



Capital Budget Monitoring – Outturn, 2015/16

Decision to be taken by: City Mayor

Decision to be taken on: 23rd June 2016

Overview Select Committee date: 22nd June 2016

Lead director: Alison Greenhill

Useful information

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1. Summary

The purpose of this report is to show the position of the capital programme for 2015/16 at the end of the financial year.

This is the fourth and final report of the financial year.

2. Recommendations

The Executive is recommended to:

- Note the level of expenditure of £141.9m for the financial year, and note that £25.8m of the approved programme of £176.8m has now been re-profiled to future years. Re-profiling occurs when it is sensible to delay commencement of a scheme and reasons for this are detailed in the commentary on individual schemes in Appendices B-E
- Approve the carry forward of resources into 2016/17 for schemes that have been re-profiled (£25.8m) and schemes where spend has slipped into 2016/17 (£8.2m);
- Note that across a number of schemes, £1.2m of the programme has been declared as savings following completion of projects within budget. The majority of this was to be funded by prudential borrowing, which will not now be required;
- Approve the release of £630k from the Schools' Maintenance policy provision to fund remedial and enhancement works at BSF phase 3-6 schools, as outlined in Appendix C Para 3.5;
- Approve the release of up to £60k from the Economic Action Plan policy provision to fund the demolition of 15 New Street and associated works, as outlined in Appendix D Para 2.12.

The OSC is recommended to:

- Consider the overall position presented within this report and make any observations it sees fit.

3. Report/Supporting information including options considered:

The 2015/16 Capital Programme was approved by Council on January 22nd 2015.

The appendices B, C, D & E attached to this report provide further detail for each Strategic Director's area of responsibility.

The approved programme included:

- Schemes classified as 'immediate starts', which required no further approval to commence; and
- A number of separate 'policy provisions' which would not be released until specific proposals have been approved by the executive.

This report only monitors policy provisions to the extent that spending approval has been given.

Spending is monitored against the amounts originally approved for each scheme in 2015/16, regardless of any slippage or budget re-profiling subsequently reported.

4. Financial, legal and other implications

4.1 Financial & Legal Implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

4.2 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

4.3 Equalities Implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

4.4 Other Implications

Other implications	Yes/No	Paragraph referred
Equal Opportunities	No	-
Policy	No	-
Sustainable & Environmental	No	-
Crime & Disorder	No	-
Human Rights Act	No	-
Elderly/People on low income	No	-
Corporate Parenting	No	-
Health Inequalities Impact	No	-

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

5. Background information and other papers:

Capital Budget 2015/16 presented to Council on 22nd January 2015

Capital Outturn 2014/15 presented to Overview Select Committee on 9th July 2015

Capital Monitoring Report for Period 4 2015/16 presented to Overview Select Committee on 15th October 2015

Capital Monitoring Report for Period 6 2015/16 presented to Overview Select Committee on 3rd December 2015

Capital Monitoring Report for Period 9 2015/16 presented to Overview Select Committee on 24th March 2016

6. Summary of appendices:

Appendix A - Outturn Financial Position of Capital Programme 2015/16

Appendix B - Summary of Adult Social Care Projects

Appendix C - Summary of Children's Services Projects

Appendix D - Summary of City Development and Neighbourhoods Projects

Appendix E - Summary of Corporate Resources Projects

Appendix F – Capital Receipts

7. Is this a private report

No

8. Is this a "key decision"?

No

9. If a key decision please explain reason

N/A

APPENDIX A

Strategic Director	Division	Approved Programme 2015/16	Spend at Outturn	Re-profiling into 2016/17	Year End Slippage	Year End Savings / (overspends)	Percentage of Spend *
		£000	£000	£000	£000	£000	%
Adult Social Care	Adult Social Care	5,919.0	728.0	4,429.0	762.0	-	12%
Children's Services	Schools	22,126.0	15,821.0	4,868.0	1,437.0	-	72%
	Schools (BSF)	7,500.0	7,145.0	-	355.0	-	95%
	Children's Social Care and Safeguarding	370.0	113.0	-	257.0	-	31%
	Young People's Services	597.0	220.0	347.0	30.0	-	37%
City Development & Neighbourhoods	Planning, Transportation and Economic Development	54,537.0	42,168.0	8,399.0	3,018.0	952.0	79%
	Culture & Neighbourhood Services	730.0	730.0	-	-	-	100%
	Neighbourhood & Environmental Services	2,416.0	1,782.0	350.0	47.0	237.0	82%
	Estates and Building Services Division	9,565.0	6,773.0	2,026.0	766.0	-	71%
	Housing General Fund	3,258.0	3,004.0	-	271.0	(17.0)	92%
	Housing Revenue Account (HRA)	28,912.0	25,043.0	3,381.0	841.0	(353.0)	86%
	LLEP (accountable body)	38,168.0	37,743.0	-	425.0	-	99%
Corporate Resources	Financial Services	2,000.0	-	2,000.0	-	-	0%
	Information Services	689.0	668.0	-	21.0	-	97%
	TOTAL	176,787.0	141,938.0	25,800.0	8,230.0	819.0	81%

* Percentage is based on approved programme minus any savings.

Adult Social Care Projects

1. Summary

- 1.1. The projects comprising the Adult Social Care capital programme spent £0.7m during the financial year. This equates to 12% of the approved programme of £5.9m.

