

REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT 31st August 2015

Purpose of the Report

1. This report provides the Month 5 monitoring statement on the City Council's Revenue Budget and Capital Programme for August 2015. The first section covers Revenue Budget Monitoring and the Capital Programmes are reported from paragraph 13.

REVENUE BUDGET MONITORING

Summary

2. At month 3 the overall Council position was a forecast overspend of £13.4m. The position at month 5 shows an improvement of £2.4m, with a forecast potential overspend of £11.0m to the year end. It should be stressed that this is the forecast position before the delivery of various agreed savings for the year and other mitigating actions are taken. The position is summarised in the table below.

Portfolio	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
CYPF	71,245	69,311	1,934	↔
COMMUNITIES	159,366	155,954	3,412	↓
PLACE	161,298	155,451	5,847	↓
POLICY, PERFORMANCE & COMMUNICATION	2,935	2,494	441	↓
RESOURCES	55,893	56,437	(544)	↓
CORPORATE	(439,762)	(439,647)	(115)	↔
GRAND TOTAL	10,975	(0)	10,975	↓

3. Although the latest position shows what is currently believed to be the worst case scenario, a significant amount of work will be required to bring forecast expenditure into line with budget. The forecast position would be an unsustainable outturn when compared to a General Fund reserve of £11.2m.
4. EMT have discussed the latest position in Place, where the forecast overspend as at Month 5 (£5.8m) shows very little improvement from the position reported as at Month 3 (£6.2m). As a result of EMT's discussions, the Executive Director for Place has agreed to put additional measures into immediate effect in order to bring down the forecast overspend significantly to a more manageable level. With these measures and other actions already underway, then the overall forecast overspend would reduce to around £5.0m.
5. In terms of the month 5 overall forecast position of £11.0m overspend, the key reasons are:

- **Children, Young People and Families** are showing a forecast overspend of £1.9m. This is due to slippage in the delivery of planned staffing reductions of £312k, £972k due to the recruitment of additional social workers, £883k due to delays in savings, £219k reflecting an increase in unaccompanied children and £856k in increased demand pressures within Direct Payments and Short Breaks services. These increases in expenditure are partly offset by a reduction in expenditure of £514k on contact contracts, £250k on legal fees and £735k due a reduction in Placement demand.
- **Communities** are showing a forecast overspend of £3.4m. This is largely due to an overspend of £3.7m in Learning Disabilities, Provider Services, Long term Support and Contributions to Care. There is also a £971k overspend in Commissioned Mental Health Services offset by a £756k reduction in expenditure in Housing Related Support Contracts.
- **Place** are showing a forecast overspend of £5.9m. This is largely due to delays in delivering planned cost reductions on the waste contract of £2.5m and the Streets Ahead Contract of £2.8m. There are also emerging cost pressures from increased household waste volumes of £600k and reduced income from the sale of materials of £700k. These overspends are partly offset by reductions in spending across a number of areas within the Culture and Environment Service of 495k.
- **Resources** are showing a forecast reduction in expenditure of £544k. This is primarily due to the recovery of high value over payments in Housing Benefit £777k.
- **Policy, Performance & Communication** are showing a forecast reduction in expenditure of £441k. This is primarily due to a delay in the advertising contract resulting in an underachievement of income.

6. The main variations since Month 3 are:

- **Communities** are forecasting an improvement of £558k since month 3. This is mainly due to reduced expenditure on staffing and additional income achieved in Business Strategy of £181k and delays to projects in Commissioning which have saved £391k. The project delays in Commissioning are grant funded and subject to a carry forward request detailed in paragraph 6 .These savings have been partly offset by increased expenditure due to demand in Care and Support of 225k.
- **Place** are forecasting an improvement of £332k, which is due predominantly to a £233k improvement as a result of forecast cost reductions in the Highways Department. There have also been small improvements in the Sports Trust of

£100k due to a recent rating revaluation however half of this saving is offset by lower Non Domestic Rate income for the Council.

- **Resources** are forecasting an improvement of £960k, which is mainly due to increased income forecasts across a number of areas in the portfolio. This income includes £77k from Fleet Management, £124k for Commercial Services traded activity and £303k additional income received in Commercial Services (savings). There has also been a budget adjustment of £220k in Facilities Management in respect of Howden House following review of the PFI model and increased Business Rates charge.
- **Policy, Performance & Communication** are forecasting an improvement of 469k, which is mainly due to realignment of budgets as part of a review of in year cuts to Public Health funding.

Collection Fund

7. Collection Fund monitoring will be reported in month 6 and include the second quarter results. Appendix 4 has been retained for the collection fund as blank for continuity for future months.

Public Health

8. The Public Health ring-fenced grant is currently forecasting a potential £627k underspend. The main reasons for the reduction in spending is a direct response to government consultations on in-year cuts to the Public Health grant and therefore the likely need to cope with grant reductions in 2015/16. Further details of the forecast outturn position on Public Health is reported in **Appendix 2**.

Housing Revenue Account

9. The 2015/16 budget assumes an in year surplus of £10.9m will be generated which will be used to fund the HRA Capital Investment Programme. In accordance with the HRA's financial strategy any further in- year revenue surplus / savings generated by the account will be used to provide further funding for the future HRA Capital Investment Programme.
10. As at month 5 the full year outturn position is a forecast reduction in expenditure of £1.6m. Further details of the HRA forecast outturn can be found in **Appendix 3** of this report.

New Homes Bonus Fund

		£m
Income	Reserves as at 1/04/15	-6.0
		0.0
	Declared 15/16 NHB Grant	<u>-7.3</u>
	Total Income	<u>-13.3</u>
Expenditure	2015/16 Spend to date at Month 5	1.2
	Forecast to Year End	3.7
	Future Years' Commitments	<u>2.1</u>
	Total Expenditure	<u>7.0</u>
		<u>-6.3</u>
	Funds Available for Investment	<u>-6.3</u>

11. The 2015/16 New Homes Bonus grant has been advised by Central Government at £7.3m. Officers are currently drafting proposals on worthwhile projects to which the available funds can be applied. These will be brought forward to Members for approval in due course.

12. Expenditure remains in line with previous forecasts although the timing may change as approximately £0.1m of capital spend looks likely to slip into 2016/17.

Capital Summary

13. At the end of August 2015, the end of year position forecasts a variance of £28.4m (8%) below the approved Capital Programme, which represents an additional £5.6m to that reported in month 4. Project managers are forecasting to deliver a capital programme of £270.1m which is £3.9m lower than month 4 forecast.

14. Further details of the Capital Programme monitoring and projects for approval are reported in **Appendices 5 to 5.2**.

Implications of this Report

Financial implications

15. The primary purpose of this report is to provide Members with information on the City Council's Budget Monitoring position for 2015/16, and as such it does not make any recommendations which have additional financial implications for the City Council.

Equal opportunities implications

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

Legal implications

17. There are no specific legal implications arising from the recommendations in this report.

Property implications

18. 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

19. Members are asked to:

(a) Note the updated information and management actions provided by this report on the 2015/16 Revenue Budget position.

(b) In relation to the Capital Programme:

- (i) Approve the proposed additions to the Capital Programme listed in **Appendix 5.1** and **5.2**, including the procurement strategies and delegations of authority to the Director of Commercial Services or nominated Officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;
- (ii) Approve the proposed variations, deletions and slippage **in Appendix 5.1** and **5.2**;
and note;
- (iii) The latest position on the Capital Programme including the current level of delivery; and note
- (iv) The variations approved under delegated authority provisions.

Reasons for Recommendations

20. To record formally 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

21. 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.

