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# **Executive Decision Capital Budget Monitoring April- September 2020/21**

Decision to be taken by: City Mayor

Decision to be taken on: 17 December 2020

Lead director/officer: Alison Greenhill

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## Useful information

- Ward(s) affected: All
- Report author: Amy Oliver
- Author contact details: amy.oliver@leicester.gov.uk

### 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2020/21 as at the end of September 2020 (Period 6).
- 1.2 This is the second capital monitoring report of the financial year. A further quarterly report and an outturn report will be presented as the year progresses.
- 1.3 The COVID-19 pandemic has had a significant impact on the capital programme, with many schemes delayed. Some £25.8m slippage has been reported on work programmes, the chief reason for which is the pandemic. A number of projects have had to revise their forecast completion dates, some of these schemes are now showing as green as the revised dates have previously been reported. This will have an impact on capacity to deliver additional schemes next year as we make up for lost time.
- 1.4 Work is continuing to monitor any additional cost pressures as a consequence of the COVID-19 pandemic. Some schemes are expected to suffer contractual cost increases.

### 2. Recommended actions/decision

2.1 The Executive is recommended to:

- Note total spend of £56.9m for the year.
- Approve an increase in the budget for Jewry Wall of £2.5m for additional works, to be paid for with Business Rates Pool funding.
- Approve addition of £1,251k to assist with making homes warmer, energy bills cheaper whilst reducing carbon emissions, to be funded by Government Grant, see Appendix B, para 3.2.
- Approve the addition of £1.1m to Connecting Leicester, funded from additional government grant through the Active Travel Fund. This funding will be used to make some of the pop-up cycling and walking routes permanent, along with stopping traffic rat-running through neighbourhoods.
- Approve addition of £1,500k for improving historic buildings, funded by grant from Historic England, Appendix A, Planning, Development and Transportation, para 2.2.
- Approve the transfer of £349k of the Emergency Active Travel Fund Grant from Highways Maintenance to Connecting Leicester, See Appendix A, Planning, Development & Transportation, para 2.1.

The OSC is recommended to:

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

### 3. Scrutiny / stakeholder engagement

N/a

### 4. Background and options with supporting evidence

4.1 The 2020/21 Capital programme was initially approved by Council on 19<sup>th</sup> February 2020. It has subsequently been amended (including the 2019/20 outturn).

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.

4.2 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.

4.3 A summary of the total approved 2020/21 capital programme as at Period 6 is shown below:

	<b>£000</b>
Projects	170,465
Work Programmes	142,245
Provisions	202
Schemes Substantially Complete	23,557
<b>Total Immediate Starts</b>	<b>336,469</b>
Policy Provisions	38,878
<b>Total Capital Programme</b>	<b>375,347</b>

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

	<b>£000</b>
Connecting Leicester addition	5,100
Highways Maintenance addition	1,882
Parks and Open Spaces addition	724
Leicester North West addition	675
Phoenix 2020 addition	400
Transport Improvement addition	50
<b>Net Movements</b>	<b>8,831</b>

These movements are included in the table at 4.3 above.

4.5 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

4.6 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.

#### 4.7 Capital Receipts

4.7.1 At Period 6, the Council has realised £6m 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.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £5.4m received in year.

### 5. Detailed report

N/A

## **6. Financial, legal, equalities, climate emergency and other implications**

### **6.1 Financial implications**

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

## 6.2 Legal implications

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

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

## 6.3 Equalities implications

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

## 6.4 Climate Emergency implications

This report is solely concerned with financial issues.

## 6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

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

## **7. Background information and other papers:**

Capital Programme 2020/21 presented to Council on 19<sup>th</sup> February 2020.

Housing Revenue Account Budget (including Capital Programme) 2020/21 presented to Council on 19<sup>th</sup> February 2020.

2019/20 Capital Monitoring Outturn Report presented to OSC on 29<sup>th</sup> July 2020.

2020/21 Capital Monitoring P4 Report presented to OSC on 24<sup>th</sup> September 2020.

