

Agenda item:

Title of meeting: Cabinet Member for Planning, Regeneration and Economic Development

Date of meeting: 27 January 2015

Subject: Monitoring of 2014/15 Cash Limits and Capital Programme for the Period to 30 September 2014

Report by: Strategic Director and Head of Finance & S151 Officer

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 The purpose of this report is to inform the Cabinet Member of:
- i) The forecast revenue expenditure for the year compared with the cash limited budget.
 - ii) The forecast capital expenditure against the capital programme for the Planning, Regeneration and Economic Development (Excluding the Port) Portfolio.

2. Recommendations

- 2.1 It is recommended that the Cabinet Member for Planning, Regeneration and Economic Development:
- i) Notes the forecast revenue expenditure for the year compared with the cash limited budget.
 - ii) Notes the forecast capital expenditure against the capital programme for Planning, Regeneration and Economic Development (Excluding the Port).

3. Information requested

3.1 Cash Limit 2014/15

	£'000	
Controllable Cash Limit 2014/15 - Income Target	(627)	
Outturn 2014/15		% of Budget
Controllable Cash Limit 2014/15 - Income Target	(627)	100
Forecast net income to 31 March 2015	(848)	135
Forecast over achievement of income	(221)	35

An analysis of the Portfolio's expenditure to the 30th September 2014 is attached at Appendix A. This indicates that the income received by the Portfolio will exceed expenditure by £221,000 as a result of higher than anticipated income received by the Planning Development and Control Service and underspending in the Building Control Service.

3.2 Details of these variances are below;

3.2.1 Planning Development and Control - (£206,000) (increased income received)

The additional income forecast is as a result of;

3.2.1.1 S106 Monitoring Fee

Income of £82,680 is currently included in the revenue income, this will be transferred to the balance sheet instead of the Portfolio reserve as it represents income received to monitor specific schemes. In this case the funding relates to the proposed Blade building, Tipner and the St Mary's Hospital developments.

3.2.1.2 CIL Admin Element

When a development physically begins, an invoice is raised for the CIL contribution. Payments are usually received in instalments and need to be applied to the revenue account in the year in which they are received rather than the year in which the invoice is raised.

It was initially anticipated that this income would be held on the Portfolio reserve, however, an earmarked reserve will now be set up so that the income can be separately identified and applied. The balance of this was £99,000 in September 2014.

3.2.1.3 **Planning Fee Income**

As at Q2, the planning fee income was forecast to be £66,000 less than budgeted. The shortfall is being offset by underspending of £93,000 on the agency staff budget.

3.2.2 **Building Control - £15,000 (Underspend)**

Savings have been realised as a result of staff vacancies. This is, however, being offset by the reduced level of income being generated by the service.

4. An analysis of the Portfolio's capital expenditure to 30th September 2014 is attached at Appendix B. There are no overspends forecast in the capital programme.

CAPITAL

The revised 2014/15 capital estimates for this Portfolio are summarised at Appendix B. A brief description and status of each scheme is included below.

1. **City Centre Regeneration - Environmental Enhancements**
(Total Scheme Budget £703,781 - Spend to Date £673,588)
2. **City Centre Regeneration - Branding and Marketing**
(Total Scheme Budget £20,000 - Spend to Date £5,772)
3. **City Centre Interim Works**
(Total Scheme Budget £250,000 - Spend to Date £129,379)
4. **Southsea Shopping Centre**
(Total Scheme Budget £655,401 - Spend to Date £607,147)

There has been no activity on any of the above schemes this year to date and as a result they are currently under review to determine whether they will continue to form part of the Capital programme.

**5. North End Shopping Centre Regeneration
(Total Scheme Budget - £400,000 - on target)**

Overview of scheme

Regeneration of shopping area.

Progress

All capital and remedial works to the road and pavement surfacing have been done and the final invoice is due.

Completion date

Due to complete 2014/15

6. Palmerston Road (Total Scheme Budget £500,000 - on target)

Overview of scheme

Palmerston Road improvements.

Progress

The commuted sum for future maintenance is still to be agreed. This will inform the final cost of the scheme.

Completion date

Agreement on commuted sum should be reached in 2014/15.

**7. Investment Portfolio - Enabling and Infrastructure Works
(Total Scheme Budget £100,000 – Inactive)**

Overview of scheme

Deposit for right to purchase of land.

Progress

Scheme is inactive.

Completion date

Scheme will only proceed if a decision is taken to go ahead and buy the land in order to extend the road.

This scheme is currently under review to determine whether it will continue to form part of the Capital programme.

**8. Relocation of TIC to D Day Museum
(Total Scheme Budget £98,000 - Spend to Date £61,321)**

Overview of scheme

Relocation of TIC to D Day Museum.

Progress

Final path works to the front of the building were delayed as a result of the 2014 commemorations, these are now being progressed.

Completion date

Works will be completed in 2014/15.

**9. City Centre Road Road Upgrade
(Total Scheme Budget £16,000,000 - on target)**

Overview of scheme

Development of Northern Quarter road upgrade.

Progress

This scheme is closely linked to Northern Quarter Plan and will form part of the discussions currently taking place with regard to the revised future development of this area.

Completion date

Unknown at present.

**10. Enterprise Centre Dilapidations
(Total Scheme Budget £40,000- Spend to Date £nil)**

Overview of scheme

Capital works to improve dilapidations on the Enterprise Centres.

Progress

The scheme has not yet commenced.

Completion Date

Unknown at present.

**11. Horsea Island Bridge
(Total Scheme Budget £34,999,500 - on target)**

Overview of scheme

Building of bridge for Horsea Island Bridge Link

Progress

Scheme is at a preliminary stage. This scheme is proposed to be amalgamated with the City Deal project, as part of the Capital Programme refresh, currently underway.

Completion Date

Unknown at present.

**12. Cosham High Street
(Total Scheme Budget £200,000-on target)**

Overview of scheme

Cosham High Street improvements.

Progress

Scheme is practically complete, the commuted sum figure is still to be agreed.

Completion date

March 2015

**13. Dunsbury Hill Farm Access Road
(Total Scheme Budget £9,690,000 - on target)**

Overview of scheme

Scheme is to build an Access Road to facilitate the development of future Dunsbury Hill Farm development.

Progress

Project is at the preliminary stage.

Completion date

Due to complete 2015/16.

14. City Deal
(Total Scheme Budget £124,217,000)

Overview of scheme

Development of City sites funded by City Deal.

Progress

Project is currently at the preliminary stage. It is proposed to amalgamate the Horsea Island Bridge scheme into this scheme as part of the current Capital Programme refresh.

Completion date

Unknown at present.

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Signed by (Head of Service):

Appendices:

Appendix A - Revenue Budget
Appendix B - Capital Expenditure

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Portfolio Net Requirement	

The recommendation set out above were approved/approved as amended/deferred/rejected by the Cabinet member for PRED on the 7 October 2014.