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Steve Atkinson MA(Oxon) MBA FIoD FRSA
Chief Executive

Hinckley & Bosworth
Borough Council

A Borough to be proud of

EXECUTIVE - 28 JANUARY 2015

SUPPLEMENTARY AGENDA

11. STATION ROAD PUBLIC REALM - SUPPLEMENTARY BUDGET (Pages 1 - 4)

Please find attached the report of the Deputy Chief Executive (Community Direction) which was marked 'to follow' on the agenda.

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EXECUTIVE COMMITTEE - 28 JANUARY 2015

SUPPLEMENTARY BUDGET - STATION ROAD PUBLIC REALM SCHEME REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)

WARDS AFFECTED: HINCKLEY CASTLE

1. PURPOSE OF REPORT

- 1.1 To seek approval to bring forward a budget of £48,500 from 2015/16 into the current financial year, in order to commission advanced construction works for the planned public realm improvements on Station Road, Hinckley.

2. RECOMMENDATION

- 2.1 That Executive approves a supplementary budget of £48,500 for the advanced construction works for the planned public realm improvements on Station Road, Hinckley.
- 2.2 That Executive notes in approving 2.1, that this budget will be re-profiled from the 2015/2016 Capital Programme and therefore will not increase the total cost of the public realm works. All public realm works will be funded from developer contributions.

3. BACKGROUND TO THE REPORT

- 3.1 Details of the planned public realm improvements were reported to Executive Committee on 29th October 2014. The scheme is to be funded wholly from Section 106 contributions as outlined in the legal implications, at an estimated cost of £376,000.
- 3.2 The scheme will enhance the public realm and improve footway links between the new Crescent (Bus Station) development and established areas of the Town Centre. The scheme is programmed to be delivered by Autumn 2015 to coincide with the opening of The Crescent.
- 3.3 At the time of writing the previous report, the following spend profile was anticipated over the next two financial years:
- | | | |
|-----------|-----------------------------|----------|
| • 2014/15 | Outline Design/Consultation | £18,000 |
| | Detailed Design | £22,000 |
| • 2015/16 | Construction | £336,000 |
- 3.4 The Borough Council has been working closely with the developer of the Crescent (Tin Hat Partnership) and Leicestershire County Council to coordinate the delivery of the public realm scheme and Section 278 highway works associated with the Crescent. It has been agreed with Tin Hat Partnership that part of the scheme will be delivered by their contractor. This will ensure that the public realm scheme and Section 278 works are delivered to the same high specification.
- 3.5 Tin Hat Partnership have programmed delivery of their Section 278 works before 31st March 2015, and therefore it has become necessary to bring forward part of the public realm funding (estimated £48,500) into the current financial year. The remainder of the public realm scheme is programmed for delivery by Leicestershire County Council between July and October 2015.

4. FINANCIAL IMPLICATIONS [KP]

- 4.1 The total budget for the town centre public realm work is £376,000 which is funded from s106 contributions payable to the Council. As outlined in section 3.3, the original profile for this spend assumed that £40,000 of the costs would relate to works undertaken in 2014/2015, with the remaining £336,000 relating to construction in 2015/2016. The 2014/2015 budget for this scheme was approved by Executive on 29th October 2014. The £336,000 2015/2016 budget will form part of the 2015/2016 Capital Programme which will be presented to Council on 19th February 2015.
- 4.2 As detailed in section 3.5, construction to the value of £48,500 will now take place in 2015/2016 and therefore a budget for this value is required in 2014/2015. In accordance with financial procedure rules, supplementary budgets between £25,001 - £50,000 require Executive approval.
- 4.3 The table below summarises the expenditure budget requirements. As outlined, the total scheme budget will not increase and therefore this adjustment is required to re-profile the expenditure budget only.

	2014/2015	2015/2016	Total
	£	£	£
Original budget	40,000	336,000	376,000
Required budget	88,500	287,500	376,000

- 4.4 The scheme will be funded from contributions from The Tin Hat Regeneration Partnership LLP (£250,000) and additional contributions of £126,000 from the Sketchley Brook and Derby Road developments. There is therefore no net impact on the budget for this change or the scheme as a whole. The treatment of these contributions in funding the scheme will be carried out as part of the year end process.

5. LEGAL IMPLICATIONS [EH]

- 5.1 There are three legal agreements which the s.106 contributions are taken from:

The Crescent Agreement:

The legal agreement relating to the Redevelopment of the Bus Station Site has been checked and, providing that this use is in accordance with the improvements to Station Road as identified in the scheme submitted by Tin Hat as part of the planning application for the redevelopment then the use of the funds for this purpose would be acceptable. The Agreement has been seen by legal however the planning application will need to be checked, if it has not already been.

Sketchley Brook Agreement:

In this agreement there is a Movement and Connection Fund which has been agreed as payable to the Council by the Developer, this totals £250,000.00. It has been confirmed with the planning officers that, in accordance with the agreement, it has been agreed with the owner that £100,000 will be utilised towards to the public realm scheme.

Derby Road Agreement:

There are provisions in this agreement in relation to the payment of a contribution by the owner towards Town Centre Infrastructure in Hinckley Town Centre, this is also index linked and therefore will be amended based upon Indexation levels in accordance with the agreement.

- 5.2 As Members will be aware in April 2015 the restrictions on pooling section 106 contributions as a result of the Community Infrastructure Levy Regulations. This will not affect the pooling of these contributions towards the scheme as we are pooling from less than five different agreements/sites.

6. CORPORATE PLAN IMPLICATIONS

- Creating a vibrant place to work and live
- Providing value for money and proactive services

7. CONSULTATION

- 7.1 N/A

8. RISK IMPLICATIONS

- 8.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

- 8.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

- 8.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Failure to bring forward funding into the current financial year	The Crescent Section 278 works will be delivered to a lower inconsistent standard to the Public Realm Works	Pete Reid

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 9.1 The scheme has been previously approved and this report relates only to the supplementary budget required.

- 9.2 The scheme, whilst not under consideration as part of this report, supports all communities and serves all parts of the borough.

10. CORPORATE IMPLICATIONS

- 10.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications

- Human Resources implications
- Planning Implications
- Voluntary Sector

Background papers: None
Contact Officer: Pete Reid, ext: 5716
Executive Member: Cllr SL Bray