

Somerset West and Taunton Council

Full Council – 5 July 2022

Blue Anchor – Request for Capital Supplementary Budget Increase

This matter is the responsibility of Executive Councillor Sully

Report Author: Stephen Hughes, Programme Manager (Coastal, Leisure and Assets)

1 Executive Summary / Purpose of the Report

1.1 In line with the Council's financial regulations, this report seeks to confirm and regularise the capital budget required for the Coastal Defence Scheme at Blue Anchor. This project does not require any new funding or borrowing.

The scheme is designed to protect the B3191 in situ and as such is being fully funded by Somerset County Council as the Highways Authority and delivered by Somerset West and Taunton Council as the Coastal Protection Authority.

1.2 A report was taken to Full Council on the 01/12/2020, where a supplementary capital budget of £3,550,000.00 was approved. Since that report the funding from Somerset County Council has increased. This report seeks to increase the capital budget in line with the revised level of funding received.

1.3 The final capital funding amount received from Somerset County Council was **£3,762,280.00**. The capital budget approved for this scheme (less £50k from the Environment Agency) was **£3,500,000.00**. Therefore, approval for an additional **£262,280** capital supplementary budget is required. Full Council approval is required as the additional supplementary budget is more than £250k.

1.4 Somerset County Council has provided a commuted sum for the ongoing maintenance of the scheme.

1.5 There is no increased financial liability for Somerset West and Taunton Council as the scheme is 100% funded by Somerset County Council.

2 Recommendations

2.1 It is recommended Full Council support the supplementary capital budget allocation of £262,280 to reflect the additional funding provided by Somerset County Council to

deliver the Blue Anchor Coastal Protection Scheme.

3 Risk Assessment

- 3.1 There are no additional risks to highlight related to this scheme beyond those highlighted in the Full Council report of 1/12/2020.

4 Background and Full details of the Report

- 4.1 Somerset West and Taunton Council have been working with Somerset County Council and the Environment Agency for a considerable period to identify potential solutions regarding B3191 route integrity.
- 4.2 Full Council met on 07/07/2020 and agreed to use their powers as the Coastal Protection Authority to deliver any schemes that come forward from Somerset County Council. Full Council then approved a supplementary capital budget of £3,550,000 for this scheme on 01/12/2020 and all matters relating to the scheme were outlined at that meeting. There are no material changes from that report except the level of funding provided by Somerset County Council.
- 4.3 A funding Agreement is in place between Somerset County Council and Somerset West and Taunton Council which governs the use of the capital budget.

5 Links to Corporate Strategy

- 5.1 Theme Three of the Corporate Strategy 2020-2024, Objective 6 – Support the delivery of strong and sustainable transport infrastructure links including a greater provision of public transport across the district, as well as solutions which remove barriers to people using public transport to access work, training and leisure opportunities.

6 Finance / Resource Implications

- 6.1 There are no financial implications, other than achieving compliance with the Council's financial regulations. There is no new funding or borrowing required.

Unitary Council Financial Implications and S24 Direction Implications

At this stage it is anticipated that the project will be fully delivered ahead of vesting day. If, due to circumstance beyond our control, work is required in 2023/24 then the Funding Agreement will endure. The contract is in place for the works.

7 Climate, Ecology and Sustainability Implications

- 7.1 The report is concerned solely with the supplementary capital budget rather than the wider project. Decisions on the latter have been previously approved
- 7.2 There are no climate, ecology and sustainability implications relating to the approval of the additional supplementary capital budget.

8 Partnership Implications

- 8.1 The costs of works are subject to detailed design and procurement; this major project now has an allocated budget from Somerset County Council of £3,762,280. It is recommended to include this increased amount as a supplementary budget within the Council's capital programme to properly account for and monitor costs.
- 8.2 The contribution from Somerset County Council means the costs are fully covered by external funding. The capital expenditure will be recorded on the Somerset West and Taunton' balance sheet under infrastructure assets.

9 Asset Management Implications

- 9.1 The previous decision to take on the asset comes with responsibilities for future inspection and maintenance liabilities. The details were included within the commuted sum section of the Funding Agreement. The decision to increase the Capital Budget doesn't alter this.

10 Scrutiny/Executive Comments / Recommendation(s)

- 10.1 Scrutiny considered the initial report relating to the Blue Anchor scheme on 14th October 2020.
- 10.2 The Executive Committee supported the proposal brought before them by the Portfolio Holder on 20th October 2020.

Democratic Path:

- **Scrutiny / Audit and Governance Committee – Yes 29/06/2022**
- **Executive – No**
- **Full Council – Yes 05/07/2022**

Reporting Frequency: Once only

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