2. Adult Social Care

- 2.1. The table below summarises the £5.9m approved capital programme for Adult Social Care.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
ICT Investment - Phase 2	539.0	309.0	-	230.0	-	57%
Social Inclusion	414.0	313.0	-	101.0	-	76%
Early Prevention and Intervention	100.0	99.0	-	1.0	-	99%
Improvement to Hastings Road Day Centre	435.0	5.0	-	430.0	-	1%
Extra Care	2,450.0	-	2,450.0	-	-	0%
Special Dementia Care Centre	1,800.0	2.0	1,798.0	-	-	0%
Anchor Centre	181.0	-	181.0	-	-	0%
Total	5,919.0	728.0	4,429.0	762.0	-	12%

- 2.2. ICT investment is for the development of the new Social Care IT system, Liquidlogic, which went live during April 2014. Phase 2 commenced in April 2014 and is the second year of the project making further enhancements to the system. There is slippage of £230k for mobile working equipment and software and for the e-directory.
- 2.3. Social Inclusion covers a range of projects to provide access for disabled people to universal services including community centres, libraries, leisure centres and other public services. Works include the adaptation of toilet facilities and the provision of specialised equipment. Schemes are complete at Abbey Park Education Centre, Age UK, Haymarket Bus Station and the Emerald Centre. Design works have been completed for the Outdoor Pursuits Centre, Aylestone Leisure Centre and Leicester Leys Leisure Centre, and are under discussion for the National Space Centre, New Walk Museum and the Adult Education Centre. Works for these are expected to complete in 2016/17.
- 2.4. Early Prevention and Intervention involves the provision of Assistive Technology and telecare and staff support, with the aim of promoting independence and reducing package costs. Full spend has been achieved.
- 2.5. Improvements are being made to Hastings Road Day Centre by utilising and expanding the use of the building to accommodate more teams and provide a resource hub for service users. The Feasibility has been completed and the works are now scheduled to start in the summer with completion in the 2016/17 financial year.
- 2.6. Extra Care provides self-contained flats where service users can live independently but have care and support provided on-site. This scheme is for two new build extra care facilities each with 50-70 flats at Hamelin Road and Tilling Road. These sites are run by a RSL (Registered Social Landlord) and the Council has nomination rights in perpetuity. Planning has been approved for Hamelin Road and is awaiting approval for Tilling Road. The schemes have been put on hold

pending announcement from the Government on whether rents eligible for housing benefit will be capped in line with the Local Housing Allowance (LHA). If this happens the schemes would become financially unviable for the developer and landlord.

- 2.7. The proposal for a specialist dementia care centre was approved as part of the 2015/16 capital programme but has been held pending further analysis of service needs. A decision on whether to proceed with the scheme will be taken in the next financial year.
- 2.8. The Anchor Centre site needs major refurbishment. The scheme is now led by Public Health and additional capital funding of £268k has been secured from Public Health England to develop a recovery hub. Proposals are currently being developed for consideration by the Executive.

3. Policy Provisions

- 3.1. There were no remaining policy provisions for Adult Social Care at the end of the financial year.

Children's Services Projects

1. Summary

- 1.1. The projects comprising the Children's Services Capital programme have spent £23.3m at the end of the financial year. This equates to 76% of their approved capital programme of £30.6m.
- 1.2. The Children's Service Capital Programme is reported, for monitoring purposes, in three distinct sections, schools (£22.1m), the Building Schools for the Future programme (£7.5m) and non-schools (£1.0m).

2. Schools

- 2.1. The table below summarises the £22.1m approved capital programme for the Children's Services Schools Programme and the related expenditure.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Basic Need Works (Phase 1)	8,482.0	5,159.0	2,588.0	735.0	-	61%
Basic Need Works (Phase 2)	6,335.0	5,020.0	877.0	438.0	-	79%
Targeted Basic Need - Kestrels' Field	5,570.0	4,167.0	1,403.0	-	-	75%
Reactive School Maintenance	1,709.0	1,469.0	-	240.0	-	86%
Individual School Access Needs	30.0	6.0	-	24.0	-	20%
Total	22,126.0	15,821.0	4,868.0	1,437.0	-	72%

- 2.2. The main schemes left in the Basic Need Works Phase 1 programme at the beginning of the year included Wolsey House, Whitehall and Caldecote Primary schools. The Caldecote and Whitehall schemes were completed in September and December respectively. Wolsey Primary school phase 1 was completed in February and phase 2 is due to complete in December 2016, hence the re-profiling of £2.6m of total scheme costs to 2016/17. Each of these schools provided an additional 30 reception places in readiness for September 2015 as planned.

The most significant element of the £735k slippage in Phase 1 relates to rectification works at Eyres Monsell following the identification of defects in the new build. Approval for this work to be carried out was given in April 2016.

- 2.3. The Basic Need Programme Phase 2 includes works at St Mary's Fields Primary, Christ the King Catholic Primary and Hope Hamilton Primary.
- 2.3.1. St Mary's Fields Primary School works included the addition of a new junior block linked to the existing infant school to allow for an expansion of age range and to become an "all through" primary school. The main works are complete with pupils taking up the additional places from September 2015.
- 2.3.2. Christ the King Primary School works included re-modelling part of the old West Gate School to allow for an increase of 40 reception places. These new places were available from the start of the new term in September 2015.

- 2.3.3. Hope Hamilton Primary School works were an expansion of the school on its existing site to increase reception places by 15 from September 2015. This was completed on time.
- 2.3.4. The re-profiling of £877k will be used to fund further Basic Need schemes to address the shortage in secondary places and bulge classes required in the primary sector for new arrivals.
- 2.4. The Kestrels' Field Primary School scheme will create an additional 60 reception places. It is a £6.9m scheme funded through a combination of £3.9m from the Department of Education and £3.0m from the Council. The first phase of the works was completed at the end of November. The second phase of the works, to reconfigure the existing Primary School site to become the new infant block, will be completed by September 2016. £1.4m of the scheme cost will be spent in 2016/17.
- 2.5. Reactive Maintenance is an annual provision for small capital maintenance works in schools and other buildings.
- 2.6. Individual School Access Needs was an annual provision for reactive works at schools that required specific modifications or equipment due to pupil disability.
- 2.7. As approved at Period 9, £1.7m of the Schools Capital Maintenance policy provision was released to cover a range of priority capital maintenance works (including roofing works and boiler works). £1.5m of this has been used in this financial year with £0.2m being slipped into 2016/17.

3. Building Schools For The Future (BSF)

- 3.1. The BSF programme has continued its good progression with actual expenditure of £7.1m incurred in 2015/16.
- 3.2. The programme is now substantially complete with only some final payments due.
- 3.3. Payments for the BSF construction programme are made at the point at which milestones in the building of each school are reached.
- 3.4. As the BSF schemes near completion, the need for remedial and minor additional works across the more recent phase 3 – 6 schools has become clear. These are works where it is felt that the specifications agreed in 2013 require some minor enhancements or remediation to remain consistent with the ambition and vision of the BSF programme.
- 3.5. The additional costs are expected to total £630k, which sits in the context of an overall project cost in excess of £150m. It is proposed that £630k is released from the Schools' Capital Maintenance policy provision to fund these works.

