



# SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Eugene Walker

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**Date:** 14 September 2011

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**Subject:** Revenue Budget & Capital Programme Monitoring  
2011/12 – As at 30 June 2011

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**Author of Report:** Allan Rainford; 52596

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**Summary:** This report provides the Month 3 monitoring statement on the City Council's Revenue Budget and Capital Programme for 2011/12.

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**Reasons for Recommendations** To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

**Recommendations:**

Please refer to paragraph 172 of the main report for the recommendations.

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**Background Papers:** Revenue Budget and Capital Programme 2011/12  
– Special Council 4<sup>th</sup> March 2011.

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**Category of Report:** OPEN/CLOSED

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## Statutory and Council Policy Checklist

<b>Financial implications</b>
YES/NO      Cleared by: Eugene Walker
<b>Legal implications</b>
YES/NO      Cleared by:
<b>Equality of Opportunity implications</b>
YES/NO      Cleared by:
<b>Tackling Health Inequalities implications</b>
YES/NO
<b>Human rights implications</b>
YES/NO      :
<b>Environmental and Sustainability implications</b>
YES/NO
<b>Economic impact</b>
YES/NO
<b>Community safety implications</b>
YES/NO
<b>Human resources implications</b>
YES/NO
<b>Property implications</b>
YES/NO
<b>Area(s) affected</b>
<b>Relevant Scrutiny Board if decision called in</b>
Strategic Resources and Performance
<b>Is the item a matter which is reserved for approval by the City Council? YES/NO</b>
<b>Press release</b>
YES/NO

## REVENUE BUDGET & CAPITAL PROGRAMME MONITORING 2011/12 – AS AT 30/06/2011

### PURPOSE OF THE REPORT

1. This report provides the Month 3 monitoring statement on the City Council's Revenue Budget and Capital Programme for 2011/12.

### SUMMARY

2. The latest monitoring position on the General Fund budget for 2011/12 is summarised in the table below. This analysis shows the reported position at month 3 of a £5.2million forecast overspend. The position reported at month 2 was for a forecast overspend of £4.8m: this month therefore represents an additional overspend of £441k. This is before a Portfolio proposal to carry forward £1.2m of LEGL funding: a proposal which is not recommended until the overall budget position is balanced.
3. The forecast overspend to the year end should be viewed in the context of circa £80m of budget reductions that were agreed for 2011/12.

Portfolio	FY Outturn	FY Budget	FY Variance
CYPF	89,616	87,695	1,921
PLACE	154,298	151,034	3,264
COMMUNITIES	184,150	184,020	130
DEPUTY CHIEF EXECUTIVE	18,120	19,282	(1,162)
RESOURCES	57,377	55,455	1,922
CORPORATE	(498,354)	(497,516)	(838)
Grand Total	5,207	(30)	5,237

4. In terms of the budget monitoring position, the key points at month 3 are:
  - Children Young People and Families are showing a forecast overspend of £1.921m. This is mainly due to additional staffing costs in Children and Families. There is also a potential risk of a further £1m of costs due to the position relating to looked after children, which is not reflected in the forecast.
  - Place are showing a forecast overspend of £3.264m. This is mainly due to undelivered savings proposals, shortfalls in income and an increase in provisions for bad debts.
  - Communities are showing a forecast overspend of £130k, caused mainly by the slippage of budget savings.

- Resources are showing a forecast overspend of £1.922m. This is mainly due to pressures on accommodation costs and reduced activity on land sales.
  - Deputy Chief Executive's are showing a forecast underspend of £1.162m. This is mainly due to re-scheduling the LEGI programme.
  - Corporate budgets are showing a forecast underspend of £838k. This includes VAT rebates of £465k.
5. Since the forecasts were provided by Managers, a further review has been conducted by Officers of the Council's forecast position. As a result, Managers have identified further corrective actions that will be taken to ensure a balanced budget position. These actions are explained in this report although the impact on the forecasts will not be seen until the forecast position at month 4. In addition, further clarity will be sought on the position regarding alternative budget savings (to those agreed by Council in March) and the position regarding the sign off by relevant Cabinet Members and Executive Directors.

## **INDIVIDUAL PORTFOLIO POSITIONS**

6. The following sections detail the revenue monitoring position for each portfolio. The monitoring information relating to the Capital Programme starts at paragraph 79.

## **CHILDREN YOUNG PEOPLE AND FAMILIES (CYPF)**

### **Summary**

7. As at month 3, the CYPF Portfolio is forecasting a full year outturn of £1.921m over budget. The key reasons for the forecast outturn position are:
- A £163k underspend in Business Strategy due to savings in management reviews.
  - A £2.0m overspend in Children and Families which relates to a £1.817m overspend in Fieldwork Services, mainly due to additional staffing costs, and a £201k overspend in relation to Provider Services.
  - A £100k overspend in Inclusion and Learning Services which is due to a £73k overspend in Early Years.

- A £75k underspend in Lifelong Learning, Skills and Communities which is the net position resulting from an additional £1.2m in relation to Sheffield Futures Contract costs, offset by additional funding within CYPF.

### Financials (Non – DSG activity)

Service	FY Outturn	FY Budget	FY Variance
BUSINESS STRATEGY	11,141	11,304	(163)
CHILDREN & FAMILIES	59,545	57,546	1,999
CHILDREN'S COMMISSIONER	9,545	9,485	60
INCLUSION & LEARNING SERVICES	2,548	2,448	100
LIFELONG LEARN, SKILL & COMMUN	6,837	6,912	(75)
Grand Total	89,616	87,695	1,921

### Commentary

#### DSG and Non DSG Budgets

8. A proportion of the Portfolio's budget is funded by Dedicated Schools Grant Income. Under the terms of the grant any under or overspend has to be carried forward to the following year which is consistent with the number of academic year activities it supports. This budget has overspent by £0.834m which under the rules of DSG funding will be funded from non-allocated DSG reserves. The overspends which are generating the draw down on reserves are spread across all of the services and are explained in the commentary of the report, but as they are funded from DSG reserves they do not contribute to the overspend position reported in the Financials table.

#### **Business Strategy**

9. Business Strategy is forecast to be £163k underspent by year end in relation to non-DSG funding. DSG related expenditure is overspent by £614k which under the rules applied to DSG funding will be funded from DSG reserves. The forecast underspending is mainly due to management reviews of supplies and services expenditure.

#### **Children & Families**

10. Children & Families is forecasting a £2m overspend by year end in relation to non-DSG expenditure with a £5k underspend in relation to DSG funds. It should be noted that this is an extremely volatile budget, which has to meet different demands throughout the financial year. Members should be aware that the budget was set on the basis of an overall number of 595 looked after children before March but during April

the total increased to 635. Currently this has decreased to 619 but is still placing considerable demands on the budget. Similarly, the external placements budget was based on 273 children but had increased to 293 in April, although this has now decreased to 278, closer to the budget target. The main areas of variance from non-DSG budget are shown below:

- Fieldwork Services £1.817m overspent – the main reason for this variance is the impact of unachieved budget savings and increased staff costs associated with additional workload in the Children’s Social Work area, as evidenced by the volume of demand detailed above.
  - Provider Services £201k overspent due to overspends in Adoption (£90k mainly as a result of a forecast overspend on inter agency fees), Children’s Residential Homes (£160k due to the use of agency staffing) and Fostering (presently forecasting a £36k underspend).
11. There is much work under way to address the current overspend that the service is reporting. These initiatives include rigorous challenge between the Finance Business Partner and the Service’s senior managers to make sure budgets are being controlled and a review by the Leadership Team of the placements of looked after children to ensure that the most appropriate (usually at less cost) arrangements are being made. Further details of how the Portfolio is mitigating the over spend can be found at paragraph 17.

### **Children’s Commissioner**

12. The Service is forecast to have a year end non-DSG overspend of £60k and a £308k overspend in relation to DSG. The main areas of variance from non-DSG budget are shown below:
- SEN Transport – £47k overspent due to a rise in demand.
  - Student Finance causing a £28k overspend in Planning, Places & Admissions.
13. The £220k overspend in relation to DSG expenditure is due to the variances described below:
- SEN Transport £12k – overspent due to a rise in demand.

- SEN Statementing and Pupil Placements – £450k overspent due to lower than expected income against budget.
  - Offset by OLEA Income – £162k underspent due to better than expected income.
14. The service is reviewing SEN Transport on an on-going basis to identify offsetting underspends to mitigate the rise in demands.

### **Inclusion & Learning Services**

15. The Service has a non-DSG forecast outturn of £100k overspend and a £18k forecast underspend in relation to DSG. The main areas of variance from non-DSG budget are shown below:
- Early Years £73k overspent – the main reason for this variance is higher than expected costs for Schools Hosting.
  - Innovation & Development is overspending on music services by £25k.
16. Early years is currently undergoing a review to ensure that service delivery is as efficient as possible. Finance are working with service to identify savings as part of this review which may go some way to mitigating against the Schools Hosting overspend.

### **Lifelong Learning Skills & Communities**

17. The service forecast outturn for non-DSG is an underspend of £75k. The main reasons for the underspend are discussed below:
- The Youth Service is forecast to be £1.22m overspent – the cause being £668k on Connexions and £552k on Youth. This overspend is based on the potential redundancy and overhead costs at Sheffield Futures detailed in the work currently undertaken by Finance in support of the service. As at Month 3 potential funding has been identified within CYPF to offset this forecast overspend.
  - The Youth Offending Service is forecast to be £72k overspent – the primary cause being the demand for secure placements.
  - Learning Skills & Employment is forecast to be £58k overspent – the Sheaf Training Unit is underachieving on outputs that attract grant income. Good progress has been made through joint working between the service and finance to monitor more effectively income

earned across the units. Efforts will be made to bring expenditure back in line with the budget.

