



## Report to Cabinet

<b>Date:</b>	14 <sup>th</sup> November 2023
<b>Title:</b>	<b>Q2 Capital Budget Adjustments &amp; Reprofileing</b>
<b>Cabinet Member(s):</b>	<b>Cllr. John Chilver, Cabinet Member for Accessible Housing and Resources</b>
<b>Contact officer:</b>	<b>David Skinner, Service Director Finance and S151 Officer</b>
<b>Ward(s) affected:</b>	None
<b>Recommendations:</b>	<p><b>That Cabinet APPROVES the following Budget adjustments to the Capital Programme:</b></p> <ol style="list-style-type: none"><li><b>1. Addition of £5.908m to the programme for new externally funded ringfenced grants and S106 developer contributions.</b></li><li><b>2. Addition of £2.338m to the programme funded from Corporate Resources, to fund inflationary pressures or new spend on existing, priority projects.</b></li><li><b>3. Removal of £0.460m for projects which have completed or are no longer proceeding.</b></li><li><b>4. Reprofile of £24.335m from the current year into future years.</b></li></ol>
<b>Reason for decision:</b>	Changes to the Published Capital Programme require Cabinet approval, which are made via a quarterly update to Cabinet. The Capital Programme needs to be reprofiled to accurately reflect planned spend. There are also some additions and reductions to the programme which are recommended to accurately reflect the current status of projects.

## **1. Executive summary**

- 1.1 The Capital Programme for 2023-24 to 2026-27 was approved by Full Council in February 2023, with an expenditure budget of £505.9m. The programme was revised to £556.8m following additions agreed by Cabinet in July 2023.
- 1.2 The Council often receives ringfenced funding in-year from Government and Developers which are added to the programme in a supplementary budget change. Additionally, the programme is reviewed quarterly to check that the profiled spend remains realistic.
- 1.3 This paper sets out the recommended additions and reprofiling for Quarter 2, and also recommends 3 projects to be reduced or removed from the programme. These budget changes will ensure the programme remains realistic and deliverable, and releases budget for reinvestment.
- 1.4 The recommended changes will increase the 4-year Capital Programme to £582.6m by 2026-27 and will reduce the 2023-24 current year budget from £149.3m to £124.6m.

## **2. Recommended Additions to the Capital Programme**

- 2.1 There are £8.246m of recommended additions to the Capital Programme, which are detailed in Table 1 below. In summary:
  - £5.908m of new projects funded from external ringfenced funding - £2.567m for new or existing projects funded from ringfenced Government Grants and £3.341m for projects funded by ringfenced s.106 developer contributions. The conditions of this funding mean that it can only be spent on these specific projects.
  - £1.738m of additions made up of 2 existing projects are experiencing overspends due to inflationary pressures, the Biowaste Project and Hampden Memorial Chapel. The proposal is to fund these overspends from earmarked reserves (£1.738m); and
  - 1 priority project – CCTV control room upgrades £0.600m funded from a contribution from the RCCR (Revenue Contributions to Capital) reserve.

