

KEY ISSUES – SEPTEMBER 2013 PROGRAMME UPDATE

CHILDREN'S SERVICES PORTFOLIO

The proposed September programme update totals **£59,579,000**. This can be compared to the previous February update total of **£51,361,000** resulting in an increase of **£8,218,000**, which represents a percentage variance of **16.0%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 28,385 | 22,336 | 5,024 | 3,834 | 0 | 59,579 |
| Previous | 28,513 | 17,364 | 1,980 | 2,004 | 1,500 | 51,361 |
| Variance | (128) | 4,972 | 3,044 | 1,830 | (1,500) | 8,218 |

PROGRAMME CHANGES:

CS 1 – Transfer of Schemes (Total budget change £151,000 decrease)

After Council approved the General Fund Capital Programme in February 2013, there have been changes to portfolio structures. The transfers for the Childrens Services Capital Programme are as follows:

- Play Areas - £151,000 to Environment & Transport (City Services) Capital Programme.

CS 2 – Primary Review Phase 2 (Total budget change £3,513,000 increase)

Gold Scheme – £28,356,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Increase in Primary school capacity.

Cabinet added £1,550,000 on the 19 February 2013 to increase capacity at Bassett Green Primary, Bevois Town Primary and St Johns Primary and Nursery schools. An additional £1,963,000 was approved by Council on 17 July 2013 to provide adequate ICT, furniture and equipment budgets for the new classrooms, and to cover additional costs including some changes in scope of the original projects and further planning requirements.

CS 3 – School Capital Maintenance (Total budget change £2,507,000 increase)

Gold Scheme – £10,367,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Addition of school capital maintenance programme for 2013/14.

Council approved the addition of £2,507,000 on the 17 July 2013. This will address the majority of priority 1 items identified by the schools conditions survey and remedy issues identified by Fire Risk Assessments. In addition a small amount will be held to provide for unforeseen issues/events that may arise throughout the course of the year, such as emergency roof repairs or boiler replacement, over and above the planned programme.

CS 4 – Schools Devolved Capital (Total budget change £1,025,000 increase)

Bronze Scheme – £13,501,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Addition of School Devolved Formula capital allocation 2013/14

The increase represents the allocation of capital grant from the Education Funding Agency to maintained schools in 2013/14.

CS 5 – Early Years Expansion Programme (Total budget change £711,000 increase)

Gold Scheme – £1,341,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Provision of additional Early Years places.

Cabinet approved the addition of £711,000 on the 19 March 2013 to meet the requirement to provide sufficient Early Years places for two, three and four-year-olds eligible for such provision across the city.

CS 6– Bitterne Park 6th Form (Total budget change £508,000 increase)

Gold Scheme – £6,108,000 Scheme Budget including previous years

Overall RAG Status RED

Schedule RAG Status GREEN

Budget RAG Status RED

Additional ringfenced Government grant allocated to the project

The project has experienced difficulties whilst on site and costs have increased significantly above the contract sum. The Council has secured an extra grant of £508,000 from the Education Funding Agency towards the additional costs.

CS 7 – ICT (Total budget change £100,000 increase)

Bronze Scheme – £1,541,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Implementation of replacement school broadband service.

The Director of Children's Services & Learning authorised the addition of £100,000 on 15 February 2013 in order to implement the HPSN2 broadband service for schools.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

CS 8 – Primary Review Phase 2 (Re-phasing of £1,500,000 between Later Years and 2015/16)

Gold Scheme – £28,356,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Bringing forward two school expansion schemes.

The expansion of Tanners Brook Junior and Fairisle Junior school projects have been brought forward by one year due to the accelerated delivery programme being achieved on this portfolio of work.

CS 9 – Civil Service Sports Ground (Slippage of £359,000 between 2013/14 and 2014/15)

Silver Scheme – £550,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Delays due to additional consultation taking place.

This scheme has been delayed due to additional stakeholder groups having been engaged within the process and the Council's desire to have their views reflected in the scheme delivered. This has resulted in a delay in the development of the design process.

CS 10 – Schools Capital Maintenance (Slippage of £341,000 between 2013/14 and 2014/15)

Gold Scheme – £10,367,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Delays in the Solar PV and Fairisle Infant & Nursery school lobby projects.

A delay has occurred in the Solar PV Resources project due to the fact that the Council is taking time to reflect on how to best link its strategy for photo-voltaic installations with its wider capital programme.

