
Capital Budget Monitoring April-September 2021/22

Overview Select Committee

Date of Meeting: 16th December 2021

Lead director: Colin Sharpe, Deputy Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Ben Matthews, Senior Capital Accountant
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1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme at the end of September 2021 (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 As reported throughout last year the COVID-19 pandemic has had a significant impact on the capital programme, with many schemes delayed. Increased costs of materials on schemes are starting to be realised. At the moment the cost pressures are manageable within current budgets, but it is anticipated some schemes will start to forecast overspends as they progress. These will be reported as they are identified, and decisions recommended as necessary. Funding was set-aside for this purpose in the 2021/22 capital programme.

2. Recommended actions/decision

- 2.1 The Executive is recommended to:
 - Note total spend of £50.5m for the year to date.
 - Approve the following transfers:
 - £892k of budget from Boiler Replacements to External Property Works, see Appendix B, Para 3.22.
 - Approve the following additions:
 - £1,300k to Green Homes, funded by government grant, see Appendix B, Para 3.10.
 - £508k to High Street Heritage Action Zones, funded by Historic England grant, see Appendix A, Planning, Development & Transportation, Para 2.3.

- £500k to Ashton Green Highways Infrastructure, funded by prudential borrowing, to be repaid with earmarked capital receipts, see Appendix A, Planning, Development & Transportation, Para 2.2.
- £443k to Affordable Housing Acquisitions, funded by government grant, see Appendix B, Para 3.25.
- £390k to Air Quality Action Plan, funded by government grant, see Appendix B, Para 3.4.
- £45k to Abbey Park Precinct Wall, funded by corporate resources, see Appendix A, Neighbourhood and Environmental Services, Para 2.1.
- Approve the following policy provision release:
 - £250k of budget from the New School Places policy provision to fund the transfer of a modular building at Glebelands Primary School, see Appendix B, Para 3.3

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 2021/22 Capital programme was initially approved by Council on 17th February 2021. It has subsequently been amended after monitoring exercises.

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 2021/22 capital programme as at Period 6 is shown below:

	£000
Projects	172,937
Work Programmes	145,509
Provisions	191
Schemes Substantially Complete	3,378
Total Immediate Starts	322,015
Policy Provisions	25,799
Total Capital Programme	347,814

4.4 The following changes have occurred to the capital programme since period 3:

	£000
Green Homes - HRA addition	1,800
Green Homes addition	1,225
Saffron Brook addition	800
Bus Engine Retrofitting addition	672
Phoenix 2020 addition	500
Affordable Warmth addition	450
Highways Maintenance addition	362
Ashton Green addition	350
Parks, Plant and Equipment addition	150
Potential Strategic Development Site Assessment addition	120
Leisure Centre Improvement Programme addition	50
Stocking Farm Community Shop addition	45
Schools Places Policy Provision saving	(7,051)
Leicester Flood Strategy saving	(750)
Community & Environmental Works saving	(200)
Net Movements	(1,477)

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 £21k of General Fund capital receipts.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £7.5m 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.

Colin Sharpe, Deputy 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 2021/22 approved by Council on 17th February 2021.

Housing Revenue Account Budget (including Capital Programme) 2021/22 approved by Council on 17th February 2021.

2020/21 Capital Monitoring Outturn Report presented to OSC on 26th May 2021.

2021/22 Capital Monitoring P3 Report presented to OSC on 16th September 2021.

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 12-26 within this Appendix.

