

REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT 31st May 2016

Purpose of the Report

1. This report provides the Month 2 monitoring statement on the City Council's Revenue Budget and Capital Programme for May 2016. The first section covers Revenue Budget Monitoring, and the Capital Programmes are reported from paragraph 14.

REVENUE BUDGET MONITORING

Summary

2. For the purpose of this report, we have presented the Council's financial position in two elements, namely the underlying position on the services commissioned/provided by the Council, and the position on services that are commissioned and funded jointly with the health service. This is on the basis that the approach to achieving a balanced outturn for 2016/17 will require parallel strategies.
3. The latest monitoring position at month 2 for the services commissioned/provided by the Council shows the potential for a forecast overspend of £5.4m to the year end. It should be stressed that this is the forecast position before any additional mitigating savings are found, and that mitigating savings are currently being identified. It is therefore the current worst case scenario and does not represent an overspend currently incurred. The position is summarised in the table below:

Portfolio	FY Variance: £000s
CYPF	1,453
COMMUNITIES	2,833
PLACE	995
POLICY, PERFORMANCE & COMMUNICATION	(19)
RESOURCES	214
CORPORATE	(27)
GRAND TOTAL	5,449

4. In terms of the month 2 overall forecast position of £5.4m overspend, the key reasons are:

- Children, Young People and Families (CYPF) based on trends to date would be forecast to overspend by £1.5m primarily due to a £581k in Fieldwork Services resulting from pressures on social workers as a result of increased number of caseloads and £600k on Short Break and Direct Payments, due to the delay in anticipated savings.
 - Communities based on trends to date, shows a forecast overspend of £2.8m, due to demand pressures in Care and Support relating to Learning Disability Services and Long Term Support.
 - Place are showing a forecast overspend of £995k. This forecast overspend is primarily due to in-year budget pressures and a potential shortfall on delivering budget savings.
 - Resources are showing a forecast overspend of £214k due to a £200k undeliverable savings target and increased contract costs as a result of the delay in the implementation of the new finance system of £159k. These overspends are partly offset by £111k reduction in spending in Commercial Services primarily due to vacant posts and a reduction in spending on supplies and services:
5. In parallel to the above position, the Council faces a series of significant challenges in delivering savings in conjunction with the health care system. Since the 2016/17 revenue budget was set, various cost pressures and risks to funding levels have emerged. These challenges are as follows.
- Children, Young People and Families (CYPF) are showing a forecast overspend of £750k as a result of not yet securing agreement to joint contributions with the CCG for children's services.
 - Communities are showing a forecast overspend of £4.0m, due mainly to an emerging overspend against Commissioned Mental Health Services of £3.5m and £500k of pressures arising from CCG activity in the Learning Disability Service, as the profile of demand has shifted to costs funded by SCC and not the NHS. A more integrated approach is being urgently explored.
 - Corporate are showing a forecast overspend of £5.8m, which is due to an anticipated shortfall in the Better Care Fund (BCF). We and the CCG agreed when the BCF was set up that £9.3m of funds would be made available in total by the two partners. The NHS would fund £5m, and the Council would fund £4.3m as a one-off in 2015/16, with the aim that the BCF would identify savings to eliminate the need for this contribution after 2015/16, or the CCG would identify a source of

funds for it. However we now have a significant concern that slippage on this approach is occurring without the underlying savings yet emerging on a joint budget of £280m. SCC is the junior financial partner in this arrangement. Consequently the £4.3m is now a corporate pressure, and in addition the CCG is currently only able to guarantee £3.5m of the £5m of its share of the funding, with a further £0.5m provisionally allocated to the BCF. We and the CCG continue to discuss the funding and management of the BCF.

6. The combined impact of the forecast potential overspends in Council-run services and in services run jointly with the NHS is that the latest monitoring position at month 2 is a forecast overspend of £16.0m. The combined position is summarised in the table below.

Portfolio	Outturn £000s	FY Budget £000s	FY Variance £000s
CYPF	69,198	66,995	2,203
COMMUNITIES	143,697	136,864	6,833
PLACE	145,235	144,240	995
POLICY, PERFORMANCE & COMMUNICATION	1,988	2,007	(19)
RESOURCES	52,649	52,435	214
CORPORATE	(396,768)	(402,541)	5,773
GRAND TOTAL	15,999	-	15,999

7. 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. This is being approached at this stage in two parallel strands, namely revenue budget management to contain the position outlined in paragraph 3, and bringing to a conclusion the discussions on the joint funding arrangements with the NHS. The forecast position would be an unsustainable outturn when compared to a General Fund reserve of £12.6m.
8. Full details of all reductions in spend and overspends within Portfolios are detailed in **Appendix 1**.

Public Health

9. The Public Health ring-fenced grant is currently forecasting a £87k overspend against the original grant allocation. Further details of the forecast outturn position on Public Health are reported in **Appendix 2**.

Housing Revenue Account

10. The 2016-17 budget is based on an assumed in year surplus of £13m 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 funds generated by the account will be used to provide further funding for the future HRA Capital Investment programme.
11. As at month 2, early indications suggest a £1.3m improvement in the full year outturn position. As such, the funding contribution to the capital investment programme will be revised from £13m to £14.3m. 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 1/04/16	-7.1
	Anticipated 16/17 NHB Grant	-9.3
	Total Income	<u>-16.4</u>
Expenditure	2016/17 Spend to Date	0.4
	Forecast to Year End	2.4
	Future Years' Approved Commitments	1.3
	Total Expenditure	<u>4.1</u>
	Funds Available for Investment	<u><u>-12.3</u></u>

12. Most of the expenditure to date has been on capital schemes improving London Road shop fronts and redeveloping the Arbourthorne area. Officers are working on a number of substantial projects which will utilise the unspent balance and accelerate housing development and regeneration. These will be brought forward for approval by Members when ready.

Collection Fund

13. The Collection fund will be reported in month 3 to give time for a full appraisal of the first quarter's position to be carried out. **Appendix 4** has been retained for the collection fund as blank for continuity for future reporting.

Capital Summary

14. At the end of May 2016, Project managers are forecasting to deliver a Capital Programme for 2016/17 of £234.4m compared to an approved programme of £217m, a difference of £17.4m. Two major adjustments to the budget are awaiting approval and will reduce the variance to be £8.1m below the budget.
15. Further details of the Capital Programme monitoring and projects for approval are reported in **Appendices 5 and 5.1**.

Implications of this Report

Financial implications

16. The primary purpose of this report is to provide Members with information on the City Council's Budget Monitoring position for 2016/17, and as such it does not make any recommendations which have additional financial implications for the City Council.

Equal opportunities implications

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

Legal implications

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

Property implications

19. 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

20. Members are asked to:
 - (a) Note the updated information and management actions provided by this report on the 2016/17 Revenue Budget position.
 - (b) In relation to the Capital Programme:
 - (i) Approve the proposed additions to the Capital Programme listed in **Appendix 5.1**, 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 note

- (iii) The variations on **Appendix 5.1** approved within the delegated authority of EMT;
- (iv) The variations authorised by directors under the delegated authority provisions; and
- (v) The latest position on the Capital Programme.

