadly on budget.

CAPITAL RECEIPTS

33. The overall budget for Capital receipts is £7.450M. The current forecast is £1.404M based on the latest update from the disposals list. The sale of Chiltern Lodge completed in December (£265K receipt). The Duck Lane Conveniences, Woburn (£250K receipt) remain a challenging disposal due to the boundary dispute with the neighbour. The land Registration adjudication process is still being followed in order to resolve this, alongside a negotiated settlement. Preparations for the auction sale of Kennel Farm House (£225K receipt) in late February 2015 are progressing well.
34. The burial ground sale at Flitwick (£49K receipt) is also challenging due to Flitwick's Town Council's requirements to alter the terms of the sale during the drafting of sale documentation.
35. The Trunk Road Service Area deposit (£10K receipt) has been delayed but it will still be received before year end. The sale of land adjacent Maulden Rd Ind. Est. (£10K receipt) is now unlikely to proceed and the grant of rights at Sunderland Rd Sandy is being brought forward as a replacement sale. Work continues to identify disposals of outlying parcels of land and redundant/underutilised buildings on the Farm Estate.

CONCLUSION

36. The budget for 2014/15 (including proposed deferred spend) is significantly higher than the levels of gross spend achieved over the past years (£72.3M in 2013/14 and £64.4M in 2012/13). The forecast as at December 2014 is to spend £91.9M. Year to date spend last year was £48M compared to £60.3M this year.
- The run rate of spend in 2015/16 strongly indicates that spend this year will be significantly greater than in previous years.

Appendix B – Variances >£0.5M

Directorate	Sub Type	Scheme Title	Total 2014/15 Budget				Full Year Forecast as at P9				Variance			Slippage to 2015/16			(Under) Over Spend		
			Gross Expenditure	External Funding	Net Expenditure		Gross Expenditure F00	External Funding F00	Net Expenditure F00		Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure
Children's Services		Schools Capital Maintenance	£'000 3,368	£'000 (3,368)	£'000 0		4,200	£'000 (4,200)	£'000 0		£'000 832	£'000 (832)	£'000 0	£'000 0	£'000 0	£'000 0	£'000 832	£'000 (832)	£'000 0
Children's Services		New School Places	20,201	(20,201)	0		21,079	(21,079)	0		878	(878)	0	0	0	0	878	(878)	0
Children's Services		Universal Infant Free School Meals	0	0	0		524	(524)	0		524	(524)	0	0	0	0	524	(524)	0
Community Services	Leisure	Leisure Strategy / Implementation Invest to Save Project	2,683	0	2,683		1,667	(153)	1,514		(1,016)	(153)	(1,169)	1,017	50	1,067	1	(103)	(102)
Community Services	Transport	Luton Dunstable Busway	1,960	0	1,960		0	0	0		(1,960)	0	(1,960)	1,960	0	1,960	0	0	0
Community Services	Transport	Section 278 Schemes	0	0	0		500	(500)	0		500	(500)	0	0	0	0	500	(500)	0
Community Services	Transport	Woodside Link	16,062	(3,372)	12,690		7,845	(3,309)	4,536		(8,217)	63	(8,154)	8,217	(63)	8,154	0	0	0
Community Services	Environmental Improvement & Assets	Enhanced Waste Disposal Facilities (includes BEaR)	10,000	0	10,000		425	0	425		(9,575)	0	(9,575)	2,000	0	2,000	(7,575)	0	(7,575)
Corporate Services		Stratton Phase 4 Access	750	0	750		160	0	160		(590)	0	(590)	590	0	590	0	0	0
Corporate Services	Improvement & IT	Customer First Phase 2	622	0	622		0	0	0		(622)	0	(622)	622	0	622	0	0	0
Corporate Services	Regeneration	Dunstable Town Centre Regeneration Phase 2	684	0	684		30	0	30		(654)	0	(654)	550	0	550	(104)	0	(104)
Social Care, Health & Housing		Disabled Facilities Grants Scheme	2,700	(588)	2,112		2,100	(710)	1,390		(600)	(122)	(722)	0	0	0	(600)	(122)	(722)
Social Care, Health & Housing		Review of Accommodation/Day Support, "New Approaches to Outcome"	1,089	(1,089)	0		0	0	0		(1,089)	1,089	0	1,089	(1,089)	0	0	0	0