REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT 31 OCTOBER 2016

Purpose of the Report

1. This report provides the Month 7 monitoring statement on the City Council's Revenue Budget and Capital Programme for October 2016. The first section covers Revenue Budget Monitoring, and the Capital Programmes are reported from paragraph 19.

REVENUE BUDGET MONITORING

Summary

2. Previously 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. For the purpose of this report, we have presented the financial position as just one element that is the Council's overall position.

3. As at month 7, the Council is showing a forecast overspend of £4.8m. This is an improved position of £603k since the month 6 monitoring report. It should be stressed that this is prior to any mitigating savings that are currently being identified by Portfolios to reduce this overspend by year end.

4. The overall Council position is summarised in the table below.

Portfolio	Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month 6
CYPF	73,047	67,084	5,963	⇔
COMMUNITIES	145,305	138,117	7,188	⇔
PLACE	144,402	144,697	(295)	⇩
POLICY, PERFORMANCE & COMMUNICATION	2,466	2,237	229	⇔
RESOURCES	55,042	55,295	(253)	⇩
CORPORATE	(415,505)	(407,430)	(8,075)	⇔
GRAND TOTAL	**4,757**	**(0)**	**4,757**	⇩

5. In terms of the month 7 forecast overspend position of £4.8m, the key reasons are:
   - **Children, Young People and Families (CYPF**) based on trends to date are forecasting to overspend by £6.0m. Placements are reporting a £3.0m overspend; this reflects the full year impact on the current number of placements and the costs for the remainder of the year, Fieldwork Services

forecast overspend of £1.1m resulting from pressures on social workers as a result of increased number of caseloads. Additional pressures within the service include delayed savings of £739k on Short Break and Direct. In addition, there is a forecast overspend of £750k relating to health care services. This is as a result of not yet securing agreement to joint contributions with the CCG for Children's Services Payments.

- **Communities** based on trends to date are forecasting an overspend of £7.2m. This is primarily due to a £3.2m overspend as a result of demand pressures in Care and Support relating to Learning Disability Services and Long Term Support. In addition, there is a forecast overspend of £4.0m relating to health care services, due mainly to an emerging overspend against Commissioned Mental Health Services
- **Place** are forecasting an underspend of £295k primarily due to additional planning fee income now being forecast within Development Services.
- **Policy, Performance and Communications** are forecasting an overspend of £229k due to lower than anticipated advertising income as a result of contract delays.
- **Resources** are forecasting an underspend of £253k due mainly to the additional employee costs of £244k as a result of the Customer Engagement Programme being unachievable in this financial year and £224k of additional pressure within Transport and Facilities Management arising from additional costs on Burngreave New Deal for Communities Property and reduced income to support the Voluntary Registration of Land project. These overspends are offset by £321k reduction in spending within Central Costs due mainly to lower than anticipated former employee pensions costs and £268k on Commercial Services due to confirmation of early payments discounts and project savings.
- **Corporate** are showing a forecast underspend of £8.1m, this is due to a £13.9m underspend following a major review of corporate budgets: the release of £3.0m from the Better Care Fund contingency to relieve pressure on the Mental Health budget, £3.0m on the Corporate Redundancy budget due to lower than anticipated VER/VS applications, an anticipated £2.7m pressure relating to the Independent Living Fund not materialising in 2016/17, £2.0m reduction in borrowing costs as a result of an increase in cash balances available for investment, the use of £1.6m of Social Care reserves, and the release of £0.9m corporate contingencies set aside for potential city centre redevelopment costs as well as pay inflation in line with Living Wage Foundation rates.

These underspends offset a forecast overspend of £5.8m, which are 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. We and the CCG continue to discuss the funding and management of the BCF.

6. The cumulative effect of funding cuts due to the national austerity programme, combined with emerging social care pressures and the challenge of securing funding from Health are making the Council's current financial predicament extremely difficult. Based on the current trajectory, and in spite of a major review of corporate budgets, it would appear highly likely that the Council is going to overspend this year. Although emergency measures are being considered, and plans are being put in place to balance the budget for 2017/18, the strategy to bring social care pressures under control will take at least a year to implement.

Commentary

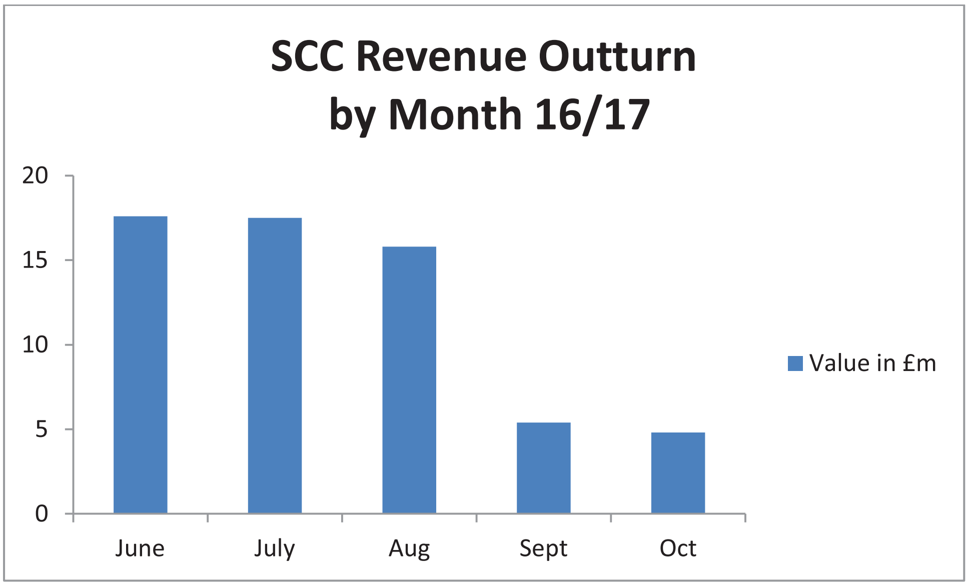
7. The main variations since Month 6 are:

- **Place.** The improvement this month is primarily due to additional planning fee income now being forecast within Development Services.

- **Resources.** The improvement this month is due to the transfer of the KAPs Insourcing budget from Place following a review of the actual costs being incurred of £271k, and £80k for the cost of lift repairs now to be met from capital.

8. Movements from initial forecasts at month 3:

The forecast outturn shows an improved position of £12.8m from the £17.6m overspend reported in month 3. This improvement reflects Portfolios' attempts to reduce spending, but also the major review of corporate budgets to help offset the significant pressures within the Communities and CYP portfolios. The position month by month is shown in the following chart:



9. Full details of all reductions in spend, overspends and movements from the previous month within Portfolios are detailed in **Appendix 1**.

Public Health

10. The Public Health ring-fenced grant is currently forecasting a £406k underspend against the original grant allocation. Further details of the forecast outturn position on Public Health are reported in **Appendix 2**.