Reasons for Recommendations

- 21. 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

- 22. 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 Head of Finance

Portfolio Revenue Budget Monitoring Reports 2016/17 As at 31st May 2016

Children Young People and Families (CYPF)

Summary

1. As at month 2 the Portfolio is forecasting a full year outturn position of a £2.2m overspend. The key reasons for the forecast outturn position are:

Children and Families - £2m forecast overspend, the key reasons are:

- Fieldwork Services - a forecast overspend of £581k, this is mainly due to a forecast overspend on fieldwork staffing budgets of £320k, due to pressures on social workers and an increase in the number of caseloads, the planned tapering down model of social workers has been delayed, at this present time, to meet this increase in demand.
- Health Strategy – a forecast overspend of £600k on Short Break and Direct Payments, due to the delay in anticipated savings due in year.
- Provider Services – a forecast overspend of £242k, due to delays in anticipated savings on integrated residential and disability services with health, due in year.
- Early Intervention and Prevention – a forecast overspend of £545k due to anticipated savings of £200k on uncommitted contracts, offset by £750k as a result of not yet securing agreement to joint contributions with the CCG for children's' services, leaving a net overspend of £545k.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
BUSINESS STRATEGY	2,480	2,385	95
CHILDREN & FAMILIES	59,905	57,875	2,030
INCLUSION & LEARNING SERVICES	(22)	(35)	13
LIFELONG LEARN, SKILL & COMMUN	6,835	6,770	65
GRAND TOTAL	69,198	66,995	2,203

DSG

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

	Month 2 £000
Business Strategy	(145)
Children and Families	(25)
Inclusion and Learning Services	312
Lifelong Learning, Skills and Communities	16
	158

Commentary

3. The following commentary reports of the main forecast variances at month 2.

Business Strategy

4. A forecast £95k overspend (shown in the table above) relating to cash limit and £145k forecast reduction in spend on DSG.
5. The main reason for the forecast variance on DSG is due to a reduction in spend on pension costs of £158k.

Children and Families

6. A forecast £2m overspend (shown in the table above) relating to cash limit and a £25k reduction in spend on DSG.
7. The main reasons for the forecast variance on cash limit is due to:
- Fieldwork Services - a forecast overspend of £581k, this is mainly due to a forecast overspend on fieldwork staffing budgets of £320k, due to pressures on social workers and an increase in the number of caseloads, the planned tapering down model of social workers has been delayed, at this present time, to meet this increase in demand.
 - Health Strategy – a forecast overspend of £600k on Short Break and Direct Payments, due to the delay in anticipated savings due in year.
 - Provider Services – a forecast overspend of £242k, due to delays in anticipated savings on integrated residential and disability services with health, due in year.
 - Early Intervention and Prevention – a forecast overspend of £545k due to anticipated savings of £200k on uncommitted contracts, offset by a reduced expected contribution of £750k from the CCG, leaving a net overspend of £545k

Inclusion and Learning Service

8. A forecast £13k overspend (shown in the table above) relating to cash limit and £312k forecast overspend on DSG.

9. The main reason for the forecast variance on DSG is due to a forecast overspend of £298k on SEN placements, as a result of the full year impact of a number of placements made in 2015/16.

Lifelong Learning Skills and Communities

10. A forecast £65k overspend (shown in the table above) relating to cash limit and £16k forecast overspend on DSG. There are no significant variances to report.

Communities Portfolio

Summary

11. As at month 2, the Portfolio is forecasting a full year outturn of an overspend of £6.8m. The key reasons for the outturn position are:

Performance, Information and Planning underspend of £456k:

- The underspend position for Business Strategy is mainly due to the Portfolio-wide pay inflation budget of £400k being released (pay inflation costs are reflected in expenditure across the Portfolio). The non-achievement of the prior year savings target in Planning and Performance is resulting in a forecast over spend £446k which is offset by a £231k underspend on Business Support pay along with a £142k underspend against the mail and insurance SLA charges.

Care & Support overspend of £3.4m:

- Access, Prevention and Reablement forecasts a net overspend of £37k. There is a forecast over spend of £71k mainly as a result of use of agency social work staff, this is partly offset by an under spend of £34k due to pay savings in Occupational Therapy Team.
- Learning Disabilities returned an outturn of £2.8m overspent. This is made up of:-
 - Purchasing LD is forecasting an over spend of £2.6m. £1.3m of this overspend is a result of the roll forward cost of clients from 2015/16 and an estimated additional costs of Joint Package of Care (JPOC), an estimated £664k of undeliverable savings from the 2016/17 BIP process and estimated new clients for 2016/17 costing £645k.
 - LD Assessment and Care Management is forecasting an over spend of £506k due to full year cost of additional review teams.
 - LD Provider services is forecasting an under spend of £303k due to reductions in use of agency staff and bank staff.

- Long Term Support is showing an over spend of £1.7m. This comprises the net position of an over spend in adults purchasing of £1.7m, with an under spend across the remainder of the service of £80k; this under spend is predominantly the saving against Forge Centre (£64k) due to reduction in contracts along with a small net saving in social work costs.
- Provider Services is showing an under spend against budget of £60k. There is a £181k reduction in spend on Carers in the Adult Placement Shared Lives Service. City Wide Care Alarms reports an over spend of £384k as a result of lower income than budgeted. Care4You Business and Performance and Head of Service Budgets report a combined £305k reduction in spend on staffing. Community Support Services report an under spend of £77k on salary costs. Reablement Services report an over spend of £120k which has arisen as a result of the service incurring additional staff costs relating to planned efficiencies delivered later than expected.
- Contributions to Care has an over achievement of income £1.0m against budget. The main overachievements are in Integrated Charge income of £233k, Continuing Health Care Income of £803k and Residential of £143k. This over performance is offset by a small underachievement of Property Income of £82k and a variance to budget on Public Health Direct payments of £52k. Additional forecast income has been included for un-split JPOC clients through the year.

Commissioning overspend of £3.6m:

- A forecast reduction in spend of £90k is reported by Commissioned Housing which is mainly due to slight delay in implementation of new Housing Related Support Contracts.
- An over spend against Commissioned Mental Health Services of £3.5m. This is made up of a £3.5m overspend in Mental Health purchasing and £150k overspend in the S75 Mental Health contract offset by forecast underspends on the Older people Mental Health contract of £103k and the Partnership and Grant Aid budget of £54k. Further negotiations are on-going with the Care Trust to determine the cost of the S75 contract but current negotiations are reflected in the forecast overspend. There is an on-going conversation with the CCG to enable joint planning to be done in order to bring the £3.5m overspend down within 2016-17. Future forecasting will be reflective of outcomes in this work.

- An over spend on Public Health Drug and Alcohol (DACT) of £132k. The majority of this is due to a forecast overspend on non-contract treatment costs of £124k.
- Social Care Commissioning Service forecasts an over spend of £52k. There is a forecast overspend of £115k on the British Red Cross contract for Independent Living Solutions (Equipment and Adaptations) partly offset by an under spend in quality contracts.

Community Services overspend of £309k:

- There is an over spend of £207k in Locality Management, primarily relating to the non-achievement of 2015/16 savings targets £108k, pay overspend £56k and loss of income from Sheffield Teaching Hospitals £57k. There is a further overspend in Libraries Service of £49k mainly due to possible cost of redundancies and loss of World Metal Index Income (Service closes in July 2016). There is a £54k forecast overspend in PH on Community Wellbeing programme contracts.