Department / Division	Remaining Budget £000	2021/22 Spend to Date £000
Corporate Resources	208	0
Smart Cities	190	8
Planning, Development & Transportation	79,543	8,968
Tourism, Culture & Inward Investment	26,714	2,535
Neighbourhood & Environmental Services	2,070	330
Estates & Building Services	28,981	1,837
Adult Social Care	2,510	0
Children's Services	20,555	1,087
Public Health	286	2
Housing Revenue Account	11,880	2,202
Total	172,937	16,969

1.2 A list of the individual projects is shown in the table on pages 10-11 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	Remaining Budget (£000)	2021/22 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	208	0	0	Dec-21	TBC	Green	Amber
SC	Smart Cities Pilot Projects	190	8	0	Dec-20	Mar-22	Green	Green
CDN (PDT)	Connecting Leicester	52,070	4,041	0	Nov-20	Mar-23	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	6,903	867	0	Mar-23	Jun-26	Amber	Amber
CDN (PDT)	St George's Churchyard	803	10	0	Aug-18	Mar-22	Green	Green
CDN (PDT)	Ashton Green	658	156	0	Mar-21	Mar-22	Amber	Green
CDN (PDT)	Ashton Green Highways Infrastructure	3,760	2,433	500	Mar-21	Nov-21	Green	Amber
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	200	0	0	Mar-21	Mar-22	Amber	Green
CDN (PDT)	North West Leicester Regeneration Area	784	51	0	Mar-22	Mar-22	Green	Green
CDN (PDT)	St Margaret's Gateway	11,948	1,373	0	Sep-22	Sep-22	Green	Green
CDN (PDT)	High Streets Heritage Action Zones	1,427	37	0	Apr-24	Apr-24	Green	Green
CDN (PDT)	Saffron Brook	840	0	0	Mar-23	Mar-23	N/A	Green
CDN (PDT)	Stocking Farm Community Shop	150	0	0	Mar-22	Mar-22	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	15,358	1,018	0	Mar-23	TBC	Green	Red
CDN (TCI)	Leicester Market Redevelopment	2,597	64	0	Dec-21	Mar-23	Green	Green
CDN (TCI)	Abbey Pumping Station	239	0	0	Mar-19	Feb-22	Amber	Green
CDN (TCI)	Gresham Business Workspace	250	0	0	Mar-21	Dec-21	Green	Amber
CDN (TCI)	Onsite Construction Skills Hub	818	22	0	Dec-22	Jun-23	Amber	Green
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,376	88	0	Mar-22	Mar-23	Green	Green
CDN (TCI)	Museums Security Programme	125	63	0	Nov-21	Jan-22	Green	Amber
CDN (TCI)	Visit Leicester Relocation	263	79	0	Nov-21	Mar-22	Green	Green
CDN (TCI)	Growth Hub	1,016	386	0	Jun-23	Jun-23	Green	Green
CDN (TCI)	Phoenix2020	1,900	694	0	Mar-23	Mar-23	Green	Green
CDN (TCI)	Fashion Technology Academy	332	19	0	Aug-23	Aug-23	Green	Green
CDN (TCI)	De Montfort Hall	1,440	102	0	Mar-22	Nov-22	Green	Amber
Total		106,655	11,511	500				