Housing Revenue Account

11. As at month 7, early indications suggest an improved full year outturn position of £4.1m. As such, in line with the HRA Business Plan, the funding contribution to the capital investment programme will be revised to take this into account.

12. Main areas contributing to the outturn include a net increase in income of £371k primarily as a result of a reduced level of bad debt provision offset by a higher turnover of vacant properties; a reduction in other income of £187k; lower demand on the repairs service resulting in a saving of £433k; a reduction in overall running costs of £2.8m of which £1.9m relates to savings on staffing costs / vacancies pending restructure of the service. A reduction of £623k is also forecast on loan interest payments due to revised borrowing assumptions.

13. Further details of the HRA forecast outturn can be found in **Appendix 3** of this report.

Growth Investment Fund

		£m
Income	Reserves as at 1/04/16	-7.1
	Anticipated 16/17 NHB Grant	-9.3
	Total Income	-16.4
Expenditure	2016/17 Spend to Date	0.9
	Forecast to Year End	1.0
	Future Years' Approved Commitments	2.2
	Proposed Approvals in this report	1.6
	Proposed Future Allocations	3.4
	Total Expenditure	9.1
	Funds Available for Investment	**-7.3**

14. The Council has received New Homes Bonus since 2011 and has applied this through the New Homes Bonus fund to projects which support housing growth and regeneration. Schools, housing and economic growth are at the heart of the Council's priorities and in order to deliver on these the Council will have to invest in the city's infrastructure like transport.

15. The Council has at its disposal a variety of funds including the New Homes Bonus, Community Infrastructure Levy (CIL) plus receipts from investing in development projects funded by these income streams. In order to support the expanded Growth agenda Members have resolved to pool these sums into a single Growth Investment Fund to maximise the effective use of this income.

Approval Requests

16. This report proposes the approval of up to £1.65m of expenditure from the Growth Investment Fund on revenue and capital projects. Full details can be found for the capital project (Medium Term Congestion Inner Relief Road Junction Scheme) in Appendix 6.1 and revenue projects in Appendix 7.

Collection Fund

17. Collection Fund monitoring will be reported in month 9 and will include the third quarter results. **Appendix 4** has been retained for the Collection Fund as blank for continuity for future months.

Corporate Risk Register

18. The Council maintains a Corporate Financial Risk Register which details the key financial risks facing the Council at a given point in time. The Corporate Risk Register is reported quarterly and will be reported in month 9. **Appendix 5** has been retained for the Corporate Risk Register as blank for continuity for future months.

Capital Summary

19. The forecast for 2016/17 has decreased by £6.1m on the month 6 forecast to £230.2m. The Approved programme budget is £250.2m, a difference of £20m. This represents a slippage rate of 8% which is up from 5.5% at month 6. The majority of the difference is in the Housing programme which is forecasting an underspend of £15.5m mainly arising on acquiring or building new council housing stock and refurbishment of existing properties.
20. Further details of the Capital Programme monitoring are reported in **Appendices 6 and 6.1**.

Implications of this Report

Financial implications

21. 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

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

Legal implications

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

Property implications

24. 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

25. Member are asked to:

(a) Note the updated information and management actions provided by this report on the 2016/17 Revenue Budget position.

(b) Approve the revenue expenditure request detailed in **Appendix 7.**

(c) In relation to the Capital Programme:

(i) Approve the proposed additions to the Capital Programme listed in **Appendix 6.1**, including the procurement strategies and delegations of authority to the Interim Director of Finance and Commercial Services or nominated officer, as appropriate, to award the necessary contracts following stage approval by Capital Programme Group;

(ii) Approve the proposed additions to the Capital Programme relating to the Growth Investment Fund listed in **Appendix 6.1**

(iii) Approve the proposed variations, deletions and slippage in **Appendix 6.1**;

And note:

(iv) The variations authorised by Directors under the delegated authority provisions.

(v) the latest position on the Capital Programme.

Reasons for Recommendations

26. 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

27. 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
Head of Strategic Finance

PORTFOLIO REVENUE BUDGET MONITORING AS AT 31 OCTOBER 2016

Children Young People and Families (CYPF)

Summary

1. As at month 7 the Portfolio is forecasting a full year outturn of an overspend £5.9m, which is consistent with the month 6 position. The key reasons for the forecast outturn position are:

   - **Business Strategy** - £104k forecast overspend, the key reason is a forecast overspend of £107k on Transport, due to increased demand.
   - **Children and Families** - £5.9million forecast overspend, the key reasons are:
     - Fieldwork Services - a forecast overspend of £1.1m, this is mainly due to a forecast overspend on fieldwork staffing budgets of £365k, 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 and a number of temporary staff have been recruited to meet this increase in demand. £456k forecast overspend on non-staffing budgets, due to increased transport costs and contact time for Looked After Children. £203k forecast overspend on legal fees, due to an increase in the number of cases.
     - Health Strategy – a forecast overspend of £739k on Short Break and Direct Payments, due to the delay in anticipated savings due in year and an increase in demand this year.
     - Provider Services – a forecast overspend of £557k, 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 £551k 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 £551k.
     - Placements – forecast overspend of £3m, this reflects the full year impact on the current number of placements and the costs of these placements for the remainder of the year. Also includes £250k overspend due to a reduction in the expected contribution from the CCG.

- **Inclusion and Learning Service –** A forecast reduction in spend of £116k which is a number of small underspends across the service.
- **Lifelong Learning, Skills and Communities –** A forecast overspend of £99k, which is due to a number of overspends across the service.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY	2,434	2,330	104	⇔
CHILDREN & FAMILIES	63,938	58,061	5,877	⇔
INCLUSION & LEARNING SERVICES	(140)	(23)	(116)	⇔
LIFELONG LEARN, SKILL & COMMUN	6,815	6,716	99	⇔
GRAND TOTAL	**73,047**	**67,084**	**5,963**	⇔

DSG

2. The following is a summary of the position on DSG budgets at Month 7:

	Month 6 £000	Month 7 £000
Business Strategy	(187)	(222)
Children and Families	149	195
Inclusion and Learning Services	1,057	1,082
Lifelong Learning, Skills and Communities	368	404
	1,387	**1,459**

Commentary

3. There are no significant changes in either the cash limit position or the DSG report from the month 6 position.

Communities Portfolio

Summary

4. As at month 7, the Portfolio is forecasting a full year outturn of an overspend of £7.188m. The key reasons for the outturn position are:

Performance, Information and Planning underspend of £405k:

- The underspend position for PIPS is mainly due to the pay award budget of £458k held in Executive but matched by spend across the portfolio. There are further underspends against Insurance & Mail £161k, Governance and Change £46k, Performance and Planning (Quality) £72k and Quality £65k plus other minor underspends. These are offset by overspends against senior management posts £74k, supplies and services £33k, £36k on IT, performance and planning staff £94k and on Business Support staff of £157k.