**Table 1: Recommended Additions to Capital Programme**

Portfolio	Project Group	Project Name	Exp. £k	Ring. Funding £k	Explanation
<b>Projects funded from Government Grants</b>					
<b>Planning &amp; Environment</b>	Climate Change & Environment	Refuse Collection Vehicle Electrification	578	(578)	Fully grant funded from DEFRA Air Quality Grant, received this year and contract in place.
<b>Transport</b>	Highways & Cycleway Funded Schemes	Active Travel Tranche 2 Emerald Greenway	416	(416)	Final staged payment for this project, fully grant funded by DfT. Project in pre-delivery stage.
<b>Transport</b>	Other Transport & Infrastructure	On-Street Residential ChargePoint Scheme	406	(406)	LEVI grant awarded June 23, work on contracts commencing shortly.
<b>Planning &amp; Regeneration</b>	Regeneration	Shared Prosperity	248	(248)	Grant received for 2023-24 and allocated to projects.
<b>Planning &amp; Regeneration</b>		Rural England Prosperity Fund	920	(920)	Grant received for 2023-24. The allocation process is underway.
<b>Total Grants</b>			<b>2,567</b>	<b>(2,567)</b>	
<b>Adding in new Projects funded from s.106 Developer Funding</b>					
<b>Homelessness &amp; Regulatory Services</b>	Affordable Housing	s106 Affordable Housing Schemes	2,459	(2,459)	Additional ringfenced s.106 which has been received. An allocations policy for this funding will be coming to Cabinet in Spring 2024.
<b>Homelessness &amp; Regulatory Services</b>	Homelessness	Temporary Accommodation Project (Bridge Court)	270	(270)	Addition for affordable housing s.106 to fund the final fit out costs of Bridge Court. Project has delivered significant savings.
<b>Culture &amp; Leisure</b>	Sport & Leisure Projects	Various s106 Sports and Leisure projects	560	(560)	Adding new projects which are funded from ringfenced S106. The S106 was negotiated specifically for these projects.
<b>Transport</b>	Strategic Transport & Infrastructure	Various CIL Transport Projects	53	(53)	Adding new projects which are funded from CIL. The CIL was negotiated specifically to fund these projects.
<b>Total S106 Developer Contributions</b>			<b>3,341</b>	<b>(3,341)</b>	
<b>Project overspends funded from Reserves</b>					
<b>Communities</b>	Climate Change & Environment	Biowaste	1,400	(1,400)	Project overspend due to increased costs on concrete, steel and fuel, contaminated soil disposal quantity, additional diligence work on engineering implications of construction on landfill, funded from Waste Reserve.
<b>Communities</b>	Homelessness & Regulatory Services	Hampden Chapel Replacement	338	(338)	Overspend due to unforeseen maintenance needs and roof access costs. Funded from Crematoria revenue reserve.

Portfolio	Project Group	Project Name	Exp. £k	Ring. Funding £k	Explanation
<b>Projects funded from Corporate Resources / Reserves</b>					
Communities	Community Safety	CCTV merger project	600		Adding CCTV project linked to the CCTV Strategy/Review and funded from the RCCR reserve.
<b>Total Reserves &amp; Corporate</b>			<b>2,338</b>	<b>(1,738)</b>	
<b>Total RECOMMENDED Additions</b>			<b>8,246</b>	<b>(7,646)</b>	

2.2 Since the Quarter 1 update to Cabinet, £18.055m of projects have been added to the programme through separate Leader or Key Decisions and are included here for information.

Portfolio	Project Group	Project Name	Exp. £k	Ring. Funding £k	Explanation
<b>Agreed via Leader or Cabinet Decisions since July</b>					
Homelessness & Regulatory Services	Housing	Local Authority Housing Fund (LAHF)	12,200	(12,200)	Refugees Freehold Acquisitions, funded from Govt Grant and agreed by Leader Decision.
Homelessness & Regulatory Services	Homelessness	Harrington House	4,083		Agreed as a Leader Decision April 2023, funded from borrowing.
Planning & Regeneration	Planning & Regeneration	AG Land	1,772	(1,400)	Plot 1 Phase 3 Aylesbury land. Funded from special dividend from AVE and capital contingency.
<b>Total APPROVED Additions</b>			<b>18,055</b>	<b>(13,600)</b>	
<b>TOTAL Additions</b>			<b>26,301</b>	<b>(21,246)</b>	

2.3 This gives total additions to the programme since the Quarter 1 of £26.301m.

### 3. Recommended Reductions

3.1 There are 3 projects which, for the reasons set out in the table below, are recommended to be reduced or be removed from the programme. Of these, £440k will result in funding being released back to corporate capital pot for reinvestment.