## **8. Summary of appendices:**

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

## **9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No.

**10. Is this a “key decision”? If so, why?**

Yes. Expenditure exceeding £1m is proposed which has not been specifically approved by Council.

## 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 11-22 within this Appendix.

Department / Division	Total Budget £000	2020/21 Spend to Date £000
Corporate Resources	1,516	575
Smart Cities	200	0
Adult Social Care	2,510	0
Planning, Development & Transportation	97,874	11,893
Tourism, Culture & Inward Investment	22,931	267
Neighbourhood & Environmental Services	2,123	0
Estates & Building Services	6,709	2,238
Children's Services	24,446	1,784
Public Health	1,985	892
Housing Revenue Account	10,171	2,940
<b>Total</b>	<b>170,465</b>	<b>20,589</b>

- 1.2 A list of the individual projects is shown in the table on pages 9-10 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/ Division	Project	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CRS	Cash Income Management System	566	0	0	Jan-20	Dec-20	Purple	Purple
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	600	296	0	Dec-21	Dec-21	Green	Green
CRS	Corporate Storage Area Network (SAN) Replacement	350	279	0	Jun-21	Oct-20	Green	Blue
SC	Smart Cities Pilot Projects	200	0	0	Dec-20	Mar-21	Amber	Green
ASC	Extra Care Schemes	2,510	0	0	Aug-20	Aug-22	Amber	Green
CDN (PDT)	Leicester North West Major Transport Scheme	5,778	2,934	0	Mar-20	Mar-21	Green	Green
CDN (PDT)	Connecting Leicester	64,185	4,380	0	Nov-20	Mar-23	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	9,892	1,424	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	812	0	0	Aug-18	Mar-22	Amber	Amber
CDN (PDT)	Ashton Green	625	140	0	Mar-21	Mar-21	Green	Green
CDN (PDT)	Pioneer Park	2,466	180	0	Jan-21	May-21	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	4,832	1,987	0	Spring 18	May-21	Green	Green
CDN (PDT)	Ashton Green Highways Infrastructure	8,584	848	0	Mar-21	Nov-21	Amber	Amber
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	200	0	0	Mar-21	Jun-21	Amber	Green
CDN (PDT)	North West Leicester Regeneration Area	500	0	0	Mar-22	Mar-22	Green	Green
CDN (TCI)	Jewry Wall Museum Improvements	14,235	26	0	Mar-23	Mar-23	Green	Green
CDN (TCI)	Leicester Market Redevelopment	2,916	138	0	Dec-21	Jun-22	Amber	Green
CDN (TCI)	Abbey Pumping Station	246	0	0	Mar-19	TBC	Purple	Purple
CDN (TCI)	Gresham Business Workspace	250	0	0	Mar-21	Sep-21	Green	Amber
CDN (TCI)	Onsite Construction Skills Hub	1,000	0	0	Dec-22	Dec-22	Green	Green
CDN (TCI)	New Walk Museum Phase 1	2,439	0	0	Mar-22	Mar-22	Green	Green
CDN (TCI)	Museums Security Programme	125	0	0	Nov-21	Nov-21	Green	Green
CDN (TCI)	Visit Leicester Relocation	320	28	0	Nov-21	Nov-21	Green	Green
CDN (TCI)	Growth Hub	1,400	75	0	Jun-23	Jun-23	Green	Green
<b>Total</b>		<b>125,031</b>	<b>12,732</b>	<b>0</b>				