Care & Support overspend of £4.4m:

- Access, Prevention and Reablement forecasts a net overspend of £242k due to spend on agency staff across APR £292k partly netted of by an underspend on minor works and adaptations £50k.
- Learning Disabilities returned an outturn of £2.9m overspend. This is made up of:-
  - Purchasing LD is forecasting an overspend of £3.1m. This overspend is made up £3.6m of new client costs (new packages and increases to existing packages) that have emerged in 2016-17, £999k of forecast unachieved savings, offset by a reduction in spend against the client packages rolled forwards from 2015/16 of £1.5m.
  - LD Assessment and Care Management is forecasting an overspend of £351k due to full year cost of additional review teams. A proportion of the total cost of these teams is now set against existing budget due to vacancies in the establishment which has therefore reduced this overspend.
  - LD Provider services is forecasting an underspend of £582k due to reductions in client hours as a result of a movement of clients from in-house services to independent provision (hours moved to purchasing budget) and the subsequent reduction in use of agency staff and bank staff.
- Long Term Support is showing an overspend of £1.4m. This comprises the net position of an overspend in adults purchasing of £1.7m, with an underspend on staff of £307k.
- Provider Services is reporting an underspend against budget of £33k. The underspend is due to a £287k reduction in spend on Carers in the Adult Placement Shared Lives Service and underspends on salaries against Care4You Business and Performance £27k and Community Support Services £97k. This is netted down by a reported overspend against City Wide Care Alarms £378k as a result of lower income than budgeted. Reablement Services report a position which is almost balanced to budget as a result of drawdown of £361k of corporate funding to cover salary costs until full implementation of the MER.
- Contributions to Care has an overspend position of £46k against budget. This figure is made up of an overspend against SCAS staffing of £64k due to

additional staffing recruited to work on Appointeeships. There is also an additional pressure of £46k on Health contributions to Direct Payments. This is net of overachievements in Integrated Charge income of £310k and Residential income of £437k, offset by under achievements of £287k in Property Income and in CHC income of £397k.

- Safeguarding service is reporting an underspend of £75k as a result of spend of reduced salary and legal costs to budgeted.

Commissioning overspend of £3.3m:

- An underspend of £490k is reported by Commissioned Housing which is mainly due to a delay in implementation of new Housing Related Support Contracts coupled with annualised contracted savings and a small staff saving.
- An overspend against Commissioned Mental Health Services of £3.5m. This is made up of a £3.8m overspend in Mental Health purchasing and £80k overspend in the S75 Mental Health contract offset by forecast underspends on the Older People Mental Health contract of £431k and the Partnership and Grant Aid budget of £40k. Further negotiations are on-going with the Care Trust to determine the cost of the S75 contract but the forecast overspend reflects current activity. There is an on-going conversation with the CCG to enable joint planning to be done in order to bring the overspend down within 2016/17.
- An overspend on Public Health Drug and Alcohol (DACT) of £114k. The majority of this is due to a forecast overspend on Contract Drug costs £82k, Non-Contract Treatment costs of £39k and minor overspends against staffing £14k and Alcohol Programme £17k. Offsetting all the overspends is a negotiated reduction on the contract for DIP resulting in an underspend £38k.
- Social Care Commissioning Service forecasts an overspend of £178k. There is a forecast overspend of £253k on the British Red Cross contract for Independent Living Solutions (Equipment and Adaptations) along with an additional £18k increase in PH Communities staff due to additional resource planned to continue past the original deadline of November. This is partly offset by an underspend on staffing against ILS £46k and People Keeping Well £33k.

Community Services overspend of £231k:

- Locality Management is forecasting an overspend of £168k. This is related to Voluntary Sector services, £57k is due to £119k unachieved 15/16 savings on Grants offset by a temp saving of £62k which has been found this year. The remainder is an “approved” staffing overspend on Health and Social Care integration budget £56k and loss of income from Sheffield Teaching Hospitals £57k.

- Library Services are forecast to balance to budget. There is £68k underspend forecast on hub libraries service as a result of reduction in staffing costs and additional income as a result of new contribution to Hillsborough premises costs from housing. There is a shortfall in forecast in the World Metal Index income of £56k as a result of the planned closure of the service. Overspends on staffing in service development are offset by reduction in spend on library materials.

- Public Health budgets are over spent by £65k as a result of contract values exceeding budget by £37k, the remainder £28k is as a result of an overspend on staffing due to slippage on the MER.

Housing General Fund underspend of £317k

The underspend in Housing General Fund is mainly due to:

- City Wide Housing Services £228k underspend due to low uptake of small grants in Local Assistance Scheme, savings on staffing and higher than anticipated income.

- Business Planning £45k overspend resulting from staffing costs where funding has yet to be identified.

- Neighbourhood Intervention and Support £234k underspend mainly as a result of higher than anticipated income and savings on staffing costs relating to Housing+ MER.

- Sustainable City projects an overspend of £100k which is still subject to review.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
PIP	4,729	5,134	(405)	⇔
CARE AND SUPPORT	102,140	97,718	4,422	⇔
COMMISSIONING	27,833	24,576	3,257	⇔
COMMUNITY SERVICES	6,791	6,560	231	⇩
HOUSING GENERAL FUND	3,812	4,129	(317)	⇔
GRAND TOTAL	**145,305**	**138,117**	**7,188**	⇔

Commentary

5. The following commentary concentrates on the changes from the last report at Month 6.

PIPS

6. A forecast £405k underspend, a £14k increase in spend from the position in Month 6 due to correction of staffing forecasts.

Care and Support

7. A forecast £4.4m overspend. This is a worsening position of £9k from the position in Month 6.

8. Assessment, Prevention and Reablement report a £242k overspend, an adverse movement of £119k since month 6. This is due to the extension of contracts for agency staff working on SPA/TOC and Safeguarding projects until the end of March 2017.

9. Long Term Care reports an overspend of £1.4m which is an improved position to that reported in month 6 by £159k. There is a net improvement on purchasing of £117k due to review of Home Care Contracts, comparing actual expenditure with the commissioned value. The remainder £42k favourable move is due to increased income and reduced IT/Training costs in the Social Work teams.

10. The Contributions to Care position has improved by £101k. This is due to an error in the processes between the Carefirst system and OEO which has meant that a number of clients have not previously been billed. A briefing paper will be written by the SCAS team to inform service of the reasons and to ensure this does not re-occur.

11. The LD position has worsened by £133k from Month 6. However this is net of an increase in client costs in the purchasing area of £335k and a reduction in staffing costs of £202k within the A & CM & LD Provider Service areas. The reason for the further reduction in staffing costs is due to a service manager leaving and not being replaced whilst other staff have been moved across to fill vacancies of budgeted posts in the assessment teams rather than being supernumerary in review teams.

