

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 12

meeting date: 10 NOVEMBER 2011
 title: CAPITAL MONITORING 2011/12
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To inform members of the progress made in achieving the schemes in the capital programme for the first quarter of this financial year.

2 BACKGROUND

2.1 The original schemes put forward for the Council's five-year capital programme exceeded the finance that was available. As a result a capital programme was approved for 2011/12, with the remaining schemes for the 2012/16 period being set aside.

2.2 In line with recommendations of Budget Working Group and Policy and Finance Committee a Capital Working Group has been set up to review the forward capital programme, ensuring that it is affordable, achievable and ties in with the service review outcomes.

3 SCHEMES

3.1 There is one scheme for this Committee for £30,000 as shown in the table below. Details of the scheme, together with budget holder comments on progress, is available at Annex 2.

| Cost Centre | Scheme Title | Original Estimate 2011/12 £ | Actual Expenditure as at the end October 2011 £ | Variance as at the end October 2011 £ |
|--------------|-------------------------------------|--------------------------------|--|--|
| CMRED | Clitheroe Market Area Redevelopment | 30,000 | 0 | -30,000 |
| Total | | 30,000 | 0 | -30,000 |

3.2 Following a review of priorities and funding provisions by Lancashire County Developments Ltd supporting funding for this scheme of £15,000 is to be withdrawn. This would mean that the project could not proceed as originally intended. However, further discussions are currently continuing with Lancashire County Developments Ltd.

3.3 As there is considerable uncertainty around the financial viability of this scheme it will be considered further once the outcomes of the current discussions with Lancashire County Developments Ltd have been completed.

4 CONCLUSION

- 4.1 The future of this committee's only capital scheme for 2012/13 will be subject to further consideration pending the outcome of talks with Lancashire County Developments Ltd.

NEIL SANDIFORD
TECHNICAL ACCOUNTANT

PD8-11/NS/AC
31 October 2011

Individual Scheme Details and Budget Holder Comments

CMRED Clitheroe Market Area Redevelopment

Service Area: Regeneration

Head of Service: Colin Hirst

Brief Description:

This project flows from the Clitheroe Town Centre Masterplan and relates to the potential redevelopment of the Market area. This is the second stage of work, which will prepare feasibility reports on the development options for consideration by the Council. This phase of work will cost £30,000 shared equally between RVBC and Lancashire County Developments Ltd.

The work represents the essential pre investment expenditure to enable the Council to determine how best to take the redevelopment of the market area forward and to be in a position to maximise potential future development opportunities as investor and market conditions improve. In order to take positive action the Council needs to have a strategy in place to respond to an economic upturn and developer interest.

Start Date, duration and key milestones:

Start Date – April 2011

Anticipated Completion Date –

Financial Implications – CAPITAL

| | £ | Actual to end October £ | Variance to end October £ |
|--------------------------------------|---------------|----------------------------------|------------------------------------|
| Total Approved Budget 2011/12 | 30,000 | 0 | -30,000 |
| ANTICIPATED TOTAL SCHEME COST | 30,000 | | |

*** External funding for £15,000 budget for from Lancashire County Developments Ltd*

Financial Implications - REVENUE

None given

Useful Economic Life

The report will be time constrained in some elements due to market information but would be anticipated to be used to inform Council actions by September 2011.

Progress - Budget Holder Comments

October 2011: Following a review of priorities and funding provisions by Lancashire County Council, the project will not proceed as originally intended. Discussions with LCC have taken place with offers of appropriate staff support being made available to take the project forward.

At present there are a number of options to be explored in regard to the site and informing the Council on the best approach to take if the opportunities are to be realised. In order to carry out the necessary work to establish options and feasibility a reduced scheme would be needed to undertake feasibility work rather than the full pre-investment works.

If the scheme was to go ahead to a development stage the extent of pre-investment works would have to be re-visited and either presented as a third stage project or incorporated into the development costs to be borne by the developer thereby reducing potential income to the Council.

Individual Scheme Details and Budget Holder Comments

The capital provision to support the initial part of this project would be £15,000, the original anticipated from the Council. The actual amount utilised would depend on the use of existing staff and budget resources and the extent to which the County Council are able to offer "in-kind" support. This scheme, in future stages, may also be capable of funding within the terms of a proposed separate capital bid for generic regeneration activities for the next round of capital scheme bids, which is intended to support the council's economic priorities.

July 2011: Initial discussions have taken place with Lancashire County Council to establish a working approach. Other work has taken a priority since April which has delayed the preparation of the initial scoping report. Opportunities to re-prioritise the work are being explored with LCC. A verbal update will be presented to committee.