- 14 -19 Partnerships is forecast to be £141k under spent – this is split 50/50 between DSG and non-DSG. The underspend has resulted from the drawing down of grant income for the full year.
- Employment & Skills is forecast to be £141k under spent – this small surplus of funds may be needed to fund activity on specific individuals. The service has been asked to provide a business case on this requirement.

### **Table of Mitigating Savings**

18. The following table details savings which have been identified to offset the current forecast £2m over spend.

<b>Saving Amount £000</b>	<b>Description</b>	<b>Sign off by Cabinet Member Required</b>
500	Savings across the Portfolio in the areas of supplies and services and other discretionary spend (please note this is not reflected in the present forecast outturn).	TBC
TBC	Restructure of Business Support Service	Yes
300	Vacancy Freeze to be discussed from September onwards, this requires the agreement of PLT	TBC
TBC	Review of all agency staffing	No
1,000	Eligible grant expenditure to be set against cash limit pressures	Yes
200	£50k reduction in the cost of Contact Services and £150k staffing costs to be charged against grants in Children and Families.	No
<b>2,000</b>	<b>Total Savings Identified</b>	



## Use of Reserves

### CYPS non-DSG Reserves

19. CYPF has in place non-DSG reserves which have been built up as a result of planned underspends. The balance on non DSG reserves at 1st April 2011 was £770k. All of the reserves are planned to be utilised in this financial year to continue service delivery.

### DSG Reserves

20. The central DSG reserve at 1st April 2011 was £5.4m of which £2.8m is committed to be used on specific activity in 2011/12. These activities are as follows: £1.25m for VSP Delivery; £602k for Schools Sickness Insurance; £307k for SESSA; £289k for closed schools; and £200k for schools contingency. As the DSG budget is currently overspending the unallocated funds are required to cover other service demands in this financial year.
21. At 1<sup>st</sup> April 2011 Schools held £17.2m revenue and £1.1m capital Reserves.

## PLACE

### Summary

22. As at Month 3, Place are forecasting a full year outturn of £3.264m over budget, an adverse movement of around £1m since the previous period. The key variances are:
- Design & Project Management: £954k over budget, largely relating to a predicted shortfall in income.
  - Development Services: £1.361m over budget, largely due to outstanding saving proposals on the waste management contract relating to Saturday/extended collection day for black bins and alternative funding of assets (£860k) and a potential shortfall in car parking fees (£323k).
23. The key reasons for the adverse movement in this period are:
- Housing Enterprise and Regeneration (HERS): £251k adverse, due to staffing costs now being projected at current levels, pending

further work to identify the activities and if appropriate allocate funds from the Capital Programme.

- Streetforce: £390k adverse, largely due to anticipated bad debt provision increase.
  - Business Strategy: £180k adverse, due to additional bad debt provisions.
  - DPM: £94k adverse, due to a further reduction in anticipated income.
24. The Portfolio Leadership Team has arranged a number of meetings in August to consider in year cost reductions to close the budget gap. These proposals will be reflected in subsequent forecasts and any necessary policy approvals will be sought through the monthly Finance Monitoring Report.
25. The forecast at Month 4 will show a £1.1m improvement as a result of the actions listed below:
- £0.2m improvement in Development Services as a result of holding vacancies in the service;
  - £0.3m saving on the Waste Management budget as a result of a series of small initiatives;
  - £0.3m improvement in Business Strategy and Regulation following action taken to improve debt management;
  - £0.1m reduction in costs in the Parks service following a staff restructure and securing additional funding;
  - £0.2m of further small improvements across the other services.

## Financials

Service	FY Outturn	FY Budget	FY Variance
BUSINESS STRATEGY & REGULATION	7,605	7,244	361
CREATIVE SHEFFIELD	1,796	1,796	-
CULTURE	35,016	35,004	12
DESIGN AND PROJECT MANAGEMENT	2,857	1,903	954
DEVELOPMENT SERVICES	98,599	97,238	1,361
HERS	2,087	1,749	338
PARKS AND COUNTRYSIDE	8,279	8,405	(126)
STREET FORCE	(2,137)	(2,526)	389
SUSTAINABLE DEVELOPMENT	196	221	(25)
GRAND TOTAL	154,298	151,034	3,264

## Commentary

### Business Strategy & Regulation

26. The current forecast for this activity is £361k over budget, an adverse movement of £180k this period.
27. The key variance is within the Coroners service (£292k) and is largely attributable to a bad debt provision incurred this period. This relates to 2 unpaid accounts (£193k), which are being actively pursued. Furthermore management are reviewing the process here with a view to seeking payment in future through automatic bank transfer to reduce the risk which will be reflected in the Month 4 forecast.

### Design & Project Management

28. The current forecast for this activity is £954k over budget, an adverse movement of £94k on the previous period.
29. The variance is attributable to a projected shortfall against budget in trading income of around £1.2m (20%), offset to some extent by staff savings in excess of £200k. Action is already in place whereby a restructure is progressing which will reduce staffing levels by 15 FTE by September, saving around £500k in a full year. Furthermore, a full evaluation of the business has been worked-up for approval to address any remaining shortfall in the short to medium term. The plan shows that there is a viable business, but further balancing of workload and resources will be necessary.

### Development Services

30. The current forecast for this activity is £1.361m over budget, an adverse movement of £238k on the previous period.
31. The key variances are as follows:
  - Waste management – a shortfall in saving proposed on black bins relating to Saturday/extended collection day (£432k).
  - Waste management – a shortfall in saving proposed on alternative funding of assets (£428k).
  - Car Parking – a projected shortfall in income (£323k).

- Planning & Building Regulation fees – a projected shortfall in income (£200k).
32. Work has commenced across the whole service area with a view to identifying and securing potential efficiencies from continued vacancy management and further managed efficiencies in supplies and service spend.
33. It should be noted that a key risk within this area is around securing the £5.3m planned external fee income from car parks, building regulations and planning. Whilst these income streams are closely monitored and current forecasts already include a potential shortfall of around £0.5m.

### **Housing, Enterprise & Regeneration (HERS)**

34. The current forecast for this activity is £338k over budget, which is an adverse movement of £251k on the previous period.
35. The key variance is on staff costs which, should they continue at current levels are forecast to be around £300k (11%) in excess of the £2.7m budget.
36. A key risk within this new service area is securing the income/resources from various funding streams (Capital Programme, HRA, LEGI etc), which at £3.6m represents around 70% of gross cost. This is currently being reviewed and the outcome of this work will be incorporated into the next month's report, and it is anticipated that the service will reduce the current overspend.

### **Parks and Countryside**

37. The current forecast for this activity is £126k under budget, broadly in line with the previous month's position. The variance largely comprises staff savings of £81k predominantly from within the public realm area.

### **Street Force**

38. The current forecast for this activity is for a £389k shortfall on the approved profit target, an adverse movement of £390k on the previous period.
39. This is largely attributable to forecast increased bad debt provisions. Work has commenced in this area to improve the current performance of

income collection with a view to reducing the current £1.4m of outstanding debt. In particular, legal action is now being taken against these debtors.

40. The key to reducing the overspend is reducing the levels of debt. New tighter processes have been introduced whereby managers will receive regular reports on debts to ensure that management action is taken (including in the courts), and paying for services up-front where possible. The impact of this action is being evaluated and will be reflected in the next forecast.

## **COMMUNITIES**

### **Summary**

41. As at Month 3, the Portfolio is forecasting a full year outturn of £130k over budget, compared to a £228k underspend last month.
42. The key reason is:
- An overspend in Community Services mainly as a result of the slippage in the Libraries changes such as opening hours etc, delays in budget savings arising from the staffing review in community assembly teams and the Police Community Support Officers (PCSO's).
43. However, this is offset by:
- Underspend in Business Strategy mainly around the contingency held for Learning Disabilities purchasing.
  - Break-even overall in Care and Support. However, there is a significant underspend around Supporting People commitments, Older People and Physical Disability purchasing budget, which offsets the current overspend around intermediate care and the asylum contract.
  - Break-even in Strategy and Commissioning due to a current forecast underspend in ex learning disability pooled budget around Supporting People costs offsetting the potential slippage in the Kirkhill saving.

## Financials

Service	FY Outturn	FY Budget	FY Variance
<b>BUSINESS STRATEGY</b>	16,071	16,357	(286)
<b>CARE AND SUPPORT</b>			
HOUSING RELATED SERVICES	3,367	3,097	270
JOINT LEARNING DISABILITY SERV	32,004	31,054	950
PERSONALISATION AND PREVENTION	68,435	70,503	(2,068)
PROVIDER SERVICES	22,696	21,791	905
<b>COMMUNITY SERVICES</b>			
COMMUNITY SAFETY	1,926	1,832	94
LIBRARIES	7,350	7,090	260
LOCALITY MANAGEMENT	4,635	4,546	89
<b>STRATEGY AND COMMISSIONING</b>	27,666	27,750	(84)
<b>GRAND TOTAL</b>	<b>184,150</b>	<b>184,020</b>	<b>130</b>

### Business Strategy

44. Included in this service are cross cutting overheads, contingency held for learning disabilities purchasing, safeguarding and policy and performance. The current projected underspend of £284k reflects the contingency held for Learning Disabilities purchasing budget.

### Care and Support

45. Overall this area is forecasting an outturn position of a £56k overspend, compared to last months position of 498k underspend.
46. **Housing Related Services** (services include homelessness, equipment and adaptations, housing solutions and the asylum seekers contract). The overall forecast is a £269k overspend, a deterioration of £422k from last month. This is due to a review of the asylum contract which is currently forecasting not to recover the full cost of the service. The areas of overspend are around cost of accommodation for service users and the recovery of central costs, and further work is ongoing to review this position. The central costs will not be attributable to the contract in the future but will still be a call on the Communities overall budget. These costs are currently covered by underspends elsewhere in the portfolio and will be reviewed as part of the 12/13 budget process. Homeless services and equipment and adaptations are currently forecasting an underspend based on current demand levels which will be kept under review.
47. **Joint Learning Disability Services** are forecasting an overspend of £949k, a deterioration of £225k from last month. As mentioned above, an element of the purchasing budget is being held in Business Strategy as a

contingency which forms part of the projected overspend on the purchasing budget. However the position this month is worse due to some slippage in the savings attributable to the VFM/procurement review (£300k). The Service is reviewing this position and will continue to review packages to improve this position. The remaining overspend is around staffing savings identified in the budget process that have slipped due to issues around pay protection following achieving changes, co-location issues and slippage in business re-engineering reviews. Overall the Service will look to hold vacancies to cover this potential shortfall.