4. Non-Schools

- 4.1. The table below summarises the £1.0m approved capital programme for Children's Services directly controlled projects.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Contact Centre Refurbishment	120.0	53.0	-	67.0	-	44%
Children's Home Refurbishment	250.0	60.0	-	190.0	-	24%
Children's Centre Maintenance	66.0	36.0	-	30.0	-	55%
Early Years - Two Year Old Entitlement	531.0	184.0	347.0	-	-	35%
Total	967.0	333.0	347.0	287.0	-	34%

- 4.2. A decision notice was published in September 2015 to authorise the use of £740k of policy provisions to fund an enhanced programme of works at contact centres and children's homes over a three year period including;

4.2.1. The St Andrew's Family Contact Centre scheme which will improve space and facilities for parents and children whilst also providing space for training and other meetings.

4.2.2. Children's homes, which will be refurbished and improved, with works to be carried out at Barnes Heath, Dunblane Avenue, Netherhall and Tatlow Road.

- 4.3. £370k of the programme was planned to be spent during this financial year. However, a more accurate profile of the projects has shown that £257k of this is required to be slipped into the next financial year. This slippage has had a knock-on effect to the originally planned refurbishment and improvement to Tatlow Road Children's Residential Home as the contractor for this is the same as the one for the Barnes Heath House project (part of the £257k slippage).

- 4.4. The Facilities Maintenance scheme is a provision to cover refurbishments and small capital maintenance works.

- 4.5. The Two Year Old Entitlement scheme provides resources to private, voluntary and independent providers to enable them to expand their provision to accommodate and provide the two year old free entitlement and enable the Council to meet its statutory obligations. Providers are continuing to bid for the remaining funds and this will continue into the new financial year (hence the re-profiling of £347k).

5. Policy Provisions

- 5.1. There are three policy provisions for Children's Services projects.

Service Area		Amount £000
Schools	New Primary School Places	4,939.0
	Schools Capital Maintenance	5,507.0
	Children's Services Capital Provision 2015/16	5,366.0
Total		15,812.0

City Development and Neighbourhoods' Projects

1. Summary

- 1.1 The projects comprising the City Development and Neighbourhoods' capital programme spent £117.2m during the financial year. This equates to 86% of their approved capital programme of £137.6m.
- 1.2 Excluding the Leicester & Leicestershire Enterprise Partnership (LLEP) grants programme (which is managed by the LLEP) and savings, this equates to 81% of the approved programme.
- 1.3 The City Development and Neighbourhoods programme is split into seven distinct areas, as shown in the following table:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Planning, Transportation and Economic Development	54,537.0	42,168.0	8,399.0	3,018.0	952.0	79%
Culture and Neighbourhood Services	730.0	730.0	-	-	-	100%
Neighbourhood & Environmental Services	2,416.0	1,782.0	350.0	47.0	237.0	82%
Estates and Building Services Division	9,565.0	6,773.0	2,026.0	766.0	-	71%
Housing General Fund	3,258.0	3,004.0	-	271.0	(17.0)	92%
Housing Revenue Account (HRA)	28,912.0	25,043.0	3,381.0	841.0	(353.0)	86%
Total (Excluding LLEP)	99,418.0	79,500.0	14,156.0	4,943.0	819.0	81%
Leicester & Leicestershire Enterprise Partnership (LLEP)	38,168.0	37,743.0	-	425.0	-	99%
Total (Including LLEP)	137,586.0	117,243.0	14,156.0	5,368.0	819.0	86%

2. Planning, Transportation and Economic Development

2.1 The table below summarises the current approved projects relating to Planning, Transportation and Economic Development.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Haymarket Bus Station	6,785.0	5,782.0	442.0	561.0	-	85%
Transport Improvement Works	13,202.0	11,866.0	1,336.0	-	-	90%
Street Lighting Replacement	5,534.0	4,006.0	800.0	-	728.0	83%
Highways Maintenance	2,705.0	2,505.0	200.0	-	-	93%
Local Environmental Works	635.0	418.0	-	217.0	-	66%
Flood and Watercourse Management	314.0	314.0	-	-	-	100%
Parking Pay and Display Machines	397.0	362.0	-	19.0	16.0	95%
Jubilee Square	243.0	243.0	-	-	-	100%
Cathedral Gardens	430.0	430.0	-	-	-	100%
City Centre Street Improvements	5,304.0	1,942.0	3,045.0	317.0	-	37%
Townscape Heritage Initiative	585.0	78.0	485.0	22.0	-	13%
Friars' Mill	4,074.0	3,697.0	250.0	127.0	-	91%
Leicester Market Redevelopment	2,135.0	1,335.0	800.0	-	-	63%
St George's Church Yard (S106)	40.0	19.0	-	21.0	-	48%
Dock 2	63.0	63.0	-	-	-	100%
Architectural and Feature Lighting	200.0	231.0	(31.0)	-	-	116%
Leicester Strategic Flood Risk Management Strategy	1,500.0	880.0	-	620.0	-	59%
Waterside	7,500.0	5,374.0	1,072.0	1,054.0	-	72%
Leicester Food Park	61.0	61.0	-	-	-	100%
Retail Gateways	233.0	182.0	-	51.0	-	78%
Business Development Grants	1,226.0	1,018.0	-	-	208.0	100%
Ashton Green	263.0	263.0	-	-	-	100%
Cleaner Bus Technology Fund	92.0	92.0	-	-	-	-
Traffic Signalling - LED Replacement	966.0	966.0	-	-	-	100%
Christmas Decorations Replacement	50.0	41.0	-	9.0	-	82%
Total	54,537.0	42,168.0	8,399.0	3,018.0	952.0	79%

2.2 The Haymarket Bus Station is a key contributor to achieving greater use of buses in Leicester and significantly improving service quality. A new bus station building has been constructed, increasing the number of bus stands from twelve to twenty-three and incorporating a new shopmobility facility. The Charles Street/Belgrave Gate junction has been remodelled to improve efficiency and pedestrian safety, together with extensive public realm improvements. The bus station opened on 8th May 2016. There is 5% retention on the main contract, totalling approximately £442k, which as previously reported is re-profiled into 2016/17. New slippage of £561k occurred towards the year end, due to construction works taking longer than anticipated.