Dept/ Division	Project	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (NES)	St Mary's Allotments	507	0	0	Jul-19	Mar-21	Green	Green
CDN (NES)	Abbey Park Precinct Wall	546	0	0	Mar-22	Mar-22	Green	Green
CDN (NES)	Library RFID Self-Service System	330	0	0	Mar-21	Mar-21	Green	Green
CDN (NES)	Library Improved Self-Access Pilot	210	0	0	Mar-21	Jun-21	Amber	Green
CDN (NES)	Reuse Shop Expansion	530	0	0	Jul-20	Nov-21	Amber	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	3,797	2,210	0	Mid-20	Nov-20	Green	Green
CDN (EBS)	Demolition of Former Anchor Recovery Centre	49	2	0	Jun-20	Nov-20	Amber	Green
CDN (EBS)	Housing Estate Shops	905	0	0	Mar-22	Mar-22	Green	Green
CDN (EBS)	Touchdown Project	50	0	0	Mar-21	Mar-22	Green	Amber
CDN (EBS)	Haymarket Theatre - Internal Completion Works	574	17	0	Mar-21	Oct-21	Amber	Amber
CDN (EBS)	Haymarket Bus Station - Toilet Expansion and Refurbishments	446	9	0	Dec-20	Mar-21	Amber	Green
CDN (EBS)	Climate Emergency - Carbon Reduction Fund	888	0	0	Mar-22	Mar-22	N/A	Green
ECS	Additional SEND Places (including Pupil Referral Units)	15,310	1,125	0	Dec-19	Mar-22	Green	Green
ECS	Overdale Infant and Juniors School Expansion	3,534	54	0	Nov-21	Mar-22	Amber	Green
ECS	Expansion of Oaklands Special School	4,675	0	0	Mar-22	Sep-22	Amber	Green
ECS	Children's Residential Homes	879	605	0	Aug-20	Nov-20	Amber	Blue
ECS	New Parks House	48	0	0	Jan-21	Jan-21	Green	Green
PH	Leisure Centre Improvement Programme	2,656	892	0	Mar-20	Jun-21	Amber	Green
PH	Leisure Centre Air Handling Units	400	0	0	Mar-20	Jul-21	Amber	Amber
<b>Total (excluding HRA)</b>		<b>161,365</b>	<b>17,646</b>	<b>0</b>				
CDN (HRA)	St Leonard's Tower Block - Lift	528	17	0	Mar-18	Sep-21	Amber	Green
CDN (HRA)	Goscote House Demolition	2,844	183	0	Jan-20	Jan-22	Amber	Green
CDN (HRA)	New House Build Council Housing	4,746	2,688	(1,411)	Apr-20	Nov-20	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,322	23	0	Apr-22	Apr-22	Green	Green
CDN (HRA)	Property Conversions	481	29	0	Mar-22	Mar-22	Green	Green
CDN (HRA)	Feasibility Study for Sheltered Housing	250	0	0	Apr-22	Apr-22	Green	Green
<b>Total HRA</b>		<b>10,171</b>	<b>2,940</b>	<b>(1,411)</b>				
<b>Total (including HRA)</b>		<b>171,536</b>	<b>20,586</b>	<b>(1,411)</b>				

## **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 2020/21 Period 6

### Corporate Resources

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Cash Income Management System	566	0	Jan 2020	Dec 2020	P
Corporate LAN/WAN Network Cisco Infrastructure Replacement	600	0	Dec 2021	Dec 2021	G
Corporate Storage Area Network (SAN) Replacement	350	0	June 2021	Oct 2020	B
<b>Total</b>	<b>1,516</b>	<b>0</b>			

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

**2.1 Cash Income Management System** - This project has been paused to enable the resources to focus on the COVID-19 pandemic work.

## Capital Programme Project Monitoring 2020/21 Period 6

### Smart Cities

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Smart Cities Pilot Projects	200	0	Dec 2020	March 2021	<b>G</b>
<b>Total</b>	<b>200</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2020/21 Period 6

### Adults

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	Aug 2022	<b>G</b>
<b>Total</b>	<b>2,510</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2020/21 Period 6