**Table 2: Recommended Reductions**

Portfolio	Project Group	Project	Exp. £k	Ring. Funding £k	Net £k	Explanation (including funding source)
Homelessness & Regulatory Services	Cemeteries & Crematoria	ICT Projects Cemeteries Software - 6305	(15)		(15)	This budget for Cemeteries & Crematoria ICT Project is no longer needed there is an existing project within ICT to merge booking systems. £15k can be released for reinvestment
Communities	Transport	Crest Road Signalisation	(345)	20	(325)	This project is now complete and the corporate funding of £325k can be released for reinvestment. Recommended by CCIB Sept 19th
Culture & Leisure	Libraries	Enhanced Library Technology	(100)		(100)	This programme has uncommitted funding of £100k which can be released for reinvestment. Recommended by CCIB Sept 19th.
<b>TOTAL Removals</b>			<b>(460)</b>	<b>20</b>	<b>(440)</b>	

### 4. Summary of Net Changes to the Programme

4.1 The additions and reductions total £25.841m and result in a revised Capital Programme of £582.7m over the MTFP, increasing from £556.8m as agreed by Cabinet in July 2023.

**Table 3: Changes to the Programme**

Portfolio	Published Budget £m	Adjustments			Total adjts £m	Adjusted MTFP £m
		Approved Adjs £m	Addn £m	Remove £m		
Leader	93.4					93.4
Accessible Housing & Resources	23.1					23.1
Climate Change & Environment	39.3		2.0		2.0	41.3
Communities	0.3		0.6		0.6	0.9
Culture & Leisure	12.1			(0.1)	(0.1)	12.0
Education & Children's Services	157.9		0.6		0.6	158.5
Homelessness & Regulatory Services	25.8	16.3	3.1		3.1	45.1
Planning & Regeneration	47.9	1.8	1.2		1.2	50.8
Transport	154.7		875	(0.3)	0.5	155.2
Corporate	2.3					2.3
<b>Grand Total</b>	<b>556.8</b>	<b>18.0</b>	<b>8.2</b>	<b>(0.5)</b>	<b>7.8</b>	<b>582.6</b>

## 5. Reprofile the Programme

- 5.1 Capital Programme needs to be reprofiled to accurately reflect planned spend. This is to ensure that the programme remains realistic and deliverable and reflects the latest project timelines. The 23-24 budget before reprofiling is £149.3m.
- 5.2 It is recommended that £24.335m (16%) is reprofiled from the current year into future years, to match the latest delivery projections. The reasons for reprofiling on each project are set out in Appendix 1 and the revised 4-year budget profile is shown at Appendix 2. This is summarised at Table 4 below.

**Table 4 Summary: Reprofile of 23/24 Budget by Portfolio**

Portfolio	Budget before reprofiling adjts			Reprofiling		Budget after reprofiling		
	2023/24	Fut Yrs	Total	2023/24	Fut Yrs	2023/24	Fut Yrs	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Leader	19.4	74.0	<b>93.4</b>	(13.4)	13.4	6.0	87.4	<b>93.4</b>
Accessible Housing & Resources	6.7	16.5	<b>23.1</b>	(2.3)	2.3	4.3	18.8	<b>23.1</b>
Climate Change & Environment	9.1	32.2	<b>41.3</b>			9.1	32.2	<b>41.3</b>
Communities		0.9	<b>0.9</b>				0.9	<b>0.9</b>
Culture & Leisure	6.8	5.8	<b>12.6</b>	(2.1)	2.1	4.8	7.8	<b>12.6</b>
Education & Children's Services	19.3	138.6	<b>157.9</b>	(1.5)	1.5	17.9	140.0	<b>157.9</b>
Homelessness & Regulatory Services	22.1	23.0	<b>45.1</b>	(0.9)	0.9	21.2	23.9	<b>45.1</b>
Planning & Regeneration	15.1	35.7	<b>50.8</b>	(3.8)	3.8	11.3	39.5	<b>50.8</b>
Transport	49.6	105.6	<b>155.2</b>	(0.4)	0.4	49.2	106.0	<b>155.2</b>
Corporate Contingency	0.8	1.5	<b>2.3</b>			0.8	1.5	<b>2.3</b>
<b>Grand Total</b>	<b>148.9</b>	<b>433.7</b>	<b>582.6</b>	<b>(24.3)</b>	<b>24.3</b>	<b>124.6</b>	<b>458.1</b>	<b>582.6</b>