Commissioning

12. A forecast £3.3m overspend. This is an improved position by £22k from the month 6 outturn.

13. Mental Health Commissioning has worsened by £28k due to the inclusion of exceptional costs relating to Operation Munroe

14. An additional saving of £59k has been realised in Housing Commissioning due to the reanalysis of committed spend within the financial year following project slippage.

Community Services

15. A forecast £231k overspend. This is an improved position of £110k from the position in Month 6.

16. The favourable movement is due to Public Health staffing costs reducing as a result of funding for severance pay being received and notification that three further staff are to leave in the first week of January.

Housing General Fund

17. A forecast £317k underspend. This is a slight adverse movement of £12k from the position in Month 6.

18. The adverse movement is due to extra staffing costs in Business Planning of £74k offset by a £46k reduction in the uptake of Local Assistance grants in October and release of a £16k underspend in Private Sector Housing as a contribution towards portfolio outturn position.

Year to Date

19. The forecast £7.2m overspend is a lower figure than the variance extrapolated from the year to date position. The service and finance need to be more proactive to process the accruals needed particularly against purchasing costs which are currently only accrued to budget. The new case management system should help provide much more accurate output data about the real level of costs incurred and should inform better forecasting information. In other areas accruals have not been taken where for example payments are made in advance or where additional funding has been received and spend is expected on staffing and contracts as the year progresses which Month 7 figures do not include.

Place Portfolio

Summary

20. As at month 7 the Portfolio is forecasting a £295k underspend, an improvement of £125k from the month 6 position.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS STRATEGY & REGULATION	31,960	32,114	(154)	⇔
CREATIVE SHEFFIELD	2,762	2,735	27	⇔
CULTURE & ENVIRONMENT	30,049	30,075	(26)	⇔
DEVELOPMENT SERVICES	79,630	79,773	(143)	⇩
GRAND TOTAL	**144,402**	**144,697**	**(295)**	⇩

Commentary

21. The following commentary concentrates on key risks and changes this month.

Business Strategy & Regulation

22. As at month7 the service is forecasting a £154k largely due to additional property rent income.

Development Services

23. As at month 7 there is a £143k forecast overspend, which shows an improvement of £177k this month, due to additional planning fee income now being forecast.
24. A key risk remains the planned savings within Streets Ahead and Parking services (£1.5m in total) which continue to be progressed with a view to implementation during the latter part of 2016. The current position assumes £389k savings are achieved this year, with the shortfall being offset by other contract cost reductions (£600k) and additional income from Planning, Highways &Transport (£600k)

Resources Portfolio

Summary

25. As at month 7, the Portfolio is forecasting a full year outturn of a reduction in spending of £253k, an improvement of £346k from the month 6 position. The key reasons for the forecast outturn position are:
    - An overspend of £244k on Customer Services due to the Customer Engagement Programme being unachievable in this financial year and incurring additional employee costs in order to maintain operational KPIs.
    - An overspend of £224k on Transport and Facilities Management due to the one-off funding for the Voluntary Registration of Land project having now ceased and alternative funding being sought to ensure that the project is sustained £217k; £50k for an Equal Pay claim in relation to Cleaning; and £32k for the Corporate Statutory Servicing and Repairs project for which funding has yet to be identified.

   Offset by:

    - An increase in cashable savings of £268k on Commercial Services (Savings) due to confirmation and re-profiling of all the Early Payment Discounts and Project Savings.
    - A reduction in spend of £321k on Central Costs due mainly from reduced numbers requiring funding in relation to Former Employee Pensions.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
BUSINESS CHANGE & INFORMATION SOLUTIONS	889	976	(87)	⇔
COMMERCIAL SERVICES	721	755	(34)	⇔
COMMERCIAL SERVICES (SAVINGS)	(2,366)	(2,098)	-268	⇔
			0	⇔
CUSTOMER SERVICES	(64)	(307)	244	⇔
FINANCE	5,828	5,834	(6)	⇔
HUMAN RESOURCES	3,289	3,328	(39)	⇔
LEGAL SERVICES	3,540	3,507	33	⇔
RESOURCES MANAGEMENT & PLANNING	175	174	1	⇔
TRANSPORT AND FACILITIES MGT	16,972	16,748	224	⇩
TOTAL	28,984	28,917	68	⇩
CENTRAL COSTS	25,651	25,972	(321)	⇔
HOUSING BENEFIT	406	406	(0)	⇔
GRAND TOTAL	**55,042**	**55,295**	**(253)**	⇩

Commentary

26. The following commentary concentrates on the changes from the previous month.

Transport and Facilities Management

27. A forecast £224k overspend, due to the one-off funding for the Voluntary Registration of Land project having now ceased and alternative funding being sought to ensure that the project is sustained £217k; £50k for an Equal Pay claim in relation to Cleaning; and £32k for the Corporate Statutory Servicing and Repairs project for which funding has yet to be identified. This is an improvement of £313k from the previous month.

28. The improvement this month is due to the transfer of KAPs Insourcing budget from Place following a review of the actual costs being incurred £271k; £80k cost of lift repairs now to be met from capital; offset by increased costs resulting from the reduction in the repayment period of KAPs project costs from 5 to 3 years £47k.

Policy, Performance and Communications Portfolio

Summary

29. As at month 7 the Portfolio is forecasting a full year outturn of an overspend of £229k, an improvement of £97k from the month 6 position. The key reasons for the forecast outturn position are:

- A £229k overspend due to an underlying in-year shortfall in the anticipated income from the new advertising contracts owing to the delays in negotiations. The position has improved by £97k since last month.

Financial Results

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
ACCOUNTABLE BODY ORGANISATIONS	0	0	0	⇔
POLICY, PERFORMANCE & COMMUNICATION	2,531	2,302	229	⇔
PUBLIC HEALTH	(65)	(65)	0	⇔
GRAND TOTAL	**2,466**	**2,237**	**229**	⇔

Commentary

30. The following commentary concentrates on the changes from the previous month. There are no changes requiring commentary.

Corporate

Summary

31. As at month 7, the Corporate portfolio is forecasting a full year outturn of a £8.1m underspend.

- **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

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

Service	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s	Movement from Month
CAPITAL FINANCING	31,994	34,375	(2,381)	⇔
CORPORATE ITEMS	(447,499)	(441,805)	(5,694)	⇔
GRAND TOTAL	(415,505)	(407,430)	(8,075)	⇔

Commentary

33. There are no changes from the Month 6 position.

PUBLIC HEALTH BUDGET MONITORING

AS AT 31 OCTOBER 2016

Purpose of the Report

1. To report on the 2016/17 Public Health grant spend across the Council for the month ending 31 October 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 drawdown 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 7 the overall position was a forecast underspend of £406k which is summarised in the table below

Portfolio	Forecast Full Year Expenditure	Full Year Expenditure Budget	Full Year Variance as at M7	Full Year Variance as at M6	Movement from Prior Month
CYPF	17,981	17,981	0	0	0
COMMUNITIES	12,309	12,387	-78	-77	-1
PLACE	2,632	2,798	-166	-131	-35
DIRECTOR OF PH	2,001	2,163	-162	-94	-68
Total	34,923	35,329	-406	-302	-104

5. Key reasons for the forecast under spend are:

- CYP forecast to budget.
- £78k underspend in Communities mainly due to reduced spend in Mental Health Commissioning contract activity.
- £166k underspend in Place mainly due to employee reduced spend to budget. Forecast also includes funding for posts and smoke free initiatives.

