

# Executive Decision Report

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## **Capital Budget Monitoring – Period 3, 2019/20**

Decision to be taken by: City Mayor

Overview Select Committee date: 19<sup>th</sup> September 2019

Lead director: Alison Greenhill

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**City Mayor**

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## Useful Information

- Report author: Amy Oliver
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### 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2019/20 as at the end of Period 3.
- 1.2 This is the first capital monitoring report of the financial year. Further quarterly reports and an outturn report will be presented as the year progresses.

### 2. Recommendations

2.1 The Executive is recommended to:

- Note total spend of £21.6m for the year to date.
- Note funds of £5m previously included in the Anstey Lane Improvements element of Ashton Green have been removed from the capital programme, due to this being paid to the County Council who are the accountable body, as detailed in Appendix A, para 2.1.
- Note the remaining £2.7m budget for Anstey Lane Improvements is now being reported within the Leicester North West Major Transport Scheme, as detailed in Appendix A, Planning, Development & Transportation para 2.1.
- Approve the addition of £355k for St Leonard's tower block lifts, as detailed in Appendix A, Housing para 2.1.
- Approve the addition of £338k to enhance the public realm around the Market, to be funded from the Business Rates Pool.
- Approve the addition of £336k to the capital programme to improve the public realm around the Clock Tower area, to be funded from section 106 monies.
- Approve the addition of £350k for the creation of the community gallery at New Walk Museum, to be funded by the Arts Council.

The OSC is recommended to:

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

### 3. Supporting Information including options considered

- 3.1 The 2018/19 to 2019/20 Capital Programme was approved by Council on 30<sup>th</sup> November 2017 and amended at the 2017/18 and 2018/19 outturn.
- 3.2 The capital programme is split in the following way:
  - (a) Schemes classified as '**immediate starts**', which require no further approval to commence; and
  - (b) A number of separate '**policy provisions**' which are not released until specific proposals have been approved by the Executive.

3.3 Immediate Starts are further split into:

- (a) **Projects**, which are discrete, individual schemes such as a road scheme or a new building. Monitoring of projects focusses on delivery of projects on time and the achievement of milestones. Consequently, there is no attention given to in-year financial slippage;
- (b) **Work Programmes**, which consist of minor works or similar on-going schemes where there is an allocation of money to be spent during a particular year. Monitoring of work programmes focusses on whether the money is spent in a timely fashion;
- (c) **Provisions**, which are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem;
- (d) **Schemes which are substantially complete**. These schemes are the tail end of schemes in previous years' capital programmes, usually consisting of small amounts of money brought forward from earlier years.

3.4 A summary of the total approved 2019/20 capital programme as at Period 3 is shown below:

|                                | <b>£000</b>    |
|--------------------------------|----------------|
| Projects                       | 125,403        |
| Work Programmes                | 105,976        |
| Provisions                     | 487            |
| Schemes nearly complete        | 5,361          |
| <b>Total Immediate Starts</b>  | <b>237,227</b> |
| Policy Provisions              | 68,186         |
| <b>Total Capital Programme</b> | <b>305,413</b> |

3.5 The following changes have occurred to the capital programme since Outturn:

|   | <b>£000</b>    |
|---|----------------|
| Affordable Housing - Acquisitions                           | <b>7,000</b>   |
| Anstey Lane Improvements for Ashton Green                   | <b>(5,000)</b> |
| Increased ERDF funding for Low Carbon Schemes               | <b>2,600</b>   |
| Euston Street Store (20/21 programme)                       | <b>500</b>     |
| Solar Panels at Bus Station and Car Parks (20/21 programme) | <b>388</b>     |
| Highways Maintenance additions                              | <b>368</b>     |
| Transport Improvement Works - Bus Lane Enforcement          | <b>208</b>     |
| North City Centre Access Improvement Scheme (DEFRA)         | <b>188</b>     |
| Beaumont Park Depot (road and related works)                | <b>125</b>     |
| Other   | <b>155</b>     |
| <b>Net Movements</b>  | <b>6,532</b>   |

These movements are included in the table at 3.4 above.

The following appendices to this report show progress on each type of scheme:

- Appendix A – Projects
- Appendix B – Work Programmes
- Appendix C – Provisions
- Appendix D – Projects Substantially Complete
- Appendix E – Policy Provisions

3.6 This report only monitors policy provisions to the extent that spending approval has been given, at which point they will be classified as projects, work programmes or provisions.

### 3.7 Capital Receipts

3.7.1 At Period 3, the Council has realised £0.2m of General Fund capital receipts. These receipts are not required to fund the current programme. In line with our policies, with the exception of any earmarked receipts, these are set aside for future capital programmes.

3.7.2 Right to Buy receipts this year have so far amounted to £5.7m.

## 4. **Financial, Legal and other Implications**

### 4.1 Financial Implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

### 4.2 Legal Implications

There are no legal implications arising directly from the recommendations of this report.

Emma Horton, Head of Law (Commercial, Property and Planning).

### 4.3 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

### 4.4 Equalities Implications

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

#### 4.5 Other Implications

| <b>Other implications</b>    | <b>Yes/No</b> | <b>Paragraph referred</b> |
|------------------------------|---------------|---------------------------|
| 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

Report to Council on the 30<sup>th</sup> November 2017 on the Capital Programme 2018/19 to 2019/20.

2018/19 Capital Monitoring Outturn Report presented to OSC on 20<sup>th</sup> June 2019.

#### 6. Is this a private report

No.

#### 7. Is this a "key decision"?

No.