Dave Phillips
Interim Director of Finance

Portfolio Revenue Budget Monitoring Reports 2015/16 – As at 31 August 2015

Children Young People and Families (CYPF) Portfolio

Summary

1. As at month 5 the Portfolio is forecasting a full year outturn of an overspend of £1.9 million, which is consistent with the month 3 position. The key reasons for the forecast outturn position are:

- **Business Strategy & Children’s Commissioning Unit** - £47k forecast reduction in spend. This includes £29k forecast reduction in spend in Children’s Commissioning Unit, as a result of staff savings in the planned MER.
- **Children and Families** – £1.9m forecast overspend.

Over spending areas are:

- Fieldwork Services - Management and Business Support £312k due to delay in the services’ MER, Fieldwork Service Areas and Permanence and Throughcare £972k net overspend mainly due to the recruitment of additional social workers, Multi-systemic Therapy £243k due delays in anticipated savings, there is also an overspend of £219k reflecting an increase in unaccompanied children. These have been partially offset by a £514k ongoing saving on Contact Contracts as a result of specific action being taken to reduce costs and a £250k reduction in spend on legal fees, which is as a result the ongoing work between the service and Legal services to reduce costs through more efficient working practices.
- Direct Payments and short breaks - £856k due to increased demand pressures, this also includes £250k as a result of the delay in anticipated savings due in year.
- Provider Services –due to delays in anticipated savings on the integrated approach to service delivery between Health and Social Care, £271k, and Youth Justice £119k.
- Early Intervention & Prevention - £91k because of a reduced expected contribution of £250k from the CCG towards Early Intervention and Prevention.

Areas of forecast reduction in spending are:

- Placements - £735k due to the assumption that funds set aside to fund a potential increase in Special Guardianship Orders (£400k) may not be required in 2015/16 and that the longer term positive trend in Placement numbers and unit costs will drive spend down by year end.
- **Inclusion and Learning Services** – £93k forecast overspend due to £27k overspend in Vulnerable Groups as a result of a shortfall of £64k against the additional income built into business planning, which is partially offset by staff savings and £27k overspend in Outdoor Education due to additional repairs and maintenance costs. Pupil Admissions is also overspending by £41k reflecting a reduction in anticipated traded income against budget.
- **Lifelong Learning, Skills and Communities** – £23k forecast overspend, £181k relating to the Training Units, due to an unexpected reduction in government grant funding, which is being partially offset by savings from the MER which is in progress. This is being offset by £83k net under spend on Youth services, as a result of £69k staff vacancies, additional rental income of £45k and overspend in supplies and services budget of £46k in the Internal Community Youth Teams. Strategic Support is forecasting an underspend of £74k, due to staff vacancies and activities that have now ceased.

Financial Results

Service	Forecast	FY	FY	Movement from Month
	Outturn £000s	Budget £000s	Variance £000s	
BUSINESS STRATEGY	2,401	2,448	(47)	↔
CHILDREN & FAMILIES	59,825	57,962	1,863	↑
INCLUSION & LEARNING SERVICES	(17)	(111)	94	↔
LIFELONG LEARN, SKILL & COMMUN	9,036	9,013	23	↓
GRAND TOTAL	71,245	69,312	1,933	↔

DSG

2. The following is a summary of the variance position on DSG budgets at month 5:

	Month 3 £000	Month 4 £000	Month 5 £000
Business Strategy	(49)	(37)	(65)
Children and Families	(121)	(109)	(46)
Inclusion and Learning Services	(5)	(67)	(62)
Lifelong Learning, skills and Communities	(0)	0	0
	(175)	(213)	(173)

Commentary

3. The following commentary concentrates on the changes from the month 3 position.

Business Strategy

4. As at month 5, Business Strategy is currently forecasting an under spend of £47k (shown in the table above) relating to cash limit and a reduction in spending of £65k on DSG.
5. The improvement from month 3 of £86k in cash limit and £16k in DSG is due mainly to an improvement in the forecast position on children's commissioning budgets reflecting staff savings from the planned achieving change.

Children and Families

6. As at month 5, Children and Families is currently forecasting a £1.9m overspend (shown in the table above) relating to cash limit and a £46k underspend on DSG. This is an increase in spend of £400k on cash limit and an increase in spend of £75k in DSG.
- The key reasons for the movement from month 3 is increases in Placement budget spend which reflects the additional costs from additional residential placements and pressures from Leaving Care.

Inclusion and Learning Service

7. As at month 5, Inclusion and Learning Service is currently forecasting £94k overspend (shown in the table above) relating to cash limit and a £62k reduction in spend on DSG.

8. The movement in the cash limit position is £26k from month 3, this reflects a reduction in forecast traded income on Pupil Admissions and an improvement of £70k on SEN budgets being realigned which increases the amount met from DSG. .
9. The DSG has improved by £57k, this is a £50k adverse movement on the SEN budgets, as detailed above. However this was offset by an improvement of £50k saving being identified in Children Missing from Education and £50k improvement in Inclusion and Learning Services due to staff savings and a £20k reduction in planned commissions.

Lifelong Learning Skills and Communities

10. As at month 5, Lifelong Learning Skills and Communities is currently forecasting a £23k overspend (shown in the table above) relating to cash limit and a balanced DSG position.
11. The £322k improvement from month 3 in the cash limit position is mainly due to £211k improvement in the training units, this reflects the maximisation of grant income for these activities. This is one-off income in 2015/16 but the planned MER will ensure that the budgets are balanced going forward and £75k improvement in Strategic Support, this reflect savings being identified in staffing and a planned reduction in activities.
12. The DSG position is consistent with the month 3 position.

Place Portfolio

Summary

13. As at month 5 the Portfolio is forecasting a full year outturn overspend of £5.8m, an improvement of £0.3m from the month 3 position. The key reasons for the forecast outturn position are:
 - **Business Strategy & Regulation:** £3.8m over budget largely due to delays in delivering the planned cost reductions to the waste contract as a result of protracted negotiations with the provider (£2.5m) and emerging cost pressures from increased household waste volumes (£0.6m) and reductions in income from the sale of materials due to falling market prices (£0.7m) caused by movements in the global economy.
 - **Regen & Development Services:** £2.2m over budget largely due to delays in delivering the planned cost reductions in the Streets Ahead

programme (net £2.8m), less a continuation of sustained improvement in Highways and Highway Network Management (£0.9m), plus additional staffing and income pressures forecast largely within the Transport and Parking Services activity (£0.3m).

14. The key reason for the net £0.3m improvement since month 3 is :-

- **Regeneration & Development Services** : forecast cost reductions in the Highways Department.

15. It should be noted that at the Place Leadership Team meeting on 18 June 2015 Directors approved a Recovery Plan to significantly improve upon and mitigate the £8.5m forecast overspend reported at Month 2. This included implementing an estimated £2.8m of immediate actions, together with Directors reviewing key areas of employee and discretionary spend with a view to raising a further estimated £1.9m savings in 15-16 which will carry through to future years.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY & REGULATION	33,157	29,331	3,826	↔
CAPITAL & MAJOR PROJECTS	844	507	337	↔
CREATIVE SHEFFIELD	2,426	2,426	-	↔
CULTURE & ENVIRONMENT	42,008	42,503	(495)	↔
MARKETING SHEFFIELD	616	612	4	↔
PLACE PUBLIC HEALTH	-	0	0	↔
REGENERATION & DEVELOPMENT SER	82,255	80,071	2,184	↓
GRAND TOTAL	161,306	155,451	5,855	↓

Commentary

16. The following commentary concentrates on the key risks to the current forecast and changes from the month 3 position.