48. **Personalisation and Prevention Services** are forecasting a £2.067m underspend, a small movement from last month's position (£2.143m). This division of service covers the purchasing budgets for older people and physical disabilities which are forecasting £1.1m underspend due to a reduced level of commitment rolling forward from 2010/11 around reablement, Self Directed Support (SDS) and Continuing Health Care income.
49. The Supporting People budget is also included in this division of service and is forecasting a £1.198m underspend. This is as reported last month and is due to the carry forward request no longer being required due to successful contract negotiations.
50. **Provider Services** are forecasting a £904k overspend, an improvement of £109k on last month's position. This division includes the Care4you service, adult family placements and associated support. Part of the 2011/12 budget savings was a review of the intermediate care beds provided by Care4you. Due to the complexity of this and the need to involve the PCT in a whole city the review will not be completed until 2012/13. Alternative one-off savings have been identified in 2011/12 to cover this as highlighted above.

### **Community Services**

51. Overall this area is forecasting an overspend of £444k, compared to a £484k overspend last month. This overspend is being offset by savings elsewhere in the Portfolio for 2011/12. As the majority of the slippage is due to delays in managing employee reductions, now that these have been completed the budget savings will be a full year saving in 2012/13.
52. **Community Safety** are forecasting an overspend of £94k. This overspend in the main is due to the notice period required for the 15

PCSO's posts deleted as part of the budget process. This is a one off cost in 2011/12.

53. **Libraries** are currently forecasting a £260k overspend, an improvement on last month. The income issue reported last month has been resolved and this projected overspend reflects the slippage in the budget saving proposal due to the need to consult on the mobile service and the opening hours, the staffing savings therefore have slipped and this accounts for £192k of this overspend. The staff reductions have now been agreed and staffing reductions in place and the full saving will be achieved in 2012/13.
54. **Locality Management** are currently forecasting an overspend of £89k. This division includes community assemblies and community buildings. The overspend reflects the delay in implementing the achieving change for the Community Assemblies teams, and the full saving will be achieved in 2012/13.

### **Strategy and Commissioning**

55. This area includes the health and housing commissioning function of the portfolio and is forecasting an £85k underspend. The reason for the forecast position is an anticipated underspend in the supporting people element of the ex learning disability pooled budget and forecast underspend in the mental health purchasing budgets, offset by the anticipated reduction in the saving due to the closure of Kirkhill due to one off costs incurred by the care trust due to some re-provision, staff costs and loss of income.

### **Southern Cross**

56. There are 12 care homes in the City that were owned by Southern Cross. The ownership position of these homes is presently unclear but the Portfolio is monitoring the position and is establishing contingency plans.

## **RESOURCES**

### **Summary**

57. As at Month 3, the Resources Portfolio is forecasting a full year outturn of £1.9m over budget. However a number of actions have been taken which will reduce the forecast overspend to £0.3m by month 4, through the following actions and approval of the Accommodation Strategy:



- Renegotiation of Property and Facilities Management (P & FM) supplier contracts which has delivered a £0.5m saving.
  - Restructuring of the P & FM staff budget (£0.1m).
  - Offset by the impact of the Markets rent discount scheme (£0.2m).
  - £0.2m saving in Customer Services following the implementation of a revised staffing structure.
  - £0.2m improvement in Finance costs mainly reflecting action taken to offer staff reduced working hours.
  - Following Cabinet approval of the revised Accommodation Strategy report on 24<sup>th</sup> August, costs should reduce by a further £950k.
58. The remaining overspend of £300k will be found with compensating savings elsewhere in the Portfolio to produce an overall balanced position by month 5.
59. The key reasons (described in greater detail under commentary) for the month 3 overspend are:
- £2.2m pressures in Property and Facilities Management including £900k on accommodation costs, £600k pressure from reduced activity on land sales, £400k pressure on the corporate mail service and £200k in the Markets service (this is prior to the pending approval of a revised invest to save accommodation strategy).
  - £1.2m under budget on benefit claims in Central Costs.
  - £600k over budget relating to shortfalls in budget plan savings on the capita contract.
  - £300k projected underspend in the Human Resource Service.
  - £264k projected overspend in Commercial Services.
  - £200k increase in the Finance service costs due to undelivered budget savings proposals.
  - £200k of variances of approximately £100k each in other services.

## Financials

Service	FY Outturn	FY Budget	FY Variance
BUSINESS INFORMATION SOLUTIONS	(399)	(419)	20
COMMERCIAL SERVICES	1,492	1,228	264
CUSTOMER SERVICES	10,114	9,929	185
FINANCE	2,669	2,456	213
HUMAN RESOURCES	386	655	(269)
PROPERTY AND FACILITIES MGT	27,890	25,738	2,152
TRANSPORT	275	318	(43)
<b>TOTAL</b>	<b>42,427</b>	<b>39,905</b>	<b>2,522</b>
CENTRAL COSTS	13,949	14,549	(600)
PROGRAMMES AND PROJECTS	1,001	1,001	-
<b>GRAND TOTAL</b>	<b>57,377</b>	<b>55,455</b>	<b>1,922</b>

## Commentary

### Property & Facilities Management

60. This is the first full year of the service in its current form since it assumed responsibility for all property matters across the Council. Thus it is dealing with a number of legacy issues amongst new pressures which are emerging:
- Office accommodation costs are forecast to be £950k higher due to the delay in vacating some city centre office space, pending approval to a revised invest to save accommodation strategy.
  - £600k cost increase in net cost because of lower asset disposals (whereby staff would charge time to capital projects). This over capacity is being addressed through a programme to reduce contract costs within this area.
  - The Corporate Mail service has lost a number of clients which contributed to the cost of the service which is largely fixed. This has resulted in a £450k overspend.
  - An agreement has been reached with the market traders to reduce the stall rents pending a move to the new Sheffield Indoor Market. The cost of the scheme is estimated to be in excess of £300k and work is in hand to identify compensating savings.

## Finance

61. Part of the Finance agreed budget saving involved identifying additional users to share the fixed costs of the Finance IT system. At present no

contracts have been signed but discussions with one potential user are at a very advanced stage.

### **Central Costs**

62. The current forecast of Housing Benefit costs is for an underspend against budget of £1.2m. This comprises the following:
- A potential underspend of £600k on the net cost of Housing and Council Tax benefits. Whilst the gross cost of benefits has increased, there is the potential for subsidy income to be better than planned: benefit subsidy rules are complex and involve different rates of subsidy according to the classification of the expenditure.
  - A potential additional bonus subsidy of £600k that depends on the achievement of performance targets on benefit overpayments.
63. There is a forecast shortfall of £600k on the planned savings on the Capita contract.

### **Human Resources**

64. This service is currently forecasting an underspend of £269k which represents additional spending of £170k since last month.

### **Commercial Services**

65. This service is currently forecasting an overspend of £264k which represents additional spending of £113k since last month.

## **DEPUTY CHIEF EXECUTIVE'S**

### **Background**

#### **Summary**

66. As at Month 3, the Portfolio is forecasting a full year outturn of £1.2m under budget.
67. The key reasons (described in greater detail under commentary) for this position are:-
- £1.2m re-phasing of the LEGI programme which is being requested as a carry forward.

- £88k projected overspends in Policy Partnership and Research against Budget Implementation Plans.
- Minor variations in other services.

## Financials

Service	FY Outturn	FY Budget	FY Variance
LEGI/BIG	-	-	-
ACCOUNTABLE BODY ORGANISATIONS	(1)	-	(1)
BUSINESS DEVELOPMENT	1,770	1,781	(11)
ECONOMY AND SKILLS	4,454	5,654	(1,200)
HEALTH IMPROVEMENT	223	223	-
LEGAL SERVICES	2,574	2,566	8
MODERN GOVERNANCE	4,293	4,293	-
PERFORMANCE AND CORP PLANNING	1,056	1,096	(40)
POLICY, PARTNERSHIP, AND RESEARC	3,757	3,669	88
SUSTAINABLE DEVELOPMENT	(6)	-	(6)
GRAND TOTAL	18,120	19,282	(1,162)

## Commentary

### Economy and Skills

68. This service is forecasting a £1.2m underspend for the reasons given below, and is requesting to carry forward this money to the next financial year.
69. A successful ERDF bid has been secured on the Enterprise Programme which covers the period April 2011 to September 2012. The total planned spend over this period is £4.1m, of which around £1.2m would fall in the 2012/13 financial year. As such it is proposed to re-align the profile of spend with that of the approved external funding programme and a request to Cabinet to approve a planned carry-forward of budgeted spend of up to £1.2m into 2012/13 was deferred until later in the year when the financial outturn is more certain.

### Risks

70. Service managers have reviewed expenditure and updated their forecasts from the Month 2 position. The forecast contains a number of assumptions about future income streams and employee reduction plans which are not as yet certain and the position will be kept under review.

## CORPORATE ITEMS

### Summary

71. The month 3 forecast position for Corporate budgets is a £838k underspend. The table below shows the items which are classified as Corporate and which include:
- Corporate Budget Items: corporate wide budgets that are not allocated to individual Services/Portfolios including capital financing costs and the provision for redundancy/severance costs.
  - Corporate savings: the budgeted saving on review of management costs (£0.5m) and budgeted saving from improved sundry debt collection (£1m).
  - Corporate income such as Formula Grant and Council Tax income, some specific grant income and contributions from reserves.