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	5,778	0	March 2020	March 2021	G
Connecting Leicester	64,185	0	Nov 2020	March 2023	G
Waterside	9,892	0	March 2023	March 2023	G
St George's Churchyard	812	0	Aug 2018	March 2022	A
Ashton Green	625	0	March 2021	March 2021	G
Pioneer Park	2,466	0	Jan 2021	May 2021	G
Pioneer Park Commercial Workspace	4,832	0	Spring 2018	May 2021	G
Ashton Green Highways Infrastructure	8,584	0	March 2021	Nov 2021	A
City-wide Parkmap TRO review, signs and lines upgrades	200	0	March 2021	June 2021	G
North West Leicester Regeneration Area	500	0	March 2022	March 2022	G
<b>Total</b>	<b>97,874</b>	<b>0</b>			

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

- 2.1** The council received £349k of Emergency active travel fund grant, which was added to the Highways Maintenance budget. However, the spend is more suited to the Connecting Leicester programme, as it is focussed on walking and cycling schemes. Approval is sought to reallocate this grant to the Connecting Leicester budget.
- 2.2** The Legacy Routes Heritage Action Zone (HAZ) is a four year heritage led regeneration programme, from April 2020 to April 2024, funded by Historic England. This will focus on the Granby Street and Church Gate areas of the city. The programme will include grants for building repair and restoration of historic features, bringing buildings and upper floors back into use, community engagement, training,



promotion and public realm improvements. Approval is sought to add this to the capital programme.

- 2.3 St George's Churchyard** - A reduced-scale project is now expected to be delivered, including churchyard environmental improvements (including tree management, establishing a useable open space and path improvements), together with related street art and signage in the Cultural Quarter.
- 2.4 Ashton Green Highways Infrastructure** - The project forecast completion date has been extended in line with funding extensions from Homes England. This project has been funded from £10m of government grant, and any additional costs will be funded from prudential borrowing and later repaid with capital receipts. A decision to increase the budget will be sought at the time should any additional costs be realised as a result of delivery risks, COVID-19 or additions to scope.

## Capital Programme Project Monitoring 2020/21 Period 6

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	14,235	0	March 2023	March 2023	G
Leicester Market Redevelopment	2,916	0	Dec 2021	June 2022	G
Abbey Pumping Station	246	0	March 2019	TBC	P
Gresham Business Workspace	250	0	March 2021	Sep 2021	A
Onsite Construction Skills Hub	1,000	0	Dec 2022	Dec 2022	G
New Walk Museum Phase 1	2,439	0	March 2022	March 2022	G
Museums Security Programme	125	0	Nov 2021	Nov 2021	G
Visit Leicester Relocation	320	0	Nov 2021	Nov 2021	G
Growth Hub	1,400	0	June 2023	June 2023	G
<b>Total</b>	<b>22,931</b>	<b>0</b>			

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

- 2.1 Jewry Wall Museum Improvements** – It is proposed to increase the scheme budget by £2.5m, to be funded from business rates pool monies.
- 2.2 Abbey Pumping Station** - RIBA phase 3 design work has been put on hold pending a review of options to allow greater visitor numbers, that are currently limited.
- 2.3 Gresham Business Workspace** - The project forecast completion date has been extended due to delays caused by COVID-19.

## Capital Programme Project Monitoring 2020/21 Period 6

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Mary's Allotments	507	0	July 2019	March 2021	G
Abbey Park Precinct Wall	546	0	March 2022	March 2022	G
Library RFID Self-Service System	330	0	March 2021	March 2021	G
Library Improved Self-Access Pilot	210	0	March 2021	June 2021	G
Reuse Shop Expansion	530	0	July 2020	Nov 2021	G
<b>Total</b>	<b>2,123</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2020/21 Period 6

### Estates and Building Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Haymarket House, Car Park and Lifts	3,797	0	Mid 2020	Nov 2020	G
Demolition of Former Anchor Recovery Centre	49	0	June 2020	Nov 2020	G
Housing Estate Shops	905	0	March 2022	March 2022	G
Touchdown Project	50	0	March 2021	March 2022	A
Haymarket Theatre - Internal Completion Works	574	0	March 2021	Oct 2021	A
Haymarket Bus Station - Toilet Expansion and Refurbishments	446	0	Dec 2020	March 2021	G
Climate Emergency – Carbon Reduction Fund	888	0	March 2022	March 2022	G
<b>Total</b>	<b>6,709</b>	<b>0</b>			

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

**2.1 Touchdown Project** - The project has been delayed due to COVID-19.

**2.2 Haymarket Theatre – Internal Completion Works** - The project has been delayed due to a change of scope and the theatre operating company going into liquidation.