Dept/ Division	Project	Remaining Budget (£000)	2021/22 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (NES)	Abbey Park Precinct Wall	535	245	45	Mar-22	Mar-22	Green	Amber
CDN (NES)	Library RFID Self-Service System	330	32	0	Mar-21	Dec-21	Green	Green
CDN (NES)	Library Improved Self-Access Pilot	210	27	0	Mar-21	Dec-21	Green	Green
CDN (NES)	Reuse Shop Expansion	495	20	0	Jul-20	Apr-22	Green	Amber
CDN (NES)	Western Park Sanitisation Tree Works	500	6	0	Mar-23	Mar-23	N/A	Green
CDN (EBS)	Estate Shops	905	80	0	Mar-22	Sep-22	Green	Amber
CDN (EBS)	Touchdown Project	50	0	0	Mar-21	TBC	Purple	Purple
CDN (EBS)	Haymarket Theatre - Internal Completion Works	579	119	0	Mar-21	Sep-22	Amber	Green
CDN (EBS)	Haymarket Bus Station - Toilet Expansion and Refurbishments	398	40	0	Dec-20	Mar-22	Amber	Amber
CDN (EBS)	Climate Emergency - Carbon Reduction Fund	61	0	0	Mar-22	Mar-22	Green	Green
CDN (EBS)	Energy Efficiency Technology	25,097	1,598	0	Mar-22	Mar-22	Green	Green
CDN (EBS)	Aylestone Leisure Centre PV Panels	1,639	0	0	Aug-22	Aug-22	N/A	Green
CDN (EBS)	Leycroft Road Energy Reduction Works	252	0	0	May-22	May-22	N/A	Green
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	TBC	Purple	Purple
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	12,782	1,072	2,800	Dec-19	Oct-22	Red	Red
SCE (ECS)	Overdale Infant and Juniors School Expansion	3,315	0	0	Nov-21	Oct-22	Amber	Red
SCE (ECS)	Expansion of Oaklands Special School	4,458	15	0	Mar-22	Sep-22	Green	Green
PH	Leisure Centre Air Handling Units	286	2	0	Mar-20	Oct-22	Amber	Amber
Total (excluding HRA)		161,057	14,767	3,345				
CDN (HRA)	St Leonard's Tower Block - Lift	496	172	(100)	Mar-18	Mar-22	Amber	Amber
CDN (HRA)	Goscote House Demolition	4,587	655	0	Jan-20	Dec-22	Amber	Green
CDN (HRA)	New House Build Council Housing	2,463	1,300	0	Apr-23	Jun-23	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,299	0	0	Apr-22	Mar-23	Amber	Green
CDN (HRA)	Property Conversions	435	75	0	Mar-22	Mar-23	Green	Amber
CDN (HRA)	Feasibility Study for Sheltered Housing	250	0	0	Apr-22	TBC	Purple	Purple
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	TBC	TBC	Purple	Purple
CDN (HRA)	Climate Change & Retrofitting Feasibility	250	0	(250)	Mar-22	Mar-22	Green	Green
CDN (HRA)	Greener Homes	1,800	0	0	Mar-22	Mar-22	N/A	Green
Total HRA		11,880	2,202	(350)				
Total (including HRA)		172,937	16,969	2,995				

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 2021/22 Period 6

Corporate Resources

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Corporate LAN/WAN Network Cisco Infrastructure Replacement	208	0	Dec 2021	TBC	A
Total	208	0			

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

2.1 **Corporate LAN/WAN Network Cisco Infrastructure Replacement** – The network replacement is being delayed due to global issues affecting the supply of silicon and microchips, which are required to manufacture the equipment. It is uncertain at this stage when the equipment will be available.

Capital Programme Project Monitoring 2021/22 Period 6

Smart Cities

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Smart Cities Pilot Projects	190	0	Dec 2020	March 2022	G
Total	190	0			

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

Capital Programme Project Monitoring 2021/22 Period 6

Planning, Development & Transportation

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Connecting Leicester	52,070	0	Nov 2020	March 2023	G
Waterside Strategic Regeneration Area	6,903	0	March 2023	June 2026	A
St George's Churchyard	803	0	Aug 2018	March 2022	G
Ashton Green	658	0	March 2021	March 2022	G
Ashton Green Highways Infrastructure	3,760	500	March 2021	Nov 2021	A
City-wide Parkmap TRO review, signs and lines upgrades	200	0	March 2021	March 2022	G
North West Leicester Regeneration Area	784	0	March 2022	March 2022	G
St Margaret's Gateway	11,948	0	Sep 2022	Sep 2022	G
High Streets Heritage Action Zones	1,427	0	April 2024	April 2024	G
Saffron Brook	840	0	March 2023	March 2023	G
Stocking Farm Community Shop	150	0	March 2022	March 2022	G
Total	79,543	500			

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

2.1 Waterside Strategic Regeneration Area – It is likely that this project will require additional funding at some point in the future. Any additional costs will be funded from prudential borrowing and later repaid from future capital receipts. A decision to increase the budget will be sought at the time the additional costs are close to being realised.