2.3 Transport Improvement Works include:

2.3.1 Congestion and Carbon Strategies. The majority of the funding was for construction of Phase 1 of the Leicester North West Major Transport Scheme (A50 corridor), which

started on site in July 2015 and is progressing on programme to complete in June 2016. Design work on Phase 2 of the scheme is in progress and a project programme is currently being developed. The scheme is largely funded through the Local Growth Fund and is promoted jointly with Leicestershire County Council.

2.3.2 Accessibility Strategies. The North City Centre Access Improvement Project is helping to connect the city centre with existing and proposed communities at Belgrave and Abbey Meadows, together with new development sites at Belgrave Circle and the new Community Sports Arena on Charter Street. Works at Charter Street, Memory Lane and the Archdeacon Lane public space are now complete. A new bridge crossing the Grand Union Canal from Charter Street to Abbey Park is expected to start this year.

2.3.3 Active Travel and Road Safety. This provides funding for a programme of schemes, including:

a) Construction of the cycleway and new crossings on Welford Road between Newark Street and Lancaster Walk, which started in January 2016. £1.2m is re-profiled into 2016/17 to reflect the completion of these works in the new financial year.

b) Completed 20mph schemes including St Mary's Fields Infant School; Woodstock Primary School Area; Aylestone Village; Mowmacre Hill Primary School Area; Highfields and North Evington Amendment and Folville Junior School Area. Bloomfield Road Area design and consultation is complete with construction planned for school summer holidays. Schemes at design and consultation stage include: Downing Drive Area; Merrydale Schools; Keyham Lane and Fosse Primary School.

c) LTP Management and Monitoring. This provides funding for staff costs and traffic surveys.

d) Legible Leicester. The new city boundary sign replacement scheme is complete. A range of improvements to city centre and highway information and directional signage is planned. Work has commenced on the design of information boards/finger posts and digital mapping. Works on site in the city centre are due to take place in Autumn 2016, hence £79k is re-profiled into 2016/17.

2.4 The Street Lighting Replacement programme is now substantially complete:

2.4.1 Some 32,500 lanterns have now been replaced with new LED units and only a handful now remain to be completed. The installation of bespoke city centre "heritage" style lanterns is underway.

2.4.2 A sum of £0.7m has been confirmed as a saving in addition to the £1.4m saving declared earlier in the project. These savings have arisen due to technological advances, price reductions and efficient project management. This will reduce the amount of prudential borrowing required.

2.4.3 As previously reported, some £800k is re-profiled to 2016/17 for a second phase of works to convert 200 lanterns on traffic-sensitive streets, to replace 400 white light discharge columns in the city centre with more efficient LED units and for the replacement of failing columns.

2.4.4 Consideration is being given to other options for LED conversion of non-highway lighting apparatus (e.g. in housing precincts and parks) and illuminated traffic signs, for which new funding arrangements will need to be agreed.

2.5 Highways Maintenance includes:

2.5.1 Principal and Primary Roads. The A563 carriageway between the A50 Groby Road and Glenfield Road islands has been resurfaced in conjunction with the Leicester North West A50 improvement scheme, together with works to the traffic islands. Completion straddled the financial year-end and financing was managed alongside the Local Growth Fund grant funding for the improvement scheme. Hence £400k has been re-profiled into 2016/17, as previously reported.

2.5.2 General Treatment and Footways. The programme is targeted at asphalt carriageway maintenance works where the deterioration in road surfaces is most evident. Funds were ring-fenced to address dangerous concrete roads, failed road humps and to undertake footway schemes. The programme was completed successfully. Significant resurfacing works completed in the final quarter included works on Rowley Fields Avenue, Uppingham Road, Harrison Road and Downing Drive. Emergency resurfacing was undertaken on Halford Street and Brookfield Rise. Concrete bays in Parker Drive were repaired. Some works were brought forward into the early Easter holiday, which together with the emergency works led to the bringing forward of £200k from 2016/17.

2.5.3 Bridge Programme. The funds were used to supplement scheme maintenance opportunities and local ward maintenance priorities. Refurbishment works to the Pex Bridge footbridge were completed in early April and a refurbishment scheme to Beaumont Way footbridge is ongoing. A programme of bridge parapet repairs was also completed.

2.5.4 Traffic Signal Renewals. The programme has completed. Sites maintained include Dominion Road / Charnor Road, Hastings Road / Brighton Road, Melton Road / Oakland Avenue, Stonesby Avenue / Glenbourne Road, Narborough Road / Westcotes, Wakerley Road / Ethel Road, Aylestone Road / Lothair Road, Gipsy Lane / Tomlin Road and St Nicholas Circle / West Bridge.

2.6 Local Environmental Works:

2.6.1 Following a range of works earlier in the financial year as previously reported, in the last quarter a new zebra crossing was installed on Gipsy Lane outside Northfields House Primary School and a new parking area at Hamilton Park was completed to alleviate parking problems on Columbine Road and Sandhills Avenue. During the Easter holidays, a new layby was constructed in Malham Close outside Barleycroft Primary School. Improvements to the cycle and footway link at Gleneagles Walk commenced.

2.6.2 A comprehensive programme of local traffic regulation order requests has been delivered, alongside works to address pavement parking problems in numerous locations, including Green Lane Road.

2.6.3 Feasibility work in relation to residents' parking in St Matthews and Stoneygate is underway, together with controlled pavement parking pilots in Rushey Mead and Aylestone.

2.6.4 As reported at Period 9, some schemes have been slipped to 2016/17 to achieve optimum scheduling of the works and allow for further design and consultation. These

schemes include the new pelican crossing on Glenfield Road, a new pedestrian refuge on Welford Road and a one-way system for Bradbourne Road.

