

## Budget Monitoring Report – December 2010 (Quarter 3)

### 1. Revenue Performance Against Budget

The original budget for 2010/11 was £15.649m less a £0.399m transfer from general reserves, which gave a net budget requirement of £15.250m. This report compares the original budget with the latest projected outturn position for the full year of £15.157m, a forecast reduction of £492,000. The reasons for this variation are shown below:

Note Reference	Details	(Under)/over spend £000's
2.1	<b>Expenditure</b>	
	Employee Costs saving	(1,000)
	<i>Less: taken as efficiency savings (see Appendix 1)</i>	1,000
	Severance / Redundancy Payments (one-off)	277
	Transport	(33)
	Leisure Partnership contract payments	(44)
	Concessionary travel	(530)
2.2	<b>Income</b>	
	Building Control Income shortfall	95
	Land Charges Income shortfall	30
	Investment Interest	43
	Housing / Council Tax Benefit (net) Over-recovery	(253)
	<b>Other</b>	
	Forecast Progress against Efficiency Targets <i>(see Appendix 1)</i>	(197)
	Other net movements	161
	<b>Projected outturn variation (underspending)</b>	<b>(492)</b>
	Original Budgeted transfer from General Reserve	<b>399</b>
	Plus additional forecast transfer to General Reserve	<b>93</b>
	<b>Forecast Movement in balances (increase)</b>	<b>492</b>

## 2. **Budget Variations**

There are a number of factors that have impacted on the budget performance and resulted in the current forecast revenue budget variation position.

### **2.1 Expenditure**

#### **Employee Costs**

There is currently a total net underspending in overall employee related costs to date of £723,000, being an underspend of £1,000,000 off set by one-off redundancy/severance costs amounting to £277,000:

. This is made up of the following:

- An underspend of £1,000,000 which is mainly attributable to the restructuring of teams within the Council and posts in the establishment which have remained vacant. This figure includes variations to budget for casual staff, overtime and agency staff being used as an interim measure to cover some of the vacancies. These vacancy savings have largely been achieved in areas where CSmart reviews are in progress, such as the Revenues & Benefits Shared Services feasibility project with Chorley Council and the Senior Management restructure. These savings are shown in the table on Appendix 2 against the relevant service area. General turnover savings have been allocated against the £110,000 staff turnover provision.
- The senior management restructure has resulted in unbudgeted one-off redundancy / severance payments amounting to £277,000. It has already been agreed this will be funded from a transfer from general reserve with this being paid back through recurring savings in the current and future years. The restructure will ultimately generate full year recurring savings of £318,000 which is in excess of the £250,000 target.

#### **Transport Related**

The total transport-related costs for 2010/11 have reduced by £33,000 in the projected outturn following the transport review. Savings are anticipated in future years as a consequence of the review and the re-phasing of vehicle and plant replacements. Targets for reducing transport costs have therefore been incorporated into the Council's list of proposed budget savings (Cabinet workshop report 18/01/11 – Appendix E)

#### **Leisure Partnership**

The Leisure Services Management Fee and Repair and Maintenance contract payments are adjusted annually based on the inflation provisions within the two contracts. For 2010/11 this has resulted in a reduction of £44,000 in the total amount payable for the year compared with the original forecast.

## **Concessionary Travel**

This is a significant area of expenditure which has been closely monitored through the year. There are ongoing negotiations with one of the bus operators which continues to make forecasting problematic. A redistribution of special grant within Lancashire was agreed to compensate South Ribble and Pendle Councils who were due to lose grant in 2010/11. This benefits the budget forecast for the year by £73, 000. A further £257,000 was received in the first half year which is a refund of overpaid pool contributions paid in 2009/10. In addition, the projected outturn reflects the reduction in the forecast pool contributions in 2010/11. Therefore the total reduction in the Concessionary Travel budget in the year is £530,000, which covers years 2009/10 and 2010/11.

