

Executive Decision Report

Capital Budget Monitoring – Outturn, 2018/19

Decision to be taken by: City Mayor

Overview Select Committee date: 20th June 2019

Lead director: Alison Greenhill



City Mayor

Useful Information

- Report author: Amy Oliver
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1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme at the end of 2018/19.
- 1.2 This is the fourth capital monitoring report of the financial year following similar monitoring reports as at Period 3, Period 6 and Period 9.

2. Recommendations

2.1 The Executive is recommended to:

- Note total spend of £100m for the year.
- Note the progress in delivery of major projects, as shown at Appendix A.
- Note progress on spending work programmes, as shown at Appendix B, and approve the carry-forward of resources into 2019/20 for schemes where spend has slipped into 2019/20 (£37.3m).
- Note that the great majority of provisions remain unspent as shown at Appendix C and approve the carry-forward of unspent resources into 2019/20 (£0.8m).
- Note that across a number of schemes, £2.5m has been declared as savings following completion of schemes within budget. All of this was to be funded by corporate resources and will now be available for future capital projects.
- Approve the addition of £560k to the Ashton Green project to fund infrastructure works. This will initially be funded from prudential borrowing to be repaid by future by earmarked capital receipts.
- Approve the addition of £983k to the Bus Engine Retrofitting scheme, following the receipt of a 2019-20 DFT grant, as detailed in Appendix B, para 3.4.
- Approve the addition of £250k to 11-15 Horsefair Street to fund additional works, to be funded from the Economic Action Plan as detailed in Appendix A, Estates and Building Services, para 2.2.

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 and amended at the 2017/18 outturn.
- 3.2 The capital programme is split in the following way:
 - (a) Schemes classified as '**immediate starts**', which require no further approval to commence; and

- (b) A number of separate '**policy provisions**' which are not released until specific proposals have been approved by the Executive;

3.3 Immediate Starts are further split into:

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

3.4 A summary of the total approved 2018/19 to 2019/20 capital programme as at Period 12 is shown below:

	£000
Projects	146,884
Work Programmes	95,856
Provisions	1,195
Schemes nearly complete	15,332
Total Immediate Starts	259,267
Policy Provisions	78,016
Total Capital Programme	337,283

3.5 The following changes have occurred to the capital programme since Period 9:

	£000
St Mary's Allotments	660
Cash Income Management System	600
Ashton Green	578
Tower Block Redevelopment	384
BSF Schools' Landlord Lifecycle Fund	430
Affordable Housing - Other	579
Bishopdale conversion to learning hub	212
Connecting Leicester - Low Carbon Schemes	2,350
Pioneer Park Commercial Workspace (formerly Dock 2)	3,873
De Montfort Hall Improvement Works	131
Relocation of Sexual Health Clinic	122
Transport Improvement Works	(240)
Net Movements	9,679

These additions are included in the table at 3.4 above.

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

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

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

3.7 Capital Receipts

3.7.1 At Period 12, the Council has realised £7.5m of General Fund capital receipts. These receipts are not required to fund the current programme. In line with our policies, with the exception of any earmarked receipts, these are set aside for future capital programmes.

3.7.2 Right to Buy receipts this year totalled £19.4m.

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. Background information and other papers

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

Period 9 Capital Monitoring Report and minutes of OSC Finance Task Group presented to OSC on 4th April 2019.

6. Is this a private report

No.

7. Is this a "key decision"?

No.

8. 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, 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 9-19 within this Appendix.