Business Strategy & Regulation

17. The forecast for this activity is £3.8m over budget for the reasons identified in para 4 above. This remains broadly in line with the month 3 position. However, it should be noted that should the current trend in market price for sale of materials not begin to stabilise, the current forecast may still be at risk.

Capital & Major Projects

18. The forecast for this activity is £337k over budget, broadly in line with the month 3 position.

19. The forecast position largely reflects income pressures within the markets service, largely attributable to the Moor market (£0.5m). This arises from the market being only 70% let as Traders have surrendered tenancies due to difficult trading conditions. The low viability of the market businesses has led to a high level of bad debt. There may be further risk here if stall lettings cannot be held at current levels, or rent collection levels don't improve. The business model for the market is currently under review balancing lower rents against the need for more flexibility in location to ensure let space is maximised. External agents have been engaged to promote the letting of vacant stalls and recover monies due to the Council.

Creative Sheffield

20. The forecast for this activity is £34k over budget, an adverse movement of £34k since month 3. The adverse movement arises within the City Development service where the key risk is around securing the funding of the £0.5m salary cost of the team. At this stage only around 50% of this target has been secured with approved bids.

Culture & Environment

21. The forecast for this activity is £495k under budget, broadly in line with the month 3 position.
22. The overall forecast position largely reflects a continuation of prior year improvement trends that are forecast to continue within the Bereavement Services, Parks and City Centre Management activities (£0.3m). A further cost reduction has arisen within the Sports Trusts due to recent rating revaluation on a number of premises (£0.1m) although half of this saving will be offset by lower Non Domestic Rate income to the Council.

Regeneration & Development Services

23. The forecast for this activity is £2.2m over budget as identified in para 4 above, which represents a £257k improvement on the month 3 position due to .forecast cost reductions in the Highways Department.
24. The forecast position is largely due to delays in delivering the planned cost reductions in the Streets Ahead programme (£4.7m), less estimated (largely one-off) cost reductions (£1.9m), giving a net pressure of £2.8m. Whilst work has continued to develop options, a number of these have not progressed as originally planned due to Treasury concerns about the proposals being incompatible with the principles of the PFI contract or an unacceptable level of risk transfer to the Council.

25. This is being offset to some extent by a continuation of sustained improvements in the Highways and Highway Network Management activities (£0.9m), less additional staffing (parking management and transformation) and income pressures (TCIP) within the Transport and Parking Services activity (£0.3m).
26. A key risk is in securing forecast savings within the Highways service, on re-financing of the Streets Ahead Programme (£350k) and delivering previous Budget Improvement Plans to increase advertising income (£200k). The position is currently being reviewed by the Director with a view to updating the position next month, but every indication shows that these savings will not be delivered in 2015/16.

Communities Portfolio

Summary

27. As at month 5, the Portfolio is forecasting a full year outturn of an over spend of £3.412m. The key reasons for the forecast outturn position are:

Business Strategy (forecasting a reduction in spend of £173k):

- The position for Business Strategy is showing favourable due to the 1% pay award pressure being held in this area for the whole of Communities. If this pot is distributed across the service the underlying position would be an over spend £186k due mainly to the saving in Performance & Planning which will not be achieved.

Care & Support (forecasting an over spend of £3.729m):

- This overspend is primarily related to over-spends in Learning Disabilities, Long Term Support, Provider Services and a reduction in the level of Client Contributions receivable in the year.
- Learning Disabilities is forecasting an over spend of £1.6m. Health income is forecast to be lower by £1.5m which is the main reason for this variance. However there is also £1m of 2015/16 savings forecast not to be delivered, particularly around the work being done with the providers of Supported Living and Respite Care bringing prices in line with the LD Provider Framework. This is being partly offset by funded pressures which are not expected to play out in full within the year. The work on reducing LD expenditure is being overseen by the LD Commissioning Board and remains a key financial risk facing Communities for the new financial year.

- Provider Services are showing an over spend against budget of £0.71m, which has primarily arisen as a result of the service incurring additional staff costs relating to planned efficiencies not yet realised.
- Contributions to Care is showing an over spend of £0.68m against budget, which includes a shortfall of £0.9m on fairer contributions due to the numbers of service users being less than the original budget assumptions because of business demand management and the application of eligibility criteria. Also there is a shortfall of £0.3m on ILF contributions. This is offset by increases in Property Income £0.39m and Continuing Health Care Income £0.19m.
- Long Term Support is showing an over spend of £0.76m. This constitutes the net position of an over spend in adults purchasing of £1.3m, which includes an increased demand pressure on the adults purchasing budget of £1.6m, with an under spend across the remainder of the service of £0.54m. This underspend is predominantly the saving of £0.4m achieved in the 14/15 MER, which was brought forward into 15/16, along with vacancies in the current establishment.
- Access, Prevention & Reablement is showing an under spend of £0.04m. This is where external funding has been received from Health Partners and is unlikely to be spent, in its entirety, due to gaps in spending associated with recruiting and retaining the number of temporary staff employed in this area.

Commissioning (forecasting a reduction in spend of £8k):

- A reduction in spend forecast by Commissioned Housing of £756k – the main area of under spend is reduced expenditure of £656k on Housing Related Support Contracts.
- A forecast over spend against Commissioned Mental Health Services £971k due to increased demand and savings not considered deliverable against Older People's mental health.

Community Services (forecasting an over spend of £171k):

- There is a forecast overspend of £188k in Locality Management, primarily relating to the anticipated non-achievement of 2015/16 savings targets related to reductions in the level of Grants paid to Voluntary Bodies and in regard to Ward Pots.

Housing General Fund (forecasting a reduction in spend of £306k):

The Housing General Fund is a new Division, established this year to have all of the Housing General Fund revenue expenditure in one place within the General Ledger. The net budget for 2015/16 is £3.1m.

- As at month 5, the Housing General fund is forecasting an under-spend of £306k, comprising mainly a reduction in demand for the Local Assistance Scheme and a reduction in spend Homelessness Prevention Fund.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY	6,006	6,179	(173)	↓
CARE AND SUPPORT	114,549	110,820	3,729	↑
COMMISSIONING	29,982	29,990	(8)	↓
COMMUNITY SERVICES	6,044	5,873	171	↔
HOUSING GENERAL FUND	2,786	3,091	(306)	↓
GRAND TOTAL	159,366	155,954	3,412	↓

Commentary

28. The following commentary concentrates on the changes from the previous report at month 3.

- Business Strategy has an improved position of £181k which is predominantly due to reduced spend on staffing being forecast and additional income achieved.
- Care and Support has an adverse change of £225k mainly due to
 - Reduced levels of income against Contribution to Care £100k, Independent Living Fund £136k, Residential and Nursing £121k offset by increased income against Integrated Charge £331k.
 - Adult purchasing budget increased spend of £590k, due to increased demand.
 - Learning Disabilities increased purchasing costs £178k offset by a reduction in spend on Assessment and Care Management £107k.
 - Reablement Services reduction in spend in staffing levels £184k and vacancies in Adult Placements Shared Lives £163k.
- Commissioning have an improved position of £391k due to
 - The carry forward request below £415k on Transformation Challenge Award Grant, project expected to be completed during 2016/17.
 - Housing Related Support £122k further under spend due to continued delay of project start now expected January 2016.