## 6. Use of Corporate Contingency

- 6.1 There is £2.25m of Corporate Contingency to meet unexpected inflationary pressures on priority projects, where no other corporate funding is available.

## 7. Other options considered

- 7.1 Not making these recommended budget changes will impact on budget monitoring and the Capital MTFP process and will affect the KPI for capital slippage.

## 8. Legal and financial implications

- 8.1 There are no Legal Implications.
- 8.2 The financial implications of these changes are set out in detail within the report.

## 9. Corporate implications

- 9.1 There are no direct, wider corporate implications from these recommended budget changes:
- Property – none
  - HR – none

- Climate change – none
- Sustainability – none
- Equality - EIA not required
- Data - no data protection impact assessment required.
- Value for money – none.

## **10. Local councillors & community boards consultation & views**

10.1 As this is a technical budgeting exercise, no Local Councillor or Community Board consultation has been required.

## **11. Communication, engagement & further consultation**

11.1 No further communication, engagement or consultation is recommended from this paper.

## **12. Next steps and review**

12.1 None

## **13. Background papers**

13.1 Previous Approved Capital Programme, as agreed by Cabinet: [insert link]

## **14. Your questions and views (for key decisions)**

14.1 If you have any questions about the matters contained in this report, please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider, please inform the democratic services team. This can be done by email to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk). Approved Capital Programme, from Full Council: [insert link]



## Appendix 1: MTFP Reprofile Detail by Portfolio

Project Group by Portfolio	£k	Project & Reason for Re-profiling
Corporate Investment Portfolio	2,108	Project delays on Orchard House Ambulance Hub as increased costs and impacted on affordability. Changes to the original project are likely to be material so feasibility of this project will be reviewed. Project delays on Vale Retail Park roof works due to tenancy change which resulted in changes to specification. Scheme is at planning and at tender.
Enhancement of Strategic Assets	172	Awaiting formal decision for sale of Tile house so works have been postponed to bring the asset up to a saleable condition.
Rowley Farm	281	Additional funding being sought through MTFP due to increase in tender costs on the specification as required by Planning. Contract delayed until additional funding agreed.
Mobile Phone Refresh	(244)	Acceleration of mobile phone budget from future years to fund iPhone replacements in 23-24, as existing phones no longer supported by Apple.
<b>Accessible Housing &amp; Resources Total</b>	<b>2,316</b>	
Primary School Places	1,450	Primary School Place unallocated funding: current pipeline shows this funding for feasibility works will be required next year.
<b>Education &amp; Children's Services Total</b>	<b>1,450</b>	
Affordable Housing - S106 Funded	673	Funding not committed; a new allocations policy is being developed in the Housing Improvement Board, to come to Cabinet in Spring 2024.
Chiltern & Bierton Crematoria	100	Tendering delays resulting in setback to project start.
Raynes Avenue Park Drainage Replacement	100	Options Business Case under review; works not yet tendered.
<b>Homelessness &amp; Regulatory Services Total</b>	<b>873</b>	
Amersham Regeneration (St John's Build)	200	St John's Ambulance site development plans on hold, as will form part of wider decision on Amersham site (including KGVH).
Aylesbury Town Centre	325	Kingsbury & Market Sq regeneration project is currently paused and under review.
Employment & Regeneration Led Opportunity	195	Handy Cross New Sports Centre final S106 requirements and Baker Street asset maintenance, legally required to deliver lower priority projects not yet out to tender.
Environment Led Opportunities	345	Spade Oak Lake and Little Marlow Visitor Facility business plans under development as original plans did not produce a net nil cost to the Council. Other options are being considered.
Future High Street Funds	2,060	Final project is in feasibility and business case development. Grant conditions means contractual commitment needs to be made by 31 March however spend can occur in future years
Retasking of Winslow Centre	526	Project remains in development, awaiting news on funding of sports hub. Issue on title needs to be resolved and DfE approval to sell the site.
Waterside North Development	194	Old County Offices development, funded from borrowing. Options business case is in development.
<b>Planning &amp; Regeneration Total</b>	<b>3,845</b>	