Department / Division	Budget 2018/19 to 2019/20 £000	2018/19 Outturn £000
Corporate Resources	2,416	854
Adult Social Care	4,892	685
Planning, Development & Transportation	81,752	15,007
Tourism, Culture & Inward Investment	8,893	3,440
Neighbourhood & Environmental Services	890	243
Estates & Building Services	11,043	768
Children's Services	27,404	14,987
Public Health	3,741	1,507
Housing Revenue Account	5,853	1,762
Total	146,884	39,253

- 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 Outturn (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Outturn
CRS	Automatic Call Distribution System Upgrade	203	133	0	Apr-18	TBC	Red	Amber
CRS	Finance, HR & Payroll System	1,613	687	0	Jun-17	TBC	Red	Red
CRS	Cash Income Management System	600	34	0	Jan-20	Jan-20	N/A	Green
ASC	ICT Investment - Phase 2 - Liquidlogic	627	437	0	Jan-19	Mar-20	Green	Green
ASC	Improvement to Day Care Services at Hastings Road	267	248	0	Apr-16	Jun-19	Green	Green
ASC	Specialist Dementia Care Centre	1,548	0	(1,548)		N/A	Purple	Purple
ASC	Extra Care Schemes	2,450	0	60		Dec-20	Green	Green
CDN (PDT)	Leicester North West Major Transport Scheme	8,720	2,106	0	Mar-19	Mar-21	Amber	Amber
CDN (PDT)	North City Centre Access Improvement Scheme	10,559	3,509	0	Feb-20	Nov-20	Green	Green
CDN (PDT)	Anstey Lane Improvements for Ashton Green	7,900	169	0	May-19	Mar-20	Green	Green
CDN (PDT)	City Centre Street Improvements	4,862	783	0	Apr-19	Dec-20	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	17,764	4,277	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	Great Central Street / Vaughan Way	2,740	61	0	Jan-19	Aug-19	Green	Green
CDN (PDT)	Ashton Green	982	694	0	Mar-21	Mar-21	Amber	Green
CDN (PDT)	Pioneer Park	4,217	1,107	0	Jan-21	Jan-21	Green	Green
CDN (PDT)	Newarke Street Car Park improvements	247	172	0	Sep-18	May-19	Green	Green
CDN (PDT)	Abbey Park Precinct Wall	92	34	0	Aug-19	Aug-19	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	5,021	21	0	Spring 18	Spring 20	Amber	Green
CDN (PDT)	Connecting Leicester - Low Carbon Schemes	7,250	1,914	0	Nov-20	Nov-20	Green	Green
CDN (PDT)	22 St. Georges Way	541	0	0	Feb-19	Apr-19	Green	Green
CDN (PDT)	Ashton Green Highways Infrastructure	10,000	147	0	Mar-21	Mar-21	Green	Amber
CDN (PDT)	St George's Churchyard	857	13	0	Aug-18	Aug-19	Purple	Purple

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 Outturn (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Outturn
CDN (TCI)	Jewry Wall Museum Improvements	2,691	114	0	Mar-19	Nov-20	Green	Green
CDN (TCI)	Leicester Market Redevelopment	5,030	2,489	0	Dec-18	Mar-20	Amber	Amber
CDN (TCI)	Abbey Pumping Station	482	227	0	Mar-19	Mar-20	Green	Green
CDN (TCI)	De Montfort Hall Improvement Works	610	610	0	Sep-18	May-19	Green	Green
CDN (TCI)	LCB Courtyard/Garden development	80	0	0	Apr-19	Mar-20	N/A	Green
CDN (NES)	Library Management System	130	130	0	Dec-18	Mar-19	Green	Blue
CDN (NES)	City Centre Playground	100	0	0	Mar-19	Mar-20	Amber	Amber
CDN (NES)	St Mary's Allotments	660	113	0	Jul-19	Dec-19	N/A	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	10,067	409	0	Mid - 20	Mid - 20	Amber	Amber
CDN (EBS)	11-15 Horsefair Street	516	333	248	Nov-18	Jun-19	Amber	Amber
CDN (EBS)	City Hall Power Backup	300	5	(295)	Sep-18	N/A	Purple	Purple
CDN (EBS)	Great Central Railway Museum	160	21	0	Oct-18	TBC	Purple	Purple
ECS	Additional Places - Marriott	1,440	238	0	Sep-18	Feb-20	Amber	Green
ECS	St Paul's Temporary Modular Buildings	632	413	0	Sep-18	May-19	Amber	Blue
ECS	Fullhurst School Expansions	14,282	12,172	0	Aug-19	Sep-19	Green	Green
ECS	SEND Places Expansion - Phase 1	1,714	1,051	0	Nov-18	Jun-19	Amber	Green
ECS	Primary Pupil Referral Unit Expansion	2,807	94	0	Oct-19	May-20	Amber	Amber
ECS	St John the Baptist Primary Extension	1,616	851	0	May-19	Jun-19	Amber	Green
ECS	Additional SEND Places - Phase 2 - Knighton Fields Centre	3,924	3	0	Dec-19	Jan-21	Amber	Green
ECS	Wigston Lane Children's Home	500	38	0	Nov-18	Nov-19	Green	Green
ECS	Children's Homes - Netherhall	264	17	0	Sep-17	Dec-20	Green	Green
ECS	Children's Homes - Tatlow Road	225	110	0	Dec-17	Jun-19	Green	Green
PH	Relocation of Sexual Health Clinic	1,496	1,496	0	Mar-18	Feb-19	Green	Blue
PH	Leisure Centre Improvement Programme	2,245	11	0	Mar-20	Jul-20	Amber	Amber
Total (excluding HRA)		141,031	37,491	(1,535)				