2.2 Ashton Green Highways Infrastructure – As previously reported, additional works have been undertaken beyond the original scope to maximise the amount of homes that can be built and utilise the full £10m grant funding awarded. Drainage connections for future land parcels have been included and archaeological investigations have been bought forward to enable additional land to be released for housing. Additional costs were also incurred due to material price increases. Approval is sought to add £500k to the capital programme to cover these costs.

2.3 High Streets Heritage Action Zones – Historic England provided additional funding of £508k for the Granby Street roof restoration. Approval is sought to add this to the capital programme.

Capital Programme Project Monitoring 2021/22 Period 6

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	15,358	0	March 2023	TBC	R
Leicester Market Redevelopment	2,597	0	Dec 2021	March 2023	G
Abbey Pumping Station	239	0	March 2019	Feb 2022	G
Gresham Business Workspace	250	0	March 2021	Dec 2021	A
Onsite Construction Skills Hub	818	0	Dec 2022	June 2023	G
Leicester Museum and Art Gallery Phase 1	2,376	0	March 2022	March 2023	G
Museums Security Programme	125	0	Nov 2021	Jan 2022	A
Visit Leicester Relocation	263	0	Nov 2021	March 2022	G
Growth Hub	1,016	0	June 2023	June 2023	G
Phoenix 2020	1,900	0	March 2023	March 2023	G
Fashion Technology Academy	332	0	Aug 2023	Aug 2023	G
De Montfort Hall	1,440	0	March 2022	Nov 2022	A
Total	26,714	0			

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

- 2.1 Jewry Wall Museum Improvements** - The Phase 1 contractor went into administration in October 2021 and work is being undertaken to find an alternative contractor and to determine the impact on the programme timetable.
- 2.2 Gresham Business Workspace** - Delays have occurred with the developer's construction programme, due to COVID-19 and related supply chain issues. It is now forecast to be complete in December 2021.
- 2.3 Museums Security Programme** – To minimise disruption the installation of the Abbey Pumping Station CCTV has been scheduled to take place during the closed period over the winter.
- 2.4 De Montfort Hall** - Works are underway and are being sequenced to avoid disruption to the venue. As a result of the restricted opportunities, it is not possible to start all works prior to March 2022, therefore the completion has been pushed back to November 2022.

Capital Programme Project Monitoring 2021/22 Period 6

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Abbey Park Precinct Wall	535	45	March 2022	March 2022	A
Library RFID Self-Service System	330	0	March 2021	Dec 2021	G
Library Improved Self-Access Pilot	210	0	March 2021	Dec 2021	G
Reuse Shop Expansion	495	0	July 2020	April 2022	A
Western Park Sanitation Tree Works	500	0	March 2023	March 2023	G
Total	2,070	45			

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

- 2.1 Abbey Park Precinct Wall** – The contractor has identified additional works that require urgent attention. This has been raised to be considered for additional funding of £45k, for which a decision is sought to add this to the capital programme.
- 2.2 Reuse Shop Expansion** – The contractor has agreed to amend the project programme to incorporate a two-phase construction. The change in programme will enable earlier partial occupation for the tenant. However, this will delay final completion of the project to April 2022.

Capital Programme Project Monitoring 2021/22 Period 6

Estates and Building Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Estate Shops	905	0	March 2022	Sep 2022	A
Touchdown Project	50	0	March 2021	TBC	P
Haymarket Theatre - Internal Completion Works	579	0	March 2021	Sep 2022	G
Haymarket Bus Station - Toilet Expansion and Refurbishments	398	0	Dec 2020	March 2022	A
Climate Emergency – Carbon Reduction Fund	61	0	March 2022	March 2022	G
Energy Efficiency Technology	25,097	0	March 2022	March 2022	G
Aylestone Leisure Centre PV Panels	1,639	0	Aug 2022	Aug 2022	G
Leycroft Road Energy Reduction Works	252	0	May 2022	May 2022	G
Total	28,981	0			

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

2.1 Estate Shops – The programme has been extended to enable post-pandemic needs of the businesses to be considered. Completion is now forecast for September 2022.