Project Group by Portfolio	£k	Project & Reason for Re-profiling
Cycle Infrastructure	1,237	Project delayed due to commissioning process and review on materials used for the project.
SEALR (South East Aylesbury Link Road) Phase 1	11,815	Project delivery delayed due to funding negotiations with HS2 and Homes England, which are now resolved.
SEALR Phase 2	327	
<b>Leader Total</b>	<b>13,379</b>	
Car Parks	80	Payment Machines project is paused whilst awaiting evaluation from Task and Finish group review.
Electric Vehicle Charging Points	194	EV projects currently being delivered using new Govt grants, therefore corporate funding can be pushed back to later years.
Highways & Cycleway Funded Schemes	40	Pinewood cycleway project has been delayed as financial viability is being assessed.
Other Highway & Technical	70	Transportation modelling rolling budget, expecting to purchase majority of data and consultancy input next year.
<b>Transport Total</b>	<b>384</b>	
Country Parks Visitors Centre	875	Likely the allocated budget may be insufficient for the original design concept and so changes to the design and brief will need to be reviewed and may be changed.
South Bucks Country Pk Leisure Facility	1,213	Recent developments of caselaw in Planning has resulted in the need to conduct a review in the original plans to South Bucks Country Park which has delayed the project.
<b>Culture &amp; Leisure Total</b>	<b>2,088</b>	
<b>Grand Total</b>	<b>24,335</b>	

## Appendix 2: MTFP Reprofile Detail by Year

Budget	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Economic Growth	0.3				0.3
Strategic Infrastructure (HIF)					
A355 Improvement Scheme (Wilton Park)	0.0	1.3			1.3
Aylesbury Eastern Link Road	0.3	11.4	25.4		37.0
Cycle Infrastructure	0.4	1.5			1.9
Grid Reinforcement Works	-	13.0			13.0
Land Assembly		10.8			10.8
Marginal Viability Works	-	2.1			2.1
Princes Risborough Relief Road	0.1	2.0	6.5		8.6
SEALR (South East Aylesbury Link Road)	4.0	12.9			16.9
South Western Link Road South	0.3	0.3			0.5
Stoke Mandeville Relief Road / SEALR II	0.5	0.3			0.8
<b>Leader Total</b>	<b>6.0</b>	<b>55.5</b>	<b>31.9</b>		<b>93.4</b>
ICT	2.4	3.3	0.6	0.3	6.5
Property & Assets	2.0	6.4	7.4	0.8	16.6
<b>Accessible Housing &amp; Resources Total</b>	<b>4.3</b>	<b>9.7</b>	<b>8.0</b>	<b>1.1</b>	<b>23.1</b>
Climate Change & Air Quality	0.9	2.1	1.3		4.3
Flood Management	1.5	7.4	3.6		12.5
Waste - Biowaste	1.1	0.5			1.5
Waste - Depots	0.8				0.8
Waste - HRC	0.5	2.7	2.7	3.0	8.9
Waste - Vehicles & Containers	4.5	5.4	1.3	2.1	13.3
<b>Climate Change &amp; Environment Total</b>	<b>9.1</b>	<b>18.1</b>	<b>9.0</b>	<b>5.1</b>	<b>41.3</b>
Community Safety	-	0.9			0.9
<b>Communities Total</b>	<b>-</b>	<b>0.9</b>			<b>0.9</b>
Country Parks	0.4	2.1			2.5
Leisure Centres	1.0	0.8	0.5		2.3
Libraries	0.4	0.2			0.6
Parks & Play Areas	0.6	0.5	0.1	0.0	1.2
Sport & Leisure Projects	2.3	3.7			6.0
<b>Culture &amp; Leisure Total</b>	<b>4.8</b>	<b>7.2</b>	<b>0.6</b>	<b>0.0</b>	<b>12.6</b>
Children's Social Care	0.5				0.5
Schools					
Primary School Places	2.5	23.4	28.7	13.6	68.2
Secondary School Places	5.7	6.8	3.3	0.2	16.0
Provision for Special Educational Need	2.7	4.8	18.3	7.6	33.4
Programme Inflation	-	7.9	3.8	2.4	14.1
School Access Adaptations	0.2	0.2	0.2	0.2	0.8
School Property Maintenance	6.1	6.0	6.0	6.0	24.1
School Toilets	0.2	0.3	0.3	0.3	0.9
<b>Education &amp; Children's Services Total</b>	<b>17.9</b>	<b>49.3</b>	<b>60.5</b>	<b>30.2</b>	<b>157.9</b>