#### 8. If a key decision please explain reason

## PROJECTS

### 1. Summary

- 1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, i.e. whether they are being delivered on time, on budget and to the original specification. This appendix summarises progress on projects. Project summaries provided by departments/divisions are shown on pages 8-18 within this Appendix.

| Department / Division                  | Budget<br>2019/20<br>to 2020/21<br>£000 | 2019/20<br>Spend<br>to Date<br>£000 |
|--|---|-------------------------------------|
| Corporate Resources                    | 1,562                                   | 37                                  |
| Adult Social Care                      | 2,510                                   | 0                                   |
| Planning, Development & Transportation | 65,228                                  | 6,230                               |
| Tourism, Culture & Inward Investment   | 5,828                                   | 366                                 |
| Neighbourhood & Environmental Services | 647                                     | 0                                   |
| Estates & Building Services            | 10,230                                  | 1,988                               |
| Children's Services                    | 25,548                                  | 857                                 |
| Public Health                          | 2,234                                   | 0                                   |
| Housing Revenue Account                | 11,616                                  | 78                                  |
| <b>Total</b>                           | <b>125,403</b>                          | <b>9,556</b>                        |

- 1.2 A list of the individual projects is shown in the table on pages 6-7 of this report. This also summarises the progress of each project. Attention is drawn to expected completion dates and any project issues that have arisen.
- 1.3 A colour-coded rating of progress of each project has been determined, based on whether the project is progressing as expected, and whether it is still expected to complete within budget.
- 1.4 The ratings used are:
- (a) **Green** Successful delivery of the project on time, within budget, to specification and in line with original objectives seems very likely. There are no major issues that appear to threaten delivery significantly.
  - (b) **Amber** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears probable. However, some risks exist and close attention will be required to ensure these risks do not materialise into major issues threatening delivery. Alternatively, a project is classed as amber if some insubstantial slippage or minor overspend is probable.
  - (c) **Red** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears to be unachievable. The project is expected to require redefining, significant additional time or additional budget.
  - (d) **Blue** The project is complete.
  - (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.

## 2. Summary of Individual Projects

| Dept/<br>Division | Project   | Total<br>Budget<br>(£000) | 2019/20<br>Spend<br>(£000) | Forecast<br>O/(U)spend<br>(£000) | Original<br>Completion<br>Date | Forecast<br>Completion<br>Date | Previous<br>Reported<br>RAG Rating | Project<br>RAG Rating<br>@ P3 |
|-------------------|---|---------------------------|----------------------------|----------------------------------|--------------------------------|--------------------------------|------------------------------------|-------------------------------|
| CRS               | Automatic Call Distribution System Upgrade          | 70                        | 11                         | 0                                | Apr-18                         | Apr-20                         | Amber                              | Green                         |
| CRS               | Finance System                                      | 926                       | 0                          | 0                                | Jun-17                         | Mar-20                         | Red                                | Green                         |
| CRS               | Cash Income Management System                       | 566                       | 26                         | 0                                | Jan-20                         | Jul-20                         | Green                              | Green                         |
| ASC               | Extra Care Schemes                                  | 2,510                     | 0                          | 0                                | Aug-20                         | Aug-20                         | Green                              | Amber                         |
| CDN (PDT)         | Leicester North West Major Transport Scheme         | 9,345                     | 1,317                      | 0                                | Mar-19                         | Mar-21                         | Amber                              | Amber                         |
| CDN (PDT)         | North City Centre Access Improvement Scheme         | 7,238                     | 570                        | 0                                | Feb-20                         | Nov-20                         | Green                              | Green                         |
| CDN (PDT)         | City Centre Street Improvements                     | 4,156                     | 481                        | 0                                | Apr-19                         | Dec-20                         | Green                              | Green                         |
| CDN (PDT)         | Waterside Strategic Regeneration Area               | 13,487                    | 1,297                      | 0                                | Mar-23                         | Mar-23                         | Green                              | Green                         |
| CDN (PDT)         | St George's Churchyard                              | 844                       | 12                         | 0                                | Aug-18                         | TBC                            | Purple                             | Purple                        |
| CDN (PDT)         | Great Central Street / Vaughan Way                  | 2,679                     | 15                         | 0                                | Jan-19                         | Aug-19                         | Green                              | Green                         |
| CDN (PDT)         | Ashton Green  | 848                       | 34                         | 0                                | Mar-21                         | Mar-21                         | Green                              | Green                         |
| CDN (PDT)         | Pioneer Park  | 3,110                     | 0                          | 0                                | Jan-21                         | Jan-21                         | Green                              | Green                         |
| CDN (PDT)         | Newarke Street Car Park improvements                | 95                        | 92                         | 0                                | Sep-18                         | Aug-19                         | Green                              | Green                         |
| CDN (PDT)         | Abbey Park Precinct Wall                            | 96                        | 0                          | 0                                | Aug-19                         | Mar-20                         | Green                              | Amber                         |
| CDN (PDT)         | Pioneer Park Commercial Workspace (formerly Dock 2) | 5,000                     | 3                          | 0                                | Spring 18                      | Spring 20                      | Green                              | Green                         |
| CDN (PDT)         | Connecting Leicester - Low Carbon Schemes           | 7,936                     | 1,724                      | 0                                | Nov-20                         | Nov-20                         | Green                              | Green                         |
| CDN (PDT)         | 22 St. Georges Way                                  | 541                       | 516                        | 0                                | Feb-19                         | Apr-19                         | Green                              | Blue                          |
| CDN (PDT)         | Ashton Green Highways Infrastructure                | 9,853                     | 169                        | 0                                | Mar-21                         | Mar-21                         | Amber                              | Green                         |
| CDN (TCI)         | Jewry Wall Museum Improvements                      | 2,952                     | 16                         | 0                                | Mar-19                         | Mar-21                         | Green                              | Amber                         |
| CDN (TCI)         | Leicester Market Redevelopment                      | 2,541                     | 329                        | 0                                | Dec-18                         | Mar-20                         | Amber                              | Amber                         |
| CDN (TCI)         | Abbey Pumping Station                               | 255                       | 19                         | 0                                | Mar-19                         | TBC                            | Green                              | Purple                        |
| CDN (TCI)         | LCB Courtyard/Garden Development                    | 80                        | 2                          | 0                                | Apr-19                         | Mar-20                         | Green                              | Green                         |

