



Buckinghamshire County Council

Report

Cabinet Members for Planning & Transportation and Community Services

Date: 20 July 2001 **Decision to be taken on or after:** 26 July 2001

Title: **ALLOCATION OF 10% CAPITAL RECEIPTS** **CM Decision No:** PT 05/01

Author: Head of Business Support (01296 383107)

Electoral Divisions Affected: All

SUMMARY

To agree the allocation of funds from Environmental Services retained capital receipts.

RECOMMENDATION

The Cabinet Members responsible for P&T and Community Services are invited to **APPROVE** the allocation of funds from the Environmental Services retained capital receipts to meet cost over-runs on various highway schemes.

SUPPORTING INFORMATION

- 1 Following a decision made by the former Policy and Resources Committee an incentive scheme was created whereby service committees were allowed to retain 10% of the capital receipts resulting from the sale of surplus assets. The Leader of the Council has now signalled that the scheme should cease from 1 April 2001 and it is therefore appropriate to allocate the funds remaining unutilised. The Environmental Services share is some £1,361,600 of which £85,000 is ring fenced for country parks. A further report will be made to the Cabinet Member for Community Services on the detailed allocation of the £85,000. The amount available for allocation is therefore £1,276,600.
- 2 Over the past couple of years the Policy, Performance and Finance Panel of the former Environmental Services Committee received regular updates on Part 1 Claims under the Land Compensation Act 1973 in respect of the A413 Wendover Bypass. The original value of these claims exceeded £2.8m but the County Council's Land Agents, Bruton Knowles, have managed to settle at £1.1 million approximately.

- 3 When extra funding was originally sought to cover these claims the then Chairman of Policy and Resources Committee provided £400,000 from corporate resources in 2000/01 and suggested that the Committee's own retained receipts be used to fund the balance. The bulk of the claims were settled last year (some £200,000 still remains to be paid in 2001/02) and was the main reason for the over-run of £675,000. Approval to meet this sum from retained capital receipts is now sought.
- 4 The PPF Panel also received regular reports on a significant claim received from Mowlems, the contractors for the A421 Tingewick Bypass. In September 2000 the Panel was advised that Hyder, the Council's engineering consultants were evaluating the claim and that the process would be a lengthy one. The Panel accepted that an embargo be placed on the Committee's retained capital receipts until the position became clearer. The total value of the claims was some £2,670,000 which also covered measurement and additional items. Following a response from Hyder to the claim and also the intervention of the Cabinet Member for Planning and Transportation the claim has now been reduced to £1.4 million approximately. Some payments on account have been made and were the main cause of the cost over-run of £542,000 in 2000/2001. Approval to cover this sum from retained capital receipts is now sought.
- 5 The allocation of £675,000 to the A413 Wendover Bypass scheme and £542,000 to the A421 Tingewick Bypass scheme would leave approximately £60,000 remaining in the pot. It is recommended that this sum be applied to part fund cost over-runs resulting from contractors claims totalling £218,000 on the two A421 Great Horwood to Whaddon schemes. A further £75,000 funding can be achieved by the return to the pot of this sum from the original £100,000 approved for survey work on the A418 Wing Bypass. This scheme was delayed by the foot and mouth crisis in 2000/2001 and changes in the LTP rules taking effect this year allow this scheme to be funded by SCAs. The balance outstanding of £83,000 (£218,000 - £60,000 - £75,000) can be met from savings on the Blight Notice allocation for 2000/01.

Decision Taken:

Signed: _____ (Cabinet Member - Planning and Transportation)

Signed: _____ (Cabinet Member - Community Services)

Date: _____

Decision Not Taken:

Signed: _____ (Cabinet Member – Planning and Transportation)

Date: _____ (Cabinet Member – Community Services)

Reason : _____

Background Papers:

- Report to PPF Panel - 18 September 2000
- Report to PPF Panel - 1 June 2000
- Report to PPF Panel - 28 January 2000
- Report to PPF Panel - 17 November 1999

Representations

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

*If you have any views on this paper which you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Head of Cabinet Support by 5.00pm **Wednesday 25 July 2001**. This can be done by telephone (to 01296 382966), Fax (to 01296 383441), or e-mail to cabinet@buckscc.gov.uk*