

**REPORT TO:** Cabinet Member Regeneration.  
Overview & Scrutiny (Regeneration and Environmental)

**DATE:** 17 February 2010  
9 March 2010

**SUBJECT:** Revenue and Capital Expenditure Monitoring to 31 December 2009

**WARDS AFFECTED:** None directly affected

**REPORT OF:** Andy Wallis  
Planning and Economic Regeneration Director

**CONTACT OFFICER:** Andy Wallis - 0151-934-3542  
David Gant – 0151-934-2378  
Kevin McBlain – 0151 934-4049

**EXEMPT/CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To provide the Cabinet Member with the 9 month forecast position, based on information as at the 31 December 2009, in relation to the Portfolio's 2009/10 Revenue Budget and Capital Programme.

**REASON WHY DECISION REQUIRED:**

Cabinet Member accountability and in line with the corporate performance management process.

**RECOMMENDATION(S):**

That the Cabinet Member Regeneration:

- a) Notes the progress taken on the Regeneration Portfolio's revenue budgets that are subject to risk-based monitoring.
- b) The Cabinet Member is asked to indicate whether any comments about the overall performance of this Portfolio's Revenue Budget and schemes within the Capital Programme should be referred to Cabinet.

That Overview and Scrutiny (Regeneration and Environmental)

- c) Notes the contents of the report and indicates whether any comments about the overall performance of the Regeneration Revenue budget and schemes within the Capital Programme should be referred to Cabinet.

**KEY DECISION:** No.

**FORWARD PLAN:** Not appropriate.

**IMPLEMENTATION DATE:** Not appropriate.

**ALTERNATIVE OPTIONS:**

None.

**IMPLICATIONS:****Budget/Policy Framework:** None.

**Financial:** The Regeneration Portfolio is not expected to overspend in 2009/10 and has made significant contribution to the Council's overspend position this year by release of a number of reserve accounts, as agreed at Cabinet 25 November 2009.

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2009/10 £</b>	<b>2010/11 £</b>	<b>2011/12 £</b>	<b>2012/13 £</b>
Gross Increase in Capital Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton funded Resources				
Does the External Funding have an expiry date Y/N				When?
How will the service be funded post expiry?				

**Legal:** Not appropriate.

**Risk Assessment:** The main risk concerns the failure to identify budget variances through the monitoring process, which will make it difficult for the Council to manage its spending within available resources. The adopted risk-based approach to monitoring together with regular reporting should help manage this risk.

**Asset Management:** Not appropriate.**CONSULTATION UNDERTAKEN/VIEWS**

FINANCE DEPARTMENT FD 321 - The Acting Finance and Information Services Director has been consulted and his comments have been incorporated into this report

**CORPORATE OBJECTIVE MONITORING:**

<b><u>Corporate Objective</u></b>		<b><u>Positive Impact</u></b>	<b><u>Neutral Impact</u></b>	<b><u>Negative Impact</u></b>
1	Creating a Learning Community		✓	
2	Creating Safe Communities		✓	
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being		✓	
5	Environmental Sustainability		✓	
6	Creating Inclusive Communities		✓	
7	Improving the Quality of Council Services and Strengthening local Democracy	✓		
8	Children and Young People		✓	

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

## **1. Background/Issues for consideration**

- 1.1 In accordance with Cabinet's overall approved process for monitoring the Council's budgets, each Portfolio is to receive a quarterly report identifying risk-assessed controllable Revenue and Capital budget areas.
- 1.2 This report forms part of that overall monitoring process by advising the Cabinet Member of the progress against this Portfolio's revenue budget risk areas for the period ending 31 December 2009. Where budget pressures have been identified, Service Directors have reviewed their departmental budgets for compensating savings. Departments have also been asked to consider whether or not all other controllable budgets can be contained with the resources allocated by the Council for 2009/10.

