

Executive Decision Report

Capital Budget Monitoring – Period 6, 2018/19

Decision to be taken by: City Mayor

Overview Select Committee date: 13th December 2018

Lead director: Alison Greenhill



City Mayor

Useful Information

- 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 2018/19 as at the end of Period 6.
- 1.2 This is the second 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 £41.6m for the year to date.
- Note the progress in delivery of major projects, as shown at Appendix A.
- Note progress on spending work programmes, as shown at Appendix B.
- Note that the great majority of provisions remain unspent as shown at Appendix C.
- Approve the addition of £303k to the HRA Capital Programme relating to infrastructure costs at Saffron Velodrome, as detailed in Appendix D, Para 1.2.
- Approve the addition of £250k to the City Centre Street Improvements programme, to improve the public realm on University Road. This will be funded by the university.
- Approve the addition of £50k, to grant fund replacement of timber doors and windows of historic design on Saviour's Road.
- Approve the addition of £176k to the HRA capital programme to fund the additional insulation works, as detailed in Appendix B, Para 3.16.

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 30th November 2017.
- 3.2 At the 2017/18 Capital Outturn stage, a decision was taken to carry forward unspent resources from 2017/18 into 2018/19.
- 3.3 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;

3.4 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;
- (e) **Policy Provisions**, which are sums of money for which there is currently no approval to spend, i.e. they are awaiting a City Mayor decision. Spending cannot be monitored until such approval has been given.

3.5 Summary of the total approved 2018/19 to 2019/20 capital programme as at Period 6:

	£000
Projects	130,418
Work Programmes	66,017
Provisions	1,945
Schemes nearly complete	9,431
Total Immediate Starts	207,811
Policy Provisions	98,061
Total Capital Programme	305,872

3.6 Since the beginning of the year, the following changes have occurred to the capital programme from Period 3:

	£000
Finance, HR & Payroll System	400
Transport Improvement Works	30
Acquisition of Affordable Housing	900
Affordable Housing Programme 2013-17	1,083
Enterprising Leicester Loans	590
Leicester Strategic Flood Risk Management strategy	390
Local Growth Fund Projects (LLEP)	8,604
Parks Plant and Equipment (Saving)	(138)
Net Movements	11,859

These additions are included in the table at 3.5 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

3.7 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.

3.8 Capital Receipts

3.8.1 At Period 6, the Council has realised £5.1m 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.

3.8.2 Right to Buy receipts this year have so far amounted to £9m.

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

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

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

5. Is this a private report

No.

6. Is this a “key decision”?

No.

7. If a key decision please explain reason

N/A.

PROJECTS

1. Summary

- 1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, ie 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 9-21 within this Appendix.

Department / Division	Budget 2018/19 to 2019/20 £000	2018/19 Spend to Date £000
Corporate Resources	1,816	578
Adult Social Care	4,892	524
Planning, Development & Transportation	69,750	4,745
Tourism, Culture & Inward Investment	6,895	1,650
Neighbourhood & Environmental Services	269	8
Estates & Building Services	11,043	422
Children's Services	27,210	10,507
Public Health	3,619	116
Housing Revenue Account	4,924	960
Total	130,418	19,510