## **2.2 Income**

As reported previously, the current economic climate presents some “trading” challenges for our Building Control team. This downturn in income which is reflected in the projected outturn budget, is currently affecting the majority of local authorities, the exception being major cities where large building developments are taking place. Recent research is indicating that local authorities aren’t losing market share to their competitors and that approved inspectors are also losing out.

Although planning fee income fell off during the second quarter of the year, a single major application generated a fee of £90,000 in October. The projected outturn budget has been revised up to £320,000 which takes this into account.

Recycling income is no longer received by the Council due to the transfer of the processing of domestic waste to the Farington waste plant. This has no impact on the Council’s net budget as the reduction in income is offset by compensation from LCC and has been amalgamated into the cost of the new waste service.

The reduction in land charges income against the original forecast is due to the abolition of the personal search fee from 2<sup>nd</sup> August 2010 by DEFRA.

There is a forecast shortfall in investment income of £43,000 against the original budget. This variance is partly due to lower cash balances than anticipated plus interest rates haven’t risen as quickly as forecast in the original budget which assumes a yield of 1%.

The Housing / Council Tax Benefit position continues to experience growth in caseload above those anticipated and this has resulted in both greater costs and offsetting subsidy income received. Higher recovery of overpayments compared to budget has contributed to a higher forecast net surplus of income to expenditure of £253,000 for the year.

## Summary of Key Income generating Budgets

These income targets are affected by changes in the economic climate and any material variations against budget could significantly impact on our overall revenue budget position. These income budgets are being closely monitored and the table below shows the Projected Outturn for the year.

Income Budgets	Original Budget 2010/11 £	Projected Outturn 2010/11 £	Budget Variance 2010/11 £
Investment Property Income	931,300	910,351	20,949
Bulk Containers	350,000	350,000	0
Planning Fee Income	300,000	320,000	(20,000)
Building Control Income	288,500	193,000	95,500
Land Charges	110,000	80,000	30,000
Car Parking Income	100,400	95,100	5,300
Recycling income *	195,000	78,600	116,400

\* reduction offset by compensation from LCC

## 2.3 Overall Commentary

Although the financial performance of the Council when compared to the original budget is currently showing a projected underspend it should be noted that there are a number of assumptions made to project performance to the end of the year and therefore this current position should be treated with some caution. Without the one-off budget saving for Concessionary Travel, the forecast variance for the year would be an overspend of £38,000.

## 2. Efficiency Savings/additional income against targets

The original Budget for 2010/11 included an efficiency target totalling £0.920m of which £0.760m is allocated to specific services, £0.050m relates to income from external partnerships and the remaining £0.110m is a general efficiency for staff turnover during the year. These targets and projected outturn savings are set out in Appendix 2. General turnover savings and staffing restructures in non-targeted services have been allocated against the £110,000 staff turnover provision. The current outturn forecast is total Efficiency Savings/additional income savings of £1.117m, an improvement of £0.197m against the original target.

### 3. Implications of Coalition budget

The £6bn savings package announced in the Chancellor's Emergency Budget in May included £1.166bn total reductions in Local Government grants (revenue and capital). The Comprehensive Spending Review (CSR) announcement in October set out significant funding reductions over the next few years. The potential financial implications of these grant reductions and other measures announced by the Government to-date are set out below and have been reflected in the projected outturn estimates where applicable, however the majority of the changes will only take effect from 2011/12.

