

---

## September 2017 Q2 Capital Budget Monitoring Forecast Outturn Report

Report of Cllr Richard Wenham, Deputy Leader and Executive Member  
for Corporate Resources ([cldr.richard.wenham@centralbedfordshire.gov.uk](mailto:cldr.richard.wenham@centralbedfordshire.gov.uk))

Advising Officers: Charles Warboys, Director of Resources & S151 Officer  
([charles.warboys@centralbedfordshire.gov.uk](mailto:charles.warboys@centralbedfordshire.gov.uk))

**This report relates to a Non Key Decision**

---

### Purpose of this report

1. The report sets out the Capital forecast outturn for 2017/18 as at the end of September 2017. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.

### RECOMMENDATIONS

The Executive is asked to:

1. **Note that the gross forecast outturn of £96.8M, excluding HRA but including deferred spend from 2016/17, is below the approved budget by £13.9M (£3.7M below last year against a higher budget of £132.6M).**
2. **Note that the net forecast is £3.7M below budget (£2.4M below budget at the same stage last year).**

### BACKGROUND INFORMATION:

2. This report is based on the 2017/18 budget approved by Council at its 23<sup>rd</sup> February 2017 meeting. The reported budget also includes deferred spend from 2016/17 which was approved under delegated authority and subsequently approved by the Executive on the 20<sup>th</sup> June 2017. The reported budget includes a further £8M approved at Council in July 2016 for Strategic Acquisitions. The approved budget excluding HRA and including deferred spend from 2016/17 is £110.7M (gross).

**ISSUES:** None

**FINANCIAL AND OTHER OPTIONS:** These are covered in the report

### 3. **Forecast Outturn**

#### **Principal variances**

- i) Regeneration and Business Support are forecasting to be below budget by £10.6M (gross) and £2M (net). This primarily relates to the M1-A6 scheme, at present the forecast only reflects the confirmed funding.
- ii) Community Services are forecasting to be below budget by £3.8M (net). There are a number of schemes that this relates to, however the most significant are : Biggleswade property regeneration (Century House) where £0.9M is forecast deferred spend, Crematorium forecast deferred spend of £1.6M, Depot and salt barn North forecast deferred spend of £3.1M, CCTV forecast deferred spend of £0.5M and New car parks forecast deferred spend of £0.6M. This is partially offset by a forecast £3M external funding deferred for Flitwick Leisure Centre redevelopment.
- iii) The entire £8.0M strategic acquisitions budget is forecast to be spent in 2017/18. There are no current projects being worked on.
- iv) Social Care, Health and Housing are forecasting to be below budget by £3.8M (gross) and £1.4M (net). The Review of Accommodation/ Day support scheme is forecast to be over budget by £0.124M due to rephasing of the project, whilst the NHS Campus Closure scheme is forecast to be below budget by £0.143M (net) due to delays in production of a scheme outline.
- v) Children's Services are forecasting to be above budget by £4.2M (gross) and on budget (net). The increased expenditure is funded wholly by grant and S106 receipts and is as a result of the annual review of projects within the New School Places programme.

#### **Year to Date (YTD)**

- vi) YTD Gross Spend is £12.3M below budget (£12.4M below budget last year). Actual spend is £26.1M (last year was £41.1M).

#### **Capital Receipts**

- vii) The overall budget for Capital receipts is £12.0M.
- viii) To date we have received £16.6M (net).
- ix) The forecast is £46.7M gross (subject to costs and disaggregation).

ii) A summary of the position is in the table below.

Directorate	Year to Date P06			Full Year 2017/18			Year to Date P06			Full Year 2017/18		
	Gross Budget	Gross Actual	Gross Variance	Gross Budget	Gross Forecast	Gross Variance	Net Budget	Net Actual	Net Variance	Net Budget	Net Forecast	Net Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
CS	8.0	8.3	0.4	13.1	17.2	4.2	0.2	0.2	(0.1)	0.5	0.5	(0.0)
Community Service	21.5	14.4	(7.1)	66.8	63.0	(3.7)	11.9	7.1	(4.9)	42.4	46.2	3.8
Chief Executive's	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regeneration	7.6	2.5	(5.1)	19.8	9.2	(10.5)	2.9	(0.1)	(3.0)	9.7	3.4	(6.2)
ASCHH	1.4	0.9	(0.5)	11.1	7.3	(3.8)	0.7	(0.6)	(1.4)	6.8	5.4	(1.4)
<b>Total Exc HRA</b>	<b>38.4</b>	<b>26.1</b>	<b>(12.3)</b>	<b>110.7</b>	<b>96.8</b>	<b>(13.9)</b>	<b>15.8</b>	<b>6.4</b>	<b>(9.3)</b>	<b>59.4</b>	<b>55.6</b>	<b>(3.7)</b>