- 1.2 A list of the individual projects is shown in the table on pages 6-8 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)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Period 6
CRS	Automatic Call Distribution System Upgrade	203	155	48	Apr-18	Apr-19	Amber	Amber
CRS	Finance, HR & Payroll System	1,613	423	0	Jun-17	Apr-19	Red	Red
ASC	ICT Investment - Phase 2 - Liquidlogic	627	332	0	Jan-19	Mar-19	Green	Green
ASC	Improvement to Day Care Services at Hastings Road	267	192	0	Apr-16	Oct-18	Green	Green
ASC	Specialist Dementia Care Centre	1,548	0	0	TBC	TBC	Purple	Purple
ASC	Extra Care Schemes	2,450	0	0	TBC	TBC	Purple	Purple
CDN (PDT)	Leicester North West Major Transport Scheme	8,555	138	0	Mar-19	Mar-21	Amber	Amber
CDN (PDT)	North City Centre Access Improvement Scheme	10,559	2,688	0	Feb-20	Nov-20	Green	Green
CDN (PDT)	Anstey Lane Improvements for Ashton Green	7,900	0	0	May-19	Mar-20	Green	Green
CDN (PDT)	City Centre Street Improvements	2,262	318	0	Apr-19	May-19	Green	Green
CDN (PDT)	Townscape Heritage Initiative	796	452	0	Feb-18	Apr-18	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	17,764	317	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	857	1	0	Aug-18	Aug-19	Amber	Amber
CDN (PDT)	Queen's Building (formerly Shahista House)	150	146	0	Dec-17	Sep-18	Green	Blue
CDN (PDT)	Great Central Street / Vaughan Way	2,740	31	0	Jan-19	Aug-19	Green	Green
CDN (PDT)	Ashton Green	404	275	0	Mar-18	Mar-19	Green	Green
CDN (PDT)	Pioneer Park	4,217	46	0	Jan-21	Jan-21	Green	Green
CDN (PDT)	Newarke Street Car Park improvements	247	99	0	Sep-18	Mar-19	Green	Green
CDN (PDT)	Connecting Leicester - Low Carbon Schemes	7,200	205	0	Nov-20	Nov-20	Green	Green
CDN (PDT)	Putney Road Link	4,859	28	0	Dec-19	Nov-19	Green	Green
CDN (PDT)	Abbey Park Precinct Wall	92	0	0	Aug-19	Aug-19	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	1,148	1	0	Spring 18	Spring 20	Amber	Amber
CDN (TCI)	Jewry Wall Museum Improvements	1,069	306	0	Mar-19	TBC	Amber	Amber
CDN (TCI)	Leicester Market Redevelopment	5,030	1,145	(515)	Dec-18	Jun-19	Amber	Amber
CDN (TCI)	Abbey Pumping Station	317	135	0	Mar-19	Mar-19	Green	Green
CDN (TCI)	De Montfort Hall Improvement Works	479	64	0	Sep-18	Nov-18	Amber	Green

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

Dept/ Division	Project	Total Budget (£000)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating
CDN (NES)	Library Management System	130	0	0	Dec-18	Feb-19	Green	Green
CDN (NES)	Watermead Country Park - Additional Car Park	39	8	0	Mar-19	Mar-19	Green	Green
CDN (NES)	City Centre Playground	100	0	0	Mar-19	Mar-19	Green	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	10,067	294	0	Spring 19	Spring 19	Green	Green
CDN (EBS)	11-15 Horsefair Street	516	123	(166)	Nov-18	Mar-19	Amber	Amber
CDN (EBS)	Property Acquisition	0	0	0	N/A	N/A	N/A	N/A
CDN (EBS)	City Hall Power Backup	300	5	0	Sep-18	Mar-19	Amber	Purple
CDN (EBS)	Great Central Railway Museum	160	0	0	Oct-18	TBC	Purple	Purple
ECS	Waterside Primary School	1,223	854	0	Aug-19	Sep-20	Green	Purple
ECS	Additional Places - Inglehurst Junior	285	191	0	Sep-17	Sep-18	Green	Blue
ECS	Additional Places - Spinney Hill	231	38	45	Feb-18	Sep-18	Green	Blue
ECS	Additional Places - Marriott	1,000	0	(390)	Sep-18	Dec-18	Amber	Amber
ECS	Primary School Temporary Modular Buildings	681	169	150	Oct-17	Sep-18	Amber	Blue
ECS	Primary School Internal Reconfigurations	292	6	65	Sep-17	Sep-18	Amber	Blue
ECS	Carisbrooke Temporary Modular Buildings	53	6	(140)	Oct-17	Sep-18	Amber	Blue
ECS	Secondary School Places - PFI schools	400	656	(270)	Aug-19	TBC	Purple	Purple
ECS	Secondary School Places - Non-PFI schools	259	902	(700)	Jul-19	TBC	Amber	Purple
ECS	St Paul Temporary Modular Buildings	582	0	0	Sep-18	Nov-18	Green	Amber
ECS	English Martyrs Internal Refurbishments	206	14	0	Sep-18	Sep-18	Green	Blue
ECS	Fullhurst School Expansions	14,832	7,288	500	Aug-19	Feb-19	Green	Green
ECS	St John the Baptist Primary Extension	1,566	318	0	May-19	May-19	Green	Green
ECS	SEND Places Expansion - Phase 1	2,064	0	0	Nov-18	Mar-19	Green	Amber
ECS	Primary Pupil Referral Unit Expansion	2,657	0	0	Oct-19	Oct-19	Green	Green
ECS	Wigston Lane Children's Home	500	11	0	Nov-18	May-19	Green	Green
ECS	Children's Homes - Netherhall	264	11	0	Sep-17	Oct-18	Green	Green
ECS	Children's Homes - Tatlow Road	115	43	0	Dec-17	Sep-18	Green	Green
PH	Relocation of Sexual Health Clinic	1,374	116	0	Mar-18	Dec-18	Green	Green
PH	Leisure Centre Improvement Programme	2,245	0	0	Mar-20	Apr-20	Amber	Amber
Total (excluding HRA)		125,494	18,550	(1,373)				