### Financials

	<u>FY Outturn</u>	<u>FY Budget</u>	<u>FY</u> <u>Variance</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Corporate Budget Items	41,419	41,857	-438
Savings Proposals	-1,900	-1,500	-400
Income from Council Tax, RSG, NNDR, other grants and reserves	-537,873	-537,873	0
<b>Total Corporate Budgets</b>	<b>-498,354</b>	<b>-497,516</b>	<b>-838</b>

72. The under spending is in respect of the following:
- Officers have successfully recovered additional amounts of VAT totalling £438k that had been paid in earlier years. This follows discussions with HM Revenues and Customs concerning VAT on income from sports activities. There is likely to be interest payable on this amount which will be included in the next monitoring statement.
  - One of the agreed budget proposals related to savings from improved sundry debt procedures. Current performance suggests the amount will exceed the agreed saving by £400k.
73. The 2011/12 budget includes a provision for redundancy/severance costs that will be incurred as a result of the implementation of total savings of circa £80m. The budget provision was based on an assumption that the

potential workforce impact of the budget would amount to a reduction of 800 full time equivalent posts and involved an assumed carry forward of budget from 2010/11.

74. In the period from December 2010 to March 2011 the Council agreed to release approximately 360 posts through voluntary severance and voluntary redundancy applications. The cost of these amounted to £8.2m. The majority of these posts will have been included in the estimated total of 800 and have been accounted for in the 2010/11 financial year, thereby reducing the amount carried forward to 2011/12.
75. The resulting budget in 2011/12 for severance/redundancy costs now stands at approximately £8.5m. The potential call on this will include the following elements:
- In the current financial year to date, the Council have agreed to a further 300 posts being released at a cost of approximately £5m.
  - There will be more posts released in the coming months as the full extent of the budget savings are implemented. It is likely that at least 70 further post reductions will be implemented at a potential cost of £2m.
  - The Council is potentially liable for a proportion of the costs incurred by some of our major contractors – Capita and Kier – who will have severance costs as a result of permanent variations in the contracts they have with the Council. Although these matters are commercially sensitive (and will be removed from the report to Cabinet) the indications are that such costs could amount to £1.3m.
76. The forecast suggests that severance will amount to approximately £8.3m: i.e. within the budget of £8.5m. However there are also discussions taking place about the position at Sheffield Futures and about the proportion of severance costs that will be met by the City and Sheffield Futures. It is therefore unlikely that there will be sufficient budget to meet costs relating to Sheffield Futures.

## **CORPORATE FINANCIAL RISK REGISTER**

77. The Council maintains a Corporate Financial Risk Register which details the key financial risks facing the Council at a given point in time. A full update of this risk register has not been undertaken in this financial year

but a fundamental review will be taken at the half year stage. The most significant risks that are currently in the Register are shown below with a summary of the actions being undertaken to manage each of the risks. The top risks are summarised below:

- **Digital Region**

The Council is providing £4m in loans to the Company and as a shareholder carries further rights and responsibilities. The Company's sales are proving slow to take off, leading to changes in the Business Plan and to Contract changes with its private sector partner. The Council faces risks on its direct investment, as well as on guarantee clauses to key contractors, and in a worse case scenario to a share of ERDF grant clawback.

- **Capital Receipts & Capital Programme**

Failure to meet significant year on year capital receipts targets due to depressed market and reduced Right-to-Buys, resulting in potential over-programming / delay / cancellation of capital schemes.

- **Pension Fund**

Bodies whose Pension liability is backed by the Council (e.g. Sheffield Futures) are reaching key decision points which may crystallise the liability resulting in significant cost to the Council.

- **Electric Works**

The running costs of the business centre are not covered by rental and other income streams. The approved business plan set aside contingency monies to cover potential deficits in its early years of operation. However, there remains a risk that the occupancy of units within Electric Works might be slower (lower) than that assumed within the business case, such that the call on the contingency is greater (earlier) than planned. The business case assumed occupancy levels would increase from 44% (2009/10) to 79% (2010/11), The actual occupancy levels were 24% (2009/10) and 57% (2010/11), much of the shortfall in income being made up from conference lettings and virtual services. Following a refresh of the financial model, the assumed level for 2011/12 is 68% rising to 78% for 2012/13 - a position

which is being closely monitored at monthly board meetings of Electric Works Directors, SCC's Director of Economy and Skills, and the DCX Finance Business Partner.

- **Treasury Management**

The risk that the Council will not get back the money that it deposits with Banks and Financial institutions or that the interest rates received will be materially lower than forecast in the Revenue Budget assumptions.

- **Implementation of Savings**

The savings set out in the 2011/12 budget are not fully implemented to achieve the level of savings required for a balanced outturn position in 2011/12.

- **Contract Spend**

The high and increasing proportion of Council budgets that are committed to major contracts impairs the Council's flexibility to reduce costs or reshape services. This is exacerbated by the fact that in general these contracts carry year-on-year inflation clauses based on RPIx which quite probably will not be available to the Council's funding streams e.g. Council Tax and RSG.

- **Building Schools for the Future Programme Affordability**

The £15m affordability gap in the capital programme for the secondary schools estate which must be underwritten by the Council.

The Department for Education has asked that where possible projects within the Building Schools for the Future programme are reviewed but the agreed savings from this exercise have been kept to a low figure of 4%.

- **Economic Climate**

There is potential for current adverse economic conditions to result in increased costs (e.g. increased homelessness cases) or reduced revenues.

The Council seeks to maintain adequate financial reserves to mitigate the impact of unforeseen circumstances.



- **NHS Funding Issues**

There are significant interfaces between NHS and Council services in both adults' and children's social care. The Council has prioritised these services in the budget process, but savings have nevertheless had to be found. Working in partnership with colleagues in the Health Service efforts have been made to mitigate the impact of these savings on both sides. However, ongoing work is required now to deliver these savings in a way that both minimises impacts on patients and customers and minimises financial risks to the NHS and the Council.

- **Housing Regeneration**

There is a risk to major schemes such as **Parkhill** and **SW&N** because of the severe downturn in the housing market.

In addition changes in Housing Market Renewal funding are causing funding pressure e.g. on site clearance work.

- **Trading Standards**

There is a risk that it is not possible to recover outstanding contributions from the other South Yorkshire Authorities.

- **External Funding**

The Council makes use of a number of grant regimes, central government and European. Delivering the projects that these grants fund involves an element of risk of grant claw back where agreed outputs are not delivered. Strong project management and financial controls are required.

- **Academies & Independent Schools –**

Local Authority community schools that choose to become independent academies are entitled, under current DfE finance regulations, to receive a proportion of the local authority's school related central spending budgets. If all of Sheffield's Secondary Schools were to become academies it is estimated that around £5.35 million would be deducted from the authority's central spending budgets and given to the Academies. The risk is that this would leave an inadequate level of funding to maintain the centrally retained school services that support local authority community schools and thus cuts would have to be made to balance the budget.

There are also further potential risks if a school becoming an academy is a PFI school, it is unclear how the assets and liabilities will be transferred to the new academies and whether the authority could be left with residual PFI liabilities.

Where new independent schools (free schools) or Academies are set up and attract pupils from current PFI schools, the funding base available to pay for a fixed long term PFI contract would reduce, leaving SCC with a bigger affordability gap to fund.

## **HOUSING REVENUE ACCOUNT (HRA)**

78. The budgeted position for the HRA was a draw down from reserves of £4.689m, as at month 3 the position is slightly better by £569k, which is mainly due to a projected underspend on district heating (£353k) and responsive repairs, mainly on vacant repairs (£239k).

## **THE CAPITAL PROGRAMME FOR 2011/12**

### **Summary**

79. At the end of June 2011, capital expenditure is £28.7m (39%) below profile. The forecast outturn is £12.4m (5%) below the approved capital programme. There is a combined forecast underspend of £19.3m in CYPF, Place, Communities and Resources, offset by a forecast increase above budget of £6.9m on the Housing programme following the identification of additional finance (see paragraphs 107 -133 for further details).
80. The underspend against budget is in line with previous experience at this point in the year. Project managers will be updating their delivery plans and reflecting this in future forecasts.
81. Procurement, Project Management and Finance representatives have planned a series of briefings in August for all staff engaged in the planning and delivery of capital projects to refresh knowledge of the process and troubleshoot any problems.

**Financials 2011-12**

<b>Portfolio</b>	<b>Spend to date</b>	<b>Budget to Date</b>	<b>Variance</b>	<b>Full Year forecast</b>	<b>Full Year Budget</b>	<b>Full Year Variance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
CYPF	28.6	43.5	-14.9	150.7	156.3	-5.6
Place	5.8	7.9	-2.1	36.7	46.4	-9.7
Housing	9.6	20.3	-10.7	64.0	57.1	6.9
Communities	-	-	-	2.4	3.8	-1.4
Resources	0.1	1.1	-1.0	1.8	4.3	-2.5
<b>Grand Total</b>	<b>44.1</b>	<b>72.8</b>	<b>-28.7</b>	<b>255.6</b>	<b>267.9</b>	<b>-12.3</b>

**Commentary**

82. The Housing programme appears to be forecasting an overspend but the service has submitted £6m of schemes for approval (see paragraphs 110 to 112). Of these, the most significant is Scowerdons, Weaklands and Newstead Estates (SWaN) Redevelopment (£3.1m). Furthermore, it is proposed to invest £2.2m of the additional £3.123m of HRA Surplus Reserve on replacing Obsolete Heating systems (£1.5m), Converting bedsits at Low Edges to one bedroom flats (£0.6m) and new homes at Shirecliffe (£0.1m).

**Approvals****New Schemes**

83. Requests for new schemes to be included in the Capital Programme are included in the Housing and Highways programmes in paragraphs 107 to 163 respectively. There is one other scheme as below.