- 2.7 Flood and Watercourse Management: A joint strategy is progressing under the lead direction of the Environment Agency. Feasibility studies for Holbrook, Gilroes Brook and Northfields have informed discussions between the Council, the Environment Agency and Severn Trent Water on potential solutions and discussions are ongoing. The joint project with the Environment Agency to improve floodwater conveyance at the former John Ellis playing fields has been completed, helping to reduce the risk of flooding from the River Soar to over 4,700 properties. This year's gully replacement programme is complete and four watercourse culvert rubbish screens were replaced.
- 2.8 The Castle Street Pay & Display Parking Scheme opened for public use in June 2015.
- 2.9 The Jubilee Square and Cathedral Gardens projects are complete.
- 2.10 City Centre Street Improvements: This involves the delivery of pedestrian and cyclist improvements to key city centre streets. Phase 1 is complete, comprising Hotel Street/St Martins, St Nicholas Circle Phase 1, Castle Gardens ramp and Harvey Walk demolition. With regards to Phase 2, Rutland Street is substantially complete, with carriageway resurfacing completed in April hence slippage into 2016/17. Extensive public and stakeholder engagement for Belvoir Street has taken place and detailed work is underway with the project due to go on site in the summer, hence the funding has been re-profiled as previously reported.
- 2.11 Townscape Heritage Initiative (THI): Some £1.1m is being received from the Heritage Lottery Fund. The scheme is in the delivery phase and projects will include owner and developer contributions. The scheme has been largely re-profiled into 2016/17 and later years, reflecting the need to reach agreement with private building owners over improvement projects. Grant agreements amounting to £318k have now been entered into with expected expenditure by the autumn. Slippage of £22k is due to delay in some of these grant amounts being finalised late.
- 2.12 15 New Street Demolition: To facilitate improvements to the surrounding area, the Council owned property at 15 New Street is to be demolished and access to the rear of Greyfriars will be improved. It is proposed that up to £60k be released from the Economic Action Plan policy provision to meet the cost of the works.
- 2.13 Friars Mill: The project involves the restoration and conversion of Friars Mill to managed business units. An ERDF grant of £3.9m was secured and the balance is from Council funds. The Chamber of Commerce is running the new facility on behalf of the Council and the first tenants have moved in. Discussion and clarification on a final account figure has commenced with the contractor, leading to slippage of £127k.
- 2.14 Leicester Market Redevelopment: Demolition of the old Market Hall phase is complete. Phase 2 public realm is due to go on site in June 2016 hence the re-profiling indicated. To facilitate this, utility diversions and porphyry stone was ordered in advance.
- 2.15 St. George's Churchyard: The project consists of improvements to the churchyard, including repairs and public realm works, with works programmed to be on-site in the summer.
- 2.16 Dock 2: The project will provide grow-on workspace for hi-tech businesses at Leicester's Pioneer Park. The initial stage of the project's development covers design and feasibility works, which will continue into the summer.

- 2.17 Architectural and Feature Lighting: This will deliver a city-wide architectural and feature lighting strategy along with a pilot scheme. The pilot scheme is progressing well on all projects, with some spend being brought forward from 2016/17.
- 2.18 Leicester Strategic Flood Risk / Access Programme: This programme is fully funded through Local Growth Funding and will provide access and environmental improvements to the canal and river corridor, delivered by the Council, the Canal and River Trust and the Environment Agency. A range of improvement schemes have commenced, including tow path works, improvements to Thurmaston sluices and works at the Willowbrook outfall. Delays to the co-ordination of workstreams across the partners led to £620k slippage, as previously reported.
- 2.19 Waterside Strategic Regeneration Area: Significant progress has been made. The Supplementary Planning Document has been adopted, the outline planning application was approved, a number of building acquisitions secured and development partner procurement commenced. The programme is largely funded by the Local Growth Fund and substantial expenditure on land acquisitions was incurred. However, the inherent uncertainty in the timing of completion dates for land acquisition means that it is difficult to predict the profile of spend between years, hence the 2015/16 spending was not as high as originally envisaged. £1,054k has therefore been re-profiled into 2016/17. The focus of the Waterside monitoring was to fully utilise the LGF allocation, which has been achieved. The total budget allowed an element of contingency which in the event was not need. This has been slipped into 2016/17.
- 2.20 All the units have been let at the Leicester Food Park.
- 2.21 Retail Gateways: The programme is designed to support independent shop owners in the main gateway and regeneration areas. The profiling of spend is dependent upon property owners being in a position to agree and facilitate the work.
- 2.22 Business Development Grants: Over 130 small and medium sized businesses were supported by the Enterprising Leicester programme, which is now complete. The Broadband Business Vouchers scheme is funded by Broadband Delivery UK (BDUK) as part of their national programme. Grants of up to £5k are available to SMEs in Leicester and Leicestershire to improve their broadband connectivity. Over 200 SMEs have been supported.
- 2.23 Ashton Green: Phase 1 of the infrastructure delivery programme is making progress through the consultation, detailed design and approval processes. Infrastructure work including new cycleways commenced in March and continues into 2016/17.
- 2.24 Traffic Signalling LED Replacement: the programme was completed on time and within budget.
- 2.25 Christmas Decorations Replacement: The 2015/16 programme is complete.

3. Leicester & Leicestershire Enterprise Partnership

3.1 The table below summarises the current approved projects relating to the Leicester & Leicestershire Enterprise Partnership, for which the Council is the accountable body.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Growing Places Fund	4,000.0	4,000.0	-	-	-	100%
Regional Growth Fund Round 3	3,231.0	3,231.0	-	-	-	100%
Regional Growth Fund Round 4	6,582.0	6,582.0	-	-	-	100%
Loughborough Science & Enterprise Park	200.0	200.0	-	-	-	100%
MIRA Technology Park Enterprise Zone	425.0	-	-	425.0	-	0%
Local Growth Fund	23,730.0	23,730.0	-	-	-	100%
Total	38,168.0	37,743.0	-	425.0	-	99%

3.2 The Growing Places Fund (GPF) is a revolving fund which advances loan funding for new development across city and county areas. Loans were advanced as expected.