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

Dept/ Division	Project	Total Budget (£000)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating
CDN (HRA)	St Leonard's Tower Block - Lift	100	0	(95)	Mar-18	TBC	Amber	Amber
CDN (HRA)	Exchange Demolition	100	0	0	Dec-17	TBC	Amber	Amber
CDN (HRA)	E-Communications (Mobile Working)	247	15	0	Aug-18	Mar-19	Amber	Amber
CDN (HRA)	Northgate Business Systems Phase 2	1,125	266	0	Mar-18	Mar-19	Green	Green
CDN (HRA)	Tower Block Redevelopment	352	679	(327)	Sep-18	Jan-19	Amber	Amber
CDN (HRA)	Goscote House Demolition	3,000	0	0	TBC	TBC	Green	Green
Total HRA		4,924	960	(422)				
Total (including HRA)		130,418	19,510	(1,795)				

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

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 2018/19 Period 6

Corporate Resources

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Automatic Call Distribution System.	203	48	April 2018	April 2019	A
Finance, HR & Payroll System	1,613	0	June 2017	April 2019	R
Total	1,816	48			

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

2.1. **Automatic Call Distribution System** This project has halted and the contract terminated due to the application of the Public Contract Regulations 2015 prohibiting an uplift in price to the level of the functionality required to deliver the services needed identified within weeks of the award. The target operating model designed through the project is being implemented where possible using the existing system. The authority will go back out to the market during 2019.

2.2. **Finance System** The Council is implementing a new finance system. As previously reported implementation has slipped, and the project team and supplier are working together to determine how this can be recovered. Until a clearer picture emerges, the RAG rating remains at red.

Capital Programme Project Monitoring 2018/19 – Period 6

Adults

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
ICT Investment – Phase 2 (Liquidlogic Enhancements)	627	0	January 2019	March 2019	G
Improvements to day care services at Hastings Road	267	0	April 2016	October 2018	G
Special Dementia Care Centre	1,548	0			P
Extra Care – Two Schemes	2,450	0			P
Total	4,892	0			

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

1.1 Specialist Dementia Care Centre This project has been on hold pending expected Government changes to benefit which could have affected the viability of the scheme. After a long period of uncertainty, the Government has announced that vulnerable people will still be able to claim the higher rate of intensive housing management as part of their housing benefit claim. Therefore, the original business case produced in 2014/15 will be re-visited to determine whether this type of accommodation is still required, and an update report will be presented to the Executive for consideration in due course.

1.2 Extra Care Schemes These schemes were on hold for the same reasons as the scheme above. However, the consortia who were going to develop the schemes have now confirmed that they still wish to proceed. Updated due diligence checks have been completed and it is likely the building of the new schemes will commence in January 2019.

Capital Programme Project Monitoring 2018/19 Period 6

Planning, Development & Transportation

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	8,555	0	Mar 2019	Mar 2021	A
North City Centre Access	10,559	0	Feb 2020	Nov 2020	G
Ashton Green Highways Infrastructure	7,900	0	May 2019	Mar 2020	G
City Centre Street Improvements	2,262	0	Apr 2019	May 2019	G
Townscape Heritage Initiative	796	0	Feb 2018	Apr 2018	G
Waterside	17,764	0	Mar 2023	Mar 2023	G
St George's Churchyard	857	0	Aug 2018	Aug 2019	A
Queen's Building (former Shahista House)	150	0	Dec 2017	Sept 2018	B
Vaughan Way / Great Central Street	2,740	0	Jan 2019	Aug 2019	G
Ashton Green	404	0	Mar 2018	Mar 2019	G
Pioneer Park	4,217	0	Jan 2021	Jan 2021	G
Newarke Street Car Park Improvements	247	0	Sept 2018	Mar 2019	G
Abbey Park Precinct Wall	92	0	Aug 2019	Aug 2019	G
Pioneer Park Commercial Workspace	1,148	0	Spring 2018	Spring 2020	A
Connecting Leicester – Low Carbon Schemes	7,200	0	Nov 2020	Nov 2020	G
Putney Road Link	4,859	0	Dec 2019	Nov 2019	G
Total	69,750	0			

2. **Projects Commentary** (for **all** projects rated Amber, Red or Purple). An addition to the programme is also proposed.