**Mickley Lane Allotments – Parks (£35k)**

84. This scheme will create a new allotment site of approximately 60 new plots off Mickley Lane in the Dore and Topley ward. This provision is a

priority under the Assemblies Action Plan and is driven by the high demand for allotments in the South West and the Council's statutory duty with regard to the provision of allotments.

85. The total cost of the scheme is £35k, and will be funded by the block allocation of £50k for the Allotment Investment Programme (Q00002) which is funded by the Corporate Resource Pool (CRP). Subject to the appropriate approvals, construction work is projected to start in September 2011 and finish in January 2012, thus allowing all plots to be occupied by March 2012.
86. The Council owns the land that is being used to convert into allotments, but it was leased to a local farmer. The surrender of the lease will cost £6k including associated legal costs and will be funded from the Parks revenue budget.
87. The procurement strategy is to appoint Streetforce to undertake the works. They will be able to do the work at a reasonable cost and within the required timescales.

### **Variations**

#### **Concord Park Multi Use Games Area (MUGA) – Parks (£40k)**

88. Concord Park MUGA was approved by Cabinet on 25 November 2010 to the value of £117k. The original scope of the work included site clearance, marking out sports pitches and installation of a MUGA and fencing.
89. £40k additional funding has now been secured from the Big Lottery Community Spaces grant which, will be used to provide additional fencing, furniture, surfacing and planting works.
90. The procurement strategy is to go to open tender.

### **Accelerated Spend / Slippage**

91. No requests for accelerated spend or slippage have been submitted for approval, except for those in Appendix 1 (Neighbourhoods Investment Programme).

## Stage Approvals

92. The following three projects at paragraphs 92 to 104 were submitted to CPG for stage approval to proceed with procurement strategies:

### Sheffield Indoor Market

93. SCC is intending to procure and construct a New Indoor Market (with associated utilities and service yard) at the site known as Block 6, The Moor, located in the city centre. The new Market will replace the existing facility at Castle Market. The development of the new indoor Market on the Moor is being designed, procured and constructed by the Council and approval was granted at Cabinet on 23<sup>rd</sup> March 2011.
94. The Market (and Yard) is part of a wider development on Block 6, which also includes a retail unit (Shops), capable of being subdivided into a number of shops.
95. Both the Market and Shops have been designed as a single building but with physical separation between the uses so that they are independent entities.
96. The Shops will be procured and constructed by a third party, Scottish Widows Investment Partnership (Developer), and the use of the Yard will be shared between both SCC and the Developer.
97. It is proposed that the construction works will be procured on a single stage Design and Build basis using a JCT form of contract and that the architect and structural engineer will be novated to the main contractor.
98. SCC will lead on the OJEU process on behalf of SCC and SWIP so that public procurement legislation is complied with. The single contractor will enter into separate building contracts with SWIP (for the Retail) and with SCC (for the Market and for the Service Yard).
99. The approved budget for the Indoor Market project is £18,030,675 which includes a contingency of £1,606,425. The budget for construction work is £14,500,000. In order to pay for this contract, 30% of the project contingency will be used at an early stage.

**Intake Primary School Kitchen**

100. Approval is sought to change the procurement strategy for this project from single negotiated tender with Kier Sheffield LLP to open competitive tender. The project is part of the Schools Kitchen Programme authorised by emergency approval in July 2010 cabinet in 2010.
101. The original contractor, C R Gibbs and Sons, went into administration part way through the delivery of the works. Management originally worked towards a completion deadline of 19 August 2011 in order for the school to mobilise in readiness for the start of the new academic year and meet the grant condition to spend by 31<sup>st</sup> August. Having gone through a process of due diligence in reviewing Kier Sheffield LLP's priced submission to complete the contract, the negotiation concluded with an overall cost to complete the works that was in excess of the available budget.
102. Subsequently it has become evident that the deadline for funding could now be extended to December 2011. As a result and in order to try and obtain better value for money to complete the work and to minimise the client's potential shortfall and exposure, it is considered that a single stage selective competitive tender process be undertaken for the completion work to this contract. To this end the school has confirmed their willingness to allow the completion of the project to extend beyond August 2011.

**Rivelin Valley Paddling Pools Refurbishment**

103. The purpose of this scheme is to upgrade water recirculation and filtration facilities and prolong their operational life. The system last had a limited upgrade in the mid 90's. Initial funding of £100,000 has been identified from the Playbuilder programme to update and improve the facility. These are the only remaining paddling pools in the city and there is local pressure to improve and update the pools. They are a free popular attraction for many families in the north of Sheffield, with the nearby café, playground, woods and river all combining to provide an affordable day out for families with young children. The water play is a very popular element and attracts families from a wide area when it is open between Spring Bank Holiday and the late summer.

104. The proposed procurement strategy is to procure the Rivelin Valley Paddling Pools refurbishment project via a full competitive tender process.
105. The contract budget as per the Procurement Strategy Approval Form is £100k plus an allowance of £15k for fees.

### **Retrospective Approvals**

#### **Jordanthorpe Open Space – Sheffield Homes (£9k)**

106. Sheffield Homes have overseen a project to install a new see-saw and climber at Hazlebarrow play area in Jordanthorpe without obtaining the appropriate capital approval for the scheme. The £9k scheme was fully funded by Section 106 agreement number 783 and the work was incorrectly expended via a revenue budget Instead of being approved through the capital approval process. Authority is now being sought to retrospectively approve the works.
107. In discussion at CPG, the Director of Commissioning in Communities expressed concern at the piecemeal approach to improving open space and play areas and has asked that Sheffield Homes (the Council's housing stock managing agent) prepare a full programme which can be reviewed and then properly approved against the Council's strategic objectives in order to maximise value for money and benefits.

### **Neighbourhoods Investment Programme**

108. The Neighbourhoods Investment Programme needs to be amended to take into account the following:
- Known changes since the original programme for 2011/12 was approved by Full Council on 4<sup>th</sup> March.
  - The 2010/11 programme outturn, in particular the impact of slippage.
  - The new level of available resources and expenditure over and above the existing programme.
109. The total net value of adjustments to the 2011/12 Neighbourhoods Investment Programme is £6,009k, increasing it from £54,959k to £60,968k. The total net value of adjustments submitted for approval by the usual monthly capital approval process is an increase of £3,039k. A

series of tables in Appendix 1 show a breakdown by scheme of these adjustments.

110. The remaining £2,970k increase has been submitted for approval via the emergency approval route (see Appendix 1).



111. The following table shows a high-level summary of the proposed adjustments to the 2011/12 Neighbourhoods Investment Programme.

	<b><u>(£'000)</u></b>
Approved capital programme for 2011/12 at Month 3	54,959
<b><u>Add:</u></b>	
New schemes	
Low Edges Bedsits	560
Additional work on existing schemes	
Scowerdons, Weakland and Newstead Estates (SWaN)	3,100
Obsolete Heating	1,500
Insulation	721
Programme Management costs	616
Schemes less than £500k	1,203
<b>Transfers between schemes:</b>	
Decent Homes block allocation re-allocated	(5,987)
Heat Metering Pilot	652
South West Area	861
East Area	861
Park View Sheltered	1,087
Springwater Sheltered	1,196
Schemes under £500k	1,960
Health & Safety Enhancement	(630)
<b><u>Less:</u></b>	
Post year end slippage adjustments	(523)
Cancelled schemes	
HMR 2004/05	(500)
<b>Proposed new capital programme</b>	<b>60,967</b>

**112. Key highlights of the proposed changes include:**

- **Low Edges Bedsits** – the aim of this scheme is to reduce the number of unlet properties because one bed flats are more in demand than bedsits;
- **Obsolete Heating** – the primary purpose of this project is to make provision for replacement and repair to outdated heating systems in order to reduce the pressure on the revenue budget;
- **SWaN** - this budget is to cover the purchasing, rehousing and clearance of 219 properties. There is a legal commitment to continue the scheme.
- **Programme Management Costs** – this increase covers the revised overhead costs required to deliver the programme.
- **Insulation** – this is the second phase of the City-wide insulation project and aims to install any necessary insulation (to lofts and cavity walls) to various Wards around the City. The work will be funded by CERT grant.

113. Further details about specific changes to schemes can be found in Appendix 1 which covers new inclusions, variations and slippage requests.

**Stage Approvals**

114. In connection with the delivery of the revised programme the following four projects have moved to the procurement phase and cabinet is asked to approve the procurement strategies.

**The Tinsley Street scene project**

115. This project aims to deliver the principles of the Tinsley Centre Delivery plan without the need for demolition and new build (which are not feasible in the current economic climate). The aims of the project are to:

- Improve the environmental quality of Tinsley Centre
- Slow traffic downlink the shops, school and church better to make the area feel more like a village centre.

116. The negotiated price from Streetforce is within the project budget.

#### **Digital Call Off Contract**

117. To procure contract works to enable Sheffield City Council (through its managing agent Sheffield Homes) to fulfil their obligation to deliver an adequate digital television signal to communal properties following digital switchover in August 2011.

118. The procurement strategy approved at CPG in June is to engage a contractor through the Northern Housing Consortium (NHC) Framework who will run and administer the contract.

119. Commercial Services have confirmed that the Contract Award Form is in draft form and subject to review.

#### **Sheltered Decommissioning – Demolition of Chantrey Tower Block**

120. This scheme has already been approved but did not have enough funding to cover the demolition. The additional funding was approved 24<sup>th</sup> November 2010 with slippage added in June 2011 to give a budget of £859,527 in total. The procurement strategy is now complete and was presented to CPG in preparation for going out to tender for the contract.

#### **Loft & Cavity Wall Insulation in Sheffield Homes 2011/14**

121. This is the second phase of the City-wide insulation project and aims to install insulation (to lofts and cavity walls) to properties in various Wards around the City in accordance with the agreed programmes of work.

122. Phase 1 of the project was competitively tendered and carried out by Eaga (now trading under the banner of Carillion). Work commenced in April 2009 and will complete in October 2011 (extended from April 2011 under a formal Waiver of Standing Orders).