## **2. Revenue Budget**

- 2.1 Details of this portfolio's budgets that are monitored and reported on the risk-assessed basis are shown in Appendix A. No monitored lines are expected to overspend by any significant amount.
- 2.2 Following a review of the Council's Provisions and Reserves, Cabinet of 25 November 2009 have agreed to release the provisions/reserves shown in the M1 statement towards the Council's forecast overspend in 2009/10.

## **3. Capital Programme**

- 3.1 Attached at Annex B is the current Regeneration capital programme. This programme takes account of slippage from 2008/09 and any revised requirements for individual schemes. Actual expenditure of £2.459m (col.4) has been achieved in the first nine months of the year. This is 38% of the total forecast expenditure for the year of £6.418m (cols. 4 and 5). Forecast expenditure for the remainder of the year is £3.959m (col.5).

Major schemes included within the Regeneration element of the programme include:-

1. Leeds / Liverpool Canal £1.020M
2. Lord Street Ph.2 £4.244M
3. Netherton Park N'hood Centre £2.063M
4. South Sefton Investment Centre £6.934M
5. Water Centre Crosby £8.971M
6. Crosby Marine lake – Water Quality £1.179M
7. Stepclever Property Project £2.108M

Major expenditure included within the housing element of the programme relates to Home Improvement Grants, for which in year expenditure is estimated at £0.654m. Housing schemes are closely monitored during the year with corrective action taken, if necessary, to avoid any underspends.

#### **4. Recommendations**

That the Cabinet Member Regeneration:

- a) Notes the progress taken on the Regeneration Portfolio's revenue budgets that are subject to risk-based monitoring.
- b) The Cabinet Member is asked to indicate whether any comments about the overall performance of this Portfolio's Revenue Budget and schemes within the Capital Programme should be referred to Cabinet.

That Overview and Scrutiny (Regeneration and Environmental Services)

- c) Notes the contents of the report and indicates whether any comments about the overall performance of the Regeneration Revenue budget and schemes within the Capital Programme should be referred to Cabinet.

Regeneration Portfolio to Revenue Budget Risk Areas to 31 December 2009

ANNEXA

Ref	Service	Budget	Full Year Budget £000	Budget to Date £000	Actual to Date £000	Variance to Date £000	Forecast Outturn £000	Forecast Outturn Variance £000	Forecast Outturn Variance December £000
K 1	Regeneration	Employees	703.2	527.4	447.1	-80.3	675.9	-27.3	-27.3
	<b>Items agreed at Cabinet 25/11/09</b>	Area Management – 2009/10 Resources	375.1	0	0	0	75.0	-300.0	-300.0
		Crosby Street Scene Pilot	-0	0	0	0	0	-18.0	-18.0
		Decentralised Services 2008/09	-0	0	0	0	0	-184.0	-184.0
		Atlantic Gateway Reserve	-0	0	0	0	0	-141.0	-141.0
		Barriers to Health	460.0	0	0	0	0	-460.0	-460.0
							<b>750.9</b>	<b>-1,130.3</b>	<b>-1,130.3</b>

Proportion of budget reported upon - REGENERATION	Expenditure £'000	Income £'000
Total key areas of budget	703.2	0
Total budget	29,290.9	-17,210.8
Percentage of total budget reported	2.40%	0.00%

**Comments on forecast of total budget (including remedial action)**  
 At this stage in the year it is not expected that there will be any change in the outturn costs.