(Note: Any minor rounding differences are due to linking to detailed appendices)

### Reasons for decision

- To complete schemes currently underway and facilitate effective financial management and planning.

### 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 6 Council priorities.

### Corporate Implications

### Legal Implications

- None.

### Financial Implications

- The financial Implications are contained in the report.

### Equalities Implications

- Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and Members were advised of significant equality implications relating to the budget proposals when setting the Council's Budget in February 2017.

### Appendices

Appendix A – Detailed Directorate Commentary

## Appendix A - DIRECTORATE COMMENTARY

### Social Care Health and Housing

1. The directorate outturn forecast is under gross budget by £3.8M and under net budget by £1.4M.
2. The tables below highlight the areas of spend:

SCHH Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Disabled Facilities Grants Scheme	2,453	1,829	(624)	300	(324)
Empty Homes	210	210	0	0	0
Renewal Assistance	386	285	(101)	101	0
Additional Gypsy and Traveller Sites	1,770	617	(1,153)	1,153	0
MANOP Care Home Reprovision	1,026	1,026	0	0	0
MANOP Non-HRA Extra Care Schemes	2,550	2,550	0	0	0
NHS Campus Closure	517	0	(517)	517	0
Adult Social Care ICT Projects	280	280	0	0	0
Review of Accommodation/Day Support, "New Approaches to Outcome"	1,906	477	(1,429)	1,429	0
Better Care Fund Capital Grant	0	0	0	0	0
<b>Total</b>	<b>11,098</b>	<b>7,274</b>	<b>(3,824)</b>	<b>3,500</b>	<b>(324)</b>
<b>% of Budget</b>		<b>65.5%</b>			

SCHH Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Disabled Facilities Grants Scheme	1,785	1,185	(600)	300	(300)
Empty Homes	200	200	0	0	0
Renewal Assistance	286	250	(36)	36	0
Additional Gypsy and Traveller Sites	870	167	(703)	703	0
MANOP Care Home Reprovision	1,026	1,026	0	0	0
MANOP Non-HRA Extra Care Schemes	2,550	2,550	0	0	0
NHS Campus Closure	143	0	(143)	143	0
Adult Social Care ICT Projects	68	68	0	0	0
Social Care Single Capital Pot	0	0	0	0	0
Review of Accommodation/Day Support, "New Approaches to Outcome"	(124)	0	124	(124)	0
Better Care Fund Capital Grant	0	0	0	0	0
<b>Total</b>	<b>6,804</b>	<b>5,446</b>	<b>(1,358)</b>	<b>1,058</b>	<b>(300)</b>
<b>% of Budget</b>		<b>80.0%</b>			

### Housing General Fund (GF)

3. The grants provided to residents through the **Disabled Facility Grant** 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 Disabled Facilities Grants (DFGs) and the number completed are reported on a quarterly basis. The table below provides details for quarter 2 2017/18 compared to the same period last year. There was a decrease in the number of adaptations completed.

Type of adaptation	Total Q2 16/17	Total Q2 17/18
Level access shower/wet room	67	29
Straight stair lift	16	5
Curved stair lift	12	12
Toilet alterations	18	16
Access ramps	14	7
Dropped kerb and hard standing	0	0
Wheelchair/step lift	3	0
Through floor lift	3	3
Major extension	6	1
Kitchen alterations	5	2
Access alterations (doors etc)	25	14
Heating improvements	2	4
Garage conversions/minor additions	3	5
Safety repairs/improvements	5	2
Other	12	18
<b>Total</b>	<b>191</b>	<b>118</b>

5. There have been 124 referrals to Housing in the year to date, an average of 21 per month, compared with 171 referrals at an average of 29 per month for the same period in 2016/17. As a result £0.659M of grant payments have been made to date. If this rate continues for the rest of the year this would result in a total of 248 referrals.