Government Measure	Budget Implications	Impact/Risk
<i>i. Abolition of Comprehensive Area Assessments</i>	Positive	Will generate budget saving c. £3,000 p.a. in relation to External Audit inspections.
<i>ii. Reduction of ring-fencing of central government grants</i>	Positive	Allows greater flexibility in application of funding. Actual impact has yet to be identified.
<i>iii. Freezing Council Tax</i>	Negative	Potential cumulative budget shortfall from 2011/12 (£188,000 in 2011/12). The Govt has indicated that it will provide compensatory funding to local authorities.
<i>i. Two year pay freeze from 2011/12 (£250 increase for those earning up to £21,000)</i>	Positive	Potential budget saving. Original Budget forecasts included provision for 1% increase in 11/12 and 12/13.
<i>ii. 2.5% increase to 20% standard VAT rate from 4 Jan 2011</i>	Budget Neutral	Fees and charges (particularly VAT inclusive charges) reviewed to minimise any loss of revenue.
<i>iii. 1% increase to 6% Insurance Premium Tax rate from 4 Jan 2011</i>	Negative	Additional annual cost c£2,000 (impacts from 2012 renewals)
<i>iv. Grant reductions:</i>		
<i>a. Revenue Grant funding</i>	Negative	Reduction in formula grant of 16.8% in 2011/12 and 13.1% in 2012/13.
<i>b. Free swimming grant (cut from July 2010)</i>	Budget Neutral	Programme has been terminated by the Leisure Trust from July 2010. No budget implications.
<i>c. LAA Reward Grant (Performance Reward Grant) programme reduced.</i>	Budget Neutral	2 <sup>nd</sup> tranche of funding for South Ribble Partnership (£478,000) withdrawn. Funding not budgeted but will impact on future Partnership projects.
<i>d. Housing and Planning Delivery Grant (HPDG) abolished in 2010/11.</i>	Budget Neutral	Spending plans based on funding received to 31 March 2010. No new grant funding assumed in budget forecasts.
<i>e. Area Based Grant (ABG) - general</i>	Budget Neutral	No funding assumed in budget forecasts.

<b>Government Measure</b>	<b>Budget Implications</b>	<b>Impact/Risk</b>
<i>f. Area Based Grant from Home Office re Community Safety Partnership</i>	Awaiting notification	LCC have 9.5% savings target. No indication yet on how this will impact on South Ribble.
<i>g. Housing Capital (Regional Housing Pot and Disabled Facilities Grant)</i>	<b>Negative</b>	Ring fencing removed. £1,045,000 received in total in 2010/11. No RHP grant from 2011/12. Awaiting information in relation to future years' allocations of DFG subsidy.
<i>h. Local Authority Business Growth Incentives Scheme (LABGI)</i>	<b>Budget Neutral</b>	No funding assumed in budget forecasts
<i>i. Concessionary Travel Grant</i>	<b>Budget Neutral</b>	Responsibility for administration of scheme to move to upper-tier councils from April 2011. Reduction in budgeted costs but this is offset by reduced Formula Grant.
<i>j. Other grant funding potentially at risk</i>	<b>Budget Neutral</b> and <b>Negative</b>	Current Playbuilder funding secured (capital). Cut in Benefits admin grant funding £10k in future years. Homelessness grant continues in 2011/12 & 2012/13. Other funding at risk includes Sports Development.

#### **4. Capital Programme**

Details of the Council's capital spending against budget for the current year and the proposed financing is set out in Appendix 3.

## Appendix 2

### EFFICIENCY AND ADDITIONAL INCOME TARGETS – FORECAST OUTTURN

	TARGET 2010/11	OUTTURN FORECAST PAY	OUTTURN FORECAST NON-PAY	TOTAL 2010/11 FORECAST	RECURRING SAVING 2011/12	NOTES
	£'000	£'000	£'000	£'000	£'000	
<b>C-SMART Reviews:</b>	<b>510</b>					
Canine Welfare	30	30	0	30	40	Savings due to reduced officer hours. Recurring saving includes £15k increased income through issue of Fixed Penalty Notices brought in from Sept. 2010.
Pest Control	23	0	0	0	0	Environmental Health savings total £106,000.
Housing	110	101	0	101	0	Full year forecast based on vacancies in year. Restructure proposed but not yet approved.
Planning Customer Support	130	15	0	15	0	Technical support team restructured and staff redeployed. 2 staff redeployed from Policy into vacant posts in Planning .
Commercial Services	100	37	0	37	79	Restructure complete.
Democratic Services	40	69	27	96	45	Legal restructure, WP Operator to ICT, (both recurring) Scrutiny manager post vacant (one-off) .
Revenues & Benefits	100	59	0	59	**	Savings in 2010/11 are as a result of vacancies & reduced hours. **Shared Services feasibility project with Chorley Council commenced May 2010. Recurring savings of £170k are forecast based on implementation of Phase 1 of proposed changes, increasing to £270k following implementation of Phase 2. (see budget savings proposals – Appendix E)
Procure to Pay	47	0	0	24	47	The project is in its early stages and the forecast presents a prudent outturn position based on only part year savings being achieved in 2010/11.
Gateway	(70)	(10)	0	(10)	(10)	Increased costs as a result of staff re-deployed from Customer Support lower than forecast .