A delay has occurred in the Fairisle Infant & Nursery School Lobby project due to the tenders for the project coming in above the price anticipated at the feasibility stage, which has resulted in the need for value engineering on the project, thereby delaying the signing of a contract and moving into the build phase.

CORPORATE FINANCIAL & PROJECT ISSUES:

The corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends are:

CS 11 – Newlands Primary Rebuild Project (Forecast £229,000 Adverse Scheme Variance)

Gold Scheme – £7,521,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status AMBER

Budget RAG Status AMBER

Additional costs for approved extension of time.

The Quantity Surveyor for the scheme is predicting an over spend of £250,000 due to an approved extension of time claim arising from the discovery of a buried electricity main under the old school building by the demolition contractor. This has resulted in an elongation of the project, as well as the need for additional works, both of which have contributed to the anticipated over spend.

The corporate **PROJECT ISSUES** for the Portfolio are:

CS 12 – Bitterne Park 6th Form (Forecast £0 Scheme Variance)

Gold Scheme – £6,108,000 Scheme Budget including previous years

Overall RAG Status RED

Schedule RAG Status GREEN

Budget RAG Status RED

Dispute on final account.

The contractor has submitted a final account which included a claim for extension of time which if accepted in full would have resulted in an over spend of approximately £1M. This is still being disputed; the Council issued the final account in December 2012 and is awaiting the contractor's response as to whether it is likely to go to adjudication. Under the Memorandum of Understanding agreed with Bitterne Park School, the responsibility for any over spend rests with the school.

CS 13 – Renewable Heat Incentive (Forecast £0 Scheme Variance)

Gold Scheme – £500,000 Scheme Budget

Overall RAG Status **RED**

Schedule RAG Status **RED**

Budget RAG Status **RED**

Delays to the proposed Millbrook Biomass Boiler installation

Delays have been experienced on this scheme, due to it being the first such project delivered in the city and the fact that unforeseen issues have arisen throughout the planning process that have resulted in an elongation of the planning/design period and a subsequent cost uplift. The formulation of solutions are still ongoing, although it is anticipated that the project will be complete by the end of 2013, with minimal financial implications that are manageable within the overall scheme budget.

ECONOMIC DEVELOPMENT & LEISURE PORTFOLIO

ECONOMIC DEVELOPMENT

The proposed September programme update totals **£21,951,000**. This can be compared to the previous February update total of **£22,100,000** resulting in a decrease of **£149,000**, which represents a percentage variance of **0.7%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 807 | 5,491 | 7,512 | 8,030 | 111 | 21,951 |
| Previous | 2,300 | 3,016 | 14,938 | 1,771 | 75 | 22,100 |
| Variance | (1,493) | 2,475 | (7,426) | 6,259 | 36 | (149) |

PROGRAMME CHANGES:

There are no major programme changes for the Portfolio.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

EDEV 1 – QE2 Mile – Bargate Square (Slippage of £918,000 between 2013/14 and 2014/15)

Silver Scheme – £1,090,000 Scheme Budget including previous years

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Scheme delayed for twelve Months

This scheme has been delayed for twelve months to allow for further consultation and design work to take place, particularly as the future of the existing Bargate Shopping Centre is still to be determined.

EDEV 2 – Southampton New Arts Centre (SNAC) (Rephasing of £2,268,000 between 2014/15 and 2013/14) and £6,237,000 between 2014/15 and 2015/16

Gold Scheme – £20,850,000 Scheme Budget including previous years

Overall RAG Status **AMBER**

Schedule RAG Status **AMBER**

Budget RAG Status **AMBER**

Delays with Developer’s Final Programme

Due to delays on Grosvenor's overall development, the arts complex project has been unable to start RIBA stage F and is unlikely to do so until at least September 2013. Since February the project programme has become firmer and it has been possible to re-profile the cash flow more accurately. The budget has been re-phased accordingly and will be reviewed once Grosvenor has confirmed their programme and costs.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends.

There are no corporate **PROJECT ISSUES** for the Portfolio.

LEISURE

The proposed September programme update totals **£4,301,000**. This can be compared to the previous February update total of **£2,827,000** resulting in an increase/decrease of **£1,474,000**, which represents a percentage variance of **52.1%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 791 | 1,204 | 1,670 | 617 | 19 | 4,301 |
| Previous | 1,291 | 462 | 647 | 407 | 20 | 2,827 |
| Variance | (500) | 742 | 1,023 | 210 | (1) | 1,474 |

PROGRAMME CHANGES:

LEIS 1 – Oaklands Swimming Pool Feasibility (Total budget change £1,258,000 increase)

Gold / Silver / Bronze Scheme – £1,258,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Refurbishment of Oaklands Swimming Pool.