Resources Portfolio

Summary

29. As at month 5 the Portfolio is forecasting a full year outturn of a reduction in spending of £544k, an improvement of £960k from the month 3 position. The key reasons for the forecast outturn position are:

- £100k over spend in Commercial Services due to under recovery of income;
- £349k over spend in Commercial Services (Savings) due to a shortfall in income from cashable procurement savings;
- £327k over spend in Central Costs due mainly to an overspend of £443k on Council Tax and Business Rates Collection;

Offset by:

- £353k under spend in Finance due mainly to over recovery of income from the 60 day bad debt and savings on Employees from unfilled vacancies;
- £777k under spend in Housing Benefit due to the recovery of high value over payments as a result of a DWP data-matching fraud and error initiative.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS CHANGE & INFORMATION SOLUTIONS	979	1,010	(31)	↔
COMMERCIAL SERVICES	685	585	100	↓
COMMERCIAL SERVICES (SAVINGS)	(1,279)	(1,628)	349	↓
CUSTOMER SERVICES	1,790	1,814	(24)	↔
FINANCE	4,623	4,976	(353)	↓
HUMAN RESOURCES	3,316	3,415	(99)	↔
LEGAL SERVICES	3,392	3,408	(16)	↔
RESOURCES MANAGEMENT & PLANNING	292	308	(16)	↔
TRANSPORT AND FACILITIES MGT	15,763	15,772	(9)	↓
TOTAL	29,563	29,660	(97)	↓
CENTRAL COSTS	26,380	26,050	330	↔
HOUSING BENEFIT	(50)	727	(777)	↔
GRAND TOTAL	55,893	56,437	(544)	↓

Commentary

30. The following commentary concentrates on the changes from the month 3 position.

Commercial Services

31. A forecast £100k overspend, due to a shortfall in income from traded activities through the sale of toolkits. This is an improvement of £124k from the previous month.
32. The improvement since month 3 is largely due to additional income being confirmed.

Commercial Services (Savings)

33. A forecast £349k overspend, due to a shortfall in income from cashable procurement savings. This is an improvement of £303k from the month 3 position.
34. The improvement since month 3 is largely due to an additional £303k of forecast income. The forecast income has been prepared conservatively and only includes reasonably certain income streams.

Finance

35. A forecast £353k reduction in spending, due mainly to over recovery of income from the 60 day bad debt and savings on Employees from unfilled vacancies. This is an improvement of £198k from the month 3 position.
36. The improvement since month 3 is due to over recovery of income in the ICAM Team relating to the 60 Day Rule and under spends in employee costs due to unfilled vacancies, salary sacrifice etc.

Transport and Facilities Management

37. A forecast £9k reduction in spending. This is an improvement of £312k from the month 3 position.
38. The improvement since month 3 is due to a cash limit transfer to cover the underfunding of the unitary charge uplift for 2014/15 and 2015/16 (£112k) and increased rates owing to an error in the rating assessment (£108k) for Howden House PFI. In addition there has been an over recovery of income on Fleet Management and Workshops (£77k).

Policy, Performance and Communications

Summary

39. As at month 5 the Portfolio is forecasting a full year outturn of an overspend of £441k, an improvement of £469k from the month 3 position. The key reasons for the forecast outturn position are:
- £452k over spend in Communications due to under recovery of income as a result of a delay in the implementation of the new advertising contract.
 - £113k over spend in Electoral Registration due to an increase in supplies and services costs and employee costs offset by an under spend of £71k in Local Elections.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
ACCOUNTABLE BODY ORGANISATIONS	0	0	0	↔
POLICY, PERFORMANCE & COMMUNICATION	3,070	2,629	441	↔
PUBLIC HEALTH	(135)	(135)	0	↓
GRAND TOTAL	2,935	2,494	441	↓

Commentary

40. The following commentary concentrates on the changes from the month 3 position.

Policy, Performance and Communication

41. A forecast £441k overspend, due mainly to the Advertising contract within Communications being delayed until January 2016 resulting in income being underachieved. This is an improvement of £15k from the month 3 position.
42. The improvement since month 3 is due to reductions in expenditure in Policy and Improvement (£13k).

Public Health

43. A forecast balanced position. This is an improvement of £454k from the month 3 position. This is due to realignment of budget as part of a review of in year cuts to Public Health funding.

Corporate

Summary

44. The table below shows the items which are classified as Corporate and which include:

- **Corporate Budget Items & Corporate Savings:** (i) corporate wide budgets that are not allocated to individual services / portfolios, including capital financing costs and the provision for redundancy / severance costs, and; (ii) the budgeted saving on the review of enhancements and the budgeted saving from improved sundry debt collection.
- **Corporate income:** Revenue Support Grant, locally retained business rates and Council tax income, some specific grant income and contributions to/from reserves.

	<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 & Savings Proposals	62,871	62,986	(115)
Income from Council Tax, RSG, NNDR, other grants and reserves	(502,633)	(502,633)	0
Total Corporate Budgets	(439,762)	(439,647)	(115)

Commentary

- Corporate Budget Items and Corporate Savings are currently forecasting to be broadly balanced. However, there is an underachievement of £700k against a Public Health Savings target of £2.5m. This underachievement is mainly due to planned in-year grant cuts but has been offset by a forecast reduction in redundancy cost within 2015/16.

PUBLIC HEALTH BUDGET MONITORING AS AT
31st AUGUST (MONTH 05)

Purpose of the Report

1. To report on the 2015/16 Public Health grant spend across the Council for the month ending 31 August 2015.
2. The report provides details of the forecast full year spend of Public Health grant compared to budget. Key variances are explained and any financial risks are discussed in the risk section.
3. The net reported position for each portfolio/service area would normally be zero as public health spend is matched by a draw down of public health grant. For the purposes of this report, and in order to identify where corrective action may be necessary, we have shown actual expenditure compared to budget where there is an underspend position. Overspends which will affect Portfolios' revenue positions are described in the narrative sections only.

Summary

4. At month 5 the overall position was a forecast underspend of £627k which is summarised in the table below.

All figures £000s					
Portfolio	Forecast full year expenditure	Full year expenditure budget	Full year variance	FY Variance Forecast at M4	Movement from Prior Month
CYPF	12,378	12,378	0	0	0
COMMUNITIES	13,531	13,997	(293)	(243)	(50)
PLACE	3,143	3,403	(260)	(392)	132
DIRECTOR OF PUBLIC HEALTH (inc PH Intelligence)	2,407	2,480	(74)	(325)	251
TOTAL EXPENDITURE	31,459	32,258	(627)	(960)	333

5. Key reasons for the forecast under spend are:
 - £293 reduction in spending in Communities of which £193k is uncommitted funds that will be clawed back as part of in-year savings.
 - £260k reduction in spending in Place mainly as a result of projects which have been put on hold.
 - £74k forecast reduction in spending on Support Services in Director of Public Health area.

Communities Portfolio
EXECUTIVE SUMMARY
HRA Revenue Budget Monitoring 2015/2016– as at
August

Purpose of this Report

1. To provide a summary report on the HRA 2015/2016 revenue budget for the month ending 31st August 2015, and agree any actions necessary.
2. The content of this report will be used as the basis of the content of the budget monitoring report to the Executive Management Team and to Members.

Summary

3. The HRA Business Plan is based on the principle of ensuring that investment and services required for council housing is met by income raised in the HRA.
4. The 2015-16 budget is based on an assumed in year position of £10.9m which is to be used to fund the ongoing HRA Capital Investment Programme. In accordance with the HRA's financial strategy any further in-year revenue surplus / savings generated by the account will be used to provide further funding for the future HRA Capital Investment programme.
5. As at month 5 the full year outturn position is a projected £1.6m saving compared to budget.
6. Main areas contributing to the outturn include reduced rental income of £314k mainly due to a higher turnover of vacant properties; this is partly offset by a forecast reduction in the provision for bad debts. A reduction in other service charge income of £84k and a £284k potential increase in repair costs due to an unexpected increase in volume and the number of vacant properties. These are offset by forecast savings of £2.4m on overall running costs, of this £1m relates to staffing as a result of turnover and vacancy savings; £0.9m due to re-profiling of projects and £0.5m on other running costs.