	TARGET 2010/11	OUTTURN FORECAST PAY	OUTTURN FORECAST NON-PAY	TOTAL 2010/11 FORECAST	RECURRING SAVING 2011/12	NOTES
	£'000	£'000	£'000	£'000	£'000	
<b>Income from External Partnerships</b>	50	0	45	45	45	Funding secured from South Ribble Partnership for Partnership manager post (3 year allocation 2010/11 to 2012/13)
<b>Senior Management Costs/Collaborative working</b>	250	231	0	231	318	Savings derived from the recent senior management restructuring. Includes 40% contribution from Chorley Council re Director of Business Improvement post.
<b>Staff Turnover – provision</b>	110	468	0	468	0	General vacancy savings & other restructures during year Asset Man £92k, Neighbourhoods £109k, Env. Health £106k, IT £61k, Shared Assurance £13k, Building Control £59k, Other £28k
<b>Sub-total</b>	<b>920</b>	<b>1,000</b>	<b>72</b>	<b>1,072</b>	<b>564</b>	
<b>Other recurring savings identified</b>						
IT Supplies & Services	0	0	45	45	45	Includes savings in network support costs and maintenance of servers following virtualization
<b>Total</b>	<b>920</b>	<b>1,000</b>	<b>117</b>	<b>1,117</b>	<b>609</b>	
<b>Forecast improvement in efficiency savings against target</b>				<b>197</b>		



Capital Budget Monitoring Report – December 2010

5. Capital Programme

- 1. The table below summarises the Council’s capital spending against budget for the current year. This is made up of the following:
  - a. The original capital programme for 2010/11 of £5,757m as approved by Council in February 2010. This has since been increased by £0.985m to £6,742m to include newly approved schemes and the re-phasing of budgets from 2009/10.
  - b. The projected outturn is the most up to date estimate of spend for the year based upon detailed discussions with the officers responsible for delivering the projects. Currently this does not have Council approval but it will be brought forward at the appropriate stage of the budget cycle to obtain this. The projected outturn of £5,084m represents a reduction of £1,658m on the original budget which is made up as follows:

	£m
Re-phasing to 2011/12	754
Other variations	904
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	1,658
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- c. Actual expenditure to the end of December is £2,313m meaning that £2,771 remains to be spent in the final 3 months of the year to achieve the projected outturn of £5,084m. Given this profile of spending it is likely that some of this will be re-phased into the 2011/12 financial year. Spending against budget will continue to be monitored closely and any further variations reported at the earliest opportunity.
- d. Attached to this report is a brief scheme by scheme commentary that has been agreed with the relevant service officer with budget and operational responsibility.
- e. Also attached to this report is a schedule setting out the proposed financing of the capital programme for 2010/11.

