

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 2 December 2013

**Portfolio:** Strategic Planning and Environment  
**Subject:** **Preparation of Welborne Plan: Quarterly Financial Update**  
**Report of:** Director of Planning and Environment  
**Strategy/Policy:** Fareham Local Development Framework

**Corporate Objective:** To protect and enhance the environment  
Maintain and extend prosperity  
Leisure for health and fun  
A balanced housing market  
Strong and inclusive communities  
Dynamic, prudent and progressive council

**Purpose:**

To advise the Executive on the updated costs for the preparation of the Welborne Plan.

**Executive summary:**

This report sets out the latest projected and incurred expenditure relating to the development of the Welborne Plan. This is the second of such quarterly reports updating the original report presented to the Executive 5 November 2012.

Since the first quarterly report reported to the Executive on 2 September 2013, costs for consultancy work remain very similar. However, some staff vacancies have reduced employee costs.

The Council is currently awaiting confirmation of the approval of a bid to the Department of Communities and Local Government (DCLG) for Capacity Funding to assist with the planning and delivery of Welborne.

**Recommendation:**

That the Executive notes the quarterly update on the financial costs of producing the Welborne Plan.

**Reason:**

To set out the updated expenditure and funding involved in the preparation of the Welborne Plan.

**Cost of proposals:**

To be met within existing resources and predominantly funded from the Housing and Planning Delivery Grant reserve and the New Homes Bonus Grant, but with the potential for DCLG Capacity Funding to come forward as a further funding source.

**Background papers:** Report to the Executive on 2 September 2013 Preparation of the Welborne Plan: Quarterly Financial Update.

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## BOROUGH COUNCIL

### Executive Briefing Paper

**Date:** 2 December 2013

**Subject:** Preparation of Welborne Plan: Quarterly Financial Update

**Briefing by:** Director of Planning and Environment

**Portfolio:** Strategic Planning and Environment

#### BACKGROUND

1. A report to the Executive on 2 September 2013 set out the first quarterly update report on the projected and incurred expenditure relating to the development of a Local Plan for Welborne. These figures are set out in the table below.

<b>UPDATED WELBORNE PLAN COSTS - SEPTEMBER 2013</b>					
	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	£	£	£	£	£
Staff and running costs	27,402	128,526	199,683	284,100	287,100
Evidence base and supporting costs	82,034	194,611	319,649	464,300	78,600
<b>Total Costs</b>	<b>109,436</b>	<b>323,137</b>	<b>519,332</b>	<b>748,400</b>	<b>365,700</b>
<b>Total Overall Project costs at end of 2014/15</b>					<b>2,066,005</b>

#### PROGRESSION OF WELBORNE PLAN AND ASSOCIATED COSTS

2. The Welborne Plan is now moving towards the formal stages known as the Publication stage and this version of the Welborne Plan will be presented to the Executive and Council in early 2014.
3. The projected expenditure for 2013/14 relating to the preparation of the evidence base and supporting costs remains very much the same as that reported on 2 September. The main variance is a revision to the employee budget. The scope of the technical work relating to the development of the Welborne Plan will continue to be informed by the on-going work with other principal parties involved with Welborne, including for example, Highways Agency, Natural England and the principal landowners.

4. The final phase of the technical work underpinning the Welborne Plan is currently being undertaken involving a complex interaction between the strategic masterplan, the viability and infrastructure development, the funding and the transport strategies. This will form a key part of the evidence base at the Examination in Public during 2014. Additional costs may arise during completion of this key part of the evidence but are expected to be reasonably limited.
5. The updated costs relating to the development of the Welborne Plan are set out in the table below.

<b>UPDATED WELBORNE PLAN COSTS - DECEMBER 2013</b>					
	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	£	£	£	£	£
Staff and running costs	27,402	128,526	199,683	252,800	257,900
Evidence base and supporting costs	82,034	194,611	319,649	474,700	78,600
<b>Total Costs</b>	<b>109,436</b>	<b>323,137</b>	<b>519,332</b>	<b>727,500</b>	<b>336,500</b>
<b>Total Overall Project costs at end of 2014/15</b>					<b>2,015,905</b>

6. The overall project costs, compared to the last quarterly financial update reported to the Executive in September, have reduced by approximately £50,000. The main difference in the costs relates to a reduction in employee costs where two posts have been vacant for the majority of the 2013/14 financial year. These posts will also have responsibilities in other areas of work, principally in relation to forthcoming planning applications for Welborne, reducing costs attributable to the Welborne Plan.
7. The updated figures for funding streams relating to the development of the Welborne Plan are set out in the table below.

<b>WELBORNE PLAN FUNDING STREAMS – DECEMBER 2013</b>					
	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	£	£	£	£	£
Eco Town Funding	100,000	-	-	-	-
Planning/Housing Delivery Grant	9,436	143,137	519,332	496,800	-
Homes and Communities Association (HCA)	-	150,000	-	-	-
Partnership for Urban South Hampshire (PUSH)	-	30,000	-	-	-
New Homes Bonus	-	-	-	230,700	336,500

<b>Total Costs</b>	<b>109,436</b>	<b>323,137</b>	<b>519,332</b>	<b>727,500</b>	<b>336,500</b>
<b>Total Overall Project funding at end of 2014/15</b>					<b>2,015,905</b>

8. It should be noted that the Council is currently awaiting confirmation of the approval of a bid to the Department of Communities and Local Government (DCLG) for Capacity Funding to assist with the planning and delivery of Welborne.

## **RISK ASSESSMENT**

9. There are no significant risk considerations in relation to this report.

## **FINANCIAL IMPLICATIONS**

10. The costs of the Welborne Plan have been predominantly funded from the Housing and Planning Delivery Grant reserve which has been set aside for studies relating to the project and other Action Plan projects. Since 2004/5 the Council has received over £2.637 million of funding through Planning Delivery Grant and Housing and Planning Delivery Grant.
11. The confirmation of the approval of the Capacity Funding bid submitted to DCLG (as referred to in paragraph 8) will determine the amount of Housing and Planning Delivery Grant that will need to be used in 2013/14 and 2014/15, and also the need to call on funding from the New Homes Bonus

## **CONCLUSION**

12. That the Executive notes the proposed expenditure relating to the production of the Welborne Plan providing planning policy to guide the development of the new settlement. The adoption of the Welborne Plan will provide the means of ensuring that the Council achieves its ambitions for Welborne including the timely provision of infrastructure and provision of housing to meet local housing needs.

**Reference Papers:** None