2.2 Touchdown Project - This project is currently on hold whilst new ways of working are being developed.

2.3 Haymarket Bus Station - Toilet Expansion and Refurbishments – There has been a delay due to a restriction in access for the movement of construction material through the public access areas and negotiations were required with the landlord. This has now been resolved and the contractor is on site delivering the scheme.

Capital Programme Project Monitoring 2021/22 Period 6

Adults

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	TBC	P
Total	2,510	0			

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

- 2.1 **Extra Care – Two Schemes** - The original procurement exercise has been abandoned following the withdrawal of the preferred registered social landlord. Agreement has been given for a further procurement exercise to commence This is anticipated to take up to 12 months.

Capital Programme Project Monitoring 2021/22 Period 6

Children's Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	12,782	2,800	Dec 2019	Oct 2022	R
Overdale Infant and Juniors School Expansion	3,315	0	Nov 2021	Oct 2022	R
Expansion of Oaklands Special School	4,458	0	March 2022	Sept 2022	G
Total	20,555	2,800			

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

2.1 Additional SEND Places (including Primary Pupil Referral Unit) – A decision was taken on 14 October 2021 to add £2.8m to the programme to complete works required at the Knighton Fields Centre. This scheme has however been affected by the contractor going into administration in October 2021. Work is ongoing to assess the impact this will have on the programme and budget.

2.2 Overdale Infant and Juniors School Expansion - This scheme has also been affected by the contractor going into administration. The Council is subsequently working to assess the impact this will have on the programme and budget and will report back when more detail is known.

Capital Programme Project Monitoring 2021/22 Period 6

Public Health

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centre Air Handling Units	286	0	March 2020	Oct 2022	A
Total	286	0			

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

2.1 Leisure Centre Air Handling Units - This scheme has been delayed whilst the Council undertakes a widespread programme of decarbonisation measures across its estate.

Capital Programme Project Monitoring 2021/22 Period 6

Housing

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Leonard's Tower Block - Lift	496	(100)	March 2018	March 2022	A
Goscote House Demolition	4,587	0	Jan 2020	Dec 2022	G
New Build Council Housing	2,463	0	April 2023	June 2023	G
Tower Block Sprinklers	1,299	0	April 2022	March 2023	G
Property Conversions	435	0	March 2022	March 2023	A
Feasibility Study for Sheltered Housing	250	0	April 2022	TBC	P
Bridlespur Way Refurbishment	300	0	TBC	TBC	P
Retrofitting Feasibility	250	(250)	March 2022	March 2022	G
Greener Homes	1,800	0	March 2022	March 2022	G
Total	11,880	(350)			

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

2.1 St Leonards Tower Block Lift - The new lift has been installed and is operational. The original lift can now be replaced, with final works to be completed by March 2022.

2.2 Property Conversions - The focus of efforts to date has been on refurbishing 1-bed bungalows to facilitate people to move on from larger under-occupied properties. This means that some of the larger property conversion work is now lined up for 2022/23.

2.3 Feasibility Study for Sheltered Housing - Capacity within the contracts management team is such that other work has been prioritised. This will be picked up again as other projects reach their conclusion.

2.4 Bridlespur Way - The refurbishment of Bridlespur Way will lead to a temporary reduction in the availability of temporary accommodation for families. Therefore, the scheme has been delayed until current pressures on temporary accommodation alleviate.

2.5 Retrofitting Feasibility - This piece of work will not now be carried out by external consultants but will instead be undertaken by internal staff funded from revenue resources.

