



**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 for a supplementary budget of £40,000, funded by developer contributions through the planning process, in order to commission the design work for a public realm improvement scheme for Station Road, Hinckley.

2. RECOMMENDATION

- 2.1 That a supplementary budget of £40,000 be agreed for the current financial year, to be funded from developer contributions to meet the estimated costs of designing a public realm improvement scheme for Station Road in Hinckley.

3. BACKGROUND TO THE REPORT

- 3.1 A contribution of £250,000 has been secured and received from The Tin Hat Regeneration Partnership LLP ("Tin Hat") under the Redevelopment Agreement relating to the Bus Station development towards public realm improvements along part of Station Road/Lancaster Road in Hinckley. Additional contributions of £126,000 have also been secured from the Sketchley Brook and Derby Road developments, and therefore a total of £376,000 is available to fund the public realm improvements.
- 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 Leicestershire County Council are being commissioned to deliver the scheme, including the design, contract management and procurement of the construction works. The Borough Council has been working in close partnership with the County Council to develop details of the scheme, and some advance design work has been undertaken.
- 3.4 The County Council are also planning to deliver a package of LTP highway schemes (Hinckley Area Zone 2) in the Station Road area during the 2015/16 financial year. This package of work includes a walking/cycling scheme, an accident reduction scheme and planned maintenance works. The design of the public realm scheme is to be coordinated with the LTP schemes, and will effectively be delivered as a combined single scheme.
- 3.5 Budget cost estimates have been received from the County Council for the various stages of the scheme, and the following spend profile is anticipated over the next two financial years:

• 2014/15	Outline Design/Consultation	£18,000
	Detailed Design	£22,000
• 2015/16	Construction	£336,000

3.6 It should be noted that the extent of the scheme will largely be dependant on the cost of the construction works, which can only be estimated with any degree of accuracy once the detailed design has been completed. Approval of the budget for the construction works will be the subject of a separate report once the cost has been confirmed.

4. FINANCIAL IMPLICATIONS [SJE]

4.1 In line with Financial Procedure Rules, the creation of budgets with values between £25,001 - £50,000 require Executive approval. Approval is therefore sought for a £40,000 capital expenditure budget to allow spending on design costs, as mentioned in section 3.5. The corresponding £40,000 funding entry would be picked up in the year end capital accounting process.

4.2 The approval required in this report relates to the creation of a budget for the financial year 2014-15 only. The planned 2015-16 construction costs will be picked up as part of next year's capital programme which will require Council approval at the appropriate time.

4.3 Due to the costs being externally funded by developer contributions, there will be no impact on the general fund. The funding of £250,000, as stated in section 3.1, was successfully received on 19th June 2014.

5. LEGAL IMPLICATIONS [EH]

5.1 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.

5.2 The sums paid by Tin Hat under the above agreement must be spent within 10 years of payment, if not the monies will be repayable to Tin Hat. It should be noted we are required to account for expenditure upon request from Tin Hat.

5.3 In relation to the other two agreements detailed within the body of the report, these have not been seen in preparation of the legal implications, however this is not necessary as the funds given by Tin Hat more than cover the proposed budget to be created. As the project progresses and future expenditure is required however these agreements should be checked in order to ensure the sums can be used towards this project in accordance with the terms of the agreements.

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 fund the design work in the current financial year will significantly delay the programme for delivery of the public realm improvements	Approval of supplementary budget and commissioning of LCC to undertake design work	Pete Reid

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

9.1 N/A

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: 5775

Executive Member: Cllr SL Bray