| Dept/<br>Division            | Project  | Total<br>Budget<br>(£000) | 2018/19<br>Spend<br>(£000) | Forecast<br>O/(U)spend<br>(£000) | Original<br>Completion<br>Date | Forecast<br>Completion<br>Date | Previous<br>Reported<br>RAG Rating | Project<br>RAG<br>Rating |
|------------------------------|--|---------------------------|----------------------------|----------------------------------|--------------------------------|--------------------------------|------------------------------------|--------------------------|
| CDN (NES)                    | City Centre Playground   | 100                       | 0                          | 0                                | Mar-19                         | Mar-20                         | Amber                              | Green                    |
| CDN (NES)                    | St Mary's Allotments   | 547                       | 0                          | 0                                | Jul-19                         | Jan-20                         | Green                              | Green                    |
| CDN (EBS)                    | Haymarket House, Car Parks & Lifts                             | 9,658                     | 1,838                      | 0                                | Mid-20                         | Autumn 20                      | Amber                              | Red                      |
| CDN (EBS)                    | 11-15 Horsefair Street   | 433                       | 50                         | 0                                | Nov-18                         | Sep-19                         | Amber                              | Green                    |
| CDN (EBS)                    | Great Central Railway Museum                                   | 139                       | 100                        | 0                                | Oct-18                         | Jun-19                         | Purple                             | Blue                     |
| ECS                          | Additional Primary School Places                               | 1,967                     | 236                        | 0                                | May-19                         | Oct-19                         | Green                              | Green                    |
| ECS                          | Additional Secondary School Places                             | 14,760                    | 337                        | 0                                | Sep-19                         | Sep-19                         | Green                              | Green                    |
| ECS                          | Additional SEND Places (including Primary Pupil Referral Unit) | 7,297                     | 284                        | 0                                | Dec-19                         | Dec-19                         | Amber                              | Amber                    |
| ECS                          | Children's Residential Homes                                   | 1,524                     | 0                          | 0                                | Aug-20                         | Aug-20                         | Green                              | Green                    |
| PH                           | Leisure Centre Improvement Programme                           | 2,234                     | 0                          | 0                                | Mar-20                         | Jul-20                         | Amber                              | Amber                    |
| <b>Total (excluding HRA)</b> |  | <b>113,787</b>            | <b>9,478</b>               | <b>0</b>                         |                                |                                |                                    |                          |
| CDN (HRA)                    | St Leonard's Tower Block - Lift                                | 195                       | 0                          | 355                              | Mar-18                         | Apr-21                         | Amber                              | Amber                    |
| CDN (HRA)                    | Exchange Demolition  | 100                       | 0                          | 0                                | Dec-17                         | Jan-20                         | Amber                              | Green                    |
| CDN (HRA)                    | Goscote House Demolition                                       | 2,981                     | 11                         | 0                                | Jan-20                         | Jan-22                         | Green                              | Red                      |
| CDN (HRA)                    | Parking - Spend to Save  | 250                       | 0                          | 0                                | Mar-20                         | Jan-20                         | N/A                                | Green                    |
| CDN (HRA)                    | New House Build  | 6,200                     | 23                         | 0                                | Apr-20                         | Aug-20                         | N/A                                | Green                    |
| CDN (HRA)                    | Tower Block Sprinkler Systems                                  | 1,390                     | 44                         | 0                                | Apr-22                         | Apr-22                         | N/A                                | Green                    |
| CDN (HRA)                    | Property Conversions (2020/21)                                 | 500                       | 0                          | 0                                | Mar-22                         | Mar-22                         | N/A                                | Green                    |
| <b>Total HRA</b>             |  | <b>11,616</b>             | <b>78</b>                  | <b>355</b>                       |                                |                                |                                    |                          |
| <b>Total (including HRA)</b> |  | <b>125,403</b>            | <b>9,556</b>               | <b>355</b>                       |                                |                                |                                    |                          |



### **3. Commentary on Specific Projects**

- 3.1 Explanatory commentary for projects that are not currently progressing as planned, or for which issues have been identified, is provided in the next pages. This has been defined as any scheme that has a RAG Rating other than “green” or “blue”.

## Capital Programme Project Monitoring 2019/20 Period 3

### Corporate Resources

#### 1. Projects Summary

| Project Name                       | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|------------------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Automatic Call Distribution System | 70                      | 0                                    | April 2018               | April 2020               | <b>G</b>   |
| Finance System                     | 926                     | 0                                    | June 2017                | Mar 2020                 | <b>G</b>   |
| Cash Income Management System      | 566                     | 0                                    | Jan 2020                 | July 2020                | <b>G</b>   |
| <b>Total</b>                       | <b>1,562</b>            | <b>0</b>                             |                          |                          |            |

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

## Capital Programme Project Monitoring 2019/20 Period 3

### Adults

#### 1. Projects Summary

| Project Name             | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|--------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Extra Care – Two Schemes | 2,510                   | 0                                    | Aug 2020                 | Aug 2020                 | A          |
| <b>Total</b>             | <b>2,510</b>            | <b>0</b>                             |                          |                          |            |

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1. Extra Care – Two Schemes** Discussions are still in progress with the consortia to agree the contractual arrangements. This is taking longer than anticipated because of the changes that have occurred within the consortia as a result of 'pausing' the developments pending the outcome of the Governments consultation on the future of the Local Housing Allowance for supported housing. It is likely these discussions will be concluded at the end of September 2019. If this enables the developments to proceed, then the two schemes will take approximately 18 to 22 months to build.