OT Referrals at September 2017							
Previous years							
2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
367	606	508	533	437	343	329	305
Current Year 2017/18							
Apr	May	Jun	Jul	Aug	Sep		
26	22	16	19	16	25		
Referrals YTD		124					
Referrals FYF		248					
Referrals Average		21					

6. Requests for OT Assessments provide a further indication of demand. In the year to date there have been 367 referral requests (305 to September 2016/17). At the end of September the waiting list decreased to 160 from 166 at the end of August. The extent to which these convert into DFG referrals will be closely monitored.

7. Having regard to all matters considered above, gross expenditure is forecast to outturn at £1.829M, an underspend of £0.3M and proposed slippage of £0.3M. This is a result of many complex cases that require additional discussions with OT colleagues. There are additional requirements for Officers to complete, including Asbestos reports for each case and Construction (Design and Management) Regulations 2015 Risk Assessments, which require client consent. There is also a downward trend in demand for DFG's since 2012/13, potentially due to the more robust approach taken by Occupational Therapists in recent years.
8. Income is mainly from the Better Care Fund and is forecast to outturn at £0.644M. In the current year funding is significantly higher than anticipated, at £1.445M; the Council is receiving national guidance on how to use this funding differently alongside DFG's. The additional income (£0.861M) has been transferred to the Better Care Fund Capital project.
9. Having regard for demographic changes and the ageing population, the main way to reduce the need for DFG's is through the delivery of accessible homes (in all housing tenures) through future development.
10. The **Renewals Assistance** programme includes Safety Security Emergency Repair assistance, which is an "emergency" type of assistance for the most vulnerable households, for example dangerous wiring, a condemned boiler, etc.
11. Home Improvement Assistance will remedy hazardous and/or non decent homes occupied by vulnerable households, for example leaking roofs, rotten windows and defective heating systems. Most defects remedied would in all likelihood have affected the health of occupants.
12. Most Renewals Assistance is provided as Loan Assistance. The repayment of Loan Assistance is on change of ownership of the property that has been improved with such assistance.
13. The net Renewals budget of £0.286M includes slippage from 2016/17 of £0.086M. Current forecasts suggest an outturn of £0.25M with proposed slippage of £0.036M. However this could change significantly if the recent bid for the Government Warm Homes funding is successful.
14. Expenditure on **Empty Homes** relates to Empty Dwelling Management Orders (EDMOs) and Empty Homes Loans. A number of Empty Homes loans are being considered for long term empty homes. Empty Homes Loan assistance is an alternative for owners of empty homes willing to work with the Council. There are 30 Empty Homes Loan cases at enquiry stage and 10 approved and in progress.
15. Work has completed on one EDMO property in Leighton Buzzard and the property is housing UASC following discussions with Children's Services.
16. There is action to progress one further EDMO at this stage but the level of interest for loan assistance from owners of various properties in Dunstable town centre far exceeds current budget. The Reserve of a further £0.2M is likely to be needed in 2017/18 but this will depend on how these projects progress. The

Empty Homes Programme is forecast to outturn on budget of £0.2M, if new projects progress it is possible the reserve may be required.

17. In December 2016 Executive approved a Compulsory Purchase Order (CPO) in respect of a long term empty property, which would have been renovated and sold at a higher value to cover purchase, renovation, compensation, and legal costs. The current owner is, however, now beginning to sell the property so the intention is to take further recommendations to Executive for CPO of other long term and complex empty properties. If the sale is delayed, the CPO will be progressed.
18. A full planning application for a new **Gypsy and Traveller site** was approved at the June 2016 Development Management Committee meeting; the decision was referred to DCLG and final notification of granting of planning permission was received in July 2016. This approval will provide for a new site at Biggleswade South (12 pitches). This will be part funded by the General Fund and Homes and Communities Agency (HCA) financial contributions.
19. The proposal for additional funding following the tendering process was put forward to Executive in June 2017 and has been approved for an additional £0.195M of funding. The current net Gypsy and Traveller site forecasts suggest an outturn at £0.167M with proposed slippage into 2018/19 of £0.703M; this is due to a delay in the planning process and a revised start on site date of October 2017.