Financial Results

HOUSING REVENUE ACCOUNT (EXC COMMUNITY HEATING)	FY Outturn £000's *	FY Budget £000's *	FY Variance £000's *	Movement from Month 4
1.RENT INCOME DWELLINGS	(149,113)	(149,427)	314	↑
2.OTHER INCOME	(6,739)	(6,824)	84	↑
3.HOMES-REPAIRS & MAINTENANCE	32,155	31,871	284	↑
4.HOMES-FUNDING CAPITAL PROG	38,973	38,973	0	↔
5.TENANT SERVICES INCL MANAGEMENT	57,571	59,922	(2,351)	↑
6.INTEREST ON BORROWING	14,644	14,579	65	↔
Total	(12,509)	(10,905)	(1,604)	
8.CONT TO CAPITAL PROG	12,509	10,905	1,604	↑
*subject to roundings				

Community Heating

7. The budgeted position for Community Heating is a draw down from Community Heating reserves of £337k. As at month 5 the position is a draw down from reserves of £237k resulting in a saving of £101k.

COMMUNITY HEATING	FY Outturn £000's *	FY Budget £000's *	FY Variance £000's *	Movement from Month 4
INCOME	(2,925)	(2,760)	(164)	↑
EXPENDITURE	3,162	3,098	64	↓
Total	237	337	(101)	
*subject to roundings				

Housing Revenue Account Risks.

8. There are a number of future risks and uncertainties that could impact on the 30 year HRA business plan. As well as the introduction of Universal Credit, outlined elsewhere in the report the Government has recently announced a number of further changes in the July 2015 Summer Budget Statement and Welfare Reform and Work bill. These include a revision to social housing rent policy, which will reduce rents for the next four years. This will have a considerable impact on the resources available to the HRA Business Plan. In addition, the Governments "Pay to Stay" policy announcement and other changes to Housing benefits will impact on both tenants and the HRA business plan. Work is currently underway to assess the financial impact of these. Other identified risks to the HRA are:

-
- **Interest rates:** fluctuations in the future levels of interest rates have always been recognised as a risk to the HRA.
 - **Repairs and Maintenance:** existing and emerging risks within the revenue repairs budget include unexpected increased demand (for example due to adverse weather conditions) and future changes to contractual arrangements.

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CAPITAL PROGRAMME MONITORING AS AT 31st AUGUST 2015

Summary

1. At the end of August 2015, the end of year position forecasts a variance of £28.4m (8%) below the approved Capital Programme, which represents an additional £5.6m to that reported in month 4. Project managers are forecasting to deliver a capital programme of £266.3m which is £3.9m lower than month 4 forecast.
2. The bulk of the variance in the forecast is in the Place (£16.4m – 16%) and Housing programmes (£15.4m – 16%) below budget. These variances are discussed in greater detail below at paragraph 6.
3. The Year to date position shows spending to be £16.3m (15%) and the programme has slipped a further £1.6m behind budget in the period.

Financials 2015/16

Portfolio	Spend to date	Budget to Date	Variance to date	Full Year forecast	Full Year Budget	Full Year Variance	Change on last Mth Bud
	£000	£000	£000	£000	£000	£000	£000
CYPF	16,943	18,085	(1,141)	40,908	40,218	690	1,341
Place	32,899	45,574	(12,675)	87,713	104,056	(16,343)	(5,424)
Housing	24,907	25,010	(103)	81,551	96,951	(15,401)	(1,628)
Highways	4,743	5,774	(1,031)	17,975	14,561	3,414	98
Communities	180	218	(38)	321	352	(32)	(13)
Resources	862	2,214	(1,352)	7,216	7,969	(753)	(9)
Corporate	12,739	12,739	-	30,574	30,574	-	-
Grand Total	93,274	109,614	(16,340)	266,257	294,682	(28,425)	(5,636)

Capital Programme

	2015-16 £m	2016-17 £m	Future £m	Total £m
Month 4 Approved Budget	292.9	166.7	308.5	768.1
Additions	2.1	1.7	0.0	3.8
Variations	-0.3	0.0	0.0	-0.3
Month 5 Approved Budget	<u>294.7</u>	<u>168.4</u>	<u>308.5</u>	<u>771.5</u>

4. The revised programme shows a net increase of £3.5m and reflects the approval of £3.8m of demolition works for the Sheffield Retail Quarter city centre regeneration project

Commentary

5. The key variances for the forecast £28.4m shortfall against budget by the year end by project include:
- £10.4m slippage on the Sheffield Retail Quarter project
 - £5.5m slippage on the Lower Don Valley Flood defence project. The project has been delayed following lengthy negotiations with the selected contractor over the initial cost estimates which were well above the approved, funded amount. The latest schedule of works is within budget but the contingency for further overspends is greatly reduced increasing the risk of a future overspend. The project is now expected to complete in March 2017;
 - The Bus Rapid Transit link and FA pitches are forecasting spend above budget pending re-authorisation of these projects to reflect the revised scope and funding arrangements
6. Of the £16.3m shortfall in the year to date,
- £3.8m behind profile on the two new leisure centres at Graves and North Active but the slippage will be caught up and the centres will open on their projected dates. The adjacent 3G pitches at each site are an additional £1.2m behind plan following changes to the design increasing the number of pitches and a revised funding agreement;

-
- £3.1m behind on the Lower Don valley Flood defence works for the reasons above;
 - £1.8m behind on the New Build Council Housing for the reasons given above, and, £1.3m slippage on the Council House stock increase project;
 - £1.7m delayed start on the Brookhill area improvements. The project has been delayed by a number of months awaiting commitments from partner organisations which have delayed the transfer of the scheme to the Council. Legal agreements are close to completion to enable this transfer to take place;
 - the Roofing programme is £4.4m ahead of plan following a good start on site by the selected contractors and an expanded programme of work;
 - £0.8m behind on the DVS Remediation project reflecting savings made the original approval sum. The project manager will be submitting a revised profile to the new cost plan;
 - £0.9m slippage on the Fire Risk Assessment and remedial works programme
 - £0.4m slippage in the demolition of Castle Market
 - Arbourthorne £0.5m behind budget.
7. The remaining £5.9m variance is scattered across all other projects. In total this group is 27% below budget. The Month 4 forecast predicts a shortfall against budget of £18.5m (19%) by the year end.