# Capital Programme Project Monitoring 2019/20 Period 3

## Planning, Development & Transportation

### 1. Projects Summary

| Project Name                              | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|---|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Leicester North West Transport Scheme     | 9,345                   | 0                                    | Mar 2019                 | Mar 2021                 | A          |
| North City Centre Access                  | 7,238                   | 0                                    | Feb 2020                 | Nov 2020                 | G          |
| City Centre Street Improvements           | 4,156                   | 0                                    | Apr 2019                 | Dec 2020                 | G          |
| Waterside                                 | 13,487                  | 0                                    | Mar 2023                 | Mar 2023                 | G          |
| St George's Churchyard                    | 844                     | 0                                    | Aug 2018                 | TBC                      | P          |
| Vaughan Way / Great Central Street        | 2,679                   | 0                                    | Jan 2019                 | Aug 2019                 | G          |
| Ashton Green                              | 848                     | 0                                    | Mar 2021                 | Mar 2021                 | G          |
| Pioneer Park                              | 3,110                   | 0                                    | Jan 2021                 | Jan 2021                 | G          |
| Newarke Street Car Park Improvements      | 95                      | 0                                    | Sept 2018                | Aug 2019                 | G          |
| Abbey Park Precinct Wall                  | 96                      | 0                                    | Aug 2019                 | March 2020               | A          |
| Pioneer Park Commercial Workspace         | 5,000                   | 0                                    | Spring 2018              | Spring 2020              | G          |
| Connecting Leicester – Low Carbon Schemes | 7,936                   | 0                                    | Nov 2020                 | Nov 2020                 | G          |
| 22 St. Georges Way                        | 541                     | 0                                    | Feb 2019                 | Apr 2019                 | B          |
| Ashton Green Highways Infrastructure      | 9,853                   | 0                                    | Mar 2021                 | Mar 2021                 | G          |
| <b>Total</b>                              | <b>65,228</b>           | <b>0</b>                             |                          |                          |            |

### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1. Leicester North West Major Transport Project** Phase 2 is progressing towards completion on site with works completed on the Ravensbridge Drive junction. There has been slippage on the Blackbird Road/ Anstey Lane junction works principally due to the identification part way through the project by Cadent of gas mains needing to be diverted and the associated need to reprogramme works which are now due to complete in November 2019.

Works on the A46/Anstey Lane scheme are being progressed jointly with the County Council and are currently programmed to commence in October 2019. The budget for the Anstey Lane Improvements project (£2.7m) has now been transferred to this scheme. Previously £5m of government grants was included in the Anstey Lane Improvements project, but as this is to be paid directly to the County Council who are the accountable body, this has now been removed.

The LNW programme is expected to complete and all external Local Growth Fund monies drawn down by March 2021.

- 2.2. St George's Churchyard** Options for the scheme are currently being reviewed.
- 2.3. Abbey Park Precinct Wall** The extended survey works have been completed and further recommended for Abbey Park Road and St Margaret's Way. Soil removal at the back of the east (river) wall has been recommended, followed by a period of monitoring for a year to ascertain if there is any further movement. Hence revised completion date to March 2020.

## Capital Programme Project Monitoring 2019/20 Period 3

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

| Project Name                     | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|----------------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Jewry Wall Museum Improvements   | 2,952                   | 0                                    | March 2019               | March 2021               | <b>A</b>   |
| Leicester Market Redevelopment   | 2,541                   | 0                                    | Dec 2018                 | March 2020               | <b>A</b>   |
| Abbey Pumping Station            | 255                     | 0                                    | March 2019               | TBC                      | <b>P</b>   |
| LCB Courtyard/Garden Development | 80                      | 0                                    | April 2019               | March 2020               | <b>G</b>   |
| <b>Total</b>                     | <b>5,828</b>            | <b>0</b>                             |                          |                          |            |

#### 2. Projects Commentary (for **all** projects rated Amber, Red or Purple).

- 2.1. Jewry Wall Museum** The project has experienced some delays during the initial design stages. However, the project is now progressing, and the most recent programme anticipates that the works will now be completed in March 2021.
- 2.2. Leicester Market Redevelopment** The project has undergone an extensive review, and the current programme identifies completion by March 2020. The current programme demonstrates that the key phases of work will be completed by the Autumn of 2019.
- 2.3. Abbey Pumping Station** RIBA phase 3 design work has been put on hold pending a decision on Museum capital investment priorities.