A budget was approved by Council on 17 July 2013 to refurbish Oaklands swimming pool. A feasibility study is being undertaken to finalise the costs associated with the refurbishment of the pool with the aim that it could be reopened by a community organisation.

LEIS 2 – Sport & Recreation (Total budget change £220,000 increase)

Gold / Silver / Bronze Scheme – £360,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Improvement of drainage at Lordshill Playing Field and other pitch improvements.

Cabinet approved the addition of £134,800 on 21 May 2013 to improve the drainage at Lordshill Playing Fields. In addition the Director for Environment & Economy approved additional expenditure of £50,000 for the project funded from Sport England grant and £35,000 to provide grants to St George's VA College and BTC Football Club towards playing field/pitch improvement works funded from Section 106.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Full Council.

CORPORATE FINANCIAL & PROJECT ISSUES:

The corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends are:

LEIS 3 – SeaCity Phase 2 (Forecast £358,000 Adverse Scheme Variance)

Gold Scheme – £16,759,000 Scheme Budget including previous years

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status AMBER

Difficulties finalising contractor accounts.

The Council is currently in negotiations with the contractor to settle any claims on the final account for the construction of the museum. The current forecast overspend is largely down to additional work required with regards to asbestos works and the associated additional work and delays that this caused. Every effort is being made to identify whether it is possible to still deliver the scheme on budget and this will be finalised in the coming months. Provision was approved by Council in July 2012 for additional DRF funding of up to £300,000 as a prudent response to this likely pressure.

There are no corporate PROJECT ISSUES for the Portfolio.

ENVIRONMENT AND TRANSPORT PORTFOLIO

E&T A (CCAP)

The proposed September programme update totals **£53,814,000**. This can be compared to the previous February update total of **£41,645,000** resulting in an increase of **£12,169,000**, which represents a percentage variance of **29.2%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 13,829 | 26,986 | 11,995 | 1,004 | 0 | 53,814 |
| Previous | 18,365 | 19,061 | 4,219 | 0 | 0 | 41,645 |
| Variance | (4,536) | 7,925 | 7,776 | 1,004 | 0 | 12,169 |

PROGRAMME CHANGES:

E&T A 1 – Transfer of Schemes (Total budget change £2,673,000 decrease)

After Council approved the General Fund Capital Programme in February 2013, there have been changes to portfolios structures the following show the changes to Environment and Transport Capital Programme. The transfers are as follows:

- Weekly Collection Support Scheme £2,165,000 to Environment & Transport - City Services Capital Programme.
- Salix Energy Efficiency - £508,000 to Housing and Sustainability Capital Programme.

E&T A 2 – Purchase of Vehicles (Total budget change £1,246,000 increase)

Not a Sharepoint Scheme – £1,246,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

The purchase of vehicles was financed by Council Resources/Borrowing.

There was an increase in the 2012/13 Capital Programme for the purchase of Fleet Transport vehicles, funded by Council Resources/Borrowing. This change was approved, in accordance with Financial Procedure Rules, by the Chief Financial Officer under delegated authority.

E&T A 3 – Bridges to Prosperity (Total budget change £3,630,000 increase)

Not a Sharepoint Scheme yet – £4,190,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Government Grant has been awarded for bridge repairs and maintenance.

The Department for Transport (DfT) have awarded Local Pinch Point funding of £2,470,000 for the Bridges to Prosperity Scheme, which was added to the Capital Programme by Council on the 15 May 2013. In order to deliver this scheme, for essential structural repairs and maintenance measures on key bridges in the City, Council also approved additional funding of £400,000 in Local Transport Plan (LTP) government grant (2014/15 allocation) and £410,000 in Direct Revenue Financing (DRF), along with a transfer of £350,000 from the Platform for Prosperity scheme.

E&T A 4 – Roads Programme (Total budget change of £2,340,000 increase)

Various Sharepoint Scheme (some not yet set up) – £12,751,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Funding has been added to maintain the structural integrity of the city wide highways network.

