

**REPORT FROM: NEIGHBOURHOOD SERVICES MANAGER**

**TO: BARROWFORD AND WESTERN PARISHES COMMITTEE**

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## **CAPITAL PROGRAMME 2015/16**

### **PURPOSE OF REPORT**

To advise members on the Committee's 2015/16 capital budget.

### **RECOMMENDATIONS**

- (1) That members note that only the schemes listed in Appendix 1 have agreed funding.
- (2) That members consider the underspend detailed in paragraphs 10 and 11.
- (3) That any late bids be considered by the Committee.

### **REASON FOR RECOMMENDATIONS**

To enable the capital programme to be allocated efficiently and effectively.

### **ISSUE**

#### ***Uncommitted Balance from 2014/15***

1. This is £115.

#### ***Allocation for 2015/16***

2. This is £18,110 capital plus £8,450 revenue contribution to capital – totalling £26,560. However, £4,829 of the revenue contribution is being held back as cover in the event that savings do not materialise from the transfer of some assets to the town and parish councils. At this stage, this gives an effective total allocation for 2015/16 of £21,731.

#### ***Effective Total Allocation for 2015/16***

3. This is £21,846.

## **Commitments for 2015/16**

4. This is £21,500 (see Appendix 1 for a detailed breakdown).

### **Balance**

5. This is £346 (but see paragraphs 10 and 11 below, which would give a revised balance of £1,559).

### **Additional Source of Capital Funding**

6. Appendix 2 to this report for information is a list of current Section 106 (Planning) Agreements where finance has been received provided by Planning and Legal Services relating to the Barrowford and Western Parishes area.
7. The Pendle Three-Tier Forum on 1 April 2014 stressed the need to seek match funding for highway schemes and improvements. It was agreed that the Borough Council via its area committees should approach the County Council for match funding wherever possible.

### **Financial Advice**

8. Please refer to the Financial Implications section of this report. Bids for new funding should be submitted on the usual forms (Form A for internal bids and Form B for external bids) in order that members can evaluate them on a consistent basis.

### **Existing Bids**

#### Overspend – Additional Funding Required

9. None.

#### Underspend – De-allocate Funding

10. **Festive decorations (Appendix 1, item viii):** As referred to in the October report, all invoices have been paid and therefore the remaining balance of £463 is recommended to be de-allocated and the funds returned to the capital programme.
11. **Haddings Lane FP 94, Higham (Appendix 1, item xxi):** The Countryside Access Officer reports that the bid to Lancashire County Council for the remaining funding was refused and so the project cannot proceed. It is recommended to de-allocate the £750 and return the funds to the capital programme.

### **New/Deferred Bids**

**Money will need to be de-allocated from other schemes before any new bids of a greater value than the balance available can be approved for the 2015/16 capital programme if members deem these bids to be a higher priority.**

12. None.

### **Late Bids**

13. Any late bids will be reported preferably just prior to or at the meeting.

## IMPLICATIONS

**Policy:** The capital programme is required to be allocated and managed in accordance with the Council's Corporate Capital Strategy 2015/18.

**Financial:** Expenditure for capital purposes is primarily expenditure on the acquisition, reclamation or enhancement of assets (eg buildings, land, plant and machinery). "Enhancement" means substantially lengthening the useful life of the asset, substantially increasing its open market value or substantially increasing the use of the asset. Other expenditure for capital purposes can include computer costs (for use over a period exceeding one year) and incidental costs involved in a capital project (eg officers' salaries and professional fees). Anything not covered by "proper practices" must be treated as revenue expenditure.

As in previous years, and in accordance with proper accounting practice, the revenue allocations can be used to fund capital expenditure but under no circumstances can the capital allocation be used to fund revenue expenditure.

A list of good practice in the allocation of funding has been proposed by the Council's Financial Manager in order to assist members when considering the allocation of the capital and revenue budgets. The list is as follows:

1. The funding should assist a scheme which contributes to meeting the Council's corporate priorities
2. Allocate reasonable amounts to projects early to allow for effective planning and implementation.
3. Look for opportunities to maximise the effectiveness of the allocation through match funding.
4. Consider allowing some contingency for projects that may be presented during the year.
5. Try to avoid allocation of funds at the end of the financial year.
6. Consider the revenue consequences of capital schemes in terms of ongoing cost.