## Capital Programme Project Monitoring 2019/20 Period 3

### Neighbourhood and Environmental Services

#### 1. Projects Summary

| Project Name         | Approval<br>2019/20<br>(£000) | Forecast<br>Over /<br>(Under)<br>Spend<br>(£000) | Original<br>Completion<br>Date | Forecast<br>Completion<br>Date | RAG<br>Rating |
|----------------------|-------------------------------|--|--------------------------------|--------------------------------|---------------|
| City Centre Play     | 100                           | 0  | Mar 19                         | March 20                       | <b>G</b>      |
| St Mary's Allotments | 547                           | 0  | July 19                        | Jan 20                         | <b>G</b>      |
| <b>Total</b>         | <b>647</b>                    | <b>0</b>   |                                |                                |               |

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

# Capital Programme Project Monitoring 2019/20 Period 3

## Estates and Building Services

### 1. Projects Summary

| Project Name                        | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|-------------------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Haymarket House, Car Park and Lifts | 9,658                   | 0                                    | Mid 2020                 | Autumn 2020              | R          |
| 11-15 Horsefair Street              | 433                     | 0                                    | Nov 2018                 | Sept 2019                | G          |
| GCR Mainline Museum                 | 139                     | 0                                    | Oct 2018                 | June 2019                | B          |
| <b>Total</b>                        | <b>10,230</b>           | <b>0</b>                             |                          |                          |            |

### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1 Haymarket House, Car Park and Lifts** The Haymarket car park improvements are contracted directly by the Council and are well underway in line with the programme. The lifts and Haymarket House (Travelodge) are to be delivered via a separate contract with the owner of the Haymarket Shopping Centre. Unfortunately, in June 2019 their main construction contractor for this element of the scheme entered voluntary administration, and a new contractor was appointed in August 2019. The scheme has now recommenced and the timeline for delivery of the scheme has now altered to Autumn 2020. Costs for the overall scheme are being kept under review and a team is in place to continue to monitor the scheme on a monthly basis.



# Capital Programme Project Monitoring 2019/20 Period 3

## Children's Services

### 1. Projects Summary

| Project Name   | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|--|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Additional Primary School Places                               | 1,967                   | 0                                    | May 19                   | Oct 19                   | G          |
| Additional Secondary School Places                             | 14,760                  | 0                                    | Sept 19                  | Sept 19                  | G          |
| Additional SEND Places (including Primary Pupil Referral Unit) | 7,297                   | 0                                    | Dec 19                   | Dec 19                   | A          |
| Children's Residential Homes                                   | 1,524                   | 0                                    | Aug 20                   | Aug 20                   | G          |
| <b>Total</b>   | <b>25,548</b>           | <b>0</b>                             |                          |                          |            |

### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

2.1 **Additional SEND Places (including Primary Pupil Referral Unit)** - Following a feasibility study which identified additional works linked to asbestos removal and structures, a review of the Primary PRU scheme at Netherhall is currently being completed. This has led to a forecast increase in project costs.

## Capital Programme Project Monitoring 2019/20 Period 3

### Public Health

#### 1. Projects Summary

| Project Name                         | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|--------------------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| Leisure Centre Improvement Programme | 2,234                   | 0                                    | March 2020               | July 2020                | A          |
| <b>Total</b>                         | <b>2,234</b>            | <b>0</b>                             |                          |                          |            |

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1 Leisure Centre Improvement Programme** Approval to progress to Cost Certainty on this scheme has been approved and will be completed by September/October. A follow up report will be presented to the Capital Programme Board to confirm cost certainty and an updated business case.

# Capital Programme Project Monitoring 2019/20 Period 3

## Housing

### 1. Projects Summary

| Project Name                    | Approval 2019/20 (£000) | Forecast Over / (Under) Spend (£000) | Original Completion Date | Forecast Completion Date | RAG Rating |
|---------------------------------|-------------------------|--------------------------------------|--------------------------|--------------------------|------------|
| St Leonard's Tower Block - Lift | 195                     | 355                                  | Mar 18                   | April 21                 | A          |
| Exchange Demolition             | 100                     | 0                                    | Dec 17                   | Jan 20                   | G          |
| Goscote House Demolition        | 2,981                   | 0                                    | Jan 20                   | Jan 22                   | R          |
| Parking – Spend to Save         | 250                     | 0                                    | March 20                 | Jan 20                   | G          |
| New Build Council Housing       | 6,200                   | 0                                    | April 20                 | Aug 20                   | G          |
| Tower Block Sprinklers          | 1,390                   | 0                                    | April 22                 | April 22                 | G          |
| Property Conversions (2020/21)  | 500                     | 0                                    | March 22                 | March 22                 | G          |
| <b>Total</b>                    | <b>11,616</b>           | <b>355</b>                           |                          |                          |            |

### 2. Projects Commentary (for **all** projects rated Amber, Red or Purple).

**2.1. St Leonard's Lift** The building was originally designed to have two lifts but only one was ever installed, with the location of the second lift being used as communal cupboards. The original lift is now coming to the end of its useful life and the decision has been taken to install a new second lift. The existing lift can then be renewed, and the block will have two lifts as originally planned. The delay was caused because of reluctance on the part of a leaseholder to the installation of the second lift. However, an agreement has now been reached and procurement of the lift is due to start imminently. As part of the procurement process it has become clear that the budget of £195k will be exceeded and spend is likely to be in the order of £550k. This report is seeking an addition to the HRA capital programme of £355k to be funded from HRA revenue underspends.

**2.2. Goscote House Demolition** It is projected that all tenants will have been moved out of the block by Autumn 2019. We are now able to procure a demolition contractor, with the expectation they will be in place in early 2020. Due to the very constrained nature of the site, it has been determined through specialist surveys that the safest method of demolition is to mechanically dismantle the main structure one floor at a time. This method of demolition will lead to an increased programme of around 24 months, which will inevitably lead to additional project costs. Further detail will be provided when specialist surveys are complete, and all elements of this approach costed.