### **Health and Social Care**

20. There is a residual budget of £0.143M for the **NHS Campus Closure programme**. There is no plan for a further project as this would be contingent on the release of capital receipts by NHS PropCo to ensure that the Programme remains 100% externally funded. Slippage of £0.143M is reported on the remaining budget.
21. The **Adult Social Care ICT** budget will part-fund procurement of a new Adult Social Care case management system. A business case has been developed by the Directorate and was approved at CMT in May 2017. It is estimated that further additional funding from corporate IT budgets of £1.7M will be required to deliver the project.
22. The **Review of Accommodation/Day Support** project includes provision for capital costs arising from the Adult Social Care Transformation Programme as well as funding for fabric and furniture within the residential homes for older people, capital enhancements to those homes and repairs to extend the useful life of boilers and lifts. The budget for this project has been re-profiled to align with the Transformation Programme.
23. Additional capital grant of £0.861M has been provided in 2017/18 through the DFG route to allow authorities to invest in broader strategic capital projects allied to the **Better Care Fund (BCF)** plan. There are also brought forward capital grants of £1.1M with the same purpose. Further work to determine the use of this funding will take place through the BCF Programme Delivery Team including the development of a business case.

24. In respect of care home re-provision the current budget includes slippage of £1M to support the acquisition of a site in West Mid Beds to facilitate the replacement of capacity in the Ferndale Older Persons Home (OPH) and a smaller amount in respect of Westlands where a replacement site was acquired in 2016 but where further expenditure will be required to bring this site forward in 2017. Expenditure on the Non-HRA Extra Care Schemes planned for 2017/18 includes slippage of £0.05M in respect of professional fees in bringing forward a scheme for Ivel Valley (Sorrel Way, Biggleswade) where a planning application is currently being considered. A further £2.5M is allocated in respect of a scheme for West Mid Beds and the feasibility work is under way in respect of two site options with a decision on the preferred option in late Q2 / early Q3 of 2017/18. Some expenditure will be needed to complete this work and it is envisaged that a full business case would follow once a preferred option had been agreed. The **MANOP** Programme is currently forecast on budget.

### **Children's Services**

25. The directorate outturn forecast is £17.2M, above budget by £4.2M (gross) and on budget (net). The increased expenditure is funded wholly by grant and S106 receipts and as a result of the annual review of projects within the New School Places programme.
26. All but two projects within Children's Services Schools Access and Temporary Accommodation are funded wholly by grant receipts that have no expenditure deadline.
27. The table below highlights the areas of spend:

<b>Children's Services Full Year Gross Budget and Forecast</b>					
<b>Scheme Categories</b>	<b>Gross Budget</b>	<b>Gross Forecast</b>	<b>Variance</b>	<b>Deferred Spend</b>	<b>Over / (Under) spend</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
New School Places	10,094	14,068	3,974	0	3,974
Schools Capital Maintenance	2,000	2,160	160	0	160
Schools Devolved Formula Capital	450	450	0	0	0
Special Schools Provision	0	20	20	0	20
Temporary Accommodation	360	360	0	0	0
Schools Access Initiative	180	180	0	0	0
LPSA & LAA Grant payout	0	0	0	0	0
2 year old entitlement grant	0	0	0	0	0
<b>Total</b>	<b>13,084</b>	<b>17,238</b>	<b>4,154</b>	<b>0</b>	<b>4,154</b>
% of Budget		<b>131.7%</b>			



Children's Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
New School Places	0	0	0	0	0
Schools Capital Maintenance	0	0	0	0	0
Schools Devolved Formula Capital	0	0	0	0	0
Special Schools Provision	0	0	0	0	0
Temporary Accomodation	360	360	0	0	0
Schools Access Initiative	180	178	(2)	0	(2)
LPSA & LAA Grant payout	0	0	0	0	0
2 year old entitlement grant	0	0	0	0	0
<b>Total</b>	<b>540</b>	<b>538</b>	<b>(2)</b>	<b>0</b>	<b>(2)</b>
% of Budget		99.6%			