123. The works comprise the provision of insulation for lofts and cavity walls in various privately owned and privately rented properties throughout the City from November 2011 to December 2012 (but with a possible extension to December 2014 subject to satisfactory performance, budget availability and continuing value for money).

124. Loft insulation will be introduced in various thicknesses depending on the existing condition and cavity wall insulation will be applied to properties

with a suitable cavity. Draught proofing, water tank jackets and pipe lagging, under floor insulation and all associated building works will also be included where required.

125. The 2011/12 approved budget for this scheme is £2.2m. Emergency approval is being sought to increase the budget by £0.7m (see Appendix 1).

### **Emergency Approvals**

126. Emergency approval is being sought to make a series of urgent adjustments to the 2011/12 Neighbourhoods Investment Programme. These adjustments are now required to ensure that financial approval is in place for a number of capital schemes which are expected to incur expenditure ahead of the next Cabinet approval date (now confirmed as 24th August, previously 3rd August).
127. As shown in Appendix 1, the total net value of adjustments via the emergency approval route is an increase of £2.96m including:
128. An increase of £4,924k in respect of additional Decent Homes activity.
129. £3.1m accelerated spend on the SWaN programme. Commitments already given by project management to residents affected by the SWaN programme are such that financial expenditure have exceeded the budgeted amount. £1.3m is required immediately to keep within the anticipated spend by the end of July and further £1.8m is needed to meet commitments through the rest of the year.
130. £721k in respect of re-instituting slippage from 2010/11 on the Affordable Warmth programme and a further £150k to replace obsolete heating now that funding has been identified from resources carried forward from prior years.
131. £0.4m of overspends on the Digital Switchover project (£189K) and the Insulation Programme (£217k).
132. These changes will be funded partly from the block allocations in the Approved Capital Programme for Decent Homes works (£5.25m) and other private sector housing investments (£0.3m) with balance (£3.7m) coming out of accumulated resources from prior years.

133. The Health and Safety Enhancement Programme will be reduced by £630k to fund the Lift maintenance, asbestos allocation management and Obsolete Heating investments.
134. In accordance with the Leader's Scheme of Delegation, approval will be sought as appropriate via Executive Director Non-Key Decisions, Individual Cabinet Member Decisions or the Leader's approval on behalf of Cabinet for the award of contracts which fall outside the scope of the Decent Homes contract with Kier Sheffield LLP (which has already been approved by the Leader).

## Highways

### **Local Transport Plan (LTP) Integrated Transport (£4.8m) and Highways Maintenance Capital Programme 2011/12 (£4.3m) – (Transport and Highways £9.1m)**

135. The Local Transport Plan programme is designed to make it easier for people to move around safely, reducing congestion, making public transport easier to use, making the City's road safer, improving the condition of the roads and providing better transport links within and beyond the City. These are priorities as set out in the Council's Corporate Plan - 'City of Opportunity'.
136. The LTP Integrated Transport programme is funded by an approved allocation from the South Yorkshire Integrated Transport Authority (SYITA) £3,081,000 and is complemented by investments from external organisations (including South Yorkshire Passenger Transport Executive, Sustrans and other neighbouring local authorities) of around £1,680,000.
137. The resolution of the ERDF clawback dispute on the Eastern Gateway scheme (£775k) will release previously committed LTP monies to fund some of the schemes recently announced by the Cabinet member for Transport.

## Key Risks

138. The risks associated with this programme are that, as in previous years, costs will over run and will require funding from next year's SYITA allocation, thus limiting choices as to which new schemes should be prioritised in 2012/13. As shown in the table below, it was previously decided to use £664k of the 2011/12 year-grant to cover overspends on

existing schemes in the LTP. Consequently, this reduced the 2011/12 SYITA allocation by 22%.

139. Furthermore, there are weaknesses over the control of Street Force charges allocated to the Highways programme, leading to increased costs as mentioned above. Clearly, a review of the existing control mechanisms is required in order to ensure that the level of overspend can be reduced in future years.
140. The following table summarises the amount of SYITA and complementary investments, and how it is proposed to deploy those resources.

<b>Allocations</b>	<b>£k</b>
Community Assemblies (see section 4.5 Emergency Approvals)	1,050
Sustrans – Connect 2 (see section 4.5 Emergency Approvals)	1,321
Sustainable Transport Incentive Scheme (see section 4.5 Emergency Approvals)	60
CAF Variations (see also Appendix 2)	
BRT North	490
Ecclesall Road Congestion Reduction Scheme	139
Chesterfield Road	56
Road Safety, Education & Training	108
School Entrance Schemes	221
Road Safety Accident Reduction Schemes	188
Penistone Road Cycle Route Stage 3	200
LTP Management Costs	98
Public Rights of Way Improvements	75
Middlewood Road	172
Penistone Road	66
Wicker Drainage Works	75
Other smaller value schemes	553
<b>Total Allocations</b>	<b>4,872</b>

**BRT North – The Fixed Link (£490k)**

141. The key aims of the anticipated £42m project include:

- improving access to Strategic Economic Regeneration Areas;
- reduce congestion and improve journey times for all traffic
- improve the reliability and quality of public transport along the proposed corridor.

142. The Bus Route North will run from the Wicker, along Saville St, Attercliffe Rd, Carbrook St, Dunlop St, Weedon St and Meadowhall Way. The Tinsley Link is to be built on land between Meadowhall Way and Sheffield Rd.

143. The funding in 2011/12 allows for a variety of tasks (including detailed design work and modelling) to continue in advance of the Best and Final ‘major scheme funding’ bid submission to the Department for Transport later on in the year.

**Ecclesall Road (£139k)**

144. There are three main elements to the corridor scheme. The main one is improving twelve bus stops and one bus terminus facility along Ecclesall Road (using a £60,200 contribution from South Yorkshire Passenger Transport Executive). Money will also be spent on assessing the results and considering the feasibility of minor changes to scheme designs following the recent consultation exercise. Around £41,000 will be spent on paying for an overspend in 2010/11.

**Chesterfield Road (£56k)**

145. There are three main elements to the corridor scheme. The main one is improving the public’s perception of the road layout on Meadowhead by amending the road layout on a trial basis by bagging over the bus pre-signal and creating two lanes down to Abbey Lane. Money will also be spent on completing the cycle route from the recently installed pedestrian crossing over Bochum parkway, down Dyche lane to Meadowhead school. Around £14,000 will be spent on paying for an overspend in 2010/11.

**Road Safety, Education and Training (£108k)**

146. Projects aimed at behavioural change to improve safety on the roads. This type of approach is beneficial where groups (e.g. motorcyclists or young drivers) are over represented in accident data, but the accidents are not 'clustered' around a specific site so traditional engineering measures are not appropriate. Funding would be used to pay for staff time and materials to deliver fifteen different projects – five relating to targeting car drivers, five targeting pedestrians and five targeting motorcyclists.

**School Entrance Schemes (£221k)**

147. The three projects being progressed are at Montenev Primary (£85k), Handsworth Grange (£76k) and Westways Primary (£60k) schools all deferred from 2009. School entrance schemes can include a variety of measures including additional parking restrictions and improved crossing facilities.

**Road Safety Accident Reduction Schemes (£188k)**

148. Projects include an allocation of LTP money to joint fund a Community Assembly scheme on Wheel Lane in Grenoside (£58k) and an additional project on Station Road/Arundel Road in Chapeltown (£30k). The recent addition of an extra £100k to accident reduction schemes has not yet been allocated to specific schemes.

**Penistone Road Cycle Route Stage 3 (£200k)**

149. Project includes a £100k allocation of LTP money to provide match funding with the recently announced successful bid for Local Transport Sustainable Fund money to implement the next stage of the Penistone Road cycle route which will eventually link the City centre with Oughtibridge. The £200k funds the section between Livesey Street and Hillsborough Baths and ties in a recently implemented section of the route funded through a developer contribution.

**LTP Management Costs (£98k)**

150. Funding used to pay for staff time to deliver projects within the £3m Local Transport Plan capital programme.



**Public Rights of Way Improvements (£75k)**

151. Projects to deliver the strategy included within the Rights of Way improvement plan. Improvements include a variety of measures including providing 'missing links' in the Rights of Way network as well as improved surfaces and increasing accessibility for all users of the existing network.

**Middlewood Road (£172k)**

152. Allocation used to fund the detailed design and implementation of the Hillsborough Permit parking scheme. Local consultation (including Traffic Regulation Order consultation) has been completed and relevant political approvals gained at Cabinet Highway Committee in January 2011

**Penistone Road (£66k)**

153. Allocation used to fund the detailed design and local consultation (including Traffic Regulation Order consultation) on the Upperthorpe permit parking scheme.

**Wicker Drainage (£75k)**

154. Allocation used to fund remedial drainage works on the Wicker.
155. Cabinet is requested to endorse a total £2,918,230 variation to the Highways Integrated Transport programme, noting that a total of £47,046 will be approved as director variations in accordance with agreed delegations. The details of each specific scheme are included in **Appendix 2**.

**Highways Maintenance 2011/12 Capital Programme**

156. The maintenance block allocation is prioritised primarily on the basis of condition surveys and agreed intervention levels. The programme is funded by an approved allocation from the South Yorkshire Integrated Transport Authority, £5,542k for 2011/12. Approval to the value of £4,342k is requested within this report. £1,200k of the maintenance allocation has already been approved for Woodseats Road bridge, with Cabinet approval granted on 15<sup>th</sup> June 2011. A breakdown of the £4,342k by scheme can be found in **Appendix 2**.

### Stage Approvals

157. No requests for the award of contracts have been submitted for approval within Transport & Highways, other than the proposed procurement strategy to utilise Streetforce to carry out the works on the LTP and Maintenance programmes.

### Emergency Approvals

#### Community Assemblies – Transport & Highways (£525k)

158. The total allocation from the 2011/12 LTP to the Community Assemblies is £1,050m. This amount includes £525k of work that was programmed for within 2010/11, but had to be slipped in to 2011/12 due to insufficient resources. This was done on the agreement that the first call on this years allocation to Community Assemblies would be used to cover this.