Housing General Fund underspends of £22k:

- The Housing General Fund is forecasting an overall under spend £22k primarily due to lower than expected uptake of grants from the Local Assistance Scheme of £26k, a reduction in salary costs of £54k across several areas due to a high number of vacancies as a result of an MER (due to be completed in August), income from water rates commission being higher than budget by £25k and over achievement of income of £15k across the remaining area. These under spends are offset by a forecasted £98k over spend within Sustainable City which is still subject to review.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
PIP	4,769	5,224	(455)
CARE AND SUPPORT	100,398	96,996	3,402
COMMISSIONING	27,950	24,352	3,598
COMMUNITY SERVICES	6,782	6,472	310
HOUSING GENERAL FUND	3,798	3,820	(22)
GRAND TOTAL	143,697	136,864	6,833

Commentary

12. Commentary will be added from Month 3 to explain the movements from Month 2

Place Portfolio

Summary

13. As at month 2 the Portfolio is forecasting a full year outturn of an £996k overspend. The key reasons for the forecast outturn position are:
- **Planned Budget Savings £457k overspend** – reflects a relatively small shortfall against the £9.9m planned savings approved at March Council.
 - **Other Net Pressures £470k overspend** – includes shortfalls against planned income within the Moor market £366k and City Regeneration Division £200k.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
BUSINESS STRATEGY & REGULATION	32,482	32,144	338
CAPITAL & MAJOR PROJECTS	-	-	-
CREATIVE SHEFFIELD	2,761	2,378	383
CULTURE & ENVIRONMENT	29,809	29,742	67
DEVELOPMENT SERVICES	80,183	79,976	207
PLACE PUBLIC HEALTH	-	0	0
			-
GRAND TOTAL	145,235	144,240	995

Commentary

14. The following commentary concentrates on the key risks

Development Services

15. The current forecast for the service is a £207k overspend.
16. However, it should be noted that this position assumes the delivery of £1.5m of approved budget savings within the Streets Ahead of £1.2m and car parking activities of £0.3m, which are forecast to be implemented in the second half of the financial year. Any slippage in these timescales for delivery would have a significant impact on the current reported position.

Resources Portfolio

Summary

17. As at month 2 the Portfolio is forecasting a full year outturn of an overspend of £214k. The key reasons for the forecast outturn position are:

- due to a £200k undeliverable savings target
- £159k overspend in Finance due to increased contract costs as a result of the delay in the implementation of new finance system.

Offset by:

- £111k reduction in spending in Commercial Services primarily due to vacant posts and a reduction in spending on supplies and services.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
BUSINESS CHANGE & INFORMATION SOLUTIONS	950	1,034	(84)
COMMERCIAL SERVICES	604	715	(111)
COMMERCIAL SERVICES (SAVINGS)	(2,107)	(2,068)	-39
			0
CUSTOMER SERVICES	2,729	2,524	205
FINANCE	4,560	4,401	159
HUMAN RESOURCES	3,477	3,410	67
LEGAL SERVICES	3,515	3,530	(15)
RESOURCES MANAGEMENT & PLANNING	209	174	35
TRANSPORT AND FACILITIES MGT	16,340	16,290	50
TOTAL	30,277	30,010	267
CENTRAL COSTS	21,966	22,019	(53)
HOUSING BENEFIT	406	406	-
GRAND TOTAL	52,649	52,435	214

Commentary

18. The following commentary concentrates on the changes from the previous month. As this is the first monitoring report of this financial year there are no changes to report.

Policy, Performance and Communications Portfolio

Summary

19. As at month 2 the Portfolio is forecasting a full year outturn of a reduction in spending of £19k. The key reasons for the forecast outturn position are:

- Small under spends across the PPC service.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
ACCOUNTABLE BODY ORGANISATIONS	0	0	0
POLICY, PERFORMANCE & COMMUNICATION	2,123	2,142	-19
PUBLIC HEALTH	(135)	(135)	0
GRAND TOTAL	1,988	2,007	(19)

Commentary

20. The following commentary concentrates on the changes from the previous month. As this is the first monitoring report of this financial year there are no changes to report.

Corporate

Summary

21. As at month 2, the Corporate portfolio is forecasting a full year outturn of a £5.8m overspend.

- **Corporate Expenditure:** Corporate wide budgets that are not allocated to individual services / portfolios, including capital financing costs and the provision for redundancy / severance costs.
- **Corporate income:** Revenue Support Grant, locally retained business rates and Council tax income, some specific grant income and contributions to/from reserves.

Financial Results

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

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
CAPITAL FINANCING	34,176	34,205	(29)
CORPORATE ITEMS	(430,944)	(436,746)	5,802
GRAND TOTAL	(396,768)	(402,541)	5,773

Commentary

23. Corporate are showing a forecast overspend of £5.8m, which is due to the anticipated shortfall in the Better Care Fund (BCF). We have a significant concern that after 18 months the BCF has not realised any savings on a joint budget of £280m.

PUBLIC HEALTH BUDGET MONITORING

AS AT 31st MAY 2016

Purpose of the Report

1. To report on the 2016/17 Public Health grant spend across the Council for the month ending 31st May 2016
2. The report provides details of the forecast full year spend of Public Health grant compared to budget.
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.

Summary

4. At month 2 the overall position was a forecast overspend of £87k which is summarised in the table below.

Portfolio	Forecast Full Year Expenditure	Full Year Expenditure Budget	Full Year Variance at m2	FY Variance Forecast at m1	Movement from Prior Month
CYPF	17,405	17,408	(3)	0	(3)
Communities	12,417	12,427	(10)	0	(10)
Place	2,659	2,714	(55)	0	(55)
Director of PH	2,068	1,913	155	0	155
Total Expenditure	34,549	34,462	87	0	87

5. Key reasons for the forecast under spend are:

- (£3k) underspend in CYP virtually forecast to budget
- (£10k) underspend in Communities virtually forecast to budget
- (£55k) underspend in Place mainly due to a vacant post.

- £155k over spend in Director of Public Health budget which is a forecast under spend of £95k on salaries and supplies and services offset by an over spend of £250k on the contingency budget. This requires to be reprofiled as the net grant required will only be £135k as per the previous year.

HRA Revenue Budget Monitoring 2016/17– As at 31st May 2016

Purpose of this Report

1. To provide a summary report on the HRA 2016/17 revenue budget for the month ending 31 May 2016, 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 2016/17 budget is based on an assumed in year position of £13m 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 funds generated by the account will be used to provide further funding for the future HRA Capital Investment programme.
5. As at month 2 early indications suggest a £1.3m improvement in the full year outturn position of £1.3m. As such, the funding contribution to the capital investment programme will be revised from £13m to £14.3m (shown in the table). This is in line with the HRA Business Plan which sets out the Council's plans and priorities for council housing over the next five years. Capital investment is to be made on improving council housing with a focus on works such as replacement heating systems, insulation and energy efficiency, new roofs, improvements to communal areas as well as building or buying new/replacement council housing.

Main areas contributing to the outturn include a net increase in income of £132k primarily as a result of a reduced level of bad debt provision offset by a higher turnover of vacant properties; an increase in other income of £74k mainly due to an increase in service charge income; a reduction in overall running costs of £936k and a reduction of £161k due to revised borrowing assumptions.

6. Financial Results

Housing Revenue Account (excluding Community Heating)	FY Outturn £000's	FY Budget £000's	FY Variance £000's
1.NET INCOME DWELLINGS	(146,882)	(146,750)	(132)
2.OTHER INCOME	(6,598)	(6,524)	(74)
3.HOMES-REPAIRS & MAINTENANCE	32,867	32,870	(3)
4.DEPRECIATION-CAP FUND PROG	39,436	39,436	-
5.TENANT SERVICES	51,919	52,855	(936)
6.INTEREST ON BORROWING	14,969	15,130	(161)
Total	(14,291)	(12,983)	(1,306)
7.CONTRIBUTION TO CAP PROG	14,291	12,983	1,306

Community Heating

The budgeted position for Community Heating is a draw down from Community Heating reserves of £293k. As at month 2 the forecast position is a draw down from reserves of £200k, an improvement of £93k. This is mainly due to a delay in the metering project together with lower than expected usage due to the mild weather.