APPENDIX B

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 21/22 £000	2021/22 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
City, Development & Neighbourhoods	132	122	0	0
Planning, Development & Transportation	17,023	3,719	541	0
Tourism, Culture & Inward Investment	1,323	231	170	0
Neighbourhood & Environmental Services	755	8	125	0
Estates & Building Services	7,976	879	290	0
Housing General Fund	8,968	1,349	4,096	0
Adult Social Care	0	0	0	0
Children's Services	6,199	1,398	1,512	0
Total (excluding HRA)	42,376	7,706	6,734	0
Housing Revenue Account	95,448	24,046	2,078	(2,539)
Total (including HRA)	137,824	31,752	8,812	(2,539)

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2021/22 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Feasibility Studies	CDN	132	122	0	0
Transport Improvement Works	CDN (PDT)	5,982	1,549	0	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	897	333	0	0
Air Quality Action Plan	CDN (PDT)	208	8	0	0
Highways Maintenance	CDN (PDT)	6,494	778	200	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	98	0	0	0
Flood Strategy	CDN (PDT)	298	106	0	0
Festive Decorations	CDN (PDT)	51	0	0	0
Local Environmental Works	CDN (PDT)	518	172	0	0
Legible Leicester	CDN (PDT)	135	1	34	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	426	418	0	0
Potential Strategic Development Sites Assessment	CDN (PDT)	140	33	0	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	200	0	128	0
Front Wall Enveloping	CDN (PDT)	265	68	97	0
Replacement Doors & Windows St Saviours Rd (Grant)	CDN (PDT)	46	12	22	0
Transforming Cities Work Programmes	CDN (PDT)	844	192	0	0
Campbell Street Feasibility Study	CDN (PDT)	186	0	0	0
Conservation Building Grants	CDN (PDT)	69	24	28	0
Street Nameplates City Branding Programme	CDN (PDT)	100	1	32	0
On-Street Charging	CDN (PDT)	66	24	0	0
Heritage Interpretation Panels	CDN (TCI)	284	70	76	0
Retail Gateways (Grant)	CDN (TCI)	239	106	50	0
Leicester Museum and Art Gallery	CDN (TCI)	347	55	19	0
Cank St Feasibility	CDN (TCI)	57	0	0	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	396	0	25	0
Parks Plant and Equipment	CDN (NES)	151	0	0	0
Parks and Open Spaces	CDN (NES)	579	0	125	0
Skate Park Feasibility	CDN (NES)	25	8	0	0
Euston Street Store	CDN (EBS)	36	4	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	2,602	421	0	0
Replacement cladding Phoenix Square	CDN (EBS)	562	54	0	0
Pilot House	CDN (EBS)	345	3	0	0
Green Homes	CDN (EBS)	2,476	13	0	0
Phoenix & Sovereign House	CDN (EBS)	1,130	384	0	0
CCTV Newarke Houses/Guildhall	CDN (EBS)	85	0	0	0
Depot Refurbishment	CDN (EBS)	290	0	290	0
Affordable Warmth	CDN (EBS)	450	0	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,100	715	250	0
Repayable Home Repair Loans	CDN (HGF)	200	0	170	0
Vehicle Fleet Replacement Programme	CDN (HGF)	6,668	634	3,676	0
School Capital Maintenance	SCE (ECS)	5,782	1,349	1,212	0
Foster Care Capital Contribution Scheme	SCE (ECS)	417	49	300	0
Total (excluding HRA)		42,376	7,706	6,734	0

Work Programme	Dept/ Division	Approved £000	2021/22 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,571	1,207	0	(1,671)
Council Housing - Boiler Replacements	CDN (HRA)	3,781	1,075	0	(981)
Council Housing - Rewiring	CDN (HRA)	2,199	466	0	(439)
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,300	320	300	(80)
Council Housing - Insulation Works	CDN (HRA)	186	0	0	(186)
Council Housing - External Property Works	CDN (HRA)	1,906	671	0	892
Council Housing - Fire and Safety Works	CDN (HRA)	1,905	86	1,015	0
Community & Environmental Works	CDN (HRA)	2,235	530	722	(74)
Affordable Housing - Acquisitions	CDN (HRA)	75,702	19,144	0	0
Affordable Housing - RPs & Others	CDN (HRA)	141	141	0	0
Public Realm Works	CDN (HRA)	953	215	0	0
Business Systems	CDN (HRA)	569	191	41	0
Total HRA		95,448	24,046	2,078	(2,539)
Total (including HRA)		137,824	31,752	8,812	(2,539)