**Legal:** There are legal implications for a number of the proposals listed above in terms of necessary permissions, agreements and possible long-term liabilities and responsibilities.

**Risk Management:** The capital programme is required to be allocated and managed in accordance with the Council's policies and procedures. The proper management of the programme is intended to minimise any exposure to unnecessary risk associated with the programme and the individual schemes within it.

**Health and Safety:** The implementation of the programme has associated risks in terms of health and safety. The Council is required to meet all relevant legal requirements for the effective management of health and safety risk and has policies and procedures in place to ensure health and safety standards are maintained.

**Climate Change:** Some of the schemes identified will encourage the reduction of carbon emissions, such as traffic calming schemes and cycle facility provision.

**Community Safety:** A number of the schemes listed above have implications in terms of community safety. Wherever possible, the projects are managed in a way that enhances community safety.

**Equality and Diversity:** The capital programme is required to be allocated and managed in accordance with the Council's policies and procedures, including those relating to equality and diversity.

**APPENDICES**

Appendix 1: Capital Programme Commitments for Barrowford and Western Parishes Committee.

Appendix 2: List of Section 106 Agreements for Barrowford and Western Parishes.

**LIST OF BACKGROUND PAPERS**

None.

Scheme Details	Lead Officer and Service Area	Original Allocation	Spend to 31/3/2015	Allocation Available 1/4/2015	Allocated 2015/16	Total Allocation	Spend to 1/1/2016	Allocation Remaining in Ledger	Commitments/Status of Scheme/Remarks
i) Flood alleviation (8/5/2008 and 5/7/2012)	S Whalley (NS)	£3,000	£0	£3,000	£0	£3,000	£0	£3,000	
ii) Asset maintenance of Barrowford bus shelters (10/6/2010)	S Farnell (NS)	£94	£0	£94	£0	£94	£0	£94	
iii) Phase 2 of dry-stone walling project (10/6/2010)	C Barnes (Blacko PC)	£971	£0	£971	£0	£971	£0	£971	Works completed – to be invoiced
iv) Litter and dog waste bins (4/6/2015)	C Taylor (ES)	£182	£0	£182	£500	£682	£330	£352	Ongoing
v) Friday Night Football League (6/9/2012)	T Horsley (NS)	£300	£0	£300	£0	£300	£0	£300	Allocated on 6/9/2012. Journal transfer being arranged
vi) Various projects (4/7/2013)	S Grindrod (Goldshaw Booth PC)	£1,250	£730	£520	£0	£520	£0	£520	Works ongoing
vii) Town centre premises improvement grants (9/7/2015)	P Collins (HHED)	£3,024	£1,913	£1,111	£4,000	£5,111	£0	£5,111	New allocation of £4,000 on 9/7/2015
viii) Festive decorations (10/4/2014)	S Whalley (NS)	£9,450	£8,987	£463	£0	£463	£0	£463	Allocated on 10/4/2014 and a further £2,402 on 7/8/2014. All invoices paid. Request made to de-allocate remaining funds
ix) Church Street/ Helton Street ginnel improvements (3/7/2014)	T Partridge (NS)	£289	£0	£289	£0	£289	£0	£289	Allocated on 3/7/2014