## Capital Programme Project Monitoring 2020/21 Period 6

### Children's Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	15,310	0	Dec 2019	March 2022	<b>G</b>
Overdale Infant and Juniors School Expansion	3,534	0	Nov 2021	March 2022	<b>G</b>
Expansion of Oaklands Special School	4,675	0	March 2022	Sept 2022	<b>G</b>
Children's Residential Homes	879	0	Aug 2020	Nov 2020	<b>B</b>
New Parks House	48	0	Jan 2021	Jan 2021	<b>G</b>
<b>Total</b>	<b>24,446</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2020/21 Period 6

### Public Health

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centre Improvement Programme	2,656	0	March 2020	June 2021	G
Leisure Centre Air Handling Units	400	0	March 2020	July 2021	A
<b>Total</b>	<b>3,056</b>	<b>0</b>			

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

- 2.1 **Leisure Centre Air Handling Units** – This project has been delayed due to COVID-19. The bulk of this funding is to be spent at Evington Leisure Centre, with works expected to start by March 2021, to be completed by July 2021.

## Capital Programme Project Monitoring 2020/21 Period 6

### Housing

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Leonard's Tower Block - Lift	528	0	March 2018	Sept 2021	<b>G</b>
Goscote House Demolition	2,844	0	Jan 2020	Jan 2022	<b>G</b>
New Build Council Housing	4,746	(1,411)	April 2020	Nov 2020	<b>G</b>
Tower Block Sprinklers	1,322	0	April 2022	April 2022	<b>G</b>
Property Conversions	481	0	March 2022	March 2022	<b>G</b>
Feasibility Study for Sheltered Housing	250	0	April 2022	April 2022	<b>G</b>
<b>Total</b>	<b>10,171</b>	<b>(1,411)</b>			

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

**2.1 New Build Council Housing** - The original approval for Phase 1 had a budget of £6.2m. The site layouts have since been amended, reducing the cost, with the forecast underspend due to be used towards new affordable housing on Phase 2 sites.

**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.

Department /Division	Approved to spend in 20/21 £000	2020/21 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Adult Social Care	21	0	0	0
City, Development & Neighbourhoods	780	55	0	0
Planning, Development & Transportation	26,760	3,339	9,370	0
Tourism, Culture & Inward Investment	1,390	47	508	0
Neighbourhood & Environmental Services	1,143	170	0	0
Estates & Building Services	4,099	221	0	0
Housing General Fund	10,035	1,372	5,010	0
Children's Services	8,060	643	4,442	0
<b>Total (excluding HRA)</b>	<b>52,288</b>	<b>5,847</b>	<b>19,330</b>	<b>0</b>
Housing Revenue Account	49,657	14,290	6,444	(575)
<b>Total (including HRA)</b>	<b>101,945</b>	<b>20,137</b>	<b>25,774</b>	<b>(575)</b>



## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2020/21 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Dementia Friendly Buildings Initiative	ASC	21	0	0	0
Feasibility Studies	CDN	780	55	0	0
Transport Improvement Works	CDN (PDT)	9,912	1,265	5,910	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	467	0	0	0
Air Quality Action Plan	CDN (PDT)	463	154	0	0
Highways Maintenance	CDN (PDT)	7,807	1,183	1,850	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	284	97	0	0
Flood Strategy	CDN (PDT)	312	119	0	0
Festive Decorations	CDN (PDT)	49	0	0	0
Local Environmental Works	CDN (PDT)	341	75	50	0
Legible Leicester	CDN (PDT)	201	9	100	0
Parking Strategy Development	CDN (PDT)	274	77	100	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	2,835	204	750	0
Potential Strategic Development Sites Assessment	CDN (PDT)	40	78	0	0
Architectural & Feature Lighting	CDN (PDT)	200	0	160	0
Front Wall Enveloping	CDN (PDT)	225	51	100	0
Replacement Doors & Windows St Saviours Rd	CDN (PDT)	50	0	0	0
Transforming Cities Work Programmes	CDN (PDT)	2,855	2	250	0
Campbell Street Feasibility Study	CDN (PDT)	200	0	0	0
Conservation Building Grants	CDN (PDT)	50	0	0	0
Street Nameplates City Branding Programme	CDN (PDT)	100	0	25	0
On-Street Charging	CDN (PDT)	95	25	75	0
Heritage Interpretation Panels	CDN (TCI)	288	12	188	0
Retail Gateways	CDN (TCI)	276	13	0	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	0	0
Leicester Museum and Art Gallery	CDN (TCI)	350	3	320	0
Cank St Feasibility	CDN (TCI)	236	0	0	0
Local Shopping Centres Reopening & Improvement Programme	CDN (TCI)	200	19	0	0
Parks Plant and Equipment	CDN (NES)	150	0	0	0
Beaumont Park Depot Rd & Related works	CDN (NES)	99	0	0	0
Cossington Recreation Ground Access Improvements	CDN (NES)	170	170	0	0
Parks and Open Spaces	CDN (NES)	724	0	0	0
Euston Street Store	CDN (EBS)	157	0	0	0
Property Maintenance	CDN (EBS)	1,842	205	0	0
Operational Estate Capital Maintenance Programme	CDN (EBS)	1,450	16	0	0
Pilot House	CDN (EBS)	250	0	0	0
Phoenix 2020	CDN (EBS)	400	0	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	3,213	492	1,213	0
Repayable Home Repair Loans	CDN (HGF)	300	3	130	0
Vehicle Fleet Replacement Programme	CDN (HGF)	6,522	877	3,667	0
School Capital Maintenance	ECS	7,810	643	4,277	0
Foster Care Capital Contribution Scheme	ECS	250	0	165	0
<b>Total (excluding HRA)</b>		<b>52,288</b>	<b>5,847</b>	<b>19,330</b>	<b>0</b>

Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,115	1,084	1,715	0
Council Housing - Boiler Replacements	CDN (HRA)	3,456	658	1,156	0
Council Housing - Rewiring	CDN (HRA)	1,884	424	934	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,300	279	0	(575)
Council Housing - Insulation Works	CDN (HRA)	100	10	50	0
Council Housing - External Property Works	CDN (HRA)	1,656	327	223	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,538	193	938	0
Community & Environmental Works	CDN (HRA)	2,385	336	615	0
Affordable Housing - Acquisitions	CDN (HRA)	30,606	10,358	0	0
Affordable Housing - RPs & Others	CDN (HRA)	854	342	354	0
Public Realm Works	CDN (HRA)	1,200	1	450	0
Business Systems	CDN (HRA)	563	278	9	0
<b>Total HRA</b>		<b>49,657</b>	<b>14,290</b>	<b>6,444</b>	<b>(575)</b>
<b>Total (including HRA)</b>		<b>101,945</b>	<b>20,137</b>	<b>25,774</b>	<b>(575)</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 The Council is to receive £1.25m from Business, Energy & Industrial Strategy grant. The grant is to be used to assist people make their homes warmer and their energy bills cheaper, whilst helping reduce carbon emissions. The city council will work with E-ON Energy Services to deliver the scheme. Approval is sought to add this as a work programme to the capital programme.
- 3.3 **Transport Improvement Works** – As previously reported the main area of work under this work programme is on Putney Road. Most of the expenditure in 2020/21 is in relation to utilities diversion. This project has been delayed due to the COVID-19 pandemic and the relevant utilities staff and suppliers being unavailable. Utilities diversions commenced in October 2020 and will be complete by March 2021. The forecast slippage of £5.9m relates to the main construction due to take place in 2021/22.
- 3.4 **Highways Maintenance** - Large resurfacing schemes have already been completed on Krefeld Way and Netherhall Road. The first stage of the Welford Road maintenance works (Chapel Lane and part of Welford Road) started in October. Bradgate Street, Tennis Court Drive and the next phase of Netherhall Road will be starting in November. Further schemes planned for this year include Liberty Road maintenance and a programme of repair works in local neighbourhoods. The carriageway resurfacing element of the works will take place next Spring hence slippage of £1.9m is requested into 2021/22.
- 3.5 **Leicester Strategic Flood Risk Management Strategy** - All the Local Growth Fund allocation is committed to schemes being delivered either by the Council or the Canal & River Trust. These are going on site within the next two months and will complete by March 2021. The £750k allocated to the Watermead bridge, to be delivered with Leicestershire County Council, has been delayed due to third party land ownership issues, and a requirement to recommence feasibility work to assess a new location.
- 3.6 **Architectural & Feature Lighting** - There are two schemes which have been approved and are to be implemented by third parties. Both have a delayed start date due to COVID-19 but are expected to be completed this financial year. Subject to approval at outturn, the balance of funding will be carried forward to 2021/22, as no new applications will be processed before the end of the financial year.
- 3.7 **Front Wall Enveloping** - The Green Lane Road scheme will be on site in February 2021. The second gateway scheme on Narborough Road, which is being developed jointly with the Housing Division, is expected to go out to tender in November.