3.3 The Regional Growth Fund (RGF) round 3 programme funded by DCLG was completed in June 2015. Grants of some £7.8m were made. At the present, the jobs created or safeguarded total 1,503, well above the target of 1,248.

3.4 The RGF round 4 programme, also funded by DCLG, made its final payment in March 2016. Grants of some £9m have been made. The programme is on course to exceed the targets for both job creation (744) and private sector investment (£53m). Presently, jobs created and safeguarded stand at over 1,780. The associated ERDF Catalysing Growth programme has assisted 97 businesses to improve, ahead of the 64 target, and defrayed some £2.9m of grants.

3.5 City Deal funding was allocated to the LLEP for the Loughborough University Science & Enterprise Parks (LUSEP) project, totalling £2m across two years.

3.6 £425k is the second half of a capital grant approval in respect of the MIRA Technology Park Enterprise Zone. It will pay for employment and skills support, business development personnel and marketing, to assist in driving business rates uplift within the Zone. It is now expected to be drawn down in 2016/17.

3.7 The Local Growth Fund (LGF) was paid in full to the projects. All the approved projects started during the year. Some £17m was paid to six City Council projects, namely the Leicester A50 North West Corridor improvements, the North City Centre Access Investment Programme, Strategic Flood Risk Management, the Waterside Strategic Regeneration Area, Connecting Leicester and DOCK 2. These sums are also reflected in the PTED narrative above. In addition, the LLEP paid some £6.7m for projects led by external partners, including the County Council.

3.8 The successful management of capital funds significantly contributed to a positive review of the LLEP by the Government and to confirmation in full of the expected 2016/17 LGF allocation.

4. Culture and Neighbourhood Services

4.1 The table below summarises the approved projects in the former Culture and Neighbourhood Services Division.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
City Centre Heritage Interpretation Panels	70.0	70.0	-	-	-	100%
Charter Street Community Arena	660.0	660.0	-	-	-	100%
Total	730.0	730.0	-	-	-	100%

4.2 Heritage Interpretation Panels are being installed to provide residents and visitors with heritage information and images relating to key sites. 40 panels have been created for Phase II. Some 26 have been added to those already in the city centre (Modern Leicester and Changing Pasts – contemporary uses for old buildings), with 14 panels placed in Leicester’s historic villages (including 3D maps featuring buildings and sites of historic interest to encourage exploration).

4.3 The Community Sports Arena was launched in January and provides a new home for the Leicester Riders Basketball Club and is available for community use. It is owned and operated by Leicester Community Sports Arena Ltd. The £660k paid in 2015/16 is the balance of the full £1.5m grant by the Council. The development is a catalyst to the regeneration of the wider area.

5. Neighbourhood and Environmental Services

5.1 The table below summarises the projects in the Neighbourhood and Environmental Services Division.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Household Waste Recycling Centre	81.0	81.0	-	-	-	100%
Park Plant and Equipment	430.0	193.0	-	-	237.0	100%
Public Conveniences	754.0	715.0	-	39.0	-	95%
Allotments Infrastructure	290.0	290.0	-	-	-	100%
Victoria Park Centenary Walk	50.0	61.0	-	(11.0)	-	122%
Victoria Park Gates	411.0	42.0	350.0	19.0	-	10%
Investment in Play	400.0	400.0	-	-	-	100%
Total	2,416.0	1,782.0	350.0	47.0	237.0	82%

5.2 The Household Waste Recycling Centre is now fully operational.

5.3 The Parks Plant and Equipment budget is provided through Prudential Borrowing to purchase replacement items of grounds maintenance equipment with an initial value of over £5k per item. The lower than planned spending will reduce future borrowing repayment costs.

5.4 The phase 1 toilet programme was completed, with facilities at Watermead Country Park, Evington Park and Cossington Recreation Ground being opened for public use. Works commenced at Belgrave Road, with the old block demolished and the new build underway. The start of improvements at Abbey Grounds was deferred until after the Easter Bank Holiday.

5.5 The allotments infrastructure programme saw improvements to security of allotment sites, and repairs to the infrastructure where the standard of roadways and pathways was poor. Work was carried out across the city’s stock of allotments with security improvements at Beaumanor Road, Glenfield Road, Groby Road, Gwendolen Road, Meredith Road, Reservoir allotments, West

Humberstone and Whittier Road. Car park and driveway repairs have been undertaken at Blakenhall Road, Groby Road, Rancliffe and Sutton Road.

- 5.6 Work commenced on Victoria Park Centenary Walk and the Peace Walk gates were removed for repair. Once these are reinstalled, the London Road lodge gates will then be sent for repair. Works are expected to be complete by the autumn, hence most spend is profiled into 2016/17 as previously reported. A delay in the tendering process has resulted in slippage of £19k.
- 5.7 Work was completed to the play areas at Onslow Street, Monks Rest Gardens, and Western Park. Works at Uppingham Road Gardens, Cossington Street, Victoria Park and Fosse Recreation Ground are expected to be complete by June, funded by the s106 developer contributions identified as match funding for this project.

6. Estates and Building Services Division

- 6.1 The table below summarises the approved projects in the Estates and Building Services Division.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
City Centre Office Accommodation	3,014.0	2,995.0	-	19.0	-	99%
20-40 New Walk (IBM)	3,826.0	1,517.0	2,026.0	283.0	-	40%
Property Maintenance	249.0	249.0	-	-	-	100%
Heritage Properties	36.0	36.0	-	-	-	100%
Great Central Railway Design	66.0	2.0	-	64.0	-	3%
LED Lighting Pilot	139.0	139.0	-	-	-	100%
De Montfort Hall Stage Lighting	86.0	86.0	-	-	-	100%
Installation of Solar Panels	315.0	315.0	-	-	-	100%
6-8 St Martins	20.0	10.0	-	10.0	-	50%
Vaughan College	309.0	309.0	-	-	-	100%
Phoenix Square	472.0	472.0	-	-	-	100%
68-70 Humberstone Gate	74.0	64.0	-	10.0	-	86%
Haymarket Theatre	64.0	64.0	-	-	-	100%
Braunstone Hall	65.0	65.0	-	-	-	100%
Manor Farm	194.0	194.0	-	-	-	100%
Western Park Golf Club Demolition	58.0	58.0	-	-	-	100%
Vehicle Replacement Programme	578.0	198.0	-	380.0	-	34%
Total	9,565.0	6,773.0	2,026.0	766.0	-	71%

