

NOT FOR PUBLICATION

This report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972
(**applies to Appendix A only**)

Report to: **Hub Committee**

Date: **5 March 2024**

Title: **Capital Programme Monitoring as at 31 January 2024**

Portfolio Area: **Resources – Cllr C Edmonds**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

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RECOMMENDATION

That the Hub Committee RESOLVES to ENDORSE the contents of the Report.

1. Executive summary

1.1 The report advises Members of the financial position as at 31 January 2024 for the purposes of budget monitoring.

The monitoring of the Capital Programme at month 10 (end of January 2024) has shown that all projects are within their existing budget approved by Members. A capital budget of £6,460,114 has been profiled for 2023/24 with the remaining capital budgets rolled forward into future years. **The capital expenditure for the first 10 months of 2023/24 against the profiled capital budget is £2,875,278 (44.5% of the profiled budget) as at the end of January 2024 as shown in Appendix A.**

2. Background

- 2.1 The capital programme for 2023/24 was approved by Council on 21 February 2023 (Min CM66). This report provides an update on expenditure in the Capital Programme.
- 2.2 A new reporting process is in place and the narrative around capital schemes previously included in this budget monitoring report will now be part of the Integrated Performance Management Update reports. The capital budget monitoring report will purely focus on capital expenditure against budget.
- 2.3 The largest part of the expenditure for the first 10 months of the 2023/24 financial year is £1.275m which has been spent on purchasing five properties in Okehampton. These properties were purchased using funding from the Local Authority Housing Fund (LAHF), Homes for Ukraine funding and funding from Devon County Council (DCC). One of these properties is now occupied with a Ukrainian family residing here as temporary accommodation. Three of the other properties are now occupied with families from Afghanistan who moved in during December. The remaining property is currently vacant and has been offered to the Home Office to assist with Afghanistan resettlement.
- 2.4 On 7 June 2023 the Government announced a further LAHF scheme, LAHF 2 with a further allocation of funding for a maximum number of three properties for West Devon. Under LAHF 2, two of the properties in the allocation were specifically for households on Afghan resettlement schemes currently in bridging hotels and the third property to ease wider temporary housing pressures. Through negotiation with DLUHC the Council has been able to swap the allocation to one property for Afghan resettlement and two for wider housing pressures. The Council will utilise £412,000 of identified Section 106 planning contributions along with £46,241 underspend from LAHF 1 and £301,759 from LAHF 2. To date £546,569 has been spent on LAHF2.
- 2.5 As shown in Appendix A, the total approved capital budget is £21,198,076. A large amount of the capital budget (£13.142m) is predicted to be spent in 2024/25, with £11.165m of this being for the Okehampton Railway Transport Hub as detailed below.
- 2.6 The Council has been successful in securing a £14.9million bid to develop a new railway station and integrated transport hub on the Eastern edge of Okehampton. The plans will see the construction of a brand new, purpose built station and car park, which will be easily accessible from the nearby A30, built at the bottom of Devon County Council's business park off Exeter Road. The aim is to create an area with facilities for bus connections, cycle links and electric vehicle charging. The Borough Council will be the accountable body for the capital project and the estimated capital expenditure (profiled over the next three financial years) has been included within the Council's capital expenditure estimates within the

strategy. The funding will be provided by DLUHC and the project will be delivered in partnership with Devon County Council and Network Rail. We have now received our first payment from the Department for Transport.

S106 Deposits

- 2.7 The list of S106 Deposits are shown in Appendix B totalling **£1,620,331** as at 31 January 2024. **£479,120** has been spent on various capital and revenue projects as at this date and a further **£41,408** has been committed. A breakdown of these projects can be seen in Appendix B.
- 2.8 Some of these S106 Agreements have a clause within the S106 Agreement which states that the Council shall be entitled to use up to a five per cent (5%) part of the total payments and contributions payable pursuant to the provisions of the Agreement, towards the costs to be reasonably and properly incurred by the Council in monitoring compliance with the S106 Agreement and in assessing the details submitted to the Council for approval pursuant to the S106 Agreement.

3. Options available and consideration of risk

- 3.1 Risk is considered on a project by project basis as part of the project appraisal document and initial business case for each capital project.

4. Proposed Way Forward

- 4.1 This is considered on a project by project basis.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Statutory powers are provided by the S1 Localism Act 2011 general power of competence. The capital programme is implemented in line with the Council's legal requirements, which are examined on a project-by-project basis. To date there are no undue legal concerns.</p> <p>The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in the Appendix A. Accordingly this report contains</p>

		exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.
Financial Implications to include reference to Value for Money		<p>The monitoring of the capital programme at month 10 (end of January 24) has shown that all projects are within their existing budget approved by Members. A capital budget of £6,460,114 has been profiled for 2023/24 with the remaining capital budgets rolled forward into future years. The capital expenditure for the first 10 months of 2023/24 against the profiled capital budget is £2,875,278 (44.5% of the profiled budget) as at the end of January 2023 as shown in Appendix A.</p> <p>The largest part of the expenditure for the first 10 months of the 2023/24 financial year is £1.275m which has been spent on purchasing five properties at Okement Park, Okehampton. These properties were purchased using funding from the Local Authority Housing Fund (LAHF), Homes for Ukraine funding and funding from DCC.</p> <p>The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.</p>
Risk		<p>The Council demonstrates that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p>
Supporting Corporate Strategy		The Capital Programme supports all of the Thematic Delivery Plans within 'A Plan for West Devon'.
Consultation and Engagement Strategy		External consultation and engagement has not been undertaken with regard to this report.
Climate Change - Carbon / Biodiversity Impact		<p>The Council declared a Climate Change and Biodiversity Emergency on 23 July 2019 and a Climate Change Action Plan was presented to Council in December 2019.</p> <p>Further detail is set out in the Council's 'A Plan for West Devon' strategy.</p>
Comprehensive Impact Assessment Implications		

Equality and Diversity		This matter is assessed as part of each specific project.
Safeguarding		This matter is assessed as part of each specific project.
Community Safety, Crime and Disorder		This matter is assessed as part of each specific project.
Health, Safety and Wellbeing		This matter is assessed as part of each specific project.
Other implications		None

Supporting Information

Appendices:

EXEMPT Appendix A – Details of capital expenditure to 31 January 2024

(Exempt)

Appendix B – S106 Summary WDBC as at 31 January 2024

Background Papers:

None