- 3.8 **Transforming Cities Work Programmes** - There is £250k of slippage on Transforming Cities due to delays in the secure parking scheme due to COVID 19 impacting on the contractors ability to deliver the scheme as per original timetable
- 3.9 **Leicester Museum and Art Gallery** - Slippage of £320k has been identified on Leicester Museum and Art Gallery as a result of COVID 19 impacting on not being able to carry out consultation and community engagement, this scheme will now be delivered in 21/22.
- 3.10 **Disabled Facilities Grants** – Given the vulnerability of many people in receipt of these grants, there have been delays to the works on a number of properties. This will result in forecast slippage of £1.2m.
- 3.11 **Repayable Home Repairs Loans** – As a demand-led service, there are variations in the number of requests for loans, and this has been under-subscribed this year. This has resulted in slippage of £130k.
- 3.12 **Fleet Replacement** – By the end of the year, orders for vehicles will have been placed to the full extent of the budget. However, the time-lag between placing orders and their delivery will result in slippage, exacerbated by the increases in manufacturing and delivery times caused by COVID-19.
- 3.13 **School Capital Maintenance** – COVID-19 has slipped the completion of the programme into Summer 2021, in agreement with Children’s Services and individual schools’ accesses. There are no resulting budget implications to this at present.
- 3.14 **Kitchens & Bathrooms** – Limited access to tenants’ properties due to COVID-19 has resulted in forecast slippage of £1.7m on this work programme. This is a significant improvement on the position as at period 4 and reflects the current capacity of the contractor.
- 3.15 **Boiler Replacements** – Whilst boiler replacements have been limited due to COVID-19, an improved position is now being forecast compared with period 4, as contractors catch up with planned work.
- 3.16 **Re-Wiring** – Re-wiring is still currently being limited to void properties, and this is expected to continue for the foreseeable future. This is expected to result in slippage of £0.9m into 21/22.
- 3.17 **Disabled Adaptations** – An increased underspend of nearly £0.6m is expected to arise on this demand-led work programme. Requests are allocated as and when they come in, but there are fewer requests for support coming in.
- 3.18 **External Property Works** – As reported at period 4, balcony improvement work on Aikman Avenue is expected to slip into 21/22. The re-roofing and soffits/facia work has been largely unaffected by COVID-19 and the programme of work will be fully delivered.