## CAPITAL PROGRAMME SUMMARY

Portfolio	Budget (incl. re-phasing) 2010/11 £000	Projected Outturn 2010/11 £000	Actual to December 2010/11 £000	Variance 2010/11 £000
Corporate & Support Services	1,084	427	193	234
Finance & Resources	1,038	961	114	847
Regeneration and Planning	1,607	1,634	678	956
Neighbourhoods and Street Scene	3,013	2,062	1,328	734
<b>GRAND TOTAL</b>	<b>6,742</b>	<b>5,084</b>	<b>2,313</b>	<b>2,771</b>

### CAPITAL PROGRAMME 2010/11 DETAILS

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11	2010/11	2010/11	2010/11	2010/11	
		£	£	£	£	£	
<b>Corporate &amp; Support</b>							
	<b>BANK WIZARD SYSTEM (REVENUES)</b>	10,000	0	(10,000)	0	0	Re-phased into 2011/12.
	<b>COMMITTEE MANAGEMENT SYSTEM</b>	25,000	0	(25,000)	0	0	System replacement date reviewed and budget will now only be required in 2011/12
	<b>CUSTOMER CONTACT CENTRE CRM</b>	250,000	75,000	0	(175,000)	23,618	Implementation has been completed and savings of £175,000 achieved. Further development required for Self Serve, additional service migration and telephony integration.
	<b>DESKTOP REPLACEMENT PROGRAMME</b>	285,000	0	(285,000)	0	0	Rephased from 2010/11 to 2011/12. Feasibility study completed and the enhancement to PCs scheduled for inclusion in the ICT Work Programme for 2011/2012. This will see an upgrade to hardware to extend the life of current desktop provision.
	<b>FLEXI SYSTEM</b>	20,000	0	(20,000)	0	0	Deferred pending completion of IT Work Programme included within the C-Smart agenda. Flexi system due for replacement in 2011/2012.

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11	2010/11	2010/11	2010/11	2010/11	
		£	£	£	£	£	
	GOVERNMENT CONNECT	17,577	17,577	0	0	16,915	This continuing central government initiative is on track for completion during this financial year.
	ICON REPLACEMENT	40,000	35,000	0	(5,000)	29,030	The project is complete and subject to final sign off by users.
	IVY LEARNING PACKAGE	10,000	0	(10,000)	0	0	Expenditure has been re-phased into 2011/12.
	MEMBERS SUPPORT	7,013	0	(7,013)	0	0	Re-phased into 2011/12.
	MICROSOFT LICENCES	22,695	22,695	0	0	22,695	Annual programme complete in accordance with the Enterprise Agreement.
	NEW FINANCIAL SYSTEM	300,000	150,000	0	(150,000)	79,829	Forecast capital saving £150,000.
	PAYBASE	10,000	0	(10,000)	0	0	Re-phased into 2011/12.
	PERFORMANCE RELATED GRANT	0	84,948	0	84,948	2,300	Funded from Performance Reward Grant
	REPLACEMENT HR SYSTEMS	30,000	17,300	0	(12,700)	3,825	The Selima System has been implemented to the users satisfaction.
	TELEPHONY SERVICE	17,000	17,000	0	0	0	E Forms solution implemented the telephony requirement (and subsequent costs) will be in this year.
	WEBSTRUCTURE/INTERNET	40,000	7,142	(32,858)	0	15,142	Implementation is complete however outstanding licensing issues require some expenditure to be rephased to 2011/12.
	<b>Corporate &amp; Support Total</b>	<b>1,084,285</b>	<b>426,662</b>	<b>(399,871)</b>	<b>(257,752)</b>	<b>193,354</b>	