### New School Places (NSP)

28. This programme provides the capital investment to deliver new school places required by population growth in areas of limited surplus capacity within our schools. The Council's School Organisation Plan is the evidence base that supports the commissioning of these new school places over a rolling five year period. The programme is funded by a combination of sources including Department for Education basic need grant, developer contributions and Council borrowings and capital receipts.
29. The rolling five year programme is dynamic with perpetual changes in forecasts of income and expenditure across financial years including those arising from variances in S106 totals and trigger points and in the timing and therefore cost profile of many projects.
30. In March 2017 the Council approved the programme for 2017/18 to 2020/21 with gross expenditure of:
- £10M (net nil ) in 2017/18
  - £12.5M (net nil) in 2018/19
  - £37.5M (£15M net) in 2019/20
  - £11M (net nil) in 2020/21
31. The forecasts on income and expenditure across 2017/18 to 2020/21 that were provided to inform the MTFP were taken from a snapshot of the programme's expenditure and income profile as at September 2016.
32. The revised forecast for the NSP programme for 2017/18 is gross expenditure of:
- £14.1M (net nil) in 2017/18
  - £4M (net nil) in 2018/19
  - £8.5M (net nil) 2019/20
  - £12.3M (net nil) in 2020/21.

33. This is as a result of additions to the programme and re-profiling of costs for expansions at Arnold Arnold Academy, Church End Lower Phase 2, Henlow CofE Academy, Holywell Middle and Leighton Middle. Other projects such as Clipstone Brook Lower, Roecroft Lower and Silsoe Lower have been re-profiled by the Project Manager and the forecast expenditure has decreased slightly.
34. The 2017/18 NSP programme includes expenditure on 16 separate capital projects, most of which span more than a single financial year.
35. These projects include the provision of 1,500 new lower school places, 720 new middle school places and 285 new upper school places as expansions to existing schools or new school sites.
36. These places have been commissioned to serve the communities of Ampthill, Fairfield, Flitwick, Biggleswade, Barton, Cranfield, Henlow, Leighton Linlade, Marston, Shefford, Silsoe and Stotfold.
37. All of the Council's New School Places are commissioned from Ofsted Good and Outstanding schools and academies. All of these new places have been provided local to the area of demographic demand where possible, ensuring a sense of community belonging, supporting community use and promoting sustainable modes of transport. The addition of these new places as expansions to existing schools ensures their financial and therefore educational viability. All have been briefed and designed by Council officers and school leaders to provide teaching and non teaching school facilities that are recommended by DfE guidance and complement good and outstanding teaching.

### **Schools Capital Maintenance**

38. This rolling programme is externally funded by a Department for Education (DfE) grant but does require schools to contribute to the cost of works, as set out in a formula contained within the Central Bedfordshire Council's Scheme for Financing Schools. These contributions are invoiced once planned works are complete. The contributions agreed to date indicate that income from schools contributions will be circa £0.153M in 2017/18.
39. In April 2017 the DfE announced the 2017/18 allocation of school condition funding to the Council for strategic capital maintenance of its school buildings. The allocation for 2017/18 is £2M. In addition to the grant, £0.2M unallocated funds from 2016/17 are to be utilised, making a total budget of £2.2M for the 2017/18 Schools Capital Maintenance Programme.
40. The schools capital maintenance programme for 2017/18 is funding projects including kitchen ventilation; roof repairs; boiler and heating replacement; lighting; fire alarms and renewal of electrical distribution boards.
41. The results of the Councils schools condition surveys in 2015 and the multi year indicative allocation of the DfE grant have enabled a five year programme of works to be developed, improving the ability to prioritise and communicate those priorities to schools for their own asset management planning.
42. Seven projects are now complete and remaining projects are on site and

progressing to programme, with the majority arranged to be complete in October half term. Two projects are on hold pending agreement of the schools' contribution (Leedon Lower and Shelton Lower).

### **School Devolved Formula Capital**

43. The allocation to Schools is for use on capital condition / improvement works on their buildings in line with the priorities in their School Improvement Plan. The schools have three years to spend the grant.
44. The forecast gross expenditure for 2017/18 is £0.45M.