- 3.19 **Fire & Safety Works** – There is currently a national delay in the process for manufacturers of fire doors gaining accredited approval for their use from government. This has led to a limited number of suppliers being able to fulfil the Council's requirements and stalling the current procurement process. Existing doors are being monitored to ensure they remain safe, but alternative routes are being explored to source replacement doors.
- 3.20 **Communal & Environmental Works** – Slippage is forecast on environmental work, as staff in frontline service areas (Repairs, Highways and Parks) focus on providing core services as they come out of lockdown and catching up with the backlog of work accumulated during lockdown. In addition, large-scale planned works on the district heating network have been delayed because of the desire to avoid shutdowns during lockdown.
- 3.21 **Affordable Housing – Acquisitions** – Whilst COVID-19 has had an impact on the number of properties available for purchase, the impact has not been as significant as was anticipated at period 4. A continued pipeline of properties has been maintained, with plans for some larger acquisitions alongside single property purchases.
- 3.22 **Public Realm Works** – To protect staff and residents, some of the improvement schemes to internal areas of blocks are being pushed back until it is safer to carry out work in public areas.

**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 6, £10k of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2020/21 financial year.

<b>Provision</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>2020/21 Total £000</b>	<b>Remaining Budget £000</b>
Empty Homes Purchase	CDN (HGF)	50	0	0	50
Early Years - Two Year Olds	ECS	152	10	10	142
<b>Total</b>		<b>202</b>	<b>10</b>	<b>10</b>	<b>192</b>

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

- 1.1 As at the end of Period 6, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

<b>Project</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>Forecast Over/(Under) Spend £000</b>
ICT Investment - Phase 2 - Liquidlogic	ASC	64	0	0
Great Central Street / Vaughan Way	CDN (PDT)	262	18	0
Newarke Street Car Park Improvements	CDN (PDT)	0	1	0
11-15 Horsefair Street	CDN (EBS)	145	19	0
Additional Primary School Places	ECS	189	0	(11)
Additional Secondary School Places	ECS	22,757	16,092	0
Waterside Primary School	ECS	20	0	0
St Paul's Temporary Modular Buildings	ECS	7	0	0
Relocation of Sexual Health Clinic	PH	113	41	0
<b>Total (excluding HRA)</b>		<b>23,557</b>	<b>16,171</b>	<b>(11)</b>
Tower Block Redevelopment	CDN (HRA)	0	8	8
<b>Total (including HRA)</b>		<b>23,557</b>	<b>16,179</b>	<b>(3)</b>

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

1.1 As at Period 6, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

<b>Department/ Division</b>	<b>Policy Provision</b>	<b>Amount £000</b>
CDN (PDT)	Economic Action Plan	4,432
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Strategic Acquisitions	4,000
CDN (EBS)	Commercial Property Acquisitions	1,933
CDN (TCII)	Tourism & Culture	550
CDN (TCII)	Highways, Transport & Infrastructure	3,364
CDN (Various)	People & Neighbourhoods	1,930
ECS	New School Places	14,569
ASC	Extra Care Schemes	6,700
<b>Total (excluding HRA)</b>		<b>37,878</b>
CDN (HRA)	Other HRA Schemes	1,000
<b>Total HRA</b>		<b>1,000</b>
<b>Total (including HRA)</b>		<b>38,878</b>

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

- £170k policy provision for Cossington Recreation Ground Access Improvements released 29/04/20.
- £500k policy provision for North West Leicester Regeneration Area released 10/06/20.
- £236k policy provision for Cank St Feasibility released 23/06/20.
- £250k policy provision for Pilot House released 29/06/2020.
- £10,030k policy provision for Additional Secondary School Places released 10/07/20.
- £8,122k policy provision for Additional SEND Places (including Pupil Referral Units) released 17/07/20.
- £920k policy provision for Additional SEND Places (including Pupil Referral Units) released 29/07/20.
- £500k policy provision for Local Shopping Centres Reopening & Improvement Programme released 29/07/20.

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.