2.3. **Leicester North West Major Transport Project** Work commenced on site as planned on 1st October 2018 and is programmed to continue until mid-June 2019. The target price of £1.8m submitted by the contractor in May was acceptable: although the total bill payable to the contractor is expected to rise due to compensation events, these will be kept as low as possible. Other costs are attributable to consultants' fees, modelling and equipment ordered directly by LCC. Officers are progressing options for the Fiveways junction (approx. £4.5m), for which external funding must be spent by March 2021.

2.4. **City Centre Street Improvements** It is proposed to add £250k to the City Centre Street Improvements allocation for initial design work on the University Road public realm scheme, adjacent to the University of Leicester campus. This will be funded entirely by the University.

2.5. **St George's Churchyard** The scheme for public realm improvements was presented to Planning Committee in January 2018 but was deferred. Conversations are ongoing with key stakeholders. It is anticipated that works, subject to planning permission, could commence in 2019.

2.6. **Pioneer Park Commercial Workspace** Land has been acquired from Homes England and a proposal to seek a development partner to develop new commercial space on the vacant site is being progressed. The opportunity to partner the Council has been advertised and two are now being assessed. The site will most likely be delivered in phases with the potential that the Council may retain some business space which could function as move-on space from Dock.

Capital Programme Project Monitoring 2018/19 Period 6

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	1,069	0	March 2019	T.B.C.	A
Leicester Market Redevelopment	5,030	(515)	Dec 2018	June 2019	A
Abbey Pumping Station	317	0	March 2019	March 2019	G
De Montfort Hall Improvement Works	479	0	Sept 2018	Nov 2018	G
Total	6,895	(515)			

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

a. **Jewry Wall Museum Improvements** The designs for walkway and initial museum refurb are at RIBA Stage 4. Once these are finalised, a decision will be made regarding which option to pursue.

2.2. **Leicester Market Redevelopment** The work on the screen wall has been delayed due to a number of site issues including poor ground conditions. Additional costs arising as a result and tenders received for work on the outdoor market would result in costs exceeding funds available. The various workstreams within the project are being reviewed as a result to reduce costs within the funding envelope.

Capital Programme Project Monitoring 2018/19 Period 6

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Management System	130	0	Dec 18	Feb 19	G
City Centre Play	100	0	March 19	March 19	G
Watermead Country Park	39	0	March 19	March 19	G
Total	269	0			

Capital Programme Project Monitoring 2018/19 – Period 6

Estates and Building Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Haymarket House, Car Park and Lifts	10,067	0	Spring 2019	Spring 2019	G
11-15 Horsefair Street	516	(166)	Nov 2018	March 2019	A
City Hall Power Back Up	300	0	Sept 2018	March 2019	P
GCR Mainline Museum	160	0	Oct 2018	TBC	P
Property Acquisition	0	0	N/A	N/A	N/A
Total	11,043	(166)			

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

2.1 11-15 Horsefair Street Contractor has been appointed. Pre-commencement planning conditions discharged and materials samples for brickwork and stonework approved. The project cost plan has been re-profiled to include the additional wall re-build because of the structural steel projections from number 11 which cannot be removed. The project is now forecasting an overspend of £166k, which will be considered as part of the review of the market redevelopment scheme.

2.2 City Hall Power Back Up Further to completion of an options appraisal, EBS are in the process of evaluating the best option in respect of continuity of service.

2.3 Great Central Railway Mainline Museum This project is now on hold following the withdrawal of HLF funding in December 2017. GCR are considering options for an alternative scheme, and further meetings to discuss alternatives will be held with the City and County Councils in due course. Further site investigations and feasibility work are to be commissioned.

2.4 Property Acquisition The funds for this project have now been returned to the Commercial Property Acquisitions Policy Provision, due to the purchase of the property falling through.