- £162k under spend in Director of PH due to reduced spend around GP health checks.

6. Key Reason for month on month changes are:
    - £35k improvement in Place due to employees underspend on vacancies and maternity leave.
    - £68k improvement as a result of continuing underspend on GP Health Checks. In addition, there is anticipated savings as a result of unfilled vacancies.

HRA BUDGET MONITORING

AS AT 31 OCTOBER 2016

Purpose of this Report

1. To provide a summary report on the HRA 2016/17 revenue budget for the month ending 31 October 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. As at month 7 early indications suggest an improved full year outturn position of £4.1m. As such, the funding contribution to the capital investment programme will be revised to take this into account. This is in line with the HRA Business Plan which sets out the Council's plans and priorities for investment in council housing over the next five years.
5. Main areas contributing to the outturn include a net increase in income of £371k primarily as a result of a reduced level of bad debt provision offset by a higher turnover of vacant properties; a reduction in other income of £187k; lower demand on the repairs service resulting in a saving of £433k; a reduction in overall running costs of £2.8m of which £1.9m relates to savings on staffing costs / vacancies pending restructure of the service. A reduction of £623k is also forecast on loan interest payments due to revised borrowing assumptions.

Financial Results

Housing Revenue Account (excluding Community Heating)	FY Outturn £000's	FY Budget £000's	FY Variance £000's
1.NET INCOME DWELLINGS	(147,121)	(146,750)	(371)
2.OTHER INCOME	(6,337)	(6,524)	187
3.HOMES-REPAIRS & MAINTENANCE	32,437	32,870	(433)
4.DEPRECIATION-CAP FUND PROG	39,436	39,436	-
5.TENANT SERVICES	50,016	52,855	(2,839)
6.INTEREST ON BORROWING	14,507	15,130	(623)
Total	**(17,062)**	**(12,983)**	**(4,079)**
7.CONTRIBUTION TO CAP PROG	17,062	12,983	4,079

Community Heating

6. The budgeted position for Community Heating is a draw down from Community Heating reserves of £293k. As at month 7 the forecast position is a draw down from reserves of 218k, an improvement of £75k. This is mainly due to lower than expected usage due to the mild weather and a reduction in overall energy costs.

Community Heating	FY Outturn £000's	FY Budget £000's	FY Variance £000's
Income	(2,680)	(2,723)	43
Expenditure	2,898	3,016	(118)
Total	**218**	**293**	**(75)**

Housing Revenue Account Risks

7. 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 and changes to Housing Benefits, the Government has announced a number of further changes in the Housing and Planning Act and Welfare Reform and Work Act. 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, other Government and changes in relation to fixed term tenancies and levy proposals in the Housing and Planning Act 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. These are managed through the Council's Treasury Management Strategy.

    - **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.

8. The HRA business plan will be regularly reviewed along with expenditure plans to ensure flexibility to respond to the expected Housing and Planning Act Regulations.

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CAPITAL PROGRAMME MONITORING

AS AT 31 OOCTOBER 2016

Summary

1. The forecast for 2016/17 has decreased by £6.1m on the Month 6 forecast to £230.2m. The Approved programme budget is £250.2m, a difference of £20m. This represents a slippage rate of 8% which is up from 5.5% at Month 6. The majority of the difference is in the Housing programme which is forecasting an underspend of £15.5m mainly arising on acquiring or building new council housing stock and refurbishment of existing properties.

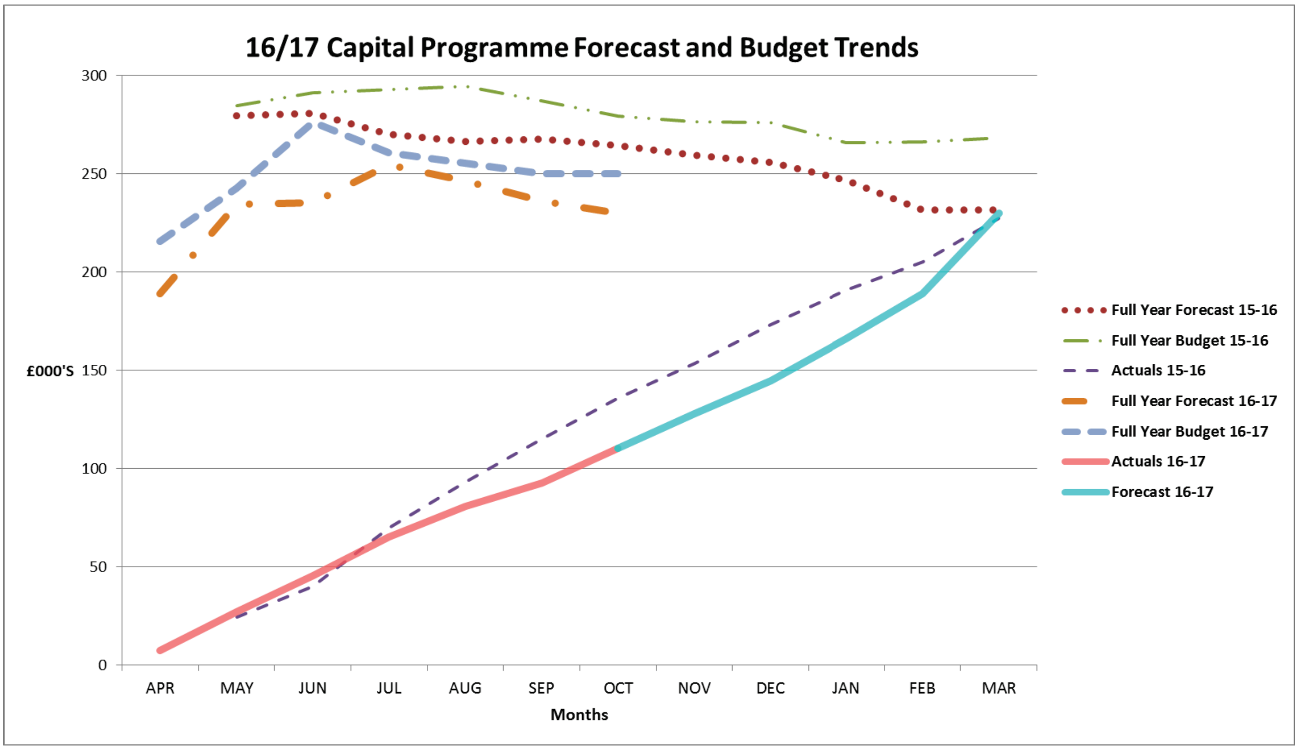
2. The table at paragraph 4 below shows that at Month 7, the year to date spend is £19.1m (15%) behind plan. The absolute variance has improved by £0.7m on last month primarily in Housing (£2m) offset by slippage in Place (£1.4m).