- 6.2 The city centre office accommodation project supports the relocation of staff from Greyfriars to Halford House, as well as the final completion of the refurbishment of city centre office accommodation and clearing the New Walk site. This is some slippage as the works started in the latter part of 2015/16 and continued into 2016/17.
- 6.3 IBM has been attracted to Leicester as a major inward investor. The Council is undertaking improvement works to a Council owned property at 20-40 New Walk, which will be leased to IBM as their new city home. Works commenced on site in December 2015, with completion expected in the summer, hence funding has been re-profiled as previously reported. Slippage of £283k is due to works taking longer than originally anticipated.

- 6.4 The Property Maintenance approved funding was slippage from 2014/15.
- 6.5 The budget for Heritage Properties is the final payment for works completed at Hansom Hall.
- 6.6 The Great Central Railway in partnership with the National Railway Museum, the Heritage Lottery Fund and the Council plans to deliver a £15m railway museum at the Leicester North Station. The Council has financially supported the scheme design and the acquisition of allotment plots to release land. Required contract negotiations and obtaining statutory consent has resulted in slippage of £64k, as previously reported.
- 6.7 A pilot LED lighting scheme has been implemented in five operational buildings, to demonstrate how this approach can be used to accelerate energy saving measures across the wider estate. The buildings are LCB Depot, Sulgrave Road depot, the Central Lending Library, Cossington Street Sports Centre and Belgrave Neighbourhood Centre.
- 6.8 Other energy saving initiatives included replacing the De Montfort Hall stage lights with LEDs and installing solar panels at Braunstone Leisure Centre and Leicester Business Centre.
- 6.9 The £20k for 6-8 St Martin's is to carry out feasibility options and studies to inform future use/development. This work continues into 2016/17.
- 6.10 Vaughan College was purchased from Leicester University, which will assist with the redevelopment and improvement of the wider Jewry Wall site.
- 6.11 The car park to the side of the Phoenix Cinema has been purchased to ensure that any future development on the site is within the Council's control.
- 6.12 A grant was made to support the development of new workspace at 68-70 Humberstone Gate East.
- 6.13 Feasibility studies took place into future potential uses of the former Haymarket Theatre.
- 6.14 Payments were made as agreed towards repair and improvements to support bringing Braunstone Hall back into use.
- 6.15 The Council made a contribution to roads and services as part of agreements entered into when land at Manor Farm, Hamilton was sold for the provision of affordable housing.
- 6.16 Following the closure of Western Park Golf Club, buildings were demolished in the interests of security.
- 6.17 The Vehicle Replacement Programme is the replacement of City Council fleet, which in 2015/16 included replacement of four applied street sweepers, gritters, cranes and a hydraulic platform lift, together with the acquisition of 15 ultra-low emission vehicles (ULEVs) and associated charging points. The slippage of £380k is due to lead times for the ULEVs being greater than anticipated, with deliveries of vehicles expected in May and June.

7. Housing Services

7.1 The table below summarises the £32.2m approved Capital Programme for Housing Services and the related expenditure.

Programme Area	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Investment in Council Housing	17,480.0	16,582.0	992.0	129.0	(223.0)	94%
Business Investment	1,788.0	925.0	580.0	215.0	68.0	54%
Environmental and Improvement Works	8,896.0	7,240.0	1,809.0	45.0	(198.0)	80%
Increasing Affordable Housing	748.0	296.0	-	452.0	-	40%
Total HRA	28,912.0	25,043.0	3,381.0	841.0	(353.0)	86%
General Fund Activities	3,258.0	3,004.0	-	271.0	(17.0)	92%
Total Housing	32,170.0	28,047.0	3,381.0	1,112.0	(370.0)	86%

7.2 Investment in Council Housing (£17.5m) accounted for 61% of the overall HRA capital programme. It consists of a number of replacement programmes for renewing boilers, wiring, roofs, windows and doors. It also includes the St Peters Estate tower blocks refurbishment. Overall, £0.9m less than budget was spent.

7.2.1 Boilers (£4.1m) spent £0.3m more than budget as a faulty boiler fire required the immediate replacement of 100 similar boilers. A total of 1,843 boilers were replaced, compared to a planned 1,700.

7.2.2 Wiring (£2.5m) spent £0.1m more than budget due to more rewires than upgrades being completed. There were 1,578 rewires and upgrades, compared to a planned programme of 1,650.

7.2.3 Windows and Doors (£0.3m) underspent and there is a saving of £0.2m, as previously reported. The scheme is a mop up of homes which have not yet had double glazing installed. These properties are difficult to access and work is only possible when it becomes void.

7.2.4 The St Peters Tower Block refurbishment (£2.0m) spent £0.6m less than budget. As reported at period 9, work on Gordon House commenced in January resulting in a underspend of £0.5m. However delays installing the second lift in Clipstone has increased the underspend by £0.1m. Re-profiling of £0.6m is therefore requested. Completion of the fourth and final tower block Maxfield House is expected mid-2017.

7.2.5 Door Entry (£0.6m) underspent by £0.4m as reported at period 9, as schemes awaited a completed fire assessment. Re-profiling of £0.4m is requested.

7.2.6 Kitchens and Bathrooms (£5.8m) completed a planned replacement programme of 800 kitchens and 300 bathrooms. Slippage of £0.1m is requested.