Community Heating	FY Outturn £000's	FY Budget £000's	FY Variance £000's
Income	(2,851)	(2,723)	(128)
Expenditure	3,051	3,016	35
	200	293	(93)

Housing Revenue Account Risks

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, the Government has announced a number of further changes in the Housing and Planning bill and Welfare Reform and Work bill. These include a revision to social housing rent policy, which will reduce rents for the next three years. This will have a considerable impact on the resources available to the HRA. In addition, the Government's "Pay to Stay" proposals and other changes in the Housing and Planning bill will impact on both tenants and the HRA business plan. Work is continually ongoing 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 MAY 2016

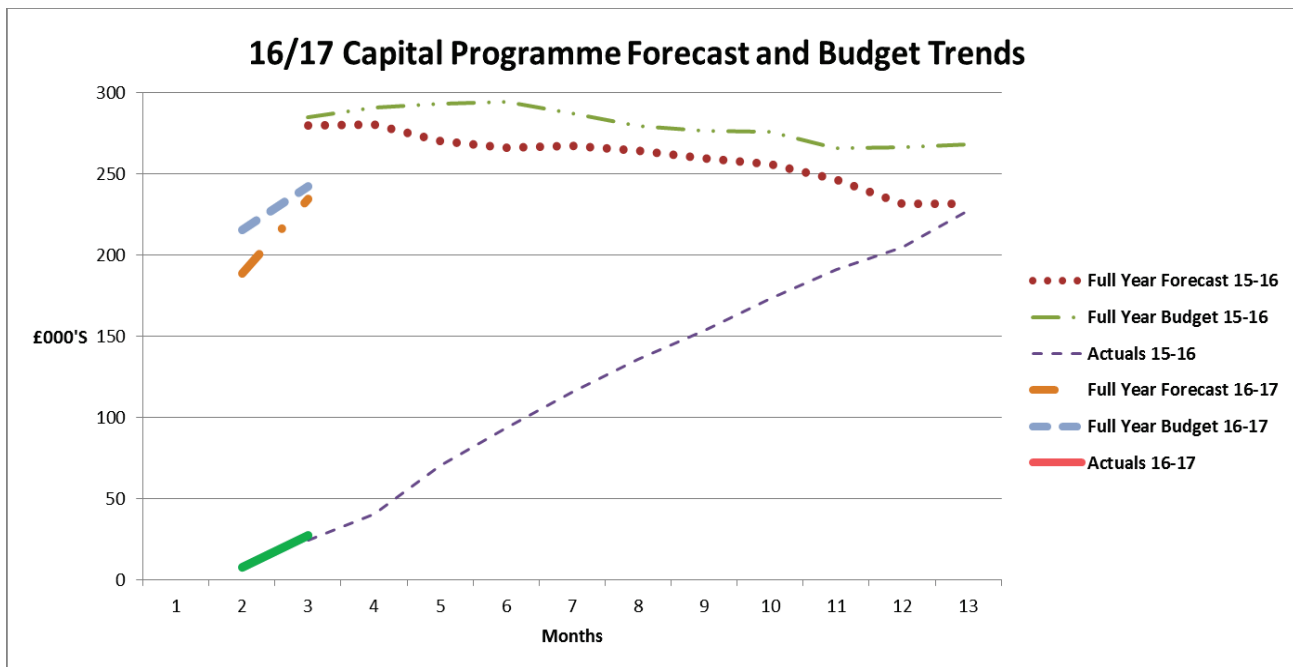
Summary

1. The forecast for 2016/17 is £234.4m compared to an Approved programme of £217m, a difference of £17.4m. Two major adjustments to the budget are awaiting approval and will reduce the variance to be £8.1m below the budget.
2. Firstly, project managers have requested that £35.1m of unspent capital approvals be slipped forward into 2016/17 which would raise the budget to £252.1m. This would create a shortfall of £27.7m by the year end.
3. Secondly, and part recognising the potential underspend in 2016/17, Housing Services are seeking to re-profile £9.6m of spend on the Roofing, Communal areas window and door replacement projects into future years. This recognises the lower levels of work arising at each property.
4. So, at Month 2, the table below shows that the underlying variance against the expected revised budget will be £8.1m.
5. The chart below shows that the capital programme spend rates are almost identical to 2015/16 where the Outturn was £232m, very close to the current forecast of £234m.

Financials 2016/17

Portfolio	Spend to date	Budget to Date	Variance to date	Full Year forecast	Full Year Budget as Q-TIER	Slippage adjustments awaiting approval	Major reprofile awaiting approval	Revised Budget	Full Year Variance on Revised Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000
CYPF	2,501	4,351	(1,850)	31,924	29,943	2,825		32,768	(844)
Place	10,389	6,917	3,472	57,677	36,126	23,917		60,044	(2,367)
Housing	8,300	8,122	178	95,847	104,732	5,276	(9,597)	100,411	(4,564)
Highways	901	1,638	(738)	8,627	6,863	1,828		8,691	(64)
Communities	(8)	35	(43)	307	315	10		325	(18)
Resources	465	470	(5)	13,203	12,191	896		13,087	117
Corporate	4,467	4,467	0	26,803	26,803	379		27,182	(379)
Grand Total	27,016	26,001	1,015	234,388	216,972	35,131	(9,597)	242,506	(8,118)

Forecast trends



Capital Programme

	2016-17 £m	2017-18 £m	Future £m	Total £m
Council Approved Budget	195.2	147.1	207.5	549.8
Additions	21.3	0.3	0.0	21.6
Variations	0.0	3.6	10.2	13.9
Slippage & Acceleration	0.5	0.0	0.0	0.5
Month 2 Approved Budget	217.0	151.0	217.7	585.8

6. The revised programme shows a net increase of £36m. The main additions to the programme include £5.9m for the further development of the Olympic Legacy Park, £5.8m to procure vehicles in preparation for the in-sourcing of the Housing Repairs activity and £2.9m for improving bus services in North Sheffield, £1.4m for School places expansion across the city.

PROJECT MANAGEMENT

7. From the start of this year the Council has introduced an improved system of reporting and monitoring project delivery. This will collect in one place, all project highlight reports which will be accessible to all users and, from August, provide the basis for workflow driven meeting agendas for each stage of the Gateway Approval process. The progress of a project will be readily evident.
8. This should give better visibility of performance and lead to improved project controls because:
 - Project Managers will create their monthly highlight reports - showing key issues, risks and items for the Sponsor to decide on - in SharePoint and these will be visible to all as well as providing a central repository which can be used in future external funding audit work;
 - Project sponsors can review and approve the reports within SharePoint; and
 - Programme Boards will receive a “dashboard” report showing the status of projects. This should lead to improved supervision, better control and thus improved delivery performance of projects.

Commentary

9. The Top 20 projects in the Capital Programme accounts for 70% of the current 2016/17 budget. The key forecast variances from Budget at Month 2, after adjustments for slippage and Housing re-profiles include:
 - Housing programme is £4.6m below budget of which £4.4m is slippage on the New Build Council Housing programme. The contractor who was initially appointed went into administration. The new contractor is yet to submit its programme of works at which point a more realistic budget profile will be put in place;
 - Place is forecasting to be £2.4m below budget of which The Sheffield Retail Quarter project is £1m below budget and will be re-profiled following submission of the new development plans to Cabinet in July;

- £0.6m of slippage on the Olympic Legacy Park infrastructure;
- £0.4m slippage on the Green Spaces programme.
- £0.2m of slippage on the M1 gateway Public Art project;
- The CYPF programme is forecast to be £0.8m below Budget due with two major variances on Pipworth Plant Room (£476k) and Rainbow Forge Heating replacement (£210k), both due to tenders being below budget.

Risks

10. Two projects, Housing Acquisitions and OLP Infrastructure currently have Amber Financial RAG ratings due to the likelihood they will not achieve their forecast budget this year.

Approvals

11. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.
12. Below is a summary of the number and total value of schemes in each approval category:
 - 7 additions to the capital programme with a value of over £90m.
 - 5 variations to the capital programme amounting to a net increase of £1m.
13. Further details of the schemes listed above can be found in Appendix 5.1.