There is additional funding for the Roads Programme as follows:

- Council approved the addition of £200,000 Direct Revenue Financing for 2013/14 at Council on 13 February 2013 for Highways Maintenance.
- Council approved the addition of £310,000 of Local Transport Plan (LTP) Highways Maintenance Funding in 2013/14 on 20 March 2013, as confirmed by the DfT in December 2012.
- Council approval is sought to add £1,469,000 of additional LTP government grants for Roads in 2014/15. The Roads Programme (Principal, Classified & Unclassified) continues to reflect the need to maintain the structural integrity of the city wide highways network. The programme is designed in line with the Transport Asset Management Plan (TAMP) principles.
- Additional funding for the Highways Improvement (Developer) Scheme of Section 106 site specific developer contributions of £358,000 and other contributions of £5,000 was approved by the Interim Director of Environment & Economy on 31 July 2013. This funding will allow the completion of the 2013/14 infrastructure improvements to 28 separate locations.

E&T A 5 – Platform for Prosperity (Total budget change £4,959,000 increase)

Gold Scheme – £11,938,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Additional funding has been awarded from the Regional Growth Fund.

On 20 March 2013, Council accepted an additional award of £5,309,000 of Regional Growth Fund (RGF) capital funding from the Department for Business, Innovation and Skills (BIS) towards the Platform for Prosperity scheme. This additional funding will enable the scope of the project to be increased to include comprehensive improvements along Town Quay, which will see the scheme implement a new dual carriageway from Mayflower Roundabout to the Canute Road/Terminus Terrace junction. Part of the funding (£350,000) has subsequently been transferred to the Bridges to Prosperity scheme (see E&T 3).

E&TA 6 – Integrated Transport (Total budget change £1,032,000 increase)

Various Sharepoint Schemes (some not yet set up) - £30,869,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Additional Local Transport Plan government grants for Integrated Transport schemes has been added for 2014/15.

Council approval is sought to add £1,351,000 of additional LTP government grants for Integrated Transport schemes in 2014/15.

The key areas that are to be funded are:

- Public Transport, bus corridor improvements.
- Accessibility, Legible City signing in areas of the City Centre not yet covered by the network
- Network Management, LTP Monitoring, Micro simulation and Congestion reduction
- Improved safety, Road Safety Partnership and Improved Safety Promotion
- Travel Planning and Active Travel
- Area Based Schemes

Also £332,000 of additional LSTF grant funding has been deleted as this provisional allocation was not confirmed.

E&T A 7 – Cycling Improvements – Eastern Cycle Corridor (LSTF) (Total budget change £1,013,000 increase)

Not a Sharepoint Scheme yet - £1,901,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Additional funding has been added for the Eastern Cycle Corridor.

A report seeking capital variations within and additions to the Environment and Transport Capital Programme to deliver Phase 1 of the LSTF Eastern Cycle Route project was approved by Cabinet on 20 August 2013. The main recommendations were:

- The addition of £375,000 of Department for Transport (DfT/Sustrans) Cycle Safety Fund government grant to the scheme.
- The addition of £358,000 of Site Specific Section 106 Contributions to the scheme.
- The addition of £280,000 of LTP government grant (2014/15 allocation) to the scheme.

E&T A 8 – North of Central Station - (Total budget change £806,000 increase)

Not a Sharepoint Scheme yet - £1,776,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Additional funding has been added for the North of Central Station scheme.

A report seeking capital variations within and additions to the Environment and Transport Capital Programme to deliver Phase 1 of the North of Central Station scheme was approved by Council 17 July 2013.

The main recommendations were:

- The addition of £86,000 in Partnership for Urban South Hampshire (PUSH) grant to the scheme.
- The addition of £720,000 in LTP government grant (2014/15 confirmed allocation) to the scheme.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Full Council.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

E&T B (CITY SERVICES)

The proposed September programme update totals **£3,886,000**. This can be compared to the previous February update total of **£1,178,000** resulting in an increase of **£2,708,000**, which represents a percentage variance of **229.9%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 601 | 2,864 | 421 | 0 | 0 | 3,886 |
| Previous | 569 | 529 | 80 | 0 | 0 | 1,178 |
| Variance | 32 | 2,335 | 341 | 0 | 0 | 2,708 |

PROGRAMME CHANGES:

E&T B 1 – Transfer of Schemes (Total budget change £2,316,000 increase)

After Council approved the General Fund Capital Programme in February 2013, there have been changes to portfolio structures. The transfers for the City Services Capital Programme are as follows:

- Weekly Collection Support Scheme - £2,165,000 from Environment & Transport Capital Programme.
- Play Areas - £151,000 from Children's Services Capital Programme.