Capital Programme Project Monitoring 2018/19 – Period 6

Children's Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Waterside Primary School	1,223	0	Aug 19	Sep 20	P
Additional Places - Inglehurst Junior	285	0	Sep 17	Sep 18	B
Additional Places - Spinney Hill	231	45	Feb 18	Sep 18	B
Additional Places - Marriott	1,000	(390)	Sept 18	Dec 18	A
Primary School TMBs	681	150	Oct 17	Sep 18	B
Primary School Internal Reconfiguration	292	65	Sep 17	Sep 18	B
Carisbrooke TMB	53	(140)	Oct 17	Sep 18	B
Secondary School Places – PFI Schools	400	(270)	Aug 19	-	P
Secondary School Places – Non-PFI Schools	259	(700)	Jul 19	-	P
St Paul TMB 2018	582	0	Sep 18	Nov 18	A
English Martyrs Catholic Internal Refurbishment 2018	206	0	Sep 18	Sep 18	B
Secondary Expansions – Fullhurst	14,832	500	Aug 19	Feb 19	G
SEND Places Expansion - Phase 1	2,064	0	Nov 18	Mar 19	A
Primary Pupil Referral Unit (PRU) Expansion (Netherhall)	2,657	0	Oct 19	Oct 19	G
St John the Baptist Primary Expansion	1,566	0	May 19	May 19	G
Children's Homes – Wigston Lane	500	0	Nov 18	May 19	G
Children's Homes – Netherhall	264	0	Sep 17	Oct 18	G
Children's Homes – Tatlow Road	115	0	Dec 17	Sep 18	G
Total	27,210	(740)			

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

2.1 Waterside Primary School The approved budget relates to activities up to the appointment of a Design and Build Contractor and some enabling works, all of which are substantially complete. Significant levels of site abnormalities, including ground contamination have emerged which have led to additional technical investigations and potential design solutions over and above the budget provision. Therefore the impact on the future scheme is being reviewed.

2.2 Additional Places – Marriott The project is moving towards delivery on site, with works expected to complete in 2018. The preferred solution is utilising Modern Methods of Construction to achieve programme and energy sustainability benefits. Total scheme costs have proven to be higher than originally expected.

2.3 Secondary School Places – PFI Schools RIBA Stage 4 activities are complete. The programme is now on hold whilst invest future place requirements are reviewed in detail, leading to an overspend against the original approval. In addition other costs were incurred such as planning fees and PFI technical reviews.

2.4 Secondary School Places – Non-PFI Schools RIBA Stage 4 activities are complete. The programme is now on hold whilst future place requirements are reviewed in detail. A significant overspend has accrued as the provision of fees has generally proved to be inadequate based on the work actually required and agreed fee scales.

2.5 St Paul TMB 2018 Works were substantially in September 2018, although the first floor rooms are not yet in use.

2.6 SEND Places Expansion – Phase 1 Procurement of the refurbishment works at Barley Croft, West Gate and Millgate is in progress. Works to provide teaching accommodation are due to be complete by the end of the Autumn term, with external works completed in January 2019. Delays have been experienced with the Ellesmere TMB. Several mitigation options are being discussed to address the associated implications.

Capital Programme Project Monitoring 2018/19 – Period 6

Public Health

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Relocation of Sexual Health Clinic	1,374	0	March 2018	December 2018	G
Cossington Leisure Centre (CLC)	600	0	July 2019	Sept 2019	A
Evington Leisure centre (ELC)	865	0	July 2019	Nov 2019	A
Aylestone Leisure Centre (ALC)	349	0	September 2019	September 2019	A
Braunstone Leisure Centre (BLC)	31	0	March 2020	March 2020	A
All Leisure Centres (excluding BLC)	400	0	September 2018 Phase 1 and September 2019 Phase 2	April 2020	A
Total	3,619	0			

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

2.1. **Leisure Centre Improvement Programme** Feasibility studies have identified that costs may be in excess of the programme funds. The schemes are currently being reviewed.

Capital Programme Project Monitoring 2018/19 – Period 6

Housing

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
St Leonard's Tower Block - Lift	100	(95)	Mar 18	tbc	A
Exchange Demolition	100	0	Dec 17	tbc	A
E-Communications (Mobile Working)	247	0	Aug 18	March 19	A
Northgate Business Systems Phase 2	1,125	0	March 18	March 19	G
Tower Block Redevelopment	352	(327)	Sept 18	Jan 19	A
Goscote House Demolition	3,000	0	tbc	tbc	G
Total	4,924	(422)			

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. It is now estimated that the cost for both lifts will be around £195k, exceeding the approved budget by £95k. The ongoing delay is being caused because of reluctance on the part of a leaseholder to the installation of the second lift.