Scheme Description	Approval Type	Value £000	Procurement Route
STRONG ECONOMY :-			
Sheffield Retail Quarter Phase 1 The Council is to deliver the first phase of the Sheffield Retail Quarter development directly and ahead of the rest of the scheme. This consists of a building known as block J of the SRQ plan which will be made up of Office accommodation above Retail and Food & Beverage units. The office will be pre-let to HSBC and will therefore retain a key quality employer in the city. Further tenants will be sought for the rest of the building. The Council identified HSBC as a key anchor tenant for the Sheffield Retail Quarter as it would not only help deliver an early phase of the development but also provide footfall and spending power to help underpin the wider development and act as a catalyst for the wider scheme. Cost Summary Construction Costs - £70.3m Development management fees - £1.4m Design Fees - £4.3m Other Fees - £1.3m Capitalised Interest - £4.3m	Addition	81,963	Fees via variations to existing contracts on main SRQ Development. Yorcivils Framework for Construction.
A report with full scheme details will be presented to cabinet in July.			
THRIVING NEIGHBOURHOODS AND COMMUNITIES			
GREAT PLACE TO LIVE :-			
Highways			
Streets Ahead Enhancements Increase the budget available for pedestrian enhancements to achieve maximum benefit and value for money by implementing changes at the same time as the core work Streets Ahead core investment programme in 2016/17.	Variation	709	To be delivered via Amey Streets Ahead Contract

<p>The project's aim is to provide pedestrian improvements and facilities. Over five years the core investment programme will upgrade footways and carriageways.</p> <p>The approval includes £9k for Stage Four Road Safety Audits allocated per scheme from Danger Reduction and £1,500 programme management costs 16/17 Funded by Local Transport Plan Funding (LTP)</p> <p>Schemes for 2016/17 will include:</p> <ul style="list-style-type: none"> • Gleadless Road zebra crossing (in conjunction with Key Bus Route) • Wilkinson Street and Glossop Road, 2 pedestrian crossing improvements • Harcourt Road/Crookes Valley build out • Owlter Lane crossing improvements • Furniss Avenue zebra • Manchester Road zebra tactiles • Jepson Road and Newman Drive school scheme <p>2017/18 schemes will be finalised and detailed design completed 6 months prior to Amey zone work</p>			
<p>Accident Saving Schemes - The Accident Savings programme is a citywide strategy to reduce actual (and the fear of) road traffic collisions, particularly focused on reducing killed and seriously injured (KSIs) casualties by implementing road safety engineering schemes at sites with the highest injury collision rates in the City. These schemes are funded by the Local Transport Plan Funding (LTP) Two specific interventions are proposed: Langsett & Forbes Road (Hillsborough) This scheme is to improve public transport journey time reliability (as well as pedestrian safety outside Sacred Heart school) by allowing buses to turn left out of Forbes Road to continue their route without the need to turn within Hillsborough Interchange</p>	Variation	200	Design work via Amey Streets Ahead contract. Competitive Tender for construction.
<p>Accident Saving Schemes - Firth Park -Bolsover Road A smaller accident savings scheme (that has been designed in 2015/16 will be implemented</p>	Variation	101	To be delivered via Amey Streets

<p>in 2017/18 at Firth Park. The implementation of the Firth Park scheme will then tie in with Streets Ahead core works.</p> <p>Danger Reduction Programme This project aims to improve road safety at sites across the City that may not have a high collision history but are considered potentially 'dangerous'. The Danger Reduction programme is a citywide strategy that concentrates less on potential casualty reduction, and more on reducing perceived danger on the roads in our City.</p> <p>It is proposed to implement a 'walk and build' type process for Phase 6, using the preliminary in-house designs but avoiding some of the costly detailed design which is perhaps excessive for these relatively simple schemes. This means that schemes should go straight to construction and be delivered faster. The combined saving of £8k in 2016/17 on phase 6 design fees will be used to accelerate any necessary design and construction of further phases of the School Keep Clear Review</p> <p>Funded by Local Transport Plan Funding (LTP)</p>	<p>Variation</p>	<p>132</p>	<p>Ahead Contract</p> <p>To be delivered via Amey Streets Ahead Contract</p>
<p>North Sheffield Better Buses Block A Block A of this £2.9m scheme was to deliver was to complete four interventions to improve bus reliability on the North Sheffield Bus Corridor namely:</p> <ol style="list-style-type: none"> 1. St Michael's Road, Ecclesfield 2. Spital Hill/Hallcar Street 3. Spital Hill/Savile St 4. Hucklow Road <p>Interventions 1 -3 have been delivered and it is proposed to close this phase and complete the remaining work as part of "Block B".</p>	<p>Variation</p>	<p>-114</p>	<p>N/A</p>
<p>North Sheffield Better Buses Group B - Block B Block B of this £2.9m scheme was to complete 4 x interventions to improve bus reliability on the North Sheffield Bus Corridor namely:</p> <ol style="list-style-type: none"> 1. 1 Rutland Road/Cookwood Road/Minna Road 2. 2 Firth Park Centre 	<p>Variation</p>	<p>123</p>	<p>To be delivered via Amey Streets Ahead Contract</p>

<p>3. 3 Barnsley Road/Orphanage Road bus lay-by 4. 4 Barnsley Road/Hartley Brook Road, Sheffield Lane Top</p> <p>Hucklow Road has now slipped into this phase.</p> <p>A final Business Case, noting the benefits realised from the programme so far, will be brought forward once costs are finalised for interventions 3 and 4.</p>			
<p>North Sheffield Better Buses Group Block Allocation A draw down of £9k from the block allocation for the North Sheffield Better Buses Scheme to allow the completion of Hucklow road in Block B</p>		-9	
<p>City Centre Cycling Schemes This specific proposal will provide new and improved cycling routes in the City Centre, forming part of, and connecting into a strategic network from residential areas to employment, education, leisure and other trip generating sites/ locations. Cost are now: £17K for University Central route - 6k topographical 7k parking survey 4k project management fees Funded by Local Transport Plan Funding (LTP) £5K for Hallam University Central (previously known as Sheaf Valley Central) - project management fees Funded by Sustainable Transport Exemplar Programme funding (STEP)</p> <p>Parking Survey costs of £7K included in the Feasibility for University Central Route, more information was requested that will help understand parking demand in the city centre and ensure that we can minimise, and mitigate for, any impact of loss on on-street parking arising from, the proposed cycling schemes, and also identify if demand is sufficient for provision of additional parking to be an effective traffic calming measure e.g. to reduce clear carriageway width and control vehicle speeds. This will also allow us to assess the wider implications of any changes to parking arrangements.</p>	Feasibility	22	N/A
<p>Parks</p>			
<p>Graves Park Improvement Programme</p>	Addition	135	The works will be

<p>Much of the park's popularity stems from the diverse leisure and recreational facilities contained within it such as the Graves Park Animal Farm is home to rare breed livestock. Graves Park contains two playgrounds; wildlife and fishing ponds; sporting facilities (3 sports pavilions, bowling greens, football, tennis, cricket and pitch and putt); woodland and nature areas and formal landscaping- all over looking views of the hills of the Peak District.</p> <p>The funding for this project originates from income raised from the sale of Cobnar Cottage, which along with a small revenue contribution, will be used to deliver a package of improvements which are intended to benefit all users of the park.</p> <p>Improvements to be made include: relocating the toilets, improve electricity supply, 2 new stables, improve rose garden, refurbish entrance gates, improve planting and footpaths</p>			<p>procured as described in the procurement strategy. Works will variously be procured via 3 quotes; as part of a CSSR contract; and using in house suppliers. Strategy with Commercial Services</p>
<p>Business Strategy And Regulation</p> <p>Waste Management Development</p> <p>The Waste Contract Review was commissioned to consider if there is a deliverable alternative strategy to the current Integrated Waste Management Contract.</p> <p>The Executive Leader Report signed on March 2nd 2016 approved a total budget of £1m to allow the Project to progress to Cabinet in June</p> <p>The programme has now slipped to September 2016 and as such an additional spend of £207,235 is requested for approval:</p> <ul style="list-style-type: none"> Internal Resources - £46k Litigation Costs - £186k Technical Advice - £33k Procurement cost Saving - (£60k) 	<p>Variation</p>	<p>207</p>	<p>Technical Advisor already procured and in place. Further procurements will be brought to Capital Programme Group for approval</p>
<p>Culture</p> <p>Active North</p> <p>This Project is to provide a new 25m pool, learner pool, 40 station gym, exercise studio and changing facilities.</p> <p>This CAF variation is to increase the Project by £285,978. This variation is a scope change and request for further income.</p>	<p>Variation</p>	<p>286</p>	