E&T B 2 – Minor Parks Improvements (Total budget change £118,000 increase)

Bronze Schemes – £118,000 Scheme Budgets

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

An additional £118,000 has been added for Minor Parks Improvements.

An additional £118,000 of Section 106 developer contribution funding was approved to be added to the City Services Capital Programme by the Interim Director of Environment & Economy on 18 June 2013 for improvements to Open Spaces at various sites across the City.

E&T B 3 – Play Area Improvements (Total budget change £278,000 increase)

Bronze Schemes – £278,000 Scheme Budgets

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

An additional £278,000 has been added for development of Play Areas.

An additional £264,000 of Section 106 developer contribution funding was approved to be added to the Children's Services Capital Programme by Cabinet on 19 February 2013 for refurbishment and development of Play Areas across the City in 2013. An additional £14,000 was approved to be added for Leaside Way Play area by the Director of Children's Services and Learning on 4 March 2013. These schemes have now transferred from Children's Services to the City Services Capital Programme.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Full Council.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends.

There are no corporate **PROJECT ISSUES** for the Portfolio.

HEALTH & ADULT SERVICES PORTFOLIO

The proposed September programme update totals **£3,733,000**. This can be compared to the previous February update total of **£3,251,000** resulting in an increase of **£482,000**, which represents a percentage variance of **14.8%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 2,106 | 1,627 | 0 | 0 | 0 | 3,733 |
| Previous | 3,031 | 220 | 0 | 0 | 0 | 3,251 |
| Variance | (925) | 1,407 | 0 | 0 | 0 | 482 |

PROGRAMME CHANGES:

HAS 1 – National Care Standards (£302,000 increase)

Silver Scheme – £1,491,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

HAS 2 – Sembal House Refurbishment (£100,000 increase)

Silver Scheme – £418,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **AMBER**

Budget RAG Status **AMBER**

HAS 3 – Replacement of Appliances’ & Equipment (£80,000 increase)

Bronze Scheme – £450,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

An appraisal process is followed annually to address buildings related issues in respect of internal care provision. The Local Authority residential care homes are subject to regulation and inspection. It is therefore essential to maintain service standards and respond to the requirements of the Care Quality Commission (CQC) Care Standards. The appraisal also identifies separate elements to address Health and Safety Regulations and the provision of equipment replacement where this is not covered under the separate repair and maintenance provision.

A separate appraisal has also been undertaken in relation to Sembal House which is currently subject to subject to a refurbishment programme which is already underway. During the programme a number of previously unidentified repairs and maintenance issues have become obvious in the material state of the building and funding is required to address these newly identified defects and complete the project. Approval to add these schemes to the programme was given by Council on 17 July 2013.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Full Council

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends.

There are no corporate **PROJECT ISSUES** for the Portfolio.

HOUSING & SUSTAINABILITY PORTFOLIO

The proposed September programme update totals **£7,476,000**. This can be compared to the previous February update total of **£6,809,000** resulting in an increase of **£667,000**, which represents a percentage variance of **9.8%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 1,776 | 1,343 | 2,458 | 1,472 | 427 | 7,476 |
| Previous | 2,099 | 2,613 | 1,802 | 100 | 195 | 6,809 |
| Variance | (323) | (1,270) | 656 | 1,372 | 232 | 667 |

PROGRAMME CHANGES:

H&S 1 – Transfer of Scheme (Total budget change £508,000 increase)

After Council approved the General Fund Capital Programme in February 2013, there have been changes to portfolio structures. The transfer for the Housing & Sustainability Capital Programme is as follows:

- Salix Energy Efficiency - £508,000 from Environment & Transport Capital Programme.

H&S 2 – Flood Risk Management (Total budget change £472,000 increase)

Silver Scheme – £472,000 scheme budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Addition of scheme to the capital programme

On 21 May 2013 Cabinet approved the addition to the capital programme of £472,000 to deliver a flood risk management project in St. Denys. The scheme is funded by the Department for Environment, Food & Rural Affairs (DEFRA), as part of the Flood Resilience Community Pathfinder Scheme.