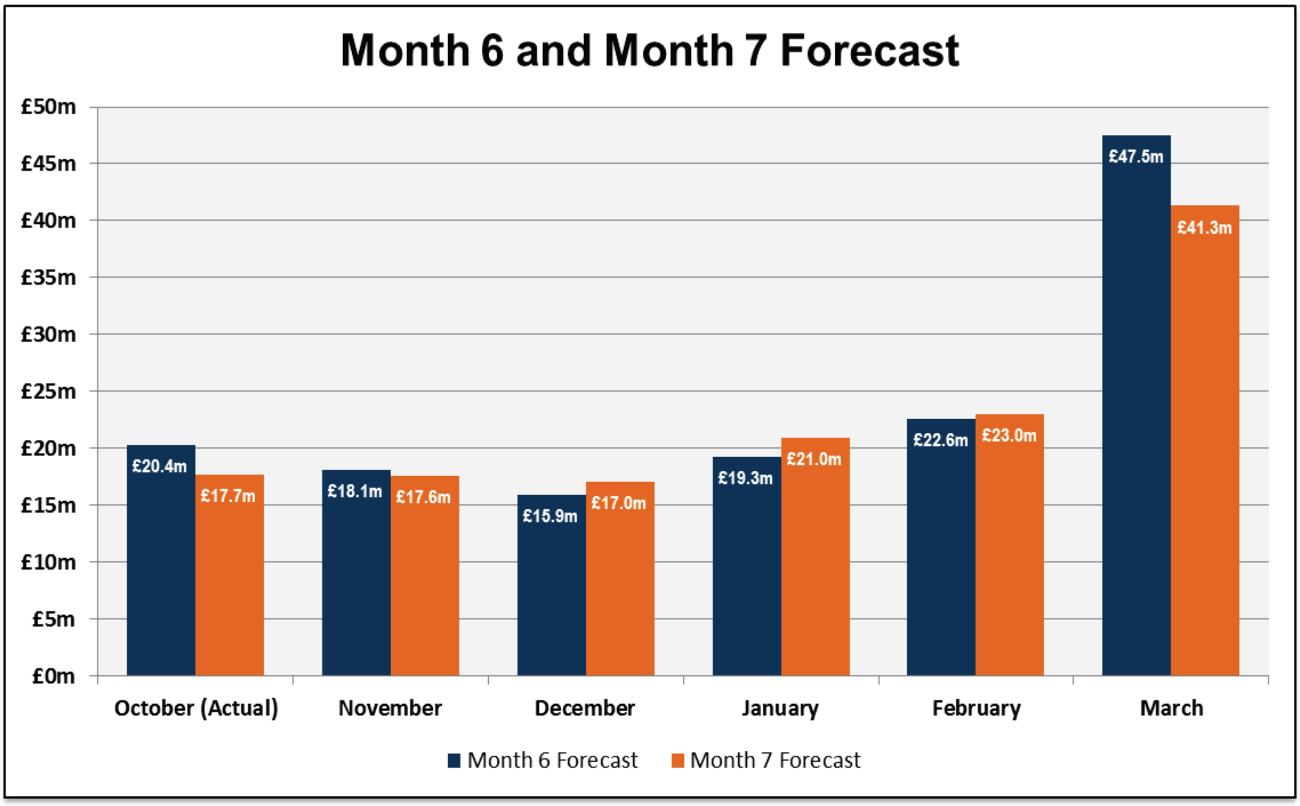
3. The chart at paragraph 5 shows that capital programme spend rates in 2016/17 continues to lag behind those seen in 2015/16 when the Outturn was £232m. The current forecast is £230.2m and predicts the largest Month 12 spend seen in the Capital Programme since monitoring was introduced in 2010/11. Extrapolating current spend rates, and assuming all £1m+ projects deliver the current forecast, the Outturn will probably be about £224m. However, the rate of increase required looks to be very optimistic. In Month 7, spend was £2.5m behind the forecast made at Month 6. An Outturn in the £200m - £210m looks more likely at this stage.

4. **Financials 2016/17**

Portfolio	Spend to date	Budget to Date	Variance to date	Full Year forecast	Full Year Budget	Full Year Variance on Budget
	£000	£000	£000	£000	£000	£000
CYPF	13,606	17,522	(3,916)	24,600	27,682	(3,082)
Place	26,184	31,047	(4,863)	62,663	65,783	(3,120)
Housing	45,231	52,841	(7,610)	85,819	101,309	(15,490)
Highways	5,341	5,987	(646)	13,131	10,083	3,048
Communities	22	-	22	22	-	22
Resources	1,431	3,522	(2,091)	14,348	15,716	(1,368)
Corporate	18,414	18,414	0	29,582	29,582	0
Grand Total	**110,230**	**129,333**	**(19,103)**	**230,165**	**250,154**	**(19,989)**

5. **Forecast trends**





6. **Capital Programme**

	2016-17 £m	2017-18 £m	Future £m	Total £m
Month 6 Approved Budget	250.2	208.6	271.3	730.0
Additions	0.0	0.0	0.0	0.0
Variations	0.0	0.0	0.0	0.0
Slippage & Acceleration	0.0	0.0	0.0	0.0
Month 7 Approved Budget	250.2	208.6	271.3	730.0

The programme remains unchanged at £730m pending the approval of the proposals submitted to the 30th November Cabinet meeting.

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, eventually, 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 in SharePoint - showing key issues, risks and items for the Sponsor to review - and these will be visible to all as well as providing a central repository which can be used in future audit work from external funders;
- 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.

9. The table below shows the current level of performance. Of the 192 projects in the system, 95% of project managers have submitted highlight reports and 90% of these have been reviewed and approved by sponsors. Overall therefore, just over 85% of the projects in the programme have been reported on and reviewed by sponsors.

10. This is slightly below last month's performance of 87%. If performance is improved upon and maintained, it is proposed that comment on this aspect of project will be by exception only.