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11 £	2010/11 £	2010/11 £	2010/11 £	2010/11 £	
<b>Finance &amp; Resources</b>	<b>ASBESTOS REMOVAL CIVIC CENTRE</b>	6,160	6,160	0	0	0	Will be spent in February removing as part of the Civic Suite Roof Scheme.
	<b>ASSET MANAGEMENT PLAN - FEES</b>	77,150	50,820	0	(26,330)	7,849	Architect and engineering consultant fees reduced in line with Asset Management Plan spending.
	<b>BOXER PLACE NEW ROOF ON UNIT 17-18</b>	49,950	30,000	0	(19,950)	19,617	Roof work is finished and work yet to be carried out to facia.
	<b>CIVIC CENTRE - PHOTO VOLTAIC SYSTEM</b>	2,000	2,000	0	0	0	Anticipated start 4 <sup>th</sup> Qtr, linked with roof and heating works.
	<b>CIVIC CENTRE - VOLTAGE REDUCTION SYSTEM</b>	18,000	18,000	0	0	0	On site monitoring in progress. Equipment to be sourced through the Wigan Procurement Framework.
	<b>CIVIC CENTRE CIVIC SUITE ROOF</b>	225,000	225,000	0	0	0	Started work 2nd week in January 2011.
	<b>CIVIC CENTRE HEATING SYSTEM VENT REPLACE</b>	160,000	160,000	0	0	0	Started work 2nd week in January 2011.
	<b>ENERGY IMPROVEMENT PROGRAMME</b>	14,488	14,488	0	0	0	Started work 2nd week in January 2011. May require some re-phasing into 2011/12.
	<b>HEATING BOILERS CIVIC CENTRE</b>	30,000	30,000	0	0	0	Started work 2nd week in January 2011.
	<b>HEATING CONTROLS CIVIC SUITE</b>	10,000	10,000	0	0	0	Started work 2nd week in January 2011.
	<b>LEYLAND LEISURE CTR - SQUASH COURT ROOFS</b>	18,000	0	0	(18,000)	0	Emergency repair work undertaken & funded from revenue budget.

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
		2010/11	Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		£	£	£	£	£	
	MOSS SIDE DEPOT YARD MODIFICATIONS	72,000	0	(72,000)	0	0	Requirements under review following the recent changes to Waste operation. May require some re-phasing into 2011/12 depending on the outcome of the review.
	OAP PAVILLION WORDEN PARK	19,845	19,845	0	0	9,318	Demolition and remedial works completed. Planting to be ordered.
	PENWORTHAM LEISURE CENTRE	180,000	238,257	0	58,257	0	Work has started with an anticipated completion date of mid January taking into account revised costs and funding under the dual user agreement. Payment to LCC is expected by the financial year end.
	PUBLIC CONV. REFURB WORDEN PLAYGROUND	9,925	9,925	0	0	0	Anticipated start 4 <sup>th</sup> Qtr. Work will be tendered with Crossroads scheme.
	PUBLIC CONV. REFURN WORDEN CROSSROADS	22,325	22,325	0	0	0	Anticipated start 4 <sup>th</sup> Qtr, Work will be tendered with playground scheme.
	REMOVAL OF HOT WATER STORAGE VESSELS	4,140	4,140	0	0	0	Anticipated start 4 <sup>th</sup> Qtr – linked with civic heating system. May require re-phasing into 2011/12.
	REPAIRS TO PARAPET WALL CIVIC CENTRE	3,686	3,686	0	0	0	Anticipated start 4 <sup>th</sup> Qtr- linked with civic roof scheme.
	REPLACE CAST IRON RAINWATER GOODS	6,596	6,596	0	0	3,345	Work has started and will be completed by year end.
	ROOF, WINDOW & SEC MOSS SIDE	22,800	23,100	0	300	23,095	Scheme complete

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11 £	2010/11 £	2010/11 £	2010/11 £	2010/11 £	
	SRTC REPLACEMENT PLAYING SURFACE	0	731	0	731	731	Final Payment
	SUSTAINABLE MEASURES WORDEN ARTS	25,000	25,000	0	0	0	Awaiting return of feasibility study. Qtr 4 if any action is necessary
	WORDEN ARTS HEATING RENEWAL	1,096	1,096	0	0	0	Awaiting return of feasibility study. Qtr 4 if any action is necessary
	WORDEN PARK - CATERING PAVILLION PROVISN	50,000	50,000	0	0	50,022	Scheme complete
	WORDEN PARK - ENERGY IMP PROGRAMME	9,925	9,925	0	0	0	Anticipated start 4 <sup>th</sup> Qtr
	<b>Finance &amp; Resources Total</b>	<b>1,038,086</b>	<b>961,094</b>	<b>(72,000)</b>	<b>(4,992)</b>	<b>113,977</b>	
<b>Regeneration &amp; Planning</b>	CHURCHILL AREA SCHEME	100,000	100,000	0	0	15,189	Scheme approved by Cabinet 14.7.10 and completed in December 2010 on schedule and in budget. Final bills are being settled.
	CYCLEROUTES	20,000	0	(20,000)	0	0	No progress – this area of work has been temporarily put on hold so that Churchill Way & Hough Lane schemes can progress as a priority.
	DESIGN & DEVELOPMENT	20,000	11,000	(9,000)	0	3,009	This budget allows ideas to be investigated and progressed from ideas to potential schemes. £10,000 commitment against this budget will be progressed in February.