<p>The additional funding is to cover additional road safety measures identified in the scheme completion audit and will include road widening, junction improvements and purchase of additional land at Pack Horse lane at a cost of £237k. Other changes include £22k for additional Gym equipment, £27k for additional furniture and equipment in the GP referral areas.</p> <p>The additional cost of the works is funded by £94k of third party contributions from the centre operator, Lawn Tennis Association and the National Centre for Sports and Exercise Medicine. The balance of the £241k will be funded from Council Borrowings or capital receipts.</p> <p>The approved project value is £7.500m, the new submission will take the project to £7.786m</p>															
<p>Graves Leisure Centre and NCSEM Project</p> <p>This project redevelops the Graves Tennis and Leisure Centre extension project as part of the NCSEM Programme. This will include the hub for the National Centre for Sports and Exercise Medicine (NCSEM). The NCSEM is an Olympic Legacy project that aims to promote health and wellbeing through sport and physical activity.</p> <p>This submission is for a change in the funding make-up of the overall project and an increase of £14k.</p> <p>The increase is for additional Gym equipment requested by the operators, for which they are providing extra funding.</p> <p>The funding changes are as follows:</p> <table data-bbox="1071 1281 1282 1940"> <tr> <td>NCSEM</td> <td>98,648</td> </tr> <tr> <td>SCC Borrowing</td> <td>-252,813</td> </tr> <tr> <td>Places for People</td> <td></td> </tr> <tr> <td>(The centre Operator)</td> <td>77,546</td> </tr> <tr> <td>British Athletics</td> <td>90,000</td> </tr> <tr> <td>Total</td> <td>13,381</td> </tr> </table> <p>The Approved project value is £16.339m, the new submission changes this to £16.381m</p>	NCSEM	98,648	SCC Borrowing	-252,813	Places for People		(The centre Operator)	77,546	British Athletics	90,000	Total	13,381	Variation	13	
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Total	13,381														

<p>The additional funding for the project has reduced the borrowing requirement by £125k of which is being used to fund part of the increase in cost at the Active North project. The overall project cost on the combined value of the projects has gone up by £299k.</p>			
<p>FA Pitches This project is for improvements to grass and all weather pitches at Graves which will transform the provision for amateur football in the city. It is part of a National initiative driven by the Football Association. The first two sites are at Graves and Thorncliffe and are adjacent to the new sport and leisure facilities.</p> <p>Following the start of construction a number of changes are required to the original specification.</p> <p>Graves The variation is for an increase in funding of £145k to cover additional costs relating to groundworks, perimeter fencing and additional dug-outs. . The additional work will be funded by the FA. The level of borrowing in the project will also be reduced following an expected increase in the receipt to be realised from surplus land associated with the project.</p> <p>The Existing approved value for this project is £3.336m this submission will increase the project to £3.481m.</p>	Variation	144	
<p>FA Pitches Thorncliffe This project is for the construction of changing pavilions, grass pitch renovations, an artificial cricket wicket, additional car parking and 2 artificial football pitches at Thorncliffe Recreation Ground. £77k additional spend is required for fencing and pitch levelling. The work is funded by Sport England (£53k) and some increased borrowing by SCC.</p> <p>The Existing approved value for this project is £3.763 this submission will increase the project to £3.840m</p>	Variation	77	

Housing																									
Pipworth Rec SuDS																									
<p>Due to low land values and challenging topography, a number of SCC owned development sites in the Manor neighbourhood have stood vacant for many years. To improve the financial viability of housing development on these sites, a Sustainable Drainage Scheme (SuDS) and associated landscaping works are proposed to reduce the cost to developers and increase the sustainability of the drainage solution for five of these sites. This will be sited in the Pipworth Recreation Ground and have the capacity to serve 421 new homes.</p> <p>The project is to design and build the drainage scheme. The intention is to recover the costs in full via S106 agreements from the initial sites and through land disposals when the remaining housing developments are delivered.</p>		Variation	475	Mini competition via YORcivils framework																					
<p>Total project cost: £525,000 New Homes Bonus Funding</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Cost</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Project budget</td> <td>£475,000</td> <td>£475,000 New Homes Bonus funding has been secured to facilitate the feasibility, design and build of this SUDS, £475,000 of which will be repaid via S106 agreements attached as conditions to planning approval for Sheffield Housing Company and Gleeson Homes, or through the land sale</td> </tr> <tr> <td>Total construction costs</td> <td>£359,266</td> <td>Design and build or a priced contract</td> </tr> <tr> <td>Fees</td> <td>£45,180</td> <td>Project management and commercial fees</td> </tr> <tr> <td>Planning fees</td> <td>£4,000</td> <td></td> </tr> <tr> <td>Feasibility work</td> <td>£27,000</td> <td>Desktop Survey Stage 2 Site Investigations Topographic survey Engineering design work by Queensberry Consultants Masterplanning by SCC Landscape Architects Resource from Flood and Waste Water management team, Public consultation</td> </tr> <tr> <td>Client costs</td> <td>£10,000</td> <td>£10k for management and inspection fees for the purposes of adoption</td> </tr> </tbody> </table>					Item	Cost	Comments	Project budget	£475,000	£475,000 New Homes Bonus funding has been secured to facilitate the feasibility, design and build of this SUDS, £475,000 of which will be repaid via S106 agreements attached as conditions to planning approval for Sheffield Housing Company and Gleeson Homes, or through the land sale	Total construction costs	£359,266	Design and build or a priced contract	Fees	£45,180	Project management and commercial fees	Planning fees	£4,000		Feasibility work	£27,000	Desktop Survey Stage 2 Site Investigations Topographic survey Engineering design work by Queensberry Consultants Masterplanning by SCC Landscape Architects Resource from Flood and Waste Water management team, Public consultation	Client costs	£10,000	£10k for management and inspection fees for the purposes of adoption
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Contingency	£29,554	Standard project risk allowance for this type of project			
Total	£475,000				
Green space improvements	£50,000 (estimate d)	Request for allocation of non-repayable NHB for infrastructure protection works (to be agreed)			
<p>The on-going maintenance of the SuDS will be covered by commuted sums and service charge payments from the housing developers based on a value of £250,000 for a 25 year period. There will be no increased net maintenance to SCC for the open space and the commuted sum will benefit the wider open space through increased litter picking etc. Whilst the cost of Manor 8 site will be covered by a commuted sum, the service charge for Sheffield Housing Company properties will continue beyond the 25 year requirement.</p>					
<p>SUCCESSFUL YOUNG PEOPLE : -</p>					
<p>CYPF Capital Maintenance Grant Block Allocation</p> <p>The net movement of £10.9m on this Block Allocation can be split into two main subsections as follows:</p> <ul style="list-style-type: none"> • Additional grant awarded by the Department for Education (DFE) in respect of Sheffield City Council's allocation of capital maintenance Condition Grant funding for 2018-19 of £10.6m; and • A net addition of funding to the block allocation as a result of the 2015-16 year-end project variations and CYPF Director Variations as listed below, of £348k. 					
<p>Silverdale Permanent Expansion</p> <p>The city is undertaking a programme of growth to meet this increasing demand on school places, 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 objective of this project is to support a permanent expansion at Silverdale in Year 7 in 2018. The Outline Business Case and this approval request the funding to deliver the project. The work involves changes to the existing school to accommodate additional IT rooms.</p>					
			Variation	10,900	N/A
			Addition	6,718	Works procured via existing PFI Contract with Vinci Construction