**WORK PROGRAMMES****1. Summary**

- 1.1 As stated in the cover report, work programmes are minor works or similar on-going schemes where there is an allocation of money to be spent during a particular year. Monitoring of work programmes focusses on whether the money is spent in a timely fashion.

| <b>Department /Division</b>            | <b>Approved to spend in 19/20<br/>£000</b> | <b>2019/20 Spend to Date<br/>£000</b> | <b>Forecast Slippage<br/>£000</b> | <b>Forecast Over/(under) Spend<br/>£000</b> |
|--|--|---------------------------------------|-----------------------------------|---|
| Planning, Development & Transportation | 18,321                                     | 723                                   | 10,365                            | 0   |
| Tourism, Culture & Inward Investment   | 1,445                                      | 856                                   | 0                                 | 0   |
| Neighbourhood & Environmental Services | 679  | 192                                   | 0                                 | 0   |
| Estates & Building Services            | 2,083                                      | 74                                    | 0                                 | 0   |
| Housing General Fund                   | 5,098                                      | 636                                   | 0                                 | (200)                                       |
| LLEP                                   | 0  | 0                                     | 0                                 | 0   |
| Children's Services                    | 8,123                                      | 288                                   | 237                               | (90)  |
| <b>Total (excluding HRA)</b>           | <b>35,749</b>                              | <b>2,769</b>                          | <b>10,602</b>                     | <b>(290)</b>                                |
| Housing Revenue Account                | 35,451                                     | 8,874                                 | 278                               | 0   |
| <b>Total (including HRA)</b>           | <b>71,200</b>                              | <b>11,643</b>                         | <b>10,880</b>                     | <b>(290)</b>                                |

## 2. Summary of Individual Work Programmes

| Work Programme  | Dept/<br>Division | Approved<br>£000 | 2019/20<br>Spend<br>to Date<br>£000 | Forecast<br>Slippage<br>£000 | Forecast<br>Over/(under)<br>Spend<br>£000 |
|---|-------------------|------------------|-------------------------------------|------------------------------|---|
| Transport Improvement Works                           | CDN (PDT)         | 9,596            | 351                                 | 7,365                        | 0   |
| Bus Engine Retrofitting (DFT funded)                  | CDN (PDT)         | 619              | 5                                   | 0                            | 0   |
| Air Quality Action Plan                               | CDN (PDT)         | 2                | 0                                   | 0                            | 0   |
| Highways Maintenance                                  | CDN (PDT)         | 2,486            | 87                                  | 0                            | 0   |
| Townscape Heritage Initiative - Business Grants       | CDN (PDT)         | 563              | 101                                 | 0                            | 0   |
| Flood Strategy  | CDN (PDT)         | 355              | 42                                  | 0                            | 0   |
| Festive Decorations                                   | CDN (PDT)         | 54               | 2                                   | 0                            | 0   |
| Local Environmental Works                             | CDN (PDT)         | 25               | 25                                  | 0                            | 0   |
| Legible Leicester                                     | CDN (PDT)         | 268              | 37                                  | 0                            | 0   |
| Parking Strategy Development                          | CDN (PDT)         | 303              | 26                                  | 0                            | 0   |
| Leicester Strategic Flood Risk Management Strategy    | CDN (PDT)         | 3,706            | 23                                  | 3,000                        | 0   |
| Potential Strategic Development Sites Assessment      | CDN (PDT)         | 41               | 0                                   | 0                            | 0   |
| Architectural & Feature Lighting                      | CDN (PDT)         | 100              | 0                                   | 0                            | 0   |
| Front Wall Enveloping                                 | CDN (PDT)         | 153              | 24                                  | 0                            | 0   |
| Replacement Doors & Windows St Saviours Rd            | CDN (PDT)         | 50               | 0                                   | 0                            | 0   |
| Enterprising Leicester Loans                          | CDN (TCI)         | 20               | 0                                   | 0                            | 0   |
| Heritage Interpretation Panels                        | CDN (TCI)         | 302              | 0                                   | 0                            | 0   |
| Retail Gateways                                       | CDN (TCI)         | 85               | 63                                  | 0                            | 0   |
| Arts & Museum Security Improvements                   | CDN (TCI)         | 40               | 0                                   | 0                            | 0   |
| Collaborate Business Project - Business Grants        | CDN (TCI)         | 318              | 113                                 | 0                            | 0   |
| Cultural investment programme                         | CDN (TCI)         | 680              | 680                                 | 0                            | 0   |
| Parks Plant and Equipment                             | CDN (NES)         | 152              | 0                                   | 0                            | 0   |
| Replacement Tree Planting                             | CDN (NES)         | 86               | 0                                   | 0                            | 0   |
| CCTV Upgrade - Infrastructure                         | CDN (NES)         | 306              | 170                                 | 0                            | 0   |
| CCTV Upgrade - Neighbourhood Facilities               | CDN (NES)         | 90               | 22                                  | 0                            | 0   |
| Street Scene Improvements                             | CDN (NES)         | 45               | 0                                   | 0                            | 0   |
| Euston Street Store                                   | CDN (EBS)         | 330              | 2                                   | 0                            | 0   |
| Property Maintenance                                  | CDN (EBS)         | 1,619            | 2                                   | 0                            | 0   |
| Energy Fund - Pool Covers                             | CDN (EBS)         | 84               | 70                                  | 0                            | 0   |
| Beaumont Park Depot Rd & Related works                | CDN (EBS)         | 50               | 0                                   | 0                            | 0   |
| Private Sector Disabled Facilities Grant              | CDN (HGF)         | 2,363            | 295                                 | 0                            | 0   |
| Repayable Home Repair Loans                           | CDN (HGF)         | 300              | 28                                  | 0                            | (200)                                     |
| Vehicle Fleet Replacement Programme                   | CDN (HGF)         | 2,435            | 313                                 | 0                            | 0   |
| School Capital Maintenance                            | ECS               | 5,982            | 288                                 | 237                          | (450)                                     |
| BSF Schools' Landlord Lifecycle Fund                  | ECS               | 2,141            | 0                                   | 0                            | 360                                       |
| <b>Total (excluding HRA)</b>                          |                   | <b>35,749</b>    | <b>2,769</b>                        | <b>10,602</b>                | <b>(290)</b>                              |
| Council Housing - New Kitchens and Bathrooms          | CDN (HRA)         | 4,000            | 150                                 | 0                            | 0   |
| Council Housing - Boiler Replacements                 | CDN (HRA)         | 3,425            | 376                                 | 0                            | 0   |
| Council Housing - Rewiring                            | CDN (HRA)         | 1,760            | 225                                 | 0                            | 0   |
| Council Housing - Disabled Adaptations & Improvements | CDN (HRA)         | 1,465            | 67                                  | 0                            | 0   |
| Council Housing - Insulation Works                    | CDN (HRA)         | 100              | 6                                   | 0                            | 0   |
| Council Housing - External Property Works             | CDN (HRA)         | 1,473            | 86                                  | 0                            | 0   |
| Council Housing - Fire and Safety Works               | CDN (HRA)         | 1,492            | 175                                 | 0                            | 0   |
| Community & Environmental Works                       | CDN (HRA)         | 2,425            | 199                                 | 0                            | 0   |
| Affordable Housing - Acquisitions                     | CDN (HRA)         | 17,030           | 6,740                               | 0                            | 0   |
| Affordable Housing - RPs & Others                     | CDN (HRA)         | 1,488            | 779                                 | 0                            | 0   |
| Northgate Business Systems Phase 2                    | CDN (HRA)         | 605              | 71                                  | 112                          | 0   |
| E-Communications (Mobile Working)                     | CDN (HRA)         | 188              | 0                                   | 166                          | 0   |
| <b>Total HRA</b>                                      |                   | <b>35,451</b>    | <b>8,874</b>                        | <b>278</b>                   | <b>0</b>                                  |
| <b>Total (including HRA)</b>                          |                   | <b>71,200</b>    | <b>11,643</b>                       | <b>10,880</b>                | <b>(290)</b>                              |