11. The table below shows performance by Programme Board:

Outcome Programme Board	Reports Issued	Reports Completed	%	Reports Approved	%
Capital & Growth	29	29	100.0%	29	100.0%
Community Investment Programme	1	1	100.0%	1	100.0%
Housing Capital Programme	72	69	95.8%	69	95.8%
Resources Leadership Team	18	17	94.4%	17	94.4%
SRQ Board	4	4	100.0%	4	100.0%
Strong Economy	8	8	100.0%	5	62.5%
Thriving Neighbourhoods and Communities	59	54	91.5%	46	78.0%
Waste Management Board	1	1	100.0%	1	100.0%
Total	**192**	**183**	**95.3%**	**172**	**89.6%**

Commentary

12. The Top 20 projects in the Capital Programme accounts for 67% of the current 2016/17 budget. The key forecast variances from Budget at Month 6 include:

- Housing programme is forecasting to be £15.5m below budget by the year end. The majority of the slippage (£12.1m) occurs on the New Build Council Housing and stock acquisitions and repairs following previously reported contractor problems and a lack of suitable properties coming onto the market. The New Build project will be re-profiled in December to reflect the latest plans.

- Place programme is forecast to be £3.1m below budget principally due to the Sheffield Retail Quarter which is £2.3m (8%) behind programme although the overall direction and progress of the scheme remains on target.

- The Highways programme is forecasting to be £3.0m above budget awaiting approvals of new schemes associated with the Better Buses programme.

- The CYPF programme is forecast to be £3.1m below Budget of which £2.0m is due to anticipated final costs being below the approved budget on 6 projects offset by a potential £0.5m overspend at Hallam and £1.1m slippage at Gleadless. £0.3m of the £0.7m work at Aldine House Secure Unit is forecast to slip into 17/18 following a re-design of the accommodation.

- Resources programme is behind budget on the Fire Risk Assessment work £0.4m and essential repairs at the Medico Legal Centre £0.3m.

  Year to date variance:

- Of the £19.1m year to date variance, £3.9m and £7.6m is on the Schools and Housing programmes respectively.

- In the Schools programme, £2.0m is due to anticipated cost savings on projects which have been procured at a lower cost, £0.8m on the schools expansion programme where the configuration of the programme has been reviewed as initial cost estimates are above the budget. This has delayed detailed design work. The residual variance is on the remaining schemes in the programme with variances of £0.1m to £0.2m per project.

- The Housing programme is £7.6m behind the plan at Month 7. The majority of the underspend £8.7m is on the New Build and Stock Acquisition/Repair for the reasons quoted above in the Outturn variance section This is offset by the Roofing programme which is £1.7m ahead of plan following good progress during the relatively mild start to Autumn.

- Place programme is £4.7m behind budget at Month 7. There are four principal variances on The Lower Don Valley Flood defence work £1.9m, Olympic Legacy Park Infrastructure £1.4m, Sheffield Retail Quarter £1.0m and Brookhill Public Realm works £0.7m.

- Resources Capital programme is now £2.1m behind principally on Fire Risk Assessment programme £0.5m and path resurfacing £0.2m. Several other projects are each recording a £100k - £150k of slippage.

Risks

13. There are several projects where the anticipated spend in 16/17 is significantly behind plan but the funding is secure to complete the work.

14. The Lower Don Valley Flood defences work is at risk. The unknown workload and novel nature of the design creates an inherent risk of overspend. This project is grant funded promising specific outcomes which could lead the

Authority exposed to clawback or putting in its own funds. A review of this project is currently underway.

Approvals

15. A number of schemes have been submitted for approval in line with the Council's agreed capital approval process.

Below is a summary of the number and total value of schemes in each approval category:

- 2 additions to the capital programme with a value of £0.4m:
- 2 variations to the capital programme amounting to an increase of £3.7m

Further details of the schemes listed above can be found in **Appendix 6.1.**

Scheme Description	Approval Type	Value £000	Procurement Route
THRIVING NEIGHBOURHOODS AND COMMUNITIES			
GREAT PLACE TO LIVE :-			
Highways			
Better Buses 2 Chesterfield Road KBR This project aims to contribute to the corporate target of an annual 2% increase in bus patronage, by providing improved journey reliability for buses using the Chesterfield Road corridor. Information, including real-time bus data gathered by the bus operators, has shown that significant delays occur for inbound buses, during the peak hour, between Heeley Retail Park (where the existing 1km or more of bus lane currently ends) and Saxon Road (where the bus lane then continues to Heeley Bridge). It can take buses over 9 minutes to travel the 400m between these two points. At 15mph (7m/s) it should take around 1 minute not including 'dwell time' at the bus stop. The solution to the problem is to create an extension to the inbound bus lane, thereby getting buses to the head of the queue at Broadfield Road. Increased bus use will have secondary benefits of reducing queues for other traffic and improving air quality. Final costs are now agreed to create a short break (approximately 50 metres) in the bus lane to allow vehicles to wait and manoeuvre at the side road junctions of Saxon Road and Albert Road. Turning movements here are not high frequency and it is envisaged that, when no vehicles are waiting to turn, buses will use the nearside lane and other vehicles will use the offside lane, effectively giving a continuous bus lane for most of the time. This design eliminated almost all the objections to the original proposal and has minimal loss of benefit over other options. Off peak the scheme gives two inbound lanes for all traffic.	Variation	3,363	Amey Hallam Highways via Streets Ahead PFI

Funded by Better Buses funding and Sustainable Transport Exemplar Programme (STEP) Funding from South Yorkshire Passenger Transport Executive (SYPTE) The Sheffield Better Buses Programme Board has now approved spending of up to £4.2m of 'Better Buses Area' and 'STEP' funding on the Chesterfield Road KBR schemes between 2014/15 and 2017/18.			
Air Quality Monitor Equipment The Council has a statutory duty to manage local air quality in Sheffield under the Environment Act 1995. The Air Quality Action Plan for Sheffield 2015 (which was approved at Cabinet on 11 July 2012) seeks to reduce air pollution in Sheffield in order to achieve national Air Quality targets and EU Limit Values. Compliance is monitored via permanent Automatic and Non Automatic (Diffusion Tube) methods across the City. The Council has 6 existing permanent Automatic Air Quality Monitoring Stations, all of which are old and are becoming more unreliable and prone to failure. The 6 monitoring stations are at: Tinsley Infant School, Lowfield School, King Ecgbert's Old School Site, Wicker, Fir Vale School, and Waingate New Monitoring Equipment is required to ensure that the impact of any interventions implemented as part of the Council's Air Quality Action Plan 2015 (potentially including a Low Emission Zone or Clean Air Strategy) can be accurately assessed and reported to DEFRA as part of our Local Air Quality Management duty. Equipment replacement will be prioritised according to condition so it's not a case of upgrading everything in one station and so on, parts of equipment can be done so that all 6 stations benefit straight away **Funded by Local Transport Plan (LTP) with a possibility of the LTP commitment being reduced by Invest to Save Funding**	Addition	192	Competitive Tender, OJEU open