#### Sustainable Transport Incentive – Transport & Highways (£60k)

159. This scheme is part of the Sustainable Transport Incentive plan and its aim is to reward people who use sustainable modes of transport along Ecclesall Road, with offers from local businesses. Participation is via the Carbon Quids website and registered users have the opportunity to earn and accumulate Carbon Quid points. In brief, the £60k will cover areas of marketing, project management and incentive rewards.

#### Sustrans – Connect 2 – (Place £1.3m)

160. The Halfway–Killamarsh Multi-user Path (in effect a bridleway for much of its length) will form a DDA-compliant track between communities in South-east Sheffield and North-east Derbyshire and will link directly into the Halfway Supertram terminus and the Trans Pennine Trail. By linking directly into Killamarsh in North-east Derbyshire, the project provides a sustainable connection to a sizeable settlement in the City Region. It connects Supertram with a wide network of leisure routes in Rotherham Borough and North-east Derbyshire. The Halfway–Killamarsh Path will connect into a joint ‘Connect2’ project in south Rotherham, centred on the old Chesterfield Canal, via Rother Valley Country Park.
161. The contract award for this scheme was endorsed by CPG in June and has now been approved by the Leader of the Council. However, whilst this scheme has been previously approved and included in the Capital Programme, there is no approved budget for 2011/12. The project is estimated to cost £1.3m. Confirmation of the three sources of funding

(South Yorkshire Local Transport Plan (SYLTP) 2011/12 £475k, Derbyshire County Council Local Transport plan £400k, Big Lottery £450k) has now been received, so the project manager is in the process of submitting an Emergency CAF to programme the projected income and expenditure profile into Qtier.

### **Winter Support Grant for Highway Repairs 2011/12 - (Place £1.4m)**

162. As reported to Cabinet in April 2011, the Government has announced an additional £200m of financial support for local authorities following the abnormal damage caused by the severe 2010/11 winter. Sheffield's allocation of that grant is £1.427m. The cash must be spent by 31<sup>st</sup> August 2011.
163. In order to meet this time scale, it was proposed that officers draw up a list of projects following consultation with the appropriate stakeholders including Community Assemblies whose Chairs would approve the final list of projects to be undertaken. The detailed schemes would then be formally approved by the Executive Director of Place and the Finance Director under the emergency capital expenditure approval procedures.
164. Works have already begun the works without the agreed financial or procurement approval in place. Spend incurred to date is being charged to revenue. It will therefore be necessary for all such revenue costs to be transferred to the relevant capital business unit and, for significant schemes, to ensure that it is possible to identify the level of expenditure on such schemes in order to comply with Department for Transport disclosure requirements.

## **Items to Note**

### **EMT Approvals - Variations**

#### **City Centre Paving & Path Resurfacing – P&FM (£50k)**

165. Approval is sought to transfer £50,000 from the Path Resurfacing budget to the City Centre Paving project to enable the repair of the Peace Garden paving. The Path Resurfacing budget is funded from the CRP.
166. The City Centre Paving project minimises the risk of trips and falls claims against the Council. The project identifies areas of concern which are non-highways around the city centre and involves the refurbishment of paving joints. The failure of paving joints can ultimately undermine the

whole paving surface and cause the surface to fail, therefore the re-grouting work ultimately prolongs the life of the paving surface reducing the need for an expensive total refurbishment of key public realm areas.

167. The original scope of the City Centre Paving project was to refurbish the Cathedral forecourt, with the possibility of extending the scope in the future to cover other sites in the city centre, such as the Peace Gardens. The Cathedral forecourt has now been completed, and the entire approved budget of £75k has been used.
168. The procurement strategy is to use Streetforce who completed the works at the Cathedral forecourt.

### **FINANCIAL IMPLICATIONS**

169. The primary purpose of this report is to provide Members with information on the City Council's Budget Monitoring position for 2011/12 and, as such it does not make any recommendations which have additional financial implications for the City Council.

### **EQUAL OPPORTUNITIES IMPLICATIONS**

170. There are no specific equal opportunity implications arising from the recommendations in this report.

### **PROPERTY IMPLICATIONS**

171. Although this report deals, in part, with the Capital Programme, it does not, in itself, contain any property implications, nor are there any arising from the recommendations in this report.

### **RECOMMENDATIONS**

172. Members are asked to:
- (a) Note the updated information and management actions provided by this report on the 2011/12 budget position.
  - (b) In relation to the capital programme, CMT are recommended to submit the report for Cabinet approval of:
    - i. The proposed inclusions in paragraphs 82 to 86 and Appendix 1 and variations in paragraphs 87 to 89, 164 to 167 and Appendices 1 and 2.

- ii. The proposed procurement strategies for each project and to delegate authority to Jed Turner, Senior Construction Category Manager, to award the contracts following stage approval by CPG in respect of the projects in paragraphs 83 to 89, 91 to 104, 119 to 124 and 134 to 163.
- iii. Note the Emergency Approvals in paragraphs 157 to 163 and Appendix 1.
- iv. The proposed slippage requests in Appendix 1.
- v. Note the Director Variations in Appendix 2.
- vi. Note the latest position on the Capital Programme.

## **REASONS FOR RECOMMENDATIONS**

173. To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the capital programme in line with latest information.

## **ALTERNATIVE OPTIONS CONSIDERED**

174. A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

**Eugene Walker**

**Director of Finance**

**06/09/2011**

## Appendix 1

### New Schemes

#### Inclusions

BU	Name	2011/12 Adjustment £	Project
97961	DH-Heat Metering	652,174	Pilot to install heat meters to dwellings which have district heating – <b>this scheme received conditional approval at CPG in May and Cabinet approval in July: no further approval required</b>
97965	Low Edges Bedsits	560,000	To convert 54 vacant bedsits into 27 1-bed properties; completely funded from the HRA Surplus Reserve (see Appendix H1)
<b>Total</b>		<b>1,212,174</b>	

#### Variations

BU	Name	2011/12 Adjust- ment £	Project
97115	Old Sheffield Homes delegated Jobs – Pre 31 March 2010 Retentions	100,000	This budget has been moved to a new Business Unit 97149 (see item below)
97149	Sheffield Homes commissioned Programme	(100,000)	This has been moved from the Business unit 97115
97945	Batemoor Outdoor Gym	(960)	Slippage no longer needed

97321	Programme Management costs HRA	448,000	Increase to cover new staffing/overheads budgets in place following the achieving change
97348	HRA Programme Management	168,000	Increase to reflect the new staffing structure
97379	Norfolk Park Sites (GF)	80,000	Work outstanding on a wall that is a possible risk
97384	Attercliffe Waterside (GF)	(528,017)	Amount included for repurchase of a site no longer needed
97142	HMR 04/05 Programme	(500,000)	Not successful in obtaining funding for this scheme
97212	Page Hall Remodelling (East)	(1,938)	Project finished; budget no longer required
97249	Brightside Shire Green	(25,350)	Slippage no longer needed
97282	Park Hill	150,000	This additional budget is for the continued security and regeneration of Park Hill flats to support the major refurb work being carried out by Urban Splash
97302	Manor Fields Gateway	(8,228)	This reduces the slippage budget requested
97314	City Road Place Making	(9,084)	This reduces the slippage budget requested
97334	Disabled Grants	191,000	This is to cover Sheffield's estimated demand for DFG as the central Government grant is not sufficient to cover demand
97802	Shirecliffe New Council Homes	90,000	This is to cover the projected overspend due to the diversion of a cable running through the site. This is the second variation required because of the HV cable and the current application is based on a potential "worst case"

			outcome. Completely funded from the HRA Surplus Reserve (see Appendix H1).
97127	Obsolete Heating	1,500,000	To make provision for obsolete heating and no heating, reducing the risk from the revenue repairs and maintenance budgets.  Also resulting in being able to obtain better contract prices. Completely funded from the HRA Surplus Reserve (see Appendix H1).
97217	Tinsley Centre	30,000	Additional funding from the Community Assembly so additional traffic calming measures can be incorporated into the scheme.
<b>Total</b>		<b>1,583,423</b>	

### **Accelerated Spend / Slippage**

<b>BU</b>	<b>Name</b>	<b>£</b>	<b>Project</b>
97353	Mount/Cliffe Street Play Area	3,660	Delays to work due to bad weather conditions and delay on decision on tender
97226	Skinnerthorpe SMH (East)	3,623	Delayed due to health and safety reasons
97262	Enhanced Housing Demo SHM (NTH)	329	
97295	Arbourthorne 5m`s SHM (sth)	8,281	
97228	Catherine street SHM (East)	1,646	
97788	The Fosters	14,764	Start of demolition was delayed
97217	Tinsley Centre	1,500	For a payment that should have been billed in 10/11 being late



97315	Castlebeck safe and Secure	7,757	This is for additional funds already approved for 10/11 but not requested as slippage at the year end; due to delays in the project, it is now needed to complete the project.
<b>total</b>		<b>41,560</b>	

### Emergency Approvals

<b>BU</b>	<b>Name</b>	<b>Adjustment (£) Increase/ (Decrease)</b>
97962	DH – Utilities	375,000
97963	Digital Call Off Contract	189,400
97965	Low Edges Bedsits	152,174
97960	North Windows & Doors	141,304
97957	South West Area	860,870
97958	East Area	860,870
97966	Park View Sheltered	1,086,957
97956	Springwater Sheltered	1,195,652
97959	Newgate Sheltered	255,109
97964	Final Account Risk/Insulation	217,391
97127	Obsolete Heating	150,000
97264	Health & Safety Enhance Programme	(630,000)
97968	Lift Maintenance	400,000
97398	Park Grange Drive Demolition	62,000
97271	SWaN (see also Appendix H1)	678,629
97286	Croft Buildings	10,000
97340	SWaN (see also Appendix H1)	2,421,195