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11 £	2010/11 £	2010/11 £	2010/11 £	2010/11 £	
	DISABLED FACILITIES GRANTS	489,183	453,567	0	(35,616)	231,722	Council approved the spending programme in May 2010.
	FARINGTON LODGES	24,392	15,000	(9,392)	0	1,618	Final footpath works and clearance works now underway. Top Lodge being desilted. Due to complete in March.
	GIANT VEGGIE PATCH	5,356	5,356	0	0	0	Residual costs – this project is on target.
	HOME PURCHASE ASSISTANCE	9,988	9,988	0	0	7,910	Re-phasing from 2009/10. Committed and will be spent in 2010/11.
	HOPE TERRACE/WATKIN LANE IMPRV	25,000	0	(25,000)	0	0	No progress – this area of work has been temporarily put on hold so that Churchill Way & Hough Lane schemes can progress as priority.
	HOUGH LANE IMPROVEMENTS	205,000	150,000	(55,000)	0	51,019	Scheme approved by Cabinet 14.7.10 with revised cost of £205k. Works started 10th January 2011. Target completion date April/May 2011.
	HOUSING STRATEGY	605,989	667,863	0	61,874	201,876	Council approved the spending programme in May 2010 . The budget includes £180,000 allocated to the Hulmes Mill affordable housing development.



Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11 £	2010/11 £	2010/11 £	2010/11 £	2010/11 £	
	LEYLAND TOWN CENTRE	34,459	30,000	0	(4,459)	4,312	This budget is used to progress general projects in the town centre and to complement Hough Lane works.
	LOSTOCK ENGINE SHED	23,580	23,580	0	0	3,589	Planning & consultation work completed. Contaminated land testing has been done and we are awaiting results. Funding is from LCC.
	S106 PUBLIC TRANSPORT ENHANCEMENTS	0	125,000	0	125,000	125,000	S106 money paid to LCC for bus stops, shelters and towards bus service improvements.
	S106 HIGHWAY WORKS BRANCH ROAD	0	27,856	0	27,856	27,855	S106 money paid to LCC for traffic management works.
	SIGNAGE STRATEGY	44,391	15,000	(15,000)	(14,391)	4,349	No progress – this area of work has been temporarily put on hold so that Churchill Way & Hough Lane schemes can progress as a priority. However, new signage is being prepared for the Sherdley Road Industrial Estate for early 2011.
	<b>Regeneration &amp; Planning Total</b>	<b>1,607,338</b>	<b>1,634,210</b>	<b>(133,392)</b>	<b>160,264</b>	<b>677,448</b>	
<b>Neighbourhoods &amp; Streetscene</b>	3X DENNIS EAGLE REAR STEER REF VEHICLE	410,000	412,227	0	2,227	412,227	Vehicles have been delivered.
	CO-MINGLED WASTE BINS	790,890	790,890	0	0	783,980	All bins received.