H&S 3 – Estate Parking Improvements (Total budget change £300,000 increase)

Silver Scheme – £300,000 scheme budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Addition of scheme to the capital programme

On 21 May 2013 Cabinet approved the addition to the capital programme of £300,000 to subsidise the provision of estate parking facilities to owner-occupiers in up to 7 locations.

H&S 4 – Support for Estate Regeneration (Total budget change £283,000 increase, Slippage of £415,000 between 2013/14 and 2014/15)

Unapproved Scheme – £698,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Addition of Section 106 developer contributions

Section 106 developer contributions have been earmarked as funding for city-wide Estate Regeneration expenditure. On 14 November 2012, Council approved the transfer of £1.3M from this source to the HRA for Townhill Park Estate Regeneration. Following this approval, it will now be possible for managers to produce plans for the expenditure of the balance. However, it is unlikely these plans will be in place in the current year. Further contributions of £283,000 have been received and, as these can only be used for the provision of Affordable Housing, they have been added to this scheme for future consideration.

H&S 5 – Disabled Facilities Grants - 2012/13 (Total budget change £333,000 reduction)

Silver Scheme – £1,482,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status AMBER

Budget RAG Status GREEN

Reduction in number of applications for Disabled Facilities Grants (DFGs)

There has been a reduction in the number of DFG referrals from Occupational Health Therapists when compared with previous years. Investigations have revealed that this is a genuine trend and that the £333,000, that was slipped from 2012/13 into 2013/14 at outturn, would not be spent.

H&S 6 – Disabled Facilities Grants - Future Years (Total budget change £564,000 decrease)

Unapproved Scheme – £427,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Reduction in number / average value of DFG's, plus addition of further year.

Following the analysis of spend on 2012/13 DFGs, it is proposed that the unapproved budgets for 2013/14 and 2014/15 should be reduced by £282,000 per year.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

H&S 7 – Green Projects (Slippage of £150,000 from 2013/14 to 2014/15 and subsequent years)

Unapproved Scheme – £427,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

Work is under way to identify suitable projects

The Council's success in attracting new external grant funding from the Department of Energy and Climate Change and the Department of Health to set up a local Green Deal and to fund a winter fuel poverty programme has enabled this capital resource to be retained to deliver projects in 2014/15 and subsequent years.

This funding has to be spent on improving private housing because of original grant conditions and work is underway to ensure that schemes commencing in 2014/15 lever in the maximum amount of external funding and help deliver objectives contained in the council's fuel poverty strategy, which is currently being updated with Public Health and other partners.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends.

There are no corporate **PROJECT ISSUES** for the Portfolio.

RESOURCES PORTFOLIO

The proposed September programme update totals **£12,274,000**. This can be compared to the previous February update total of **£11,159,000** resulting in an increase of **£1,115,000**, which represents a percentage variance of **10.0%**.

The changes to the programme are shown in the following summarised table:

| | 2012/13 £000's | 2013/14 £000's | 2014/15 £000's | 2015/16 £000's | Later £000's | Total £000's |
|----------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Proposed | 6,267 | 5,807 | 200 | 0 | 0 | 12,274 |
| Previous | 7,390 | 3,769 | 0 | 0 | 0 | 11,159 |
| Variance | (1,123) | 2,038 | 200 | 0 | 0 | 1,115 |

PROGRAMME CHANGES:

RES 1 – Works to Enable Marland House Vacation (Total budget change £1,200,000 increase)

Sharepoint Scheme not yet set up – £1,200,000 Scheme Budget

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

New scheme to complete work necessary to enable the vacation of Marland House

This is a new scheme approved by Council on 15 May 2013 to cover any potential conversion works within the Civic Centre that may be required to create additional office space to ensure that the deadline for vacating Marland House can be met.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Full Council

CORPORATE FINANCIAL & PROJECT ISSUES:

The corporate **FINANCIAL ISSUES** for the Portfolio relating to significant over or under spends are:

RES 2 – Art Gallery Roof Repairs and AHU Replacement (Forecast £540,000 Favourable Scheme Variance)

Gold– £24,500,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status AMBER

Review of Phase 2 of scheme

Phase 1 of the scheme is now complete and the continuation of any further works as part of Phase 2 is currently under review. The current progress on the scheme therefore represents an under spend if the scheme is considered to be complete. If Phase 2 does not proceed, the under spend on the scheme is currently forecast to be in the region of £540,000 after allowing for abortive Capita fees for Phase 2.

There are no corporate PROJECT ISSUES for the Portfolio.