97970	Stocksbridge Thriving LDC	50,000
97325	Insulation	721,000
97975	Category 1 Hazards	50,000
Q00059	Private Sector Other	(300,000)
Q00045	New Decent Homes	(5,986,901)
<b>Total</b>		<b>2,960,650</b>

## Appendix 2

### Local Transport Plan (LTP) Integrated Transport

<b>BU</b>	<b>Name</b>	<b>£</b>	<b>Project</b>
93887	Bus Rapid Transit North - The Fixed Link	490,000	Bus Rapid Transit North including the Tinsley Link. Bus Route North from the Wicker, along Saville St, Attercliffe Rd, Carbrook St, Dunlop St, Weedon St and Meadowhall Way. Tinsley Link to be built on land between Meadowhall Way and Sheffield Rd.
93968	Road Safety, Education and Training	108,000	Road Safety Education, Training and Publicity This budget covers staff costs for ETP delivering road safety education in schools.
94310	A61 Chesterfield Rd Route	28,500	Design and installation of revised traffic management arrangements on Chesterfield Road upstream of Abbey Lane.
93970	Innovative Traffic Calming Study	58,000	Innovative Traffic Calming - novel non-humps measures, to improve road safety. Comprises several individual schemes.
94181	Ecclesall Road Smart Route – Phase 4 Moore St	25,995	Design of complementary measures on Summerfield Street, Psalter Lane and Brocco Bank if highlighted as a need through modelling work and implementation of Moore Street roundabout works. Current funding relevant to Moore Street roundabout scheme - scheme predominantly finished as planned but not all costs

			from Streetforce in yet. New allocation will enable a small amount of fee time to consider additional works on Ecclesall Road approach to Moore Street roundabout
91662	Public Rights of Way	75,000	Improvements to Rights of Way network.
94182	Ecclesall Road Smart Route – Phase 6 Rushd-HU	47,000	General traffic management scheme designed to keep traffic moving. There are a number of small interventions that make up this scheme.
94325	17-24 Ped City Centre Ecc RD AR GT	31,531	Worst First - Personal Injury Accident Reduction Scheme - 17 -24. This allocation will be used to cover staff costs so lack of approval will reduce SCC ability to deliver this project
94213	Meadowhall Road/Barrow Road	31,000	Congestion management scheme on the A6109 Meadowhall Road Congestion Target Route. £18k carried forward monies from SYITA. In addition, £13k 2011/12 to fund a monitoring programme and RSA3 changes (if necessary)
94206	Station Road at Arundel Street	30,000	Accident Savings Road Safety Scheme - Station Road at Arundel Road.
94180	Ecclesall Road Smart Route – Phase 3 Bents Green	24,632	Improvements to travelling to and through Bents Green local shopping centre, including better managing bus stops and improving walking routes put on hold. New bus turning facility and

			bus shelter at Knowle Lane.
94295	Meadowhead Bochum Parkway/Dykes Lane	17,406	Congestion management scheme at the junction of the Outer Ring Road (Bochum Parkway) and the A61 South with bus priority and improved facilities for pedestrians and cyclists. The expenditure allows works at Dyche Lane to be finished off. Work was halted on site in 2010 following in year budget reductions.
92846	Middlewood Road	171,572	Installation of permit parking in the Hillsborough area. Budget will allow for a for the scheme to be built.
92955	Air Quality Monitoring	30,000	Part of 'air quality' block of the SY Strategic Integrated Transport Plan.
92961	LTP Management Fees	98,000	To cover management costs of delivering the LTP capital programme.
94438	Road Safety Audits / Scheme Completion	70,206	To carry out amendments to completed schemes following stage 3 road safety audits.
TBC	HGV Routing – City Wide Study	20,000	Study of routes to develop a signing strategy for HGV's
TBC	City Wide 20mph Speed Limit	40,000	Development proposal for cabinet consideration of new 20mph city wide speed limit.
TBC	Shiregreen 20mph Speed Limit	30,000	Contribution to the scheme already installed by Sanctuary Homes
93548	Handsworth Grange School	76,000	“School entrance scheme” deferred from 2009

93655	Monteney Primary School	85,000	"School entrance scheme" deferred from 2009
94247	Westways Primary school	60,000	"School entrance scheme" deferred from 2009
TBC	Moorhead / Cambridge Street	30,000	Making temporary traffic management measures permanent.
TBC	Sheffield Bus Agreement	50,000	Carry out traffic management measures to improve public transport operations.
94449	Driving Me Crazy Phase 3	44,000	Relining on Sheffield Parkway at the Cutlers Gate junction and £10k for future schemes development
92746	Penistone Road Congestion route	66,000	Design and consult on the Upperthorpe permit parking scheme.
92769	Road Safety Accident Safety Schemes.	100,000	Consult and implement a number of Road Safety Accident Safety schemes.
92741	Penistone Road Cycle Track	200,000	Phase 3 of Upper Don Valley Cycle Route. This section runs between Livesey Street and Hillsborough baths.
92956	Package Performance Monitoring	11,000	Annual counts to understand the impact of the LTP programme.
TBC	Highfield Permit Parking Scheme Review	50,000	Consult and design modifications to existing scheme.
TBC	Traffic Signal Phasing Work	50,000	Programme of replacing or refurbishing old traffic controllers that no longer provide best signal timings.
93558	Furnival Square	30,000	Small allocation to cover final scheme payments

TBC	Wicker	75,000	Small allocation to cover final scheme payments
93503	Broad lane Rockingham Street Junction	15,000	Small allocation to continue design of the junction improvement scheme.
94179	Ecclesall Rd Smart Route – Phase 5 CCres-NE	24,388	Minor changes to parking restrictions and bus stop works on Ecclesall Road corridor.
TBC	Community Assemblies	525,000	£75k has been allocated to each of the seven Community Assembly's in the City. Each assembly has the authority to determine how their allocation is spent, but schemes generally relate to road safety, traffic management and improving accessibility through making it easier to walk and cycle. Examples of recent schemes include new crossings, parking restrictions and new or improved footways.
<b>Total</b>		<b>2,918,230</b>	

### Director Variations

<b>BU</b>	<b>Name</b>	<b>£</b>	<b>Project</b>
94324	11-16 Pedestrian A61 North	8,971	Worst First - Personal Injury Accident Reduction - 11 - 16. This allocation will be used to cover staff costs to deliver the project to reduce the number of 11-16 year olds killed or seriously injured on the roads.
94304	Res Parking Sharrow Rev	7,000	Implementation of further parking control measures in

			the Sharrow Vale Area. Approval for the scheme through Cabinet Highways Committee on 10th June 2010. 2011/12 allocation to cover final recharges from design and construction teams.
92750	Meadowhead Left – Abbey Lane	6,500	Traffic management scheme - junction improvement with bus priority, further provision of pedestrian and cycling facilities. Approval to spend in 2011/12 to fund a late invoice from Yorkshire Electrical Distribution.
94405	Tenter Street/West Bar	4,362	Worst First - Personal Injury Accident Reduction Scheme B6639/B6539 Tenter Street / West Bar / Corporation Street.
94177	Ecclesall Rd Smart Route-Phase 1 Cam RI	5,270	Modelling and feasibility work on the Ecclesall Road smart route project.
94302	Meadowhead Roundabout Re-alignment	3,300	Congestion management scheme at the junction of the A61S and the A6102. Second phase of improved traffic management at Meadowhead roundabout. Political approval for design and build provided in January 2010 at Cabinet Highways Committee. 2011/12 expenditure necessary to fund a late invoice from JC Decaux of advanced works before project is formally put on hold pending future years funding.
94185	Ecclesall Road Smart Route – Phase 8 Rust – Neil	3,162	Reshaping of Hunters Bar roundabout and improving the approaches to increase



			the capacity of general traffic through the junction. Initial consultation confirmed Hunters Bar as the key congestion hotspot and as such a high priority for funding. Funding includes for civil revisions at one bus stop.
94311	A57 Manchester Road/Nile Street	2,000	Design of junction improvement scheme at Broomhill, Sheffield. 2011/12 allocation will allow for feedback following consultation exercise before formal project closure.
94178	Ecclesall Rd Smart Route-Phase 2 Cumm-Col	1,481	Congestion management scheme on Ecclesall Road with bus infrastructure works.
TBC	Coach Parking Study	5,000	Carry out city centre coach parking management study.
<b>Total</b>		<b>47,046</b>	

### Highways Maintenance 2011/12 Capital Programme

<b>BU</b>	<b>Name</b>	<b>£</b>	<b>Project</b>
93634	Non Primary Road Maintenance	1,822,000	Non Primary Road Network Maintenance at various sites.
92437	Minor Wall Strength Repair Schemes	400,000	Bridge Improvements and Maintenance at various locations.
93774	Footway Reconstruction	300,000	Footway reconstruction at various locations.
93596	Primary Road Network Maintenance Schemes	265,000	Primary Road Network Maintenance at various

			sites.
94371	LTP Streetlighting	250,000	Street Lighting Renewal Programme at various locations.
90697	PRN Penistone Road – Bradfield to Herries Road	245,000	Resurfacing/reconstruction of road.
90698	PRN Barnsley Road – Hatfield House Lane to Herries Lane	230,000	Resurfacing/reconstruction of road.
93775	Footway Micro Asphalt	200,000	Footway Micro Asphalt works at various locations.
90701	PRN Ecclesall Road – Psalter Lane to Rustlings Road	185,000	Resurfacing/reconstruction of road.
90696	PRN Shepcote Lane – Greenland Road to Tinsley Park Road	165,000	Resurfacing/reconstruction of road.
90699	PRN Sheffield Road, Mosborough – c/s nr Duke Street to Station Road	145,000	Resurfacing/reconstruction of road.
90700	PRN Attercliffe Road – Staniforth Road to Newhall Road	135,000	Resurfacing/reconstruction of road.
<b>Total</b>		<b>4,342,000</b>	