<p>Total amount requested is £6.718m, with cost build up as follows:</p> <ul style="list-style-type: none"> Estimated cost to deliver the 2 Form Entry (FE) permanent extension to include external works e.g. MUGA and refurbishment works e.g. furniture within the existing school: £5.8m Total CDS fees to include for Project Management, Cost Management and Technical Advice services: £27.5k Estimated cost for legal fees associated with Private Finance Initiative schemes: £260k Estimated cost for SCC legal fees: £66.5k Estimated cost for ICT: £285k Estimated cost for Surveys: £14k Estimated cost for decant: £10k Project Contingency at 4.4% of estimated construction cost: £254k Commercial Services fixed fee: £1k <p>This project will be funded from the CYPF Basic Need Block Allocation. There is also a request to approve the procurement strategy.</p>			
<p>Primary Maintenance Emergency Works</p> <p>This is to cover unforeseen and unexpected buildings issues not arising from planned expenditure which requires an immediate reactive response. It provides schools with reassurance if sudden and unexpected failures of plant or building fabric occur through no direct fault of the school. It also covers uninsured elements of insurance claims arising due to exceptional weather conditions. This addition is to include the 16/17 budget allocation of £500k funded from DfE Capital Maintenance Grant.</p>	Addition	500	<p>Minor Works Route via CSSR (Corporate Statutory Servicing and Repairs contract) or competitive quotes as appropriate to the circumstances</p> <p>Minor Works Route via CSSR (Corporate</p>
<p>Adaptations</p> <p>The Council is required to carry out adaptations to buildings within CYPF portfolio including primary schools and children's centres in order to support children with specific needs to</p>	Addition	100	<p>Minor Works Route via CSSR (Corporate</p>

<p>ensure compliance with DDA requirements. This will involve installation of equipment i.e. chairlifts and hoists and minor alterations to buildings to accommodate these.</p> <p>This addition is to request funding to carry out necessary adaptations and install / purchase equipment as and when required, to provide this support. It is intended to act as an overarching strategy to request approval for Capital spend of £100k to cover 2016 / 2017 specifically to cover the procurement of adaptations works / equipment.</p> <p>As it is difficult to predict when such adaptations or equipment may be required the works will predominantly be reactive in nature. As a result there will be a number of smaller projects which will be undertaken under this strategy. These will vary both in type and value and it is intended to adopt a variety of procurement routes most appropriate to the requirement.</p> <p>T & FM will work with specialist areas within CYPF Portfolio to develop the specification for any equipment and adaptations that are required for specific individual needs. Funded from DfE Capital Maintenance Block Allocation 2016/17.</p>		<p>Statutory Servicing and Repairs contract), competitive quotes or framework as appropriate to the circumstances</p>
<p>Springfield Primary Bulge Year This request is for a variation for £87k in addition to the previously requested £60k budget, itself still awaiting approval, in order to meet the increased costs arising from the tender returns for the work. This will support any future permanent expansion at the school and is to be funded from the CYPF DfE Basic Need Block Allocation.</p>	<p>Variation</p>	<p>87</p> <p>Kier via the SCAPE Framework</p>
<p>Gleadless Primary (Jnr) Plant Room Underspend of £85k (98%), as remaining work now to be delivered in the main CYP Gleadless school project. Originally funded from a DfE Capital Maintenance Block</p>	<p>Variation</p>	<p>-85</p> <p>N/A: Y/E funding adjustment only</p>
<p>PMCP - Walkley Primary HM&E Underspend of £73.4k (10%), resulting from diligent on site programme management not exhausting the contingency allowance. Originally funded from a DfE Capital Maintenance Block Allocation 2016/17.</p>	<p>Variation</p>	<p>-73</p> <p>N/A: Y/E funding adjustment only</p>
<p>Dore & Totley Permanent Expansion Dore and Totley have seen a high number of young families moving to the area and this</p>	<p>Addition: feasibility</p>	<p>59.6</p> <p>The feasibility works will be</p>

<p>trend presents a 10% increase in demand for reception places in the area. There are 3 schools in the area Dore Primary, Totley Primary and Totley All Saints. Totley Primary has been identified as the preferred location for expansion. This option is subject to statutory consultation.</p> <p>A temporary expansion at Totley Primary School has been approved as part of a separate Business Case and will be put in place in September 2016 to provide an additional 30 places as a 'bulge' year whilst the permanent solution is being developed.</p> <p>The £59.5k feasibility funding requested here will provide surveys and initial design to determine the most appropriate solution for expansion and for a detailed cost estimate and programme to be developed. The objective of the project would be to increase the capacity of the school from a 1FE to 2FE, i.e. by an additional 210 places at Totley Primary School on a permanent basis from September 2017 – this is subject to internal decision making in the next month and would then be subject to consultation.</p> <p>Funding will be from the CYPF Basic Need Block Allocation.</p>			procured in house
<p>Ballifield Plant Room Underspend of £32k (38%), due to work completed by Kier costing less than initial in house estimates: to close Business Unit. Originally funded from a DfE Capital Maintenance Block.</p> <p>Primary Maintenance Heating - Phillimore This is a variation requesting additional budget of £25.3k (5%) to cover an overspend on the existing 2015/16 budget. The additional work relates to asbestos survey and additional pipework being required. This is to be funded by the capital maintenance block allocation.</p>	Variation	-32	N/A: Y/E funding adjustment only
<p>ESSENTIAL BUILDING WORKS:- Health & Safety Block Allocation To add back £419.0k as a result of cost savings on Staniforth Works; and To apply £25.9k to fund the overspend on Abbeydale Industrial Hamlet – Structural Defects</p>	Variation	25	N/A: Y/E funding adjustment only
		+393.1	N/A: Y/E funding adjustment only

as noted below.				
Staniforth Works FRA In-year underspend of £50k shown in 2015/16 as part of a wider CAF underspend of £419k (54%) as a result of cost savings following tender exercise, together with associated reductions in fees and contingency. Original budget based on m2 rate; the use of which to be reviewed by T+FM going forward.	Variation	-419.0	N/A: Y/E funding adjustment only	
Abbeyle Industrial Hamlet – Structural Defects This variation represents an overspend of £25.9k (100%) at 2015-16 year end on the project's construction costs: this arose due to the budget having previously been reduced to £Nil prematurely. The overspend is to be funded from the Health & Safety Block Allocation that was previously reimbursed by the original expected saving.	Variation	25.9	N/A: Y/E funding adjustment only	
IT Workstreams Potential slippage of £122.5k (51%) was reduced to £Nil as the IT element of the programme draws to a close and instead this has been treated as an underspend, with the remaining programme funding to be redistributed across the Workplace Programme in 2016/17 should this prove necessary.	Variation	-122.5	N/A: Y/E funding adjustment only	
Project Delivery Costs Potential slippage of £146.9k at 2015/16 year end was reduced by £113.3k (21%), with this amount being treated as an underspend due to not all the slippage being required to cover the future Workplace programme requirements arising from the delayed exit of staff from Meersbrook Offices and Cathedral Court. These moves are now anticipated to be completed during financial year 16/17. A future variation is possible in 16/17 for partial transfer of Workplace funds from this project to support other related projects in the programme should such support prove necessary.	Variation	-113.3	N/A: Y/E funding adjustment only	
Moorfoot Phase 3 A £96k potential overspend was limited to £68.6k by first applying an amount of £27.4k as acceleration from 2016-17 budget into 2015-16. A future CAF variation is required to re-phase future spend and introduce Salix grant funding in 16/17, once the acceleration has been approved.	Variation	68.6	N/A: Y/E funding adjustment only	
Moorfoot Overspend of £29.6k (48%) on 2015/16 planned expenditure, which was covered by a	Variation	29.6	N/A: Y/E funding adjustment only	