Approvals

8. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.
9. Below is a summary of the number and total value of schemes in each approval category:
- 14 additions to the capital programme with a value of £495k.
 - 16 variations to the capital programme creating a net increase of £3.5m;
 - 3 requests for slippage amounting to £7.5m;and

- 1 Deletion from the programme of £730k

10. Further details of the schemes listed above can be found in Appendix 5.1 and 5.2.

Finance

September 2015

Capital Schemes - August

Scheme Description	Approval Type	Value £000	Procurement Route																									
<p>PLACE PROGRAMME</p>																												
<p>Lower Don Valley Flood (LDV) Defence Works The LDV is a strategically important industrial area of the city. Severe flooding in 2007 caused many businesses significant disruption and some ceased trading because of it.</p> <p>The aim of this scheme is to improve flood protection in Sheffield's Lower Don Valley through the construction of flood defence interventions between Nursery Street and Blackburn Brook. This will reduce the risk of flooding for 256 businesses, safeguarding 5,000 jobs in the area and reassuring existing business and potential new investors that action is in hand to reduce the flood risk.</p> <p>Due to delays in negotiating the contract for the design and construction of the flood defences within the available funding, approval is being sought to slip £5,462 in future years, as per below:-</p> <table data-bbox="990 1071 1250 1911"> <thead> <tr> <th></th> <th>2015/16</th> <th>2016/17</th> <th>2017/18</th> <th>Total</th> </tr> <tr> <th></th> <th>000's</th> <th>000's</th> <th>000's</th> <th>000's</th> </tr> </thead> <tbody> <tr> <td>Approved Budget</td> <td>10,353</td> <td>5,741</td> <td>15</td> <td>16,109</td> </tr> <tr> <td>Slippage Request</td> <td>4,890</td> <td>10,081</td> <td>1,138</td> <td>16,109</td> </tr> <tr> <td></td> <td><u>-5,463</u></td> <td><u>4,340</u></td> <td><u>1,123</u></td> <td><u>0</u></td> </tr> </tbody> </table> <p>Completion is now expected in March 2017. The project is funded through grants from the</p>		2015/16	2016/17	2017/18	Total		000's	000's	000's	000's	Approved Budget	10,353	5,741	15	16,109	Slippage Request	4,890	10,081	1,138	16,109		<u>-5,463</u>	<u>4,340</u>	<u>1,123</u>	<u>0</u>	Slippage	-5,463	n/a
	2015/16	2016/17	2017/18	Total																								
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Capital Schemes - August

<p>Environment Agency and the Business Improvement District Levy.</p>	<p>FA Football Pitches In November 2014 Cabinet approved £4.7m for the construction of a number of 3G and high quality football pitches at Graves and Thorncliffe as part of the drive to improve “grass roots” football.</p> <p>Funding of the original approval was as follows:</p> <table border="1" data-bbox="544 703 868 1936"> <thead> <tr> <th></th> <th>Graves</th> <th>Thorncliffe</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>FA</td> <td>1,503</td> <td>683</td> <td>1,503</td> </tr> <tr> <td>Sport England</td> <td>1,000</td> <td>500</td> <td>1,000</td> </tr> <tr> <td>Football Foundation</td> <td>1,000</td> <td>500</td> <td>1,000</td> </tr> <tr> <td>SCC</td> <td>1,172</td> <td>500</td> <td>1,172</td> </tr> <tr> <td></td> <td><u>4,675</u></td> <td><u>2,183</u></td> <td><u>4,675</u></td> </tr> </tbody> </table> <p>Subsequent to this approval there have been significant changes in scope for which approval is now sought:</p> <ul style="list-style-type: none"> - An increase in the number of 3G pitches at each site from 1 to 2 - Additional pitch at Thorncliffe required an alternative drainage solution which included the addition of attenuation tanks under the car park. - Coal Mining risk assessments at Thorncliffe highlighted the need to undertake grouting works into multiple mine shafts. - Planning conditions stipulated that both sites required additional car parking from original designs - Increased costs for earthworks on both sites due to level changes. 		Graves	Thorncliffe	Total	FA	1,503	683	1,503	Sport England	1,000	500	1,000	Football Foundation	1,000	500	1,000	SCC	1,172	500	1,172		<u>4,675</u>	<u>2,183</u>	<u>4,675</u>	<p>Variation</p>	<p>2,424</p>	<p>Modular Buildings - it is intended to utilise a full single stage selective tender process via open advert</p> <p>Pitch construction via the Sport England framework for grass and the Football Foundation Framework for the 3G pitches.</p> <p>Other works by extension of the existing contracts with BAM and Kier for the construction of</p>
	Graves	Thorncliffe	Total																									
FA	1,503	683	1,503																									
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Capital Schemes - August

<p>- The BAM and Kier external works packages increased from the original designs and costings</p> <p>It follows therefore that the costs need to be varied as follows:</p> <ul style="list-style-type: none"> • FA Pitch (Graves) increase of £844k from £2,491k to £3,335k • FA Pitch (Thornccliffe) increase of £1,580k from £2,183k to £3,763k <p>For reasons outside the control of the Council, the Football Association, Sport England and Football Foundation funding has been withdrawn and replaced by direct funding from the Exchequer and a revised allocation from Sport England. However, the revised funding is not sufficient to meet the increased costs leaving a funding gap currently to be met through prudential borrowing of £700k (see table below) at a cost of £47k p.a. to the Culture revenue budget for the next 25 years.</p> <table border="1" data-bbox="730 714 974 1218"> <thead> <tr> <th></th> <th>Graves</th> <th>Thornccliffe</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Exchequer Funding</td> <td>4,870</td> <td>2,435</td> <td>4,870</td> </tr> <tr> <td>SCC (CRP)</td> <td>1,172</td> <td>500</td> <td>1,172</td> </tr> <tr> <td>Sport England</td> <td>400</td> <td>200</td> <td>400</td> </tr> <tr> <td>Gap - (Pru Borrowing)</td> <td>657</td> <td>28</td> <td>657</td> </tr> <tr> <td></td> <td><u>7,099</u></td> <td><u>3,335</u></td> <td><u>7,099</u></td> </tr> </tbody> </table> <p>Final versions of the funding agreements relating to the exchequer and Sport England Funding have yet to be received. Future reports will seek the approval to accept the grant once the conditions are known but it is expected that these will substantially the same as those already agreed, other than the need to spend the grant by March 2016. The project plan is being formulated to meet this imperative.</p>		Graves	Thornccliffe	Total	Exchequer Funding	4,870	2,435	4,870	SCC (CRP)	1,172	500	1,172	Sport England	400	200	400	Gap - (Pru Borrowing)	657	28	657		<u>7,099</u>	<u>3,335</u>	<u>7,099</u>		<p>the leisure centres at Graves and Thornccliffe respectively</p>
	Graves	Thornccliffe	Total																							
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<p>Catherine Street Open Space</p> <p>Catherine Street Open Space is a site suffering from significant antisocial behaviour issues. New housing is being built opposite the site and S106 money is available to make improvements to the site to help tackle the current antisocial issues by opening up views and</p>	<p>Addition</p>	<p>36</p> <p>In-House & 3 Quotes</p>																								

Capital Schemes - August

<p>sight lines through the green space.</p> <p>The project will carry out improvements to the site including re-landscaping, removal of overgrown shrubs and redundant tarmac areas and boundary and entrance improvements.</p> <p>Some immediate health and safety works on the site have been carried out at risk through Parks & Countryside's in house team's revenue budget prior to capital approval. Three quotations were obtained and the contractor with the lowest quote (MHH Contracting £6,900.00) was appointed to deliver this work.</p> <p>The project is fully funded from S106.</p>				
<p>RESOURCES PROGRAMME:-</p>				
<p>Carbrook Urban Traffic Control Centre Relocation –</p> <p>This project is required to facilitate the relocation of UTC (Urban Traffic Control) department staff, together with all specialist traffic management equipment, from Carbrook to the Town Hall as a precursor to the disposal of the Carbrook site. A purchaser for the Carbrook building has been identified and they wish to take vacant possession at the end of January 2016. Separate capital approval for this scheme is being requested as no provision for the UTC move was made in the initial Workplace Relocation Programme.</p> <p>Approval is sought at this stage for £100k to cover the initial feasibility work and the commissioning of British Telecom to move their specialist equipment, estimated at £50k each,</p> <p>Due to the timescales involved and BT lead times an advance order to BT will need to be placed immediately and quotations obtained and tenders awarded for the survey works at risk.</p> <p>The complete operation will comprise a 'lift and shift' of 15 staff from Carbrook to a location within the Town Hall. Specialist contractors will be required to move and re-install specialist</p>	<p>Addition: Key Item</p>	<p>100</p>	<p>Waiver for BT works as sole supplier.</p> <p>3 quotations for various survey works</p>	