### **3. Commentary on Specific Work Programmes**

3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For monitoring purposes this has been defined as any scheme where budgets have significantly changed, where spend is low or where material slippage is forecast.

3.2 **Transport Improvement Works** - The two major schemes within this block are Putney Road and Bus Pinch points.

The Putney Road scheme is now expected to start in Summer 2020 due to the complexity of the project. Procurement issues had arisen around the use of the new Midlands Highways Alliance Framework contract and the associated contractual terms, these have now been resolved. The delay in contract and the requirement to co-ordinate works with utility companies has resulted in a revised completion date.

The procurement issues associated with the Putney Road scheme have also impacted on the bus pinch point programme, now programmed to start Spring 2020. In particular, this has delayed the scheme to provide a new, direct bus exit from St Margaret's Bus Station to Burleys Way. Due to the nature of the work and the fact that both projects are funded under the National Productivity Investment Fund, it was our intention to award the works to the same contractor under the MHA Framework.

3.3 **Leicester Strategic Flood Risk Management Strategy** - This is a project within the Local Growth Fund programme which is led and managed by the City Council with delivery partners the Environment Agency and the Canal & River Trust (CRT). The programme of projects for 2019/20 has been agreed with partners, including the CRT projects slipped from 2018/19. There is slippage to 2019/20, mainly as the proposed Watermead Bridge may no longer proceed without the landowner's support. Alternative project options are being identified.

3.4 **Repayable Home Repair Loans** - These loans help to support people on low incomes to bring their properties up to a decent standard, enabling them to continue living within their own homes. This is a demand-led service and a drop in the number of applications has led to a forecast underspend of £200k.

3.5 **Schools Capital Maintenance** – The previously reported slippage is due to limited spend to date against 'production kitchens' whilst schemes are identified. Individual Access Needs works are now programmed into the current year. The earlier CCMP1/2 programme will be substantially complete within the next quarter. The more recent CCIP3 programme is on track for completion and on budget by 2020.

3.6 **BSF Schools' Landlord Lifecycle Fund** – This £4m programme of improvement works to secondary schools is already partially complete having commenced works in the 18/19 financial year. Secondary schools including Babington College, Moat Community College, and Hamilton Community College benefitted from heating and lighting improvements along with further internal works to improve the learning environment of the schools. New College has had significant works over the winter period to upgrade its heating control system which have now reached completion during this last financial quarter within the available budget.

Works are now underway and on site at Sir Jonathan North Community College, New College, Lancaster and Millgate School. These include the replacement of roofs,

windows, fire alarms and heating systems along with other internal improvements. Works are valued at £2.5m and are on schedule to complete within the 2019/20 financial year, predominantly by Period 9.

Overall and currently the programme is expected to complete within the financial year and within the allocated budget.