- 7.2.7 Structural and Damp Proofing Works (£0.4m), Soffits and Fascias (£0.5m), New Central Heating (£0.2m) and Condensation Initiatives (£0.4m) all completed a full programme and fully spent the budget.
- 7.3 Business Investment (£1.8m) spent £0.9m less than budget.
- 7.3.1 The replacement Housing Information System (Northgate) went live in January and £0.2m re-profiling is requested, as reported at period 9.
- 7.3.2 Mobile Working (£0.5m) spent £0.3m less than budget and will be re-profiled in to 2016/17. The purchase of hardware was delayed due to later than planned implementation of Northgate, as reported as period 9.
- 7.3.3 Technological Advancements has saved £0.1m, as the roll out of digital TV aerials and vehicle trackers is now complete.
- 7.3.4 CCTV (£0.3m) to upgrade from analogue to digital was re-profiled to 2016/17 at period 4.
- 7.4 Environmental and Communal Works (£8.9m) spent £1.7m less than budget.
- 7.4.1 Disabled Adaptions (£1.2m) spent £0.2m more than budget. In last 3 months of the year demand increased for more expensive adaptions like lifts and hoists. In addition the scheme delivered 2 fully adapted bungalows where work done was higher than the standard specification.
- 7.4.2 Environmental and Communal Area Improvements (£2.0m) spent £0.1m more than budget and a further £45k is required to complete a delayed scheme. A total of 94 schemes were completed across six districts to make small improvements to estates and communal areas.
- 7.4.3 Fire Risk Works (£1.0m) spent £0.1m more than budget due to work needed to ensure flats and communal areas are compliant with Fire Service inspection notices. Work includes the replacement and upgrading of fire door and smoke detectors.
- 7.4.4 Waylighting (£0.4m) spent £0.1m more than budget as some of the work to upgrade to energy efficient LED lights has been brought forward to achieve reductions in energy usage earlier.
- 7.4.5 Loft insulation (£0.3m) spent £0.1m less than budget. The number of homes with inadequate insulation is lower than expected as tenants have taken advantage of schemes offered by the utility providers. Further savings totalling £0.2m were made on Sheltered Housing Improvement, Supporting Neighbourhoods Hub transformation and General Safety works budget.
- 7.4.6 External Wall Insulation (£1.2m) has been re-profiled to future years. A procurement exercise is underway to find a match funder.

- 7.4.7 Further re-profiling totalling £0.7m is required for schemes which did not start as planned, as reported at Period 9. A new lift at St Leonards Court (£0.1m) has been delayed awaiting award of a new contract. Balcony Improvements (£0.3m) were delayed as technicians were deployed on the tower block refurbishment programme and the Charnwood Door Entry (£0.2m) awaited fire risk assessments. New Playgrounds (£66k) and the Exchange Shops Demolition (£49k) did not start as planned.
- 7.5 Increasing Affordable Housing (£0.7m). A contractor to Lower Hastings Street and Loughborough Road Hostels is expected to be procured over the summer and appointed in the autumn. Work is not expected to start on site until early 2017, hence £452k of slippage has occurred, as previously reported.
- 7.6 The Housing General Fund capital programme (£3.3m) spent £0.3m less than budget and slippage is requested in full.
- 7.6.1 Disabled Facilities Grants (£2.4m) spent £0.1m less than budget. Means tested grants are awarded to owner occupiers and tenants of housing associations to make adaptations to their home so they can continue to live there independently. During the year a total of 285 applications were approved and grant awarded. Adaption work was in progress at 11 homes and resulted in a proposed carry forward of £0.1m.
- 7.6.2 Repayable Home Repair Loans (£0.2m) fully spent. Low income owner occupiers can apply for loans of up to £10k to make essential improvements to their home such a re-roofing and double glazing. 33 applications were approved.
- 7.6.3 Empty Homes (£50k) did not fully spend. Empty homes are purchased as a last resort either by a compulsory purchase or a negotiated purchase. A total of 250 empty homes were brought back in use during 2015/16. Of these 2 were negotiated purchases, which are then sold at auction on condition they are brought up to liveable standard and reoccupied. Carry forward of £50k is requested to provide a buffer against increased stamp duty.
- 7.6.4 The Leicester Energy Efficiency Fund (£76k) spent £45k less than budget. Private sector landlords can access 50% match funding to make energy efficiency improvements to their properties such as installing loft insulation or energy efficient boilers for the benefit of the tenants. Despite extensive mailshots during the year, interest in the scheme was low. Approval is sought to carry forward the £45k to increase the budget for Street Scene Improvements.
- 7.6.5 Gypsy and Traveller Sites (£0.4m) spent £50k less than budget, which is requested for carry forward as defects and snagging issues are resolved.

8. Policy Provisions

8.1 At the end of the financial year a number of policy provisions for City Development & Neighbourhoods projects still awaited formal approval for allocation to specific schemes.

Service Area	Project	Amount £000
Planning, Transportation and Economic Development	Economic Action Plan Phase 2	7,573.0
	Ashton Green Infrastructure	1,640.0
Local Services & Enforcement	Replacement Allotment Infrastructure	125.0
Property Services	Property Maintenance	1,700.0
Housing Revenue Account	New Affordable Housing	1,654.0
	New HRA Schemes	300.0
Total		12,992.0

Corporate Resources Projects**1. Summary**

1.1. The projects comprising the Corporate Resources capital programme spent £0.7m of their approved capital programme of £2.7m.

1.2. The following table shows the split of the capital programme by division:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Financial Services	2,000.0	-	2,000.0	-	-	0%
Information Services	689.0	668.0	-	21.0	-	97%
Total	2,689.0	668.0	2,000.0	300.0	-	25%

2. Financial Services

2.1. New corporate finance and HR systems are needed as the contracts for the current systems are approaching expiry. Project spend is expected to happen during 2016/17, hence the whole budget has been re-profiled into 2016/17. Work to select new systems was well underway at the end of March. However additional due diligence work, including site visits and further clarifications from suppliers, delayed the award of a new contract towards the year end.

3. Information Services

3.1. The table below summarises the £0.7m approved capital programme for Information Services.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
UNIX Server Replacement	197.0	197.0	-	-	-	100%
ICT Data Storage Replacement	390.0	390.0	-	-	-	100%
ICT Firewall	102.0	81.0	-	21.0	-	79%
Total	689.0	668.0	-	21.0	-	97%

3.2. The ICT equipment replacement programme has been completed as planned, with £21k of slippage as work to the firewall continued past the year end.