### **Temporary Accommodation**

45. The primary purpose of the Council's temporary accommodation programme is to meet either short term needs at schools where there is a small, or temporary rise in numbers which cannot be physically accommodated through alternative means, but for which an alternative funding stream, e.g. S106 capital investment/Basic Need grant is unavailable and/or where this results in the need for organisational changes in structure to meet Key Stage 1 class size legislation.
46. The secondary purpose of the programme is to replace temporary accommodation, which is reaching the end of its design life, with permanent build to meet a permanent need for places.
47. The capital budget allocation for 2017/18 is £0.38M which is forecast to be fully utilised on the replacement of temporary accommodation which has reached its design life with permanent build. The programme is currently being finalised, based on condition survey data. Funding of £0.052M has been allocated to the permanent build to replace temporary accommodation at Dunton School.

### **School Access Initiative**

48. Central Bedfordshire Council provides capital funding to enable pupils with disabilities access to mainstream education. All Central Bedfordshire maintained schools (with the exception of Voluntary Aided Schools and Academies who access funding through an alternative mechanism) can apply for funding on an application basis. In exceptional circumstances where an EHC Plan has named an academy or VA school an application may be considered. The application must be based on the specific needs of a child who has been, or is due to be, admitted to that school. Applications are assessed by a Panel, comprising of Council officers and representatives from Central Bedfordshire Special Schools, who sit in April and October of each financial year. Funding is awarded on a priority basis, as identified in the Council's Accessibility Strategy.
49. The budget allocation for 2017/18 is £180k and is forecast to be fully utilised. Demand has been high again this year and the majority of funding (£145k) was allocated at the first Panel meeting on 25 April 2017. The second and final Panel took place on the 3 October 2017.

## **Community Services**

50. The directorate forecast outturn is below budget by £3.743M (gross) and above budget by £3.840M (net). In addition, the Information Technology (IT) budget of £3.5M is forecast to be spent in full.

51. The table below highlights the areas of spend.

<b>Community Services Full Year Gross Budget and Forecast</b>					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	18,201	15,555	(2,646)	3,561	915
Environmental Services	4,895	959	(3,936)	477	(3,459)
Libraries	0	0	0	0	0
Leisure	7,008	10,612	3,604	(3,521)	83
Transport	33,180	32,415	(765)	7,709	6,944
IT	3,500	3,500	0	0	0
<b>Total</b>	<b>66,784</b>	<b>63,041</b>	<b>(3,743)</b>	<b>8,226</b>	<b>4,483</b>
<b>% of Budget</b>		<b>94.4%</b>			

<b>Community Services Full Year Net Budget and Forecast</b>					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	18,201	14,934	(3,267)	3,561	294
Environmental Services	4,400	653	(3,747)	477	(3,270)
Libraries	0	0	0	0	0
Leisure	2,947	9,504	6,557	(6,558)	(1)
Transport	13,322	17,619	4,297	3,333	7,630
IT	3,500	3,500	0	0	0
<b>Total</b>	<b>42,370</b>	<b>46,210</b>	<b>3,840</b>	<b>813</b>	<b>4,653</b>
<b>% of Budget</b>		<b>109.1%</b>			

### **Assets**

52. The major projects are;

- CBC Built Asset Programme (£2.705M),
- Thorn Turn Infrastructure (£0.901M),
- Enhancement work for disposals (£0.641M),
- Strategic Acquisitions (£8.151M),
- Energy Efficiency Improvement (0.378M),
- Farm Compliance (£0.563M),
- Westbury Phase 2 Industrial Units (£0.8M),
- Biggleswade Property Regeneration (£1M),
- Working Smarter (£0.318M),
- the new Crematorium (£2M),
- and Car Parks (£0.65M)

53. The forecast outturn position for Assets is £14.934M. There is total slippage of £3.561M as detailed below:-
- £1.728M for the crematorium where various options are being assessed and it is unlikely that it will be on site this financial year.
  - Similarly there is a deferral of £0.94M for the Biggleswade Property Regeneration where feasibility options are likely to commence in the final quarter of the current year.
  - £0.59M for car parks where a feasibility study and options appraisal is to be undertaken.
  - A forecast overspend of £0.294M on the Stratton scheme due to payment to Highways England for the A1 Biggleswade junction improvements, however there will be compensating income from the sale.
54. The year to date variance in Assets Capital is an overspend of £0.452M.