Budget	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Adult Social Care	-				-
<b>Health &amp; Wellbeing Total</b>	-				-
Affordable Housing	0.1	4.4	1.0	1.0	6.5
Cemeteries & Crematoria	1.1	0.8	0.5	0.6	3.0
Homelessness	3.7	0.8			4.5
Housing	16.3	5.6	4.6	4.6	31.1
<b>Homelessness &amp; Regulatory Services Total</b>	<b>21.2</b>	<b>11.6</b>	<b>6.1</b>	<b>6.2</b>	<b>45.1</b>
Regeneration	11.3	26.0	8.7	4.8	50.8
<b>Planning &amp; Regeneration Total</b>	<b>11.3</b>	<b>26.0</b>	<b>8.7</b>	<b>4.8</b>	<b>50.8</b>
Car Parks					
Car Parks	0.4	0.7	0.4	0.2	1.7
<b>Car Parks Total</b>	<b>0.4</b>	<b>0.7</b>	<b>0.4</b>	<b>0.2</b>	<b>1.7</b>
Highway Improvement Projects	0.5	2.0			2.5
Highways & Cycleway Funded Schemes	1.3	2.1	0.4		3.8
Other Transport & Infrastructure	5.5	4.4	1.0	0.3	11.3
Rights of Way	0.7	0.1	0.1		1.0
Strategic Highway Maintenance					
Abbey Way Flyover High Wycombe	0.1				0.1
Bridge Maintenance	1.3	1.0	1.0	1.0	4.4
Failed Roads Haunching & Reconstruction	2.9	3.0	3.0	3.0	11.9
Footway Structural Repairs	2.2	2.2	2.2	2.2	8.7
Maintenance Principal Rds - Drainage	2.1	2.0	2.0	2.0	8.1
Plane & Patch	9.5	4.4	4.4	4.4	22.8
Replacement Traffic Signals	0.6	0.5	0.5		1.6
Road Safety - Casualty Reduction	1.3	1.3	1.3		3.8
Strategic Highway Maintenance Program	17.7	15.9	15.9	15.9	65.2
Street Lighting	2.6	1.5	1.5	1.5	7.1
Transport Services	0.6	0.2	0.2	0.2	1.3
<b>Transport Total</b>	<b>49.2</b>	<b>41.3</b>	<b>34.0</b>	<b>30.8</b>	<b>155.2</b>
Corporate Costs	0.8	0.8	0.8		2.3
<b>Corporate Total</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>		<b>2.3</b>
<b>Grand Total</b>	<b>124.5</b>	<b>220.4</b>	<b>159.5</b>	<b>78.2</b>	<b>582.6</b>