2.2 Exchange Demolition The demolition of the existing parade of shops is dependent on the relocation of the post office currently located there. A decision was taken in August 2017 to dispose of land on Sturdee Road in order that an existing health centre can be extended to accommodate a new post office. The land transfer was subsequently completed in October 2017. Delays to the construction of the post office will mean that demolition will now not take place until later in 2018/19.

2.3 E-Communications (Mobile Working) The project has been subject to delays due to significant difficulties in sourcing suitable devices. Android smartphones and accessories have now been ordered for craft operatives on phase 1 of Total Mobile implementation (approximately 200 in total). Further work will be required to identify suitable devices for Voids staff in phase 2.

2.4 Tower Block Redevelopment Following the Grenfell Tower fire in London, it was decided to delay the re-occupation of Gordon House to reassure returning tenants that all passive

fire safety measures had been completed to the required standard. This delay has subsequently affected the start date for works to Maxfield House. Since starting the refurbishment, it has been established that the ventilation duct has corroded where it passes through the concrete floor slab and will need to be replaced, which will increase the cost of the refurbishment by £327k.

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 18/19 £000	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Adult Social Care	184	0	0	157
Planning, Development & Transportation	12,168	2,465	1,200	0
Tourism, Culture & Inward Investment	2,448	1,250	0	0
Neighbourhood & Environmental Services	845	72	0	0
Estates & Building Services	1,270	932	0	0
Housing General Fund	5,883	1,102	1,665	0
LLEP	8,604	7,550	0	0
Children's Services	5,987	663	0	0
Total (excluding HRA)	37,389	14,034	2,865	157
Housing Revenue Account	17,090	6,012	4	(166)
Total (including HRA)	54,479	20,046	2,869	(9)

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Dementia Friendly Buildings Initiative	ASC	184	0	0	157
Transport Improvement Works	CDN (PDT)	2,624	248	1,000	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	2,200	0	0	0
Air Quality Action Plan	CDN (PDT)	76	1	0	0
Highways Maintenance	CDN (PDT)	2,920	866	0	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	661	51	200	0
Flood Strategy	CDN (PDT)	367	59	0	0
Festive Decorations	CDN (PDT)	46	0	0	0
Local Environmental Works	CDN (PDT)	400	119	0	0
Legible Leicester	CDN (PDT)	658	302	0	0
Parking Strategy Development	CDN (PDT)	238	275	0	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	1,473	104	0	0
Potential Strategic Development Sites Assessment	CDN (PDT)	405	393	0	0
Architectural & Feature Lighting	CDN (PDT)	50	0	0	0
Front Wall Enveloping	CDN (PDT)	50	47	0	0
Enterprising Leicester Loans	CDN (TCI)	993	993	0	0
Heritage Interpretation Panels	CDN (TCI)	13	2	0	0
Retail Gateways	CDN (TCI)	425	14	0	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	0	0
Collaborate Business Project - Business Grants	CDN (TCI)	977	241	0	0
Parks Plant and Equipment	CDN (NES)	150	0	0	0
Allotment Infrastructure Phase 2	CDN (NES)	75	12	0	0
Replacement Tree Planting	CDN (NES)	86	0	0	0
CCTV Upgrade - Infrastructure	CDN (NES)	444	60	0	0
CCTV Upgrade - Neighbourhood Facilities	CDN (NES)	90	0	0	0
Euston Street Store	CDN (EBS)	790	450	0	0
Property Maintenance	CDN (EBS)	480	482	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,495	676	0	0
Repayable Home Repair Loans	CDN (HGF)	433	92	224	0
Leicester Energy Efficiency Fund	CDN (HGF)	50	5	0	0
Street Scene Improvements - Housing Estates	CDN (HGF)	50	10	0	0
Vehicle Fleet Replacement Programme	CDN (HGF)	2,855	319	1,441	0
Local Growth Fund Projects	CDN (LLEP)	8,604	7,550	0	0
School Capital Maintenance	ECS	3,462	627	0	0
BSF Schools' Landlord Lifecycle Fund	ECS	2,525	36	0	0
Total (excluding HRA)		37,389	14,034	2,865	157
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,341	1,827	4	0
Council Housing - Boiler Replacements	CDN (HRA)	3,500	1,411	0	0
Council Housing - Rewiring	CDN (HRA)	1,860	847	0	110
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,374	282	0	0
Council Housing - External Property Works	CDN (HRA)	1,054	400	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,150	374	0	0
Council Housing - Insulation Works	CDN (HRA)	174	163	0	(176)
Council Housing - Buy-backs	CDN (HRA)	880	406	0	0
Community & Environmental Works	CDN (HRA)	1,857	302	0	(100)
Acquisition of Affordable Housing	CDN (HRA)	900	0	0	0
Total HRA		17,090	6,012	4	(166)
Total (including HRA)		54,479	20,046	2,869	(9)

