

Agenda item:

Title of meeting: Culture, Leisure and Sport Meeting

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

Date of meeting: 6 February 2015

Report by: Strategic Director and S151 Officer

Wards affected: All

Key decision: No

Full Council decision: No

1. Requested by

Executive Member for Culture, Leisure and Sport Portfolio

2. Purpose of report

The purpose of this report is to inform the Cabinet Member and Group Spokespersons of;

- 2.1 The forecast revenue expenditure for the year compared with the cash limited budget
- 2.2 The forecast capital expenditure against the capital programme for the Culture Leisure and Sport Portfolio.

3. Recommendation

That the overspend is noted and that officers continue to explore options to remove the overspend by the Quarter 3 reporting date. (Please note that as at Q3 it is being recommended that the future budget for maintenance of the Pyramids is brought forward to this financial year to meet the costs of the brought forward repairs and maintenance carried out. This budget has been spent as it was intended albeit earlier than envisaged to take advantage of the closure of the facility. This would in effect eliminate the in-year overspend)

4. Information requested

Cash Limit 2014/15

	£'000	
Revised Cash Limit at 30 September 2014	12,215	
Less		
Capital Charges	3,418	
Insurance Costs	183	
Direct Employee Expenditure (FRS17)	155	
Employee Benefit Accrual	115	
Controllable Cash Limit 2014/15	8,344	
Outturn 2014/15		%of Budget
Controllable Cash Limit 2014/15	8,344	100.0
Forecast net expenditure to 31 March 2015	8,572	102.7
Forecast (Under)/Overspending	228	2.7

An analysis of the Portfolio's actual variations from budget is attached at Appendix A.

An analysis of the Portfolio's capital expenditure to 30 September 2014 is attached at Appendix B.

5. Manager's Comments

(Please read in conjunction with the attached Appendix A)

The revenue outturn for the Portfolio compared to the controllable cash limit indicates a projected overspend of £227,800.

The primary reasons for this are:

- A large overspend on the Pyramids budget of £481,000 relating to maintenance work being carried out ahead of schedule.
- The generation of additional internal income of £190,000, through the recharge of staff time to capital schemes and other PCC services.

A detailed analysis of all the budget variances in the Portfolio is detailed below.

1. Parks, Gardens and Open Spaces - Underspend (£59,400)

There has been a reduction in expenditure for the general maintenance and upkeep of parks of £110,000. This has, however, been offset by repairs required at Portsmouth Rugby Club costing £24,600 and the expected demolition of an unsafe building on Burrfields Road which is expected to cost £26,000.

2. Seafront Management - Underspend (£20,000)

It was originally expected that the Seafront Service would contribute £50,000 towards the D Day 70 commemorations. Higher than expected levels of sponsorship and other external income has, however, resulted in a contribution of only £20,000 being required.

3. Golf Courses - Overspend £8,500

Golf income is forecast to be slightly down due to reduced demand.

4. Pyramids – Overspend £481,000

Essential repair works were carried out at The Pyramids following extensive storm damage. In addition, works planned for future years have been brought forward to take advantage of the lower cost of combining them with the repairs while the facility was closed.

7. Sports Development - Overspend £15,700

Various options for the future of the Interaction Service are presently being explored and savings previously approved have not been achieved. The overspend of £18,000 is being partially offset by a small underspend on the leisure card budget of £2,300.

8. Departmental Establishment - Underspend (£190,000)

Employee costs have been charged to the City Development budget in PRED to reflect both the 50% Head of Service responsibility for this service and business development work carried out by the Culture team covering staff vacancies. In addition to this one member of staff is now being funded through the City Deal project which has contributed £80,000 to the overall underspend.

12. Community Centres - Underspend (£33,000)

It is expected that additional income will be generated at the Hillside and Wymering centre from IT services provided by staff. In addition to this, there will be a 6 month saving in rent of £13,000 at Southsea Community Centre following the closure of the centre.

13. Events - Overspend £25,000

There is pressure to deliver the programmed events within the budget available. Provision has been made to fund this shortfall from underspending in other service areas.

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. Mountbatten Centre Redevelopment (Total Scheme Budget £20,140,900 - practically complete)

Overview of scheme

The provision of a 50-metre swimming pool and refurbishment of the existing centre, the athletics and the cycle tracks.

Progress

Scheme is complete; facility is fully open for public use. There are retention payments yet to be paid. The scheme will be completed within budget.

Completion date

The final retention payment will be made upon the resolution of the sports hall defect. The liability for this is now being decided through a legal process.

2. Southsea Seafront Improvements (Total Scheme Budget £147,087)

Overview of scheme

Various work to the seafront.

Progress

Work is continuing on the railings at Southsea Castle and the catenary lighting along the seafront.

Completion date

It is anticipated that this will be completed in 2014/15.

3. Re-provision of Hillside Centre (Total Scheme Budget £1,495,000 – practically complete)

Overview of scheme

Re-provision of Wymering Community Centre following destruction of original building by fire, primarily funded by insurance receipts.

Progress

The centre opened in late October 2013.

Completion date

The scheme is practically complete. The final account from the contractors is expected shortly and final completion should be achieved in 2014/15.

4. Indoor Tennis Centre (Total Scheme Budget £1,167,387 – on target)

Overview of scheme

Re-provision of tennis centre at the Mountbatten Centre.

Progress

The Tennis Centre opened in January 2014.

Completion date

Financial completion will take place in 2014/15 upon payment of the retention.

5. Green Flag Bids (Total Scheme Budget £10,000)

Overview of scheme

A Section 106 funded (developer contribution) project. The project is to make improvements to Parks to achieve the Green Flag quality standard.

Progress

Green Flag application to be prepared and improvement works to be identified to support the application.