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11	2010/11	2010/11	2010/11	2010/11	
		£	£	£	£	£	
	DIESEL TANK REPLACEMENT MSD	20,000	20,000	0	0	0	Tender evaluation currently taking place, an order will be placed shortly.
	KUBOTA TRACTOR	20,950	20,950	0	0	20,950	Purchase Complete.
	RIDE ON MOWER	16,093	16,093	0	0	16,093	Purchase Complete.
	VEHICLE & PLANT REPLACEMENT PROGRAMME	1,307,348	393,879	0	(913,469)	0	Budget reduced to reflect contract hire of 4 refuse vehicles. The current programme has been assessed as part of the ongoing budget challenges process.
	BIRCH AVENUE PLAY AREA	6,145	6,145	0	0	0	Retention payments
	DOB LANE PLAYING FIELD PHASE 1	102,000	102,000	0	0	80,437	Approval to spend by Council 26/05/10. Work has started and is due to complete by the end of the financial year.
	FARINGTON PARK PLAY AREA	130,495	0	(130,495)	0	0	Phase 1 complete in April. Phase 2 delayed due to legal negotiations.
	FOOTPATH & FOOTBRIDGE HOLME RD PLAYFIELD	5,639	0	0	(5,639)	0	Scheme completed in previous years and all final payments made.
	GREGSON LANE PLAY AREA	0	120,000	0	120,000	0	Approved new scheme funded partly from reserves and S106 monies. Currently out to tender with an expected start date of January 31st 2011. Some expenditure may be re-phased into 2011/12.

Portfolio	Cost Centre Name	Estimate (incl. rephasing from 2009/10	Budget Variances				Notes
			Projected Outturn	Re- phased	Other Variation	Expenditure to December	
		2010/11 £	2010/11 £	2010/11 £	2010/11 £	2010/11 £	
	GREGSON LANE SPORTS PITCH	26,500	0	0	(26,500)	0	Scheme not funded.
	HIGHER WALTON PLAYING FIELDS	4,903	4,903	0	0	0	Retention payments
	HUTTON PLAYING FIELDS	0	0	(18,000)	18,000	0	This has been approved as a new scheme in 2010/11 but has been re-phased to 2011/12.
	KINGSFOLD DRIVE PENWORTHAM PLAY AREA	6,658	6,658	0	0	6,658	Scheme complete
	MUCH HOOLE PLAYING FIELD PHASE 2	0	7,775	0	7,775	7,773	Scheme complete
	TARDY GATE PLAY AREA	33,000	29,000	0	(4,000)	0	Work has been completed and payments will be made shortly.
	WITHY GROVE PARK PHASE 2	19,601	19,601	0	0	0	Retention payments
	WORDEN PARK PLAYGROUND REFURBISHMENT	112,500	112,500	0	0	0	Approval to spend by Council 26/05/10 plus scheme increased by £30k due to additional funding. Start date of end of January 2011, some money may need to be re-phased into 2011/12.
	<b>Neighbourhoods &amp; Streetscene Total</b>	<b>3,012,722</b>	<b>2,062,621</b>	<b>(148,495)</b>	<b>(801,606)</b>	<b>1,328,118</b>	
	<b>Grand Total</b>	<b>6,742,431</b>	<b>5,084,587</b>	<b>(753,758)</b>	<b>(904,086)</b>	<b>2,312,897</b>	

## CAPITAL PROGRAMME 2010/11 FINANCING

Financing of the Capital Programme	Estimate (incl. rephrasing from 2009/10)	Projected Outturn
	2010/11	2010/11
	£	£
Prudential Borrowing	790,890	790,890
Leasing	1,974,391	843,149
Earmarked Capital Receipts	84,207	46,356
Section 106	521,925	497,647
IT Reserve	864,285	341,714
Asset Management Reserve	950,086	844,837
General Reserves	0	104,257
Revenue	21,354	25,129
Unfunded	26,500	0
<b>South Ribble Borough Council Resources</b>	<b>5,233,638</b>	<b>3,493,979</b>
Grants & Contributions	403,633	400,500
Performance Reward Grant	0	84,948
Government Grants - Housing Capital	1,105,160	1,105,160
<b>External Funding</b>	<b>1,508,793</b>	<b>1,590,608</b>
<b>Capital Financing Total</b>	<b>6,742,431</b>	<b>5,084,587</b>