Medium Term Congestion (Inner Relief Road Junction Schemes) Authority for £120k of feasibility expenditure is sought to investigate a pipeline of small to medium size/value network improvement schemes addressing existing problems at a number of key locations on the network working with internal and external business partners facilitating economic growth. Developing outline scheme options presents opportunities to improve links internal to Sheffield, the City Centre, Wicker - Riverside Business Quarter and externally from within the City Region, providing improved access to jobs, education and training, and delivering the foundation for a strong competitive economy, demonstrating the City is well-connected. It is envisaged that Sheffield City Region Investment Fund will be available to fund the delivery phase of the schemes. This feasibility investment will ensure we have robust bid ready schemes when funding becomes available. Phase 1 of these improvements will focus on the A61 Inner Ring Road junctions impacting on economic welfare of the Wicker - Riverside Business District in response to concerns over access and network congestion arising from developments in the West Bar – Bridgehouses – Wicker - Riverside area, looking at: -An additional lane on the west bound Corporation Street section of the A61 Inner Ring Road and provide a dedicated left turn lane. -Make Corporation Street one way (southbound) away from the A61 Inner Ring Road towards West Bar, whilst all traffic wanting to join the A61 Inner Ring Road would use Gibraltar Street. -Construct a new bridge over the river for pedestrians and cyclists on the west side of the existing Borough Bridge, at the entrance to the start of the Five Weirs Walk / Upper Don Trail. -Increase the length of the existing left turn lane into Mowbray Street. **Feasibility Stage Funded by Growth Fund (New Homes Bonus)**	Addition	120	N/A

CAPITAL AND MAJOR PROJECTS			
Asset Enhancement Potential Housing Sites Approval is sought for £200k authority to commission Transport and Landscape Assessments (up to a cost of £200,000) on 6 priority sites which have been identified as having the development potential to deliver up to 4600 dwellings. The proposal supports the Corporate Plan priority to build new homes as it contributes to securing the development potential of the sites. If the development potential is secured and the sites are subsequently developed for 4600 dwellings there will be financial benefits to the Council including new Council Tax revenue of upto £6.5m pa supporting the objective of being a more financially self–sufficient Council. The investment in the sites makes them more attractive to developers contributing to both the economic and growth ambitions of the city. Whilst there is a risk that some of the work could prove abortive, it is highly unlikely that the development potential of all 6 sites would be lost. **To be funded from New Homes Bonus**	Addition	200	Capital Delivery Partner
Housing			
Dover Street Bungalow Adult social care currently support around 1,700 people with a learning disability. Living accommodation choice is limited so it can be difficult for people with specific housing needs to access the right accommodation resulting in some unfortunate comprises. Dover Street bungalow is no longer needed for its current use as a day care centre. The Learning Disabilities Service wish to use the property to provide housing for adults with learning disabilities. An options appraisal was carried out by Housing and Neighbourhood Services to determine how best to configure and refurbish the bungalow, followed by a financial appraisal to determine viability of those options. The recommended option is to convert the building in to 2, 1 bed room bungalows, with an overnight carer facility sitting between. This is based on the preference of the LD service for	Addition	245	N/A

single tenancies in stand-alone units, whilst still benefiting from the shared costs of overnight care. This request seeks approval for Dover Street bungalow to be acquired from the General Fund and moved to the Housing Revenue Account for a market valuation figure of £108k. The Housing Revenue Account will then fund the refurbishment of the property to provide the accommodation for people with learning disabilities which has been estimated at £65k. Procurement will be through the existing contract for the refurbishment of homes acquired as part of the Stock Acquisitions programme. The project will be funded from this scheme too and this report seeks approval of the budget transfer. **To be funded from Housing Revenue Account**			
STRONG ECONOMY			
Knowledge Gateway The strategic rationale for the Knowledge Gateway is economic growth. The corridor links the Cultural Industries Quarter, HCA owned sites at Sheaf Sq/Station, Hallam's Central Campus, the Digital Campus and the emerging innovation zone of Castlegate. It is the subject of a bid of around £4m to the Sheffield City Region Investment Fund (SCRIF) which will lever £2m of other funding to address access, flooding and public realm improvements. This should result in significant increase in new jobs and GVA. Currently £433k is approved for feasibility work on this project. This submission seeks approval for a further £333k of Sheffield City Council's capital receipts to purchase properties at Esperanto Place (£325k) as these will be key to the delivery of the scheme and associated fees (£8k). The purchase will only proceed, however, should the bid for SCRIF funding be successful. Obtaining this approval now will allow the project to proceed as soon as possible once SCRIF approval is received. **Funded by Capital Receipts**	Variation	333	N/A

	Approval Type	Value £000	Procurement Route
Scheme Description			
Transport Strategy The Council has ambitious plans to promote economic and housing growth over the next ten years. The growth is creating a traffic congestion problem. There is a very real risk that the city could not accommodate the extra jobs or homes generated by the desired growth rate. Ultimately, either planning applications could fail or there could be market failure because prospective developers will not invest in the city because it is perceived to be unattractive for living or working in. There is no direct financial return from this investment but by increasing the capacity of the transport network it will enable the Council to accelerate and expand the economic and housing growth activity in the city. The output will be a series of defined projects supported by local stakeholders, which will be ready to bid for external funds from the City Region or central government. The scale of the works required to provide the increased capacity is likely to be such that the city could not fund them using its own limited resources. There is a risk that the design work does not produce any projects which attract external funding or provide practical solutions to problems and thus fails to unlock investment. In this case the work would be abortive. The funding will be used for a combination of officer time and externally provided transport modelling to provide the empirical data to prove the validity of the proposals. This work will support the external funding applications to fund the capital works.	Addition	£581k (2016/17) £223k (2017/18)	In house staff time and, where applicable, existing contracts or frameworks for external services or competitively sourced for new activities.

Support to Maximise Foreign Direct Investment This project will develop the city's links with Chinese investors in order to attract foreign direct investment into the city and support outward trade with China. The project will enable the Council to maximise the opportunities presented by foreign direct investment in the city, including appropriate work resulting from the partnership agreement with the Guoding Group. This proposal aims to secure foreign direct investment of circa $300m in specific projects within the city and to support the Sheffield Schools in China initiative, including the teaching of Mandarin in the Sheffield area. The project has the potential to raise £10.5m in additional direct income to the Council from business rates, New Homes Bonus and Council Tax by 2023/24. The first inflow could begin as early as 2018/19 and repay the investment by the Council within twelve months. There will also be the indirect jobs created by the construction activity , direct jobs from projects such as the proposed hotel, and further jobs delivered through a subsequent uplift economic activity in the city. There is a risk that the city could miss out on maximising investment opportunities and resultant income because of a lack of capacity. The project will require £300k additional staff resource, £300k of promotional expenditure to raise the city's profile and attractiveness above that of competitor cities, £250k into the Schools project, and £300k on other specialist support activities e.g. translation, legal advice on developer agreements, communications. This is a two stage approval. The 17/18 expenditure is conditional and subject to a review, in March 2017, of satisfactory progress and delivery.	Addition	£596k (2016/17) £535k (2017/18)	In house staff time and, where applicable, existing contracts or frameworks for external services or competitively sourced for new activities.