Completion date

Works will take place towards the end of 2014/15.

6. Hilsea Splash Pool
(Total Scheme Budget £400,000-on target)

Overview of scheme

Re-provision of splashpool at Hilsea.

Progress

Project completed and opened on the 1 June 2012.

Completion date

Scheme is practically complete, financial close will be in 2014/15

7. Hot Walls Lighting
(Total Scheme Budget £100,000-on target)

Overview of scheme

The replacement of the non-operational spot lighting at the Hot Walls. The lighting on the seaward side has already been replaced as phase 1 of this scheme, phase 2 is to carry out work to the lights on the land side.

Progress

Phase 1 is complete the remaining lighting will be replaced as part of the Arches project.

Completion Date

The remaining works will be completed in 2015/16.

8. Zetland Field-Floodlighting
(Total Scheme Budget £14,000-on target)

Overview of scheme

Section 106 funded project. Provision of user operated floodlights to existing ball court.

Progress

Works to install floodlights was completed in 2013/14.

Completion date

This scheme is now complete.

9. Seafront HLF Bid
(Total Scheme Budget £1,000,000)

Overview of scheme – see project 11 Canoe Lake HLF Bid

Progress – as Canoe Lake HLF

11. Canoe Lake HLF Bid
(Total Scheme Budget £400,000)

Overview of scheme

This project runs concurrently with project 9 Seafront HLF Bid. The bid is for a 9 to 1 ratio of matched funding to improve existing heritage features and infrastructure. PCC funding of £140k, the total project cost including the grant funding would be £1.8M.

Progress

The application was not successful.

10. Libraries RFID Scheme
(Total Scheme Budget £401,500 - underspend of £35,000 on completion compared to original budget)

Overview of scheme

Provision and installation of RFID (self- scanning) machines in all libraries.

Progress

There are 4 more machines required to complete this project. These are expected shortly.

Completion date

The scheme will complete in 2014/15.

12. Southsea Seafront Beach Huts
(Total Scheme Budget £300,000)

Overview of scheme

Scheme is being reviewed following public consultation.

Progress

The planning application has been withdrawn. Further work is required is required on the number, type and location of proposed huts.

Completion date

Unknown at this time, planning permission is yet to be submitted.

13. ARTches Coastal Communities Grant Bid
(Total Scheme Budget £1,761,095)

Overview of scheme

The Stage 2 bid submitted to Coastal Communities for funding to support the development of the historic arches in Old Portsmouth was successful. The project aims to create a sustainable artist space by bringing the historic arches back into use.

Progress

Planning permission was granted for the project on the 4th December 2013. The documentation for the appointment of the consultants and contractors is currently being prepared.

Completion date

2016/17

14. Milton Tennis Court Re-surfacing
(Total Scheme Budget £75,000 - underspend of £12,100 on completion compared to original budget)

Overview of scheme

The re-surfacing of tennis courts at Milton Park.

Progress

Works are complete. A grant was claimed from the Lawn Tennis Association to cover the final costs.

Completion date

Completed in 2013/14. A small final payment was made in 2014/15.

**15. Drayton Park Tennis Court Re-surfacing
(Total Scheme Budget £135,000)**

Overview of scheme

The scheme has been amended by Members to provide a Multi-Use Games Area (MUGA) instead of refurbishment of the existing tennis courts.

Progress

Project is being developed. Most of the works will take place in the final quarter of 2014/15 and will complete in the first quarter of 2015/16.

Completion date

2015/16

**16. Lighting for the Square Tower and the Round Tower
(Total Scheme Budget £50,000)**

Overview of scheme

Provide new lighting to the Square and Round Towers

Progress

Quotes have now been obtained for this work.

Completion date

2014/15

**17. Rock Gardens – replacement of CCTV
(Total Scheme Budget £20,000)**

Overview of scheme

Replace CCTV in the Rock Gardens

Progress

Electricity supply requires investigation prior to commencement of works.

Completion date

2014/15

18. Mobile Library
(Total Scheme Budget £100,000)

Overview of scheme

Provision of a mobile library service to replace the previous Hampshire CC mobile library service in the north of the city.

Progress

The vehicle has been delivered and has been fully operational since the beginning of August 2014. It is proving to be popular and very positive feedback is being received from customers.

Completion date

Financial completion will take place in 2014/15.

19. D Day 75 (previously Southsea Seafront Investment)
(Total Scheme Budget £4,619,500)

Overview of scheme

An application for Heritage Lottery Funding of £4,069,400 has been successful to support the transformation of the D-Day Museum. PCC will contribute £350,000 and contributions from external partners will realise a further £300,100 for the project. The refurbished museum will be the centre piece of the D Day 75 commemorations in 2019.

Progress

The project is currently in the early development stage. A project manager/QS has now been appointed to lead the work.

Completion date

2017/18

20. Relocation of Archive Store to Southsea Library
(Total Scheme Budget £600,000)

Overview of scheme

Relocation of Archive Store to Southsea Library

Progress

The project reached practical completion in December 2014.

Completion date

2014/15

21. Kings Theatre – Capital Grant (Total Scheme Budget £200,000)

Overview of scheme

Funding to support the Kings Theatre for Phase1 implementation of the 'Big Project'.

Progress

This work is made of 3 elements;

Element 1 - work to transform 28 Albert Road into an activity and volunteer centre, including space for training, workshops, galleries end exhibitions.

Element 2 - purchase of 26 Albert Road at a time to be agreed with the current owner of the property.

Element 3 - preparation of a detailed business plan.

Completion date

Element 1 is complete and work is commencing on element 3. There is uncertainty over the scheme completion date. This will be dependant upon the timing of the owner's decision to sell 26 Albert Road.

.....
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 Culture, Leisure & Sport on the 6 February 2015