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. Due to the pandemic, there has been a lot of slippage from the previous year.
- 3.2 **Grant Related Work Programmes** – Several of our work programmes involve provision of grants to local businesses. Uptake has been lower than expected, as a result of COVID-19 related delays and issues within the construction industry. It is planned any remaining funding will be carried forward to future years.
- 3.3 **Glebelands Primary School Modular Building** – In order to meet local demand for pupil places, a modular building is required for Glebelands Primary School. A decision is sought to release £250k from the New Schools Places policy provision to fund this transfer.
- 3.4 **Air Quality Action Plan** - The Council has received a £390k Government grant, as a contribution towards installing ultra-low emission vehicle chargers for the taxi industry. Approval is sought to add this to the capital programme.
- 3.5 **Legible Leicester** – Slippage is due to delays with the electronic sign specification and tender process.
- 3.6 **Front Wall Enveloping** – Green Lane Road scheme is complete and the Narborough Road scheme is programmed to complete in 2022/23.
- 3.7 **Street Nameplates City Branding Programme** – Work on St Georges Cultural Quarter will start this year, but slippage of around £32k is expected.
- 3.8 **Heritage Interpretation Panels** – The majority of slippage is due to the rescheduling of around 20 panels. Along with some curated imagery works at Green Dragon Square being delayed until next year, so as to not encourage gatherings during the COVID-19 pandemic.

- 3.9 **Parks and Open Spaces** – Works at Museum Square and Upperton Road have now completed. Slippage of £125k is forecast for the Victoria Park Bandstand scheme. This is due to discussions over the proposed location of the bandstand, which has led to a delay in the submission of the planning application.
- 3.10 **Green Homes** – Additional Government grant has been received for the next phase of the scheme. Only an element of this funding is being added to the current scheme due to previous grant not being fully spent and therefore budget remaining. The previous phase was underspent due to Government restrictions associated with granting funding to households; the Council has written to Government to request more flexibility going forward. However, this additional grant will be used to continue to assist people in the City to make their homes warmer and their energy bills cheaper, whilst helping reduce carbon emissions. The Council will continue working with E-ON Energy Services to deliver the scheme.
- 3.11 **Depot Refurbishment** – Both schemes are delayed until the spring to reduce the impact on services.
- 3.12 **Disabled Facilities Grants** – As previously reported, due to COVID-19 delays and the availability of contractors, slippage of £250k continues to be reported.
- 3.13 **Repayable Home Repairs Loans** – Currently the service area is focused on the delivery of Disabled Facilities Grants. Forecast spend is only for emergency cases and with only one loan approved, resulting in slippage of £170k.
- 3.14 **Fleet Replacement** – Forecast slippage is due to a combination of global factors affecting vehicle delivery lead times, including steel shortages and microchip supply issues. Orders have been placed, but these shortages are leading to longer than expected lead times for vehicles to be built and delivered.
- 3.15 **School Capital Maintenance** – Slippage is forecast as a result of additional works being identified linked to the decarbonisation scheme, subsequently the additional works have been programmed for a later date to minimise disruption to schools. There have also been delays due to contractor availability and materials taking longer than originally expected to arrive.
- 3.16 **Foster Carers – Capital Contribution** - Applications for this funding continue to be received, with a further £117k spend committed so far this year. This capital investment supports the Council's wider placement sufficiency requirements to

ensure adequate suitable accommodation for Looked After Children. There are ongoing discussions with foster carers about the possibility of adaptations to support additional children, which will be set against the remaining £300k. It is proposed that any remaining amount would be slipped into 2022/23 to continue to support these works.