Capital Schemes - August

<p>traffic management operational equipment to avoid invalidating warranties.</p> <p>There will be an associated write down of both the building itself and of internal refurbishment works of £590k delivered by Thinking Space Systems Ltd previously capitalised within the South Yorkshire Intelligent Transport System project.</p> <p>The overall costs of the project (estimated at £550k) are to be funded from Prudential Borrowing and the capital and interest repayments are to be met by the Wider Accommodation Strategy budgets. Prudential Borrowing has been based upon an interest rate of 5% for 10 years.</p>			
<p>Essential Building Works – Stage 1</p> <p>The Council's estate includes a number of buildings dating back to Victorian times (and some even earlier). Many of these buildings are listed including some in the highest category, Grade 1. This places a significant onerous duty to maintain and preserve infrastructure for which it might be more cost effective to demolish. The electrical systems and building structures now require essential refurbishment and renewal in order to keep the buildings compliant with legislation and fit for purpose. The feasibility and survey work involved, at £56k and £44.5k respectively, and are necessary because of the listed status of the buildings.</p> <p>There is a risk of potential closure of buildings if the works are not undertaken in good time. It will be funded from an agreed 2015-16 Corporate Resource Pool bid.</p>	<p>Addition</p>	<p>100.5</p>	<p>In-house delivery: feasibility stage only Surveys by quotes/tender</p>
<p>Radon Works</p> <p>This project will address issues of Radon surveys, monitoring and ensuing installation of radon extraction units at Walkley Library and the former Watoto Children's Centre building.</p> <p>This project will install extraction equipment (fans, pumps etc. as required by technical survey) to remove Radon from buildings where levels have been monitored and recorded above recommended limits</p> <p>The project is funded from the Health & Safety Block Allocation - itself funded from the</p>	<p>Addition</p>	<p>50</p>	<p>3 Quotes</p>

Capital Schemes - August

Corporate Resource Pool.				
<p>Staniforth Road Site The project was originally approved with a £1.1m budget to meet Fire Risk Assessment works at Darnall Star Works and Staniforth Road. However, the latter have not yet been carried out due to the future plans for Staniforth Road still needing to be agreed, due to a delay in finalising the CIP (Community Investment Programme) strategy. It is for that reason that a variation to remove the Staniforth Road element and re-submit it if required at a later stage and leave only the expected cost of the Darnall works of £370k is requested.</p>	<p>Funds to be drawn to be returned to that block allocation as a temporary measure until such time it is needed once the outcome of the CIP is known and work at Staniforth Road can begin.</p>	Deletion	-730	n/a
<p>Health & Safety Compliance Block Allocation This variation seeks to apply £50k to the Radon Works project and add back £730k of funds originally identified as being require for the Staniforth Road works as originally incorporated in the Darnall FRA Works project as noted above.</p>		Variation	680	n/a
<p>Woodseats Hub In March 2012, Cabinet approved a proposal to dispose of the current Woodseats Library to enable the site to be re-developed with a ground floor retail unit floor and a new first floor library. Following Cabinet approval, the Council was approached by Woodseats Medical Practice with a proposal to re-develop the site as a combined community hub which would provide a new surgery facility together with a new library on the ground floor. This is also in line with the later February 2014 Cabinet decision regarding the Future of the Sheffield's Library Service where Woodseats Library was confirmed as one of 11 city wide hub libraries to be created.</p>	<p>Terms have now been agreed which will enable the community hub development to proceed. In order for the development to progress, the Council has agreed to demolish and clear the site of the existing Library building.</p>	Addition	100	3 Competitive quotes

Capital Schemes - August

<p>Approval is being sought to utilise £100k CRP funding to enable the following:-</p> <ul style="list-style-type: none"> a) Initial move management relocate the Library staff, equipment and stock. b) Demolition and site clearance of the exiting Library building site. c) The fit-out of the library space within the new community hub facility (hub constructed by others). d) Move management of the existing Library staff, equipment and stock to relocate into the new facility. 			
<p>SUCCESSFUL CHILDREN & YOUNG PEOPLE :-</p>			
<p>Halfway Infants – Mobile Replacement The purpose of this project is to replace the existing Halfway Nursery Infants Mobile with a new modern modular building. The existing building has been identified as unfit for purpose following a condition survey carried out as part of a rolling programme across the CYPF estate. Structural Engineers from the Council’s Capital Delivery Service have identified wet rot in the external timber cladding and window frames compromising the weather tightness of the building. Failures have also been identified in key structural elements of the roof beams and supporting columns and as a result the long term structural stability of the building cannot be guaranteed. It is not considered cost effective to repair the structure since this would require virtually a full reconstruction of the timber frame. Therefore demolition of the existing building and replacement with a new modular unit is recommended. The project is to be funded from the CYPF Capital Maintenance block allocation and is expected to be complete by March 2016.</p>	<p>Variation</p>	<p>242.5</p>	<p>Competitive tender – YORbuild Framework</p>
<p>Capital Maintenance Block Allocation A variation for £242.5k is requested to allocate funding to the Halfway Infants Mobile Replacement project as noted above. This has been approved by the CYPF Capital Commissioning Group Programme Board.</p>	<p>Variation</p>	<p>-242.5</p>	<p>n/a</p>

Capital Schemes - August

<p>School Expansions – Feasibility works – 8 locations The following projects all cover feasibility work required, to evaluate the options to provide additional pupil places to meet the increase in demand due to population growth and an increase in mid-year transfers.</p> <p>Providing sufficient school places is a statutory duty of the Council and is essential to the Council’s focus on enabling children to have the best start, achieve their full potential and contribute to the success of the city. Over the last decade Sheffield has seen a steady increase in births and an increase in the number of children applying to join schools mid-year. Recent data suggests the birth rate in Sheffield is, for the time being, sustained at this higher level. This means school places in Sheffield are operating in a very tight system and more places are needed in different areas of the city to accommodate local growth. The city is undertaking a programme of growth to meet this increasing demand and around 4,500 new places have been added to the primary sector in recent years. As well as additional primary places, it is expected that by September 2019 an additional 15 to 19 forms of entry will need to be added to the system just to accommodate all children transferring from primary schools into Year 7.</p> <p>The projects are all to be funded from the CYPF Basic Need block allocation.</p> <p>New 8FE Secondary School South West – feasibility: £12.5k 1FE Expansion of Ecclesall Infants – feasibility: £20k Carterknowle School Refit - 1FE Clifford School – feasibility: £6.25k South West 2FE expansion T/P - feasibility: £10k New 5FE Secondary School NE – Woodside – feasibility: £10.7k 1FE Additional Primary Provision - NE – feasibility: 16.5k New Primary - Netherthorpe Area – feasibility: £20k Firs Hill 2013 Bulge Year – feasibility: £6.5k</p> <p>Basic Need Block Allocation A variation for £102.5k is requested to allocate funding to the feasibility stages of the 8 Basic Need expansion projects listed above. These have all been approved by the CYPF Capital</p>	<p>Addition</p>	<p>102.5</p>	<p>In-House Provider</p>
<p>Variation</p>	<p>-102.5</p>	<p>n/a</p>	

Capital Schemes - August

Commissioning Group Programme Board.				
PROCUREMENT STRATEGY:-				
• None				
DIRECTOR VARIATIONS:- (Note only)				
• None				