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 material slippage is forecast.
- 3.2 **Dementia Friendly Buildings Initiative** – This programme is progressing as planned and the underspend is being released to fund other projects.
- 3.3 **Transport Improvement Works** - This includes bus pinch point schemes, 20mph schemes, surveys and charges for management of the programme. The bus pinch point schemes cover a number of schemes. Many of the schemes are at design stage but due to consultations and timing of the programme delivery there will be some slippage of £1m in to 2019/20. The majority of 20mph schemes are in progress with works programmed to complete towards the end of the year.
- 3.4 **Bus Engine Retrofitting (DFT funded)** - DFT Funded Bus Retrofitting Programme £2.2m has been awarded by the Department for Transport for the period 2017-19 towards retrofitting engines in 109 buses in the city fleet (operated by First, Arriva, Centrebus and Kinch) to achieve Emissions Euro Standard 6. This will assist in meeting EU air quality targets as part of the Council's Air Quality Action Plan. It is expected that the full £2.2m will be distributed to the bus companies by the end of the current financial year.
- 3.5 **Highways Maintenance** - The 2018-19 programme is now progressing at pace and will fully spend allocations this year. Over £1m of work was undertaken during the school summer holiday. Another £400k of carriageway work during October half term is planned. £500k of works to bridges have commenced this includes Rayner Road which is now complete and Havencrest Drive which is on site.
- 3.6 **Townscape Heritage Initiative - Business Grants-** The overall THI programme is progressing and in line with agreed spend. There will be some slippage from this year (2018-19) into the final year of the grant scheme (2019-20) due to minor project changes, including a delay in the development of a grant application for bringing vacant space back into use.
- 3.7 **Parking Strategy Development** – This scheme is showing slight overspend, a report is being prepared within the coming weeks to request a policy provision release to fund this.
- 3.8 **Leicester Strategic Flood Risk Management Strategy** - Current year spend is in line with the spend profile agreed with the LLEP. The majority of spend is expected to happen during the second half of the year as there is a dependency on partners completing their projects. The whole of this budget allocated for 2018/19 is expected to be spent.

- 3.9 **Architectural Feature Lighting** – This is a grant scheme which we have promoted to local businesses and property owners. We now have some initial interest, including two applications which look likely to be approved. It is likely that spend will be in quarter 4. It is difficult to predict whether all funding allocated will be spent as it is dependent on third party applications for grant funding.
- 3.10 **CCTV Upgrade** - The contracted work for the refurbishment of the infrastructure and replacement of cameras began in September 2018; work is well underway and the anticipated completion is February 2019. Minor issues have been encountered in the upgrading of the old copper wiring to fibre but this has not affected the contractor's work programme. Contractor claims have begun to be submitted but the subsequent contract payments are yet to be posted against the capital code.
- 3.11 **Repayable Home Repair Loans** - These loans support people, often Adult Social Care clients, to continue living independently within their homes. The service is demand-led, and a drop in the number of applications has led to a forecast underspend of £200k.
- 3.12 **Leicester Energy Efficiency Fund** - The £50k for Leicester Energy Efficiency Fund (LEEF) included in the Capital programme is currently being reviewed and therefore no spend is currently being incurred
- 3.13 **Vehicle Fleet Replacement Programme** - Of the £2.9m approval, £1.5m is scheduled to be spent during this year, supported by a detailed plan of vehicle purchases. This approach continues the cost effective management of the Council's vehicle fleet and will result in £1.4m being available for purchases in 2019/20.
- 3.14 **Schools Capital Maintenance** - Initial procurement exercises were unsuccessful due to the inexperience of contractors who tendered or no tenders being returned. Now the Council has its own framework agreement in place that these works can be called off from, a decision has been made to use this as the procurement route which should avoid any further delays in the works. A contract has been awarded for Lot 1 on this basis. Lots 2 and 3 have been combined and are currently out to further competition and a positive response is expected.
- 3.15 **Council Housing – Rewiring** - Re-wiring is forecast to underspend by £110k during the year. This is partly due to undertaking an approach in which circuits are upgraded rather than fully re-wiring properties. The resulting saving will be used to fund the overspend on Communal & Environmental works.
- 3.16 **Council Housing - Insulation Works** - Additional insulation work has been undertaken, over and above that provided for within the budget. This work is positive for tenants and the environment since it reduces energy consumption. It is proposed to increase the budget by £176k to be funded HRA revenue underspends.
- 3.17 **Council Housing - Communal & Environmental** - Unavoidable costs have been incurred in relation to waylighting along with unplanned work to reconfigure a property,

resulting in a forecast overspend of £100k. This will be funded with a budget transfer from rewiring works in year.