- 3.17 **Kitchens & Bathrooms** – The quantity of work undertaken during lockdown was significantly lower than normal, leading to an underspend against this budget.
- 3.18 **Boiler Replacements** – Demand on boiler replacements has been lower than anticipated. As such the surplus budget will not be required in future years and will result in an underspend.
- 3.19 **Re-Wiring** – This is a demand-led budget and it is not anticipated that the surplus budget brought forward from 20/21 will be required this year.
- 3.20 **Disabled Adaptations** – There has been limited capacity to make referrals for adaptations to properties to enable occupation by people on the housing register who are waiting for a suitable council property to become available. Slipping £300k of this budget will enable this work to be carried out in 2022/23.
- 3.21 **Insulation works** - The contractor for this work is experiencing difficulty in resourcing the contract requirements; alternative options are being explored.
- 3.22 **External Property Works** – During lockdown most external work could continue without significant interruption. The decision was taken in 20/21 to bring forward work from 21/22 to continue the progress of work in this area. It is proposed that underspends on boiler replacements be used to fund £892k of additional soffits/facia work.
- 3.23 **Fire & Safety Works** – There is a national delay in the process for manufacturers of fire doors gaining accredited approval for their use from government. Existing doors are being monitored to ensure they remain safe, but the current procurement process continues to be affected.
- 3.24 **Communal & Environmental Works** – Limited contractor capacity has restricted the ability to undertake work on the district heating network, combined with slippage on communal work on the estates.

3.25 **Affordable Housing – Acquisitions** - £443k of grant funding has been awarded from the One Public Estate Brownfield Land Release Fund. This is to assist with the redevelopment of Forest Lodge Education Centre, to create a new residential community for New Parks. Approval is sought to add this funding to the capital programme.

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, £21k of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2021/22 financial year.

Provision	Dept/ Division	Approved £000	2021/22 Spend to Date £000	2021/22 Total £000	Remaining Budget £000
Empty Homes Purchase	CDN (HGF)	50	21	21	29
Early Years - Two Year Olds	SCE (ECS)	141	0	0	141
Total		191	21	21	170

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.

Project	Dept/ Division	Approved £000	2021/22 Spend to Date £000	Forecast Over/(Under) Spend £000
Leicester North West Major Transport Scheme	CDN (PDT)	309	92	0
Pioneer Park	CDN (PDT)	627	366	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (PDT)	193	1	0
St Mary's Allotments	CDN (NES)	206	153	0
Highways and Parks Public Toilet Refurbishment	CDN (NES)	76	68	0
11-15 Horsefair Street	CDN (EBS)	136	0	(78)
Haymarket House, Car Parks & Lifts	CDN (EBS)	568	153	(236)
Demolition of Former Anchor Recovery Centre	CDN (EBS)	13	1	(12)
ICT Investment - Phase 2 - Liquidlogic	SCE (ASC)	42	0	(42)
Additional Primary School Places	SCE (ECS)	72	6	0
Additional Secondary School Places	SCE (ECS)	114	1	0
Children's Residential Homes	SCE (ECS)	156	37	0
New Parks House	SCE (ECS)	26	0	0
Relocation of Sexual Health Clinic	PH	36	33	(3)
Leisure Centre Improvement Programme	PH	804	770	0
Total		3,378	1,681	(371)

POLICY PROVISIONS**1. Summary**

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

Department/ Division	Policy Provision	Amount £000
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Strategic Acquisitions	4,000
CDN (TCII)	Tourism & Culture	550
CDN (TCII)	Highways, Transport & Infrastructure	3,364
CDN (Various)	People & Neighbourhoods	1,767
SCE (ASC)	Extra Care Schemes	6,700
SCE (ECS)	New School Places	7,518
Other	Black Lives Matter	500
Total (excluding HRA)		24,799
CDN (HRA)	Other HRA Schemes	1,000
Total HRA		1,000
Total (including HRA)		25,799

1.2 Releases from policy provisions since the 2020/21 Outturn (reflected in the tables above) are listed below:

- £25k policy provision for Skate Park Feasibility
- £1,000k policy provision for Phoenix 2020
- £500k policy provision for Western Park Sanitisation Tree Works