**METROPOLITAN BOROUGH OF SEFTON****CAPITAL PROGRAMME 2009/10 - 2011/12****REGENERATION**

1	2	3	4	5	6	7
REF. NO.	PROJECT DESCRIPTION	EXPEND TO 31.03.2009	EXPEND TO 31.12.09	IN 2009/10 FORECAST BALANCE	FUTURE EXPEND	TOTAL COST
		£'000	£'000	£'000	£'000	£'000
	<b><u>General</u></b>					
1	Development Fund	15.79	54.29	19.92	0.00	90.00
2	Leeds/Liverpool Canal	916.18	16.63	0.00	87.50	1020.31
3	Lord Street Phase 2	4080.69	91.27	72.04	0.00	4244.00
4	Netherton Park Neighbourhood Centre	2062.69	7.70	-6.47	0.00	2063.92
5	South Sefton Investment Centre	6833.62	0.00	101.03	0.00	6934.65
6	Water Centre Crosby	8637.18	319.33	14.49	0.00	8971.00
7	Crosby Marine Lake - Water Quality Imprvmt.	0.00	107.40	592.60	0.00	700.00
8	Water Centre Crosby - Fit-out costs	311.02	738.85	129.13	0.00	1179.00
9	Southport Commerce Pk. - 3rd phase Devel.	0.00	0.00	0.00	884.00	884.00
10	Southport Commerce Pk. - Primary Sub Station	30.76	34.60	36.10	0.00	101.46
11	Stepclever Property Project	0.00	80.06	180.00	1848.32	2108.38
12	Sefton Narrow Boat	0.00	50.00	0.00	0.00	50.00
13	Old Schemes	0.00	0.32	0.50	0.00	0.82
	<b>TOTAL GENERAL REGENERATION SCHEMES</b>	<b>22887.93</b>	<b>1500.45</b>	<b>1139.34</b>	<b>2819.82</b>	<b>28347.54</b>



## REGENERATION

1	2	3	4	5	6	7
REF. NO.	PROJECT DESCRIPTION	EXPEND TO 31.03.2009	EXPEND TO 31.12.09	IN 2009/10 FORECAST BALANCE	FUTURE EXPEND	TOTAL COST
		£'000	£'000	£'000	£'000	£'000
	<b><u>Housing Regeneration Schemes</u></b>					
	<u>Home Improvement Grants</u>					
14	Previous Years' Approvals	4793.33	5.04	11.58	0.00	4809.95
15	2007/08 Approvals	706.18	27.60	1.76	0.00	735.54
16	2008/09 Approvals	357.54	223.37	3.05	0.00	583.96
17	2009/10 Approvals	0.00	255.12	35.88	200.00	491.00
18	Grant Administration Fees	206.49	0.00	91.11	0.00	297.60
	<b>Total Home Improvement Grants</b>	<b>6063.54</b>	<b>511.13</b>	<b>143.38</b>	<b>200.00</b>	<b>6918.05</b>
	<u>General</u>					
19	Energy Efficiency Grants	309.67	0.00	65.86	12.00	387.53
20	Landlord Accreditation / HMO's	29.78	0.00	0.00	5.22	35.00
21	Green Business Project	242.69	11.66	48.54	0.00	302.89
22	Empty Homes Strategy	282.22	5.05	2.73	0.00	290.00
23	Strategic Housing Market Assessment	47.65	3.50	0.00	0.00	51.15
24	Housing Act - Works in Default	6.40	8.17	20.43	0.00	35.00
25	Older Persons Hsg Strat.- extra care provn.	0.00	0.00	300.00	2700.00	3000.00
26	Contribution to HMRI 08/09 - 10/11	2500.00	419.33	2204.67	2654.00	7778.00
27	Affordable Housing Study	0.00	0.22	24.78	0.00	25.00
28	Gypsy and Traveller Accom. Provision - Site Appraisal & Consultation	0.00	0.00	0.00	12.00	12.00
29	Old Schemes	0.84	0.00	9.40	0.00	10.24
	<b>Total General</b>	<b>3419.25</b>	<b>447.93</b>	<b>2676.41</b>	<b>5383.22</b>	<b>11926.81</b>
	<b>TOTAL HOUSING REGENERATION SCHEMES</b>	<b>9482.79</b>	<b>959.06</b>	<b>2819.79</b>	<b>5583.22</b>	<b>18844.86</b>
	<b>GRAND TOTAL REGENERATION SCHEMES</b>	<b>32370.72</b>	<b>2459.51</b>	<b>3959.13</b>	<b>8403.04</b>	<b>47192.40</b>