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x) Holmefield House car park refurbishment (3/7/2014)	I Lord (Barrowford PC)	£6,000	£0	£6,000	£0	£6,000	£0	£6,000	Allocated on 3/7/2014
xi) Millennium corner (3/7/2014)	S Grindrod (Goldshaw Booth PC)	£1,500	£0	£1,500	£0	£1,500	£420	£1,080	Works ongoing
xii) Higham playing fields (3/7/2014)	M Tetley (Higham PC)	£1,750	£0	£1,750	£0	£1,750	£1,750	£0	Completed
xiii) Barley car park toilets (3/7/2014)	D Heap (Barley PC)	£1,500	£0	£1,500	£0	£1,500	£1,500	£0	Completed
xiv) Barley car park and toilet block (9/7/2015)	D Heap (Barley PC)				£1,000	£1,000	£0	£1,000	Allocated on 9/7/2015
xv) Replacement of damaged walling (9/7/2015)	M Wood (Blacko PC)				£3,000	£3,000	£0	£3,000	Allocated on 9/7/2015
xvi) Refurbishment of toilets (9/7/2015)	S Sunderland (Friends of Barrowford Park)				£2,500	£2,500	£2,500	£0	Completed
xvii) Various projects (9/7/2015)	S Grindrod (Goldshaw Booth PC)				£500	£500	£0	£500	Allocated on 9/7/2015
xviii) Storage building on playing fields (9/7/2015)	M Tetley (Higham PC)				£3,000	£3,000	£0	£3,000	Allocated on 9/7/2015
xix) Play area equipment and upkeep (9/7/2015)	R Hay (Old Laund Booth PC)				£3,000	£3,000	£3,000	£0	Completed
xx) Street furniture and play area upgrade (9/7/2015)	M Schofield (Roughlee PC)				£1,250	£1,250	£1,250	£0	Completed

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xxi) Haddings Lane FP94 Higham (9/7/2015)	T Partridge (NS)				£750	£750	£0	£750	Request to de-allocate – a bid to LCC for the remaining funding required was refused and so the project cannot proceed
xxii) Lower Clough Fold surfacing improvements (9/7/2015)	S Whalley (NS)				£2,000	£2,000	£0	£2,000	Contractor appointed – awaiting works commencement date
<b>Subtotals</b>		<b>£29,310</b>	<b>£11,630</b>	<b>£17,680</b>	<b>£21,500</b>	<b>£39,180</b>	<b>£10,750</b>	<b>£28,430</b>	
<b>Uncommitted Funds</b>		<b>£115</b>	<b>-</b>	<b>£115</b>	<b>£231</b>	<b>£346</b>	<b>-</b>	<b>£346</b>	
<b>TOTAL FUNDS AVAILABLE 2015/16</b>		<b>£29,425</b>	<b>£11,630</b>	<b>£17,795</b>	<b>£21,731</b>	<b>£39,526</b>	<b>£10,750</b>	<b>£28,776</b>	

## Section 106 Agreements

### Finance Received

Planning Ref	Legal Ref	Finance Ref	PP Granted	Started	Section 106 Completed	Location	Purpose of Agreement	Committee	Trigger for Payment	Amount	Amount in Accounts	Amount Committed	Utilised	Completion Date	Lead Officer	Progress	When Updated
13/03/0416P	1610	IA019	29/3/2004	Yes	21/3/2004	Grange Avenue, Barrowford	Future maintenance of land to be transferred to PBC	Barrowford	Date of agreement	9,626.91	9,626.91	9,626.91		None	K Roberts	Site is hard landscaped and well maintained. Money to be used for maintenance	TW 9/10/2014
13/03/0032P		IA064	11/10/2009	Yes	27/10/2009	Wheatley Court	Provision of open space in the locality	Barrowford	5 years from payment	10,000.00	10,000.00			16/01/2017	K Roberts		NW 20/3/2013
13/10/94830	4942	IA060			26/10/210	Land at Gisburn Road, Barrowford	Enhancement of cycling facilities and improvements to bus service serving development	Barrowford	Prior to opening to public	130,000.00	30,000.00	30,000.00		7 years from payment	P Atkinson	ESP producing plans for cycle link improvements in accordance with the Cycling Strategy. £100,000 to LCC for the bus subsidy	Input by BK 21/12/12 updated by TW 21/7/2015
13/98/0325P + 13/00/0563P	LEG/8	IA004	14/3/2000	Yes	13/3/2000	Land at Gisburn Road, Barrowford	Provision of equipped play area	Barrowford	By instalments	48,000.00	780.00			27/07/2007	K Roberts	£780 residual	TW 5/11/2014
13/06/0116P	4088	IA044	12/5/2006	Yes	25/5/2007	Land at Clover Croft Mill, Higham	Provision of public open space in vicinity of development	Barrowford	Prior to the occupation of first dwelling	33,000.00	33,000.00	33,000.00	33,000.00	7 years from final payment	Parish Council	Money was passed to the Parish Council who paid for the facility	VG 22/5/2015

	Needs to be actively monitored
	Progressing according to timescale but requires monitoring
	No concerns as to progress