Capital Schemes – September

Scheme Description	Approval Type	Value £000	Procurement Route
THRIVING NEIGHBOURHOODS AND COMMUNITIES			
HIGHWAYS PROGRAMME			
94445 BN962 Bus Agreement Approval is being sought to increase the 2015/16 allocation by £75k to £632k. The variation is to fund final costs of schemes that are not eligible to be claimed from Better Buses funding. The increase is to be funded by £50k South Yorkshire Passenger Transport Executive (SYLTE) Local Transport Plan (LTP) and £25k from prior year capital reserves Final costs of the Mosborough Key Bus Route have first call on the capital reserve contribution. Final costs of schemes at Nethergate & Malin Bridge have first call on the SYLTE LTP contribution. This will bring the overall project costs (including prior year spend) to £2.6m.	Variation	75	n/a
93425 – Relocatable Camera Enforcement This project seeks to improve the level of compliance with bus lanes at bus gate enforcement sites, while reducing the overall costs of delivering this service. This will be achieved through a combination of moving away from an attended enforcement system (by expanding the unattended system) and changing the way that offences are reviewed. The project delivery timescales have been revised to enable better coordination with other corporate projects.	Slippage	186	n/a

Capital Schemes – September

As a result, approval is being sought to slip £186k into 2016/17. The project is funded from prior year bus lane penalty charges.			
HOUSING PROGRAMME			
Q00087 Stock Increase (CHS) The stock increase programme for Council Housing Services aims to increase the stock by 1,000 houses by building new or acquiring existing homes. There has been a delay in the new build programme due to the originally appointed contractor going into liquidation. This variation is to move £1.787m from 15/16 to 16/17 in reaction to this delay.	Slippage	-1,787	N/A
Q00088 PSH Cat 1 Hazards This variation is to remove £50k in 2015/16 from the block allocation for Category 1 Hazards in Private Sector Housing. This is a saving to the planned programme of works, funded by Capital Receipts. This work was to improve the condition of private sector housing especial relating to conditions contributing to the poor health of Asthma sufferers. This work is now being completed via the works in default budget and funded by enforcement procedures against the private landlords.	Variation	-50	N/A
PARKS PROGRAMME			
94492 Re-Thinking Parson Cross Park The project is part of the wider initiative 'Rethinking Parks' which aims to explore sustainable delivery models for parks and green spaces. This particular initiative aims to integrate existing parks and green spaces with new housing developments, creating valued, sustainable spaces for the city's residents. The initial phase of this project is to conduct a feasibility study (to be carried out In-House) to investigate specific actions and interventions which will reinvigorate Parson Cross Park and its associated green spaces.	Addition (feasibility)	5.7	In-House

Capital Schemes – September

<p>It is currently anticipated the full project (subject to approval of the feasibility recommendations via the capital approval process will improve 2 areas of green space, deliver 1800m of new footpath, 68 of new housing units overlooking the park, improvements to existing park facilities, create 2 new park entrances & develop a sustainable management model for the park</p> <p>The funding for this stage will be from S106 monies.</p>			
<p>IN TOUCH ORGANISATION</p>			
<p>RESOURCES PROGRAMME</p>			
<p>Abbeydale Industrial Hamlet The project currently has an authorised budget of £326.6k to carry out major repairs to the dam wall to prevent the loss of water. This comprised draining and providing a pond liner, agreed with English Heritage because of its listed status, at a cost of £326.6k.</p> <p>This project was complex in nature and the final approval was sufficient to address a "worst case scenario" design. Fortunately, as work progressed, a simpler solution proved effective resulting in the final repair design being cheaper than envisaged.</p> <p>The project is funded from the Corporate Resource Pool and the saving will be returned to the Health & Safety Block Allocation which was used to fund the original increase.</p>	Variation	-100.5	N/A
<p>Health & Safety Block Allocation This variation is to add back the underspend from the Abbeydale Industrial Hamlet project, originally funded from The Health & Safety Block Allocation as noted above.</p>	Variation	100.5	N/A

Capital Schemes – September

<p>PROCUREMENT STRATEGY</p>				
<p>BETTER HEALTH & WELLBEING</p>				
<p>THRIVING NEIGHBOURHOODS AND COMMUNITIES</p>				
<p>Sheffield Football Project- Procurement of Modular Pavilion</p>				
<p>The purpose of this Procurement Strategy is to seek approval to include the construction of modular changing pavilions at both Thorncliffe Recreation Ground and at Graves Leisure Centre site. A Waiver has been submitted to undertake a direct appointment with Integra to provide modular pavilions and changing facilities at a cost of £798k per site. Discussions have been held with Integra via Sport England over the proposed work and a contract sum analysis has been provided in the figure of £798k per site. If the waiver is approved the City Council would negotiate directly with Integra to review this and also explore any potential efficiency savings through delivering both units under a single order. The use of Integra for the provision of the Modular Units will meet Sport England's quality standards, has been approved under the terms of the funding agreement and has been independently verified to represent value for money. This will also secure additional funding from Sport England towards the project and reduce the shortfall that is currently being met from borrowing. Form of contract - NEC Option A. Evaluation - 100% Price.</p>				<p>Single Source Tender via waiver A Waiver has been submitted to undertake a direct appointment with Integra to provide modular pavilions and changing facilities at a cost of £797,898 per site.</p>

Capital Schemes – September

DIRECTOR VARIATIONS:- (Note only)				
HIGHWAYS PROGRAMME				
Abbeydale Road Clearway Changes This project was to review all signing and lining (including bus lanes and loading and waiting restrictions) to enable the appropriate restrictions to be enforced by camera. Director approval has been given to add £1.8k camera enforcement income to enable the completion of the project.	Director Variation	1.8	n/a	
Boston Street Bus Gate This project was to replace the existing bus gate with a new bus lane enforced by a CCTV camera in addition to improving access at two bus stops and adding a new pedestrian crossing point on Cemetery Road Director approval has been given to add £12k camera enforcement income to enable the completion of the project.	Director Variation	12	n/a	
Key Bus Route Sheffield to Woodhouse The key aim of this project was to improve bus reliability and journey times on the high frequency service 52 bus route from Sheffield city centre to Woodhouse. The works included real-time intelligent detection (RID) at all signal sets, highway schemes on Handsworth Rd, Retford Rd & Badger Rd, and improvements to all bus stops. Director approval has been given to add the remaining £10k Passenger Transport Executive Local Transport Plan allocation to complete the works.	Director Variation	10	n/a	
10 Day Travel Challenge The aim of this project is to increase the use of cycles as a mode of travel for school pupils.	Director Variation	-22	n/a	

Capital Schemes – September

<p>The initial approved capital allocation was incorrect as the majority of the project is being carried out in revenue. The variation is to reduce the Capital allocation by £22k to £3k to fund scooter storage.</p>			
<p>PLACE PROGRAMME: PARKS</p>			
<p>Woodland Management for Birds The aim of this project was the clearance and felling of Burbage plantation and successful re-establishment of native broadleaved woodland through planting and natural regeneration.</p>	21	Director Variation	n/a
<p>Director approval has been given to add £21k to bring the project to completion. The funding variation has been claimed and received from the funders.</p>			
<p>Hillsborough Park Tennis Courts This project delivered minor refurbishments of Hillsborough Park tennis courts.</p>	-9.7	Director Variation	n/a
<p>The approved project funding has been reduced by £9.7k to reflect the actual cost of the project. The final cost of the project was £13.3k which is being funded by the Lawn Tennis Association.</p>			
<p>High Hazels Tennis Courts This project delivered a total refurbishment of High Hazels tennis courts.</p>	-18.4	Director Variation	n/a
<p>The approved project funding has been reduced by £18.4k to reflect the actual cost of the project. The final cost of the project was £59.7k which is being funded by the Lawn Tennis Association (£30k) and S106 monies (£29.7k).</p>			