**PROVISIONS****1. Summary**

- 1.1 As stated in the cover report, provisions are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem.
- 1.2 As at the end of Period 3, the majority of the following budgets for capital provisions were unspent. The Children's Services Buildings provision has now been fully allocated to Barnes Heath residential home.
- 1.3 Normally provisions are there if needed. The sums below are for the 19/20 financial year.

| <b>Provision</b>                      | <b>Dept/<br/>Division</b> | <b>Approved<br/>£000</b> | <b>2019/20<br/>Spend<br/>to Date<br/>£000</b> | <b>2019/20<br/>Commit-<br/>ments<br/>£000</b> | <b>2019/20<br/>Total<br/>£000</b> | <b>Remaining<br/>Budget<br/>£000</b> |
|---------------------------------------|---------------------------|--------------------------|---|---|-----------------------------------|--------------------------------------|
| Local Investment Fund Support         | CDN (TCI)                 | 181                      | 0   | 0   | 0                                 | 181                                  |
| Feasibility and Development Studies   | CDN (PDT)                 | 75                       | 12  | 0   | 12                                | 63                                   |
| Empty Homes Purchase                  | CDN (HGF)                 | 50                       | 0   | 0   | 0                                 | 50                                   |
| Adventure Playgrounds & Youth Centres | ECS                       | 25                       | 0   | 0   | 0                                 | 25                                   |
| Early Years - Two Year Olds           | ECS                       | 156                      | 0   | 0   | 0                                 | 156                                  |
| <b>Total</b>                          |                           | <b>487</b>               | <b>12</b>                                     | <b>0</b>                                      | <b>12</b>                         | <b>475</b>                           |



**PROJECTS SUBSTANTIALLY COMPLETE****1. Summary**

- 1.1 As at the end of Period 3, the following schemes were still in progress and nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

| <b>Project</b>                            | <b>Dept/<br/>Division</b> | <b>Approved<br/>£000</b> | <b>2019/20<br/>Spend<br/>to Date<br/>£000</b> | <b>Forecast<br/>Slippage<br/>£000</b> | <b>Forecast<br/>Over/(Under)<br/>Spend<br/>£000</b> |
|---|---------------------------|--------------------------|---|---------------------------------------|---|
| ICT Investment - Phase 2 - Liquidlogic    | ASC                       | 190                      | 0   | 0                                     | 0   |
| Day Care Services at Hastings Road        | ASC                       | 19                       | 0   | 0                                     | 0   |
| Friars' Mill Phase 1                      | CDN (PDT)                 | 26                       | 0   | 0                                     | 0   |
| Townscape Heritage Initiative             | CDN (PDT)                 | 169                      | 0   | 0                                     | 0   |
| Braunstone Hall                           | CDN (EBS)                 | 106                      | 6   | 80                                    | 0   |
| 9 Midland Street Acquisition              | CDN (EBS)                 | 6                        | 0   | 0                                     | 0   |
| Tower Block Redevelopment                 | CDN (HRA)                 | 20                       | 2   | 0                                     | 0   |
| New School Places                         | ECS                       | 1,588                    | 0   | 0                                     | (380)   |
| Secondary School TMBs *                   | ECS                       | 2,097                    | 385   | 0                                     | 0   |
| Children's Homes                          | ECS                       | 33                       | 0   | 0                                     | 0   |
| Children's Services Contact Centres       | ECS                       | 23                       | 0   | 0                                     | 0   |
| Primary School TMBs                       | ECS                       | 389                      | 0   | 0                                     | (373)   |
| Waterside Primary School                  | ECS                       | 428                      | 0   | 0                                     | 0   |
| Secondary School Places - PFI schools     | ECS                       | 4                        | 0   | 0                                     | 0   |
| Secondary School Places - Non-PFI schools | ECS                       | 44                       | 0   | 0                                     | (44)  |
| St Paul's Temporary Modular Buildings     | ECS                       | 219                      | 0   | 0                                     | (176)   |
| <b>Total</b>                              |                           | <b>5,361</b>             | <b>393</b>                                    | <b>80</b>                             | <b>(973)</b>  |

\*The outstanding budget on new school places projects largely relates to on-going rental costs for the agreed periods.

**POLICY PROVISIONS****1. Summary**

1.1 As at Period 3, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

| <b>Department/<br/>Division</b> | <b>Policy Provision</b>                  | <b>Amount<br/>£000</b> |
|---------------------------------|--|------------------------|
| CDN (EBS)                       | Property Maintenance                     | 1,124                  |
| CDN (PDT)                       | Economic Action Plan                     | 6,064                  |
| CDN (PDT)                       | Air Quality Action Plan                  | 729                    |
| CDN (PDT)                       | Local Environmental Works                | 400                    |
| CDN (PDT)                       | Ashton Green Infrastructure              | 400                    |
| CDN (EBS)                       | Commercial Property Acquisitions         | 1,927                  |
| CDN (HGF)                       | Vehicle Replacement Programme            | 1,415                  |
| ECS                             | New School Places                        | 41,850                 |
| ECS                             | School Maintenance                       | 3,688                  |
| ASC                             | Extra Care Schemes                       | 6,700                  |
| <b>Total (excluding HRA)</b>    |  | <b>64,297</b>          |
| CDN (HRA)                       | New Affordable Housing (18/19 Programme) | 1,388                  |
| CDN (HRA)                       | New Affordable Housing (19/20 Programme) | 2,201                  |
| CDN (HRA)                       | Other HRA Schemes                        | 300                    |
| <b>Total HRA</b>                |  | <b>3,889</b>           |
| <b>Total (including HRA)</b>    |  | <b>68,186</b>          |

1.2 Releases from policy provisions since Outturn (reflected in the tables above) are listed below:

- £11,450k released for New School Places.
- £385k released from the Vehicle Replacement Programme provision for the purchase of ultra-low emission vehicles.

1.3 The Economic Action Plan Policy Provision includes £1,000k that has been committed for the Cultural Investment Programme, as per an executive decision taken on 23<sup>rd</sup> October 2018. This money will not be formally committed until all of the other funding for the scheme is in place.