<p>revenue contribution to capital. Additionally, an amount of £11.96k was accelerated into 15/16 from 16/17 to cover additional expenditure and a future request to transfer funding from surpluses on related projects within the overall programme will be made in 2016/17 if further expenditure to complete the project proves necessary.</p> <p>Closed Properties Programme: to encompass Steel City Sports Club Demolition Works</p> <p>This request is for a variation of scope, in addition to earlier requested slippage of £100k from 2015/16, in order to widen the programme's remit of closed property management to include related demolition works and vary the procurement route accordingly. This is to be funded by Corporate Resource Pool capital funds.</p>	<p>Variation (of scope)</p>	<p>-</p>	<p>Via a framework contract, CSSR, competitive tender or other procedures as appropriate: mini competition via Minor Works Demolition Framework Agreement to be deployed for Steel City Demolition works.</p>
<p>SLIPPAGE / ACCELERATED SPEND:-</p>			
<p>GREAT PLACE TO LIVE Housing</p> <p>Electrics (CHS)</p> <p>This is the block provision for electrical works to the Council's housing stock. This request is to slip £1m from 16/17 to 17/18. The business case and procurement strategy are expected to be completed by July and the use of block provision will be reprofiled to reflect when specific schemes are ready for delivery.</p>	<p>slippage</p>	<p>1,000</p>	<p>N/A</p>

<p>DIRECTOR VARIATIONS:- (Note only)</p>			
<p>SUCCESSFUL YOUNG PEOPLE Firs Hill Bulge Year This request is for a variation for £13.8k in addition to the previously requested £39k budget, as an increase to recognise the movement from initial feasibility to build stage, and to encompass the award of a contract for £24.9k as part of the overall budget. This is to be funded from the CYPF DfE Basic Need Block Allocation.</p>	<p>Director Variation</p>	<p>13.8</p>	<p>3 Quotes</p>
<p>The following projects have closed with small over and underspends within the Director Variation Approval threshold the net effect being a £17.9k overspend:</p> <p>Schools Access Initiative - Overspend £10.7k Final Closure. Corresponding saving made on Schools Adaptations budget.</p> <p>Short Breaks - Underspend -£14.4k Final Closure:</p> <p>H, M & E Design - Overspend £2.5k Final Closure: unplanned costs, overspend re Pipworth</p> <p>PPG2 - Acres Hill Primary - Overspend £6.6k Final Closure: overspend due to additional highway works</p> <p>Norfolk Park Primary Replacement - Overspend £12.7k Final Closure: (0.3% net overspend): £46k overspend on construction budget. £33k saving on fees.</p> <p>FRA Works Programme - Underspend -£8.7k Final Closure: underspend due to under used contingency</p>	<p>Y/E Director Variations</p>	<p>See summary in Scheme Description: total value 17.9</p>	<p>N/A: Y/E project closures</p>

<p>Wybourn Expansion - Underspend -£13.0k Final Closure: overspend due to increased mechanical/heating costs</p> <p>Stocksbridge - Mobile Replace - Overspend £10.5k Final Closure: overspend due to additional construction works</p> <p>Nether Green - Mobile Replace - Underspend -£1.2k Final Closure: work complete</p> <p>Lydgate Infants - Mechanical - Overspend £8.2k Final Closure: overspend due to extensive asbestos removal above expected allowance</p> <p>Manor Lodge Structural - Overspend £1.1k Final Closure: overspend,</p> <p>Aldine House-Security Upgrade - Overspend £2.6k Final Closure: overspend funded by Revenue Contribution to Capital (RCC) in 15/16</p> <p>Brook House Jnr- Plant Room - Overspend £0.1k Final Closure</p> <p>Royd Nursery Infants- Plant Rm - Underspend -£0.8k Final Closure</p> <p>Woodseats Primary- Plant Room - Overspend £5.7k Final Closure: overspend due to unforeseen additional pipework repairs during boiler installation</p> <p>Rivelin Pmy- Plant Room - Overspend £2.0k Final Closure: overspend due to unforeseen additional work on site</p> <p>Firshill Primary - Boiler Replace - Underspend -£3.9k</p>		
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<p>Final Closure: underspend due to savings arising from unspent contingency</p> <p>Wisewood Sports Centre- Water Heater - Overspend £2.0k Final Closure: overspend due to unforeseen additional work on site</p> <p>Hucklow Primary 4-11 - Warm Air Underspend -£4.8k Final Closure: internal over-estimate of original cost</p> <p>The following schemes have overspent against annual budget allocation below the Director Variation threshold the net effect being a £44.6k overspend:</p> <p>Primary Maintenance Condition Management - Overspend £8.1k Y/E overspend:</p> <p>Prince Edward Primary - Overspend £5.6k Y/E overspend: plus £15k variation, additional cost 16/17 for installation of a barrier in front of the pedestrian exit from the school.</p> <p>Aldine House - Extension - Overspend £20.2k Y/E overspend: However, indications are that the account may be settled at a lower figure.</p> <p>Adaptations - Underspend -£10.7k Y/E underspend: Saving offset against overspend on Schools Access Initiative Project</p> <p>Aldine House - 2 Bed Extension - Overspend £1.2k Y/E overspend: fee estimate overspend due to development of the project scope.</p> <p>Aldine House-Internal Refurbishments - Overspend £22.2k Y/E overspend:</p> <p>Pipworth Primary- Plant Room - Underspend -£2.5k Y/E underspend: amount reduced by an overspend on the HM&E Design project.</p>	<p>Y/E Director Variations</p>	<p>See summary in Scheme Description total value 44.6</p>	<p>N/A: Y/E funding adjustment only</p>
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<p>Aldine House Bedroom Refurbishment - Overspend £0.5k Y/E overspend: due to shelving units re-designed for safeguarding.</p>			
<p>• IN TOUCH ORGANISATION</p>			
<p>The following projects have closed with small over and underspends below the Director Variation Approval threshold the net effect being a £4.9k underspend:</p>			
<p>Voluntary Registration - On Budget Final Closure</p>	Y/E Director Variations	See summary in Scheme Description total value -4.9	N/A: Y/E project closures
<p>Allotment Investment Programme - On Budget Final Closure</p>			
<p>Sorby House Reconfiguration - Overspend £1.1k Final Closure: no retention</p>			
<p>Love Street DDA - Overspend £0.5k Final Closure: final amount paid in April</p>			
<p>Vehicle & Plant Efficiency - Underspend -£3.3k Final Closure: 1.5% underspend from general cost savings on project completion.</p>			
<p>Investment in Rationalisation - Overspend £1.9k Final Closure: overspent on main contract works</p>			
<p>Highfield Library Refurbishment - Underspend -£5.1k Final Closure:</p>			
<p>Asbestos Removed - Overspend £0.25k Final Closure</p>			
<p>The following schemes have overspent against annual budget allocation below the Director Variation threshold the net effect being a £22.1k overspend:</p>			
	Y/E Director	See summary in	N/A: Y/E funding adjustment only

<p>FRA Works 15-16 - Overspend £4.4k Y/E overspend:</p> <p>CBT Wincobank Community Building - Overspend £17.7k Y/E overspend: overspend funded by extra Revenue Contribution to Capital</p>	<p>Variations</p>	<p>Scheme Description total value 22.1</p>	
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