### **Environmental Services**

55. Environmental Services are forecasting a £3.747M underspend.
- Thorn Turn Waste park is forecasting an underspend of £3.153M, however this is offset by a corresponding overspend in Transport on the south depot as the projects have been combined.
  - Sundon / Bluewater landfill sites are forecasting a £0.05M underspend due to a reduction in works on site this year.
  - CCTV is forecasting £0.482M to slip into the next financial year, this is due to the majority of both the tendering process and the procurement being due to take place by the end of the current financial year, whilst the expenditure will fall into early 2018/19.

### **Leisure**

56. Leisure are forecasting a £6.557M variance over budget, this is due to the external funding of £3.037M for the old Flitwick leisure centre now not expected until the next financial year following the late decision to consider the site for an independent living scheme. Dunstable Leisure Centre is showing a £3.521M overspend as funding is being brought forward from 2018/19 as programme indicates work will have progressed more than budgeted for this financial year.

### **Transport**

57. Transport is forecasting a £3.397M net variance over budget. This is due to an overspend of £2.735M and £0.662M of net expenditure being brought forward from 2018/19.

- The overspend relates to the South Depot which is overspending by £3.545M, this is to be offset by underspends against the Waste Park of £3.153M as the projects have been combined.
- The brought forward figure of £0.662M relates to the following:
  - Woodside Link is forecasting £0.607M of additional costs which have been brought forward to this year along with income of £2.095M which is now not expected until next year.
  - Luton and Dunstable Busway is slipping £1M which is being held for possible compensation payments which can take up to 7 years to materialise.
  - North Depot is slipping £1.759M where work will continue until 18/19 and £0.081M for the A421-M1 scheme. The A421-M1 dualling will be reviewed once the DfT business case is submitted.

### Information Technology

58. The current net capital programme for IT is £3.5M. There are three major projects which are Digitisation (£2M), ICT Strategic Investment (£1M) & IT Infrastructure Rolling Programme (£0.5M).
59. The full year forecast for IT is currently on budget. There is not expected to be any overspend against a full year budget of £3.5M. There is also currently no proposed deferred budget to future years.

### Regeneration

60. The directorate forecast outturn is under gross budget by £10.526M and under net budget by £6.227M. Of this £8.865M gross and £6.058M net is proposed to slip to 2018/19. With a small net underspend forecast in 2017/18 (£0.169M).
61. The table below highlights the areas of spend:

Regeneration & Business Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Strategic Infrastructure	9,779	2,307	(7,472)	7,217	(255)
Other	9,990	6,936	(3,054)	1,648	(1,406)
<b>Total</b>	<b>19,769</b>	<b>9,243</b>	<b>(10,526)</b>	<b>8,865</b>	<b>(1,661)</b>
<b>% of Budget</b>		<b>46.8%</b>			

Regeneration & Business Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Strategic Infrastructure	5,804	210	(5,594)	5,589	(5)
Other	3,846	3,213	(633)	469	(164)
<b>Total</b>	<b>9,650</b>	<b>3,423</b>	<b>(6,227)</b>	<b>6,058</b>	<b>(169)</b>
<b>% of Budget</b>		<b>35.5%</b>			

62. The underspend relates to Dunstable A5/M1 Link Road Strategic Infrastructure where there is no anticipated spend this year.
63. The slippage relates to M1-A6 Phase 1 and 2 where £5.589M is forecast to slip, as the business case with DfT has yet to be signed off, costs for this year are only expected to be for the design.
64. Regeneration Other is forecasting an underspend variance of £0.633M, with £0.469M as a result of slippage into the next financial year.
65. The Local Broadband Infrastructure scheme has now completed but has underspent by £0.381M in accordance with the contractual terms any underspends will be slipped to future projects or repaid to BDUK.
66. Market Towns are forecasting slippage of £0.106M, due to the HSIS element not being as far forward as expected. The team are working with the architect, builders and shop owners to ensure individual works fall within budgets.
67. The underspend relates to Land Drainage work where the only project that was planned is now being taken forward by the Developer.