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, the following budgets for capital provisions were unspent.

Provision	Dept/ Division	Approved £000	2018/19 Spend to Date £000	2018/19 Commit- ments £000	2018/19 Total £000	Remaining Budget £000
Local Investment Fund Support	CDN (TCI)	181	0	0	0	181
Feasibility and Development Studies	CDN (PDT)	250	8	0	8	242
Empty Homes Purchase	CDN (HGF)	50	2	0	2	48
New School Places - Contingency	ECS	750	0	0	0	750
Children's Services Buildings (Non-Schools)	ECS	500	0	0	0	500
Adventure Playgrounds & Youth Centres	ECS	25	0	0	0	25
Early Years - Two Year Olds	ECS	189	13	0	13	176
Total		1,945	23	0	23	1,922

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of Period 6, 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.

Project	Dept/ Division	Approved £000	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Electronic Document System Replacement	CRS	330	0	0	100
Anchor Centre - new recovery hub	ASC	146	27	0	100
Friars' Mill Phase 1	CDN (PDT)	54	11	0	0
Carron Building	CDN (TCI)	18	0	0	0
15 New Street	CDN (EBS)	24	1	0	(57)
Braunstone Hall	CDN (EBS)	130	20	0	0
9 Midland Street Acquisition	CDN (EBS)	281	275	0	0
New School Places - Alderman Richard Hallam	ECS	340	0	0	0
New School Places - various	ECS	339	35	0	0
Secondary School Temporary Modular Buildings	ECS	6,003	1,049	0	0
Fullhurst/Braunstone Skills Centre Expansion	ECS	187	0	0	0
Targeted Basic Need - Kestrels' Field	ECS	151	0	0	0
Schools (Residual BSF Programme)	ECS	250	189	0	0
Children's Homes - Barnes Heath	ECS	15	3	0	0
Children's Services Contact Centres	ECS	33	1	0	0
Total (excluding HRA)		8,301	1,611	0	143
Affordable Housing Programme 2013-17	CDN (HRA)	1,130	368	44	0
Total HRA		1,130	368	44	0
Total (including HRA)		9,431	1,979	44	143

- 1.2 **Affordable Housing Programme 2013-17** - An addition of £303k to the HRA capital programme is required for the Council's contribution towards infrastructure costs associated with an affordable housing development at the Saffron Velodrome site. This will be funded from Right to Buy receipts.

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 (EBS)	Property Maintenance	3,762
CDN (PDT)	Economic Action Plan	11,117
CDN (PDT)	Air Quality Action Plan	740
CDN (PDT)	Parking Strategy Development	800
CDN (PDT)	Local Environmental Works	346
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Front Wall Enveloping	150
CDN (EBS)	Commercial Property Acquisitions	1,927
CDN (HGF)	Vehicle Replacement Programme	1,800
ECS	New School Places	59,031
ECS	School Maintenance	8,000
ASC	Extra Care Schemes	6,700
Total (excluding HRA)		94,773
CDN (HRA)	New Affordable Housing	2,988
CDN (HRA)	Other HRA Schemes	300
Total HRA		3,288
Total (including HRA)		98,061

- 1.2 Money for new school places has been periodically released during the year, as plans are developed and approved. Decisions taken include:

- £788k released 3/5/18 for interim expansions of St Paul Primary and English Martyrs Secondary schools
- £2,064k released 4/7/18 for additional SEND school places
- £2,657k released 4/7/18 for the expansion of the Pupil Referral Unit in Netherhall
- £1,724k released 5/7/18 for the expansion of St John the Baptist CoE Primary School

- 1.3 Other releases from policy provisions from Period 3 (reflected in the tables above) are listed below:

- £93k for City Centre property acquisitions.
- £400k for Local environmental works
- £335k returned to Commercial Property Acquisitions due to the property purchase falling through.
- £174k Secondary School Places – Non-PFI schools.
- £312k Waterside Primary School