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 Outturn (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Outturn
CDN (HRA)	St Leonard's Tower Block - Lift	195	0	0	Mar-18	Apr-20	Amber	Amber
CDN (HRA)	Exchange Demolition	100	0	0	Dec-17	Oct-19	Amber	Amber
CDN (HRA)	E-Communications (Mobile Working)	247	59	0	Aug-18	Dec-19	Green	Green
CDN (HRA)	Northgate Business Systems Phase 2	1,125	520	0	Mar-18	Mar-20	Green	Green
CDN (HRA)	Tower Block Redevelopment	736	754	18	Sep-18	Apr-19	Amber	Blue
CDN (HRA)	Goscote House Demolition	3,000	19	0		Jan-20	Green	Green
CDN (HRA)	Installation of Sprinklers in Maxfield House	450	410	0	Mar-19	Mar-19	Green	Blue
Total HRA		5,853	1,762	18				
Total (including HRA)		146,884	39,253	(1,517)				

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

3. Departmental/Divisional Project Summaries

- 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 Outturn

Corporate Resources

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Automatic Call Distribution System.	203	0	133	April 2018	TBC	A
Finance, HR & Payroll System	1,613	0	687	June 2017	TBC	R
Cash Income Management System	600	0	34	Jan 2020	Jan 2020	G
Total	2,416	0	854			

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

- 2.1. **Automatic Call Distribution System** There were initial concerns over the technical requirements. Solutions have been offered by the supplier and the Council is currently evaluating these.
- 2.2. **Finance, HR & Payroll System** The contract with the finance system supplier is now at an end. The council is now looking to stabilise their current system. During the end of the financial year the Council successfully implemented the first part of a new payroll system. The development of this system will continue into 2019/20.

Capital Programme Project Monitoring 2018/19 – Outturn

Adults

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
ICT Investment – Phase 2 (Liquidlogic Enhancements)	627	0	437	January 2019	March 2020	G
Improvements to day care services at Hastings Road	267	0	248	April 2016	June 2019	G
Special Dementia Care Centre	1,548	(1,548)	0		N/A	P
Extra Care – Two Schemes	2,450	60	0		December 2020	G
Total	4,892	(1,548)	685			

1. Projects Summary

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

2.1 Specialist Dementia Care Centre This project was put on hold pending expected Government changes, which could have affected the viability of the scheme. After a long period of uncertainty, the Government announced that vulnerable people will still be able to claim the higher rate of intensive housing management as part of their housing benefit claim. However, taking into consideration the requirement of the Care Act 2014, a greater emphasis needs to be placed on supporting greater independence, which can be delivered via supported living and extra care housing. Therefore, this budget is no longer required. However, a small portion of the monies (£60k) is required to towards the access road for the extra care scheme being developed at Tilling Road.

Capital Programme Project Monitoring 2018/19 Outturn

Planning, Development & Transportation

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	8,720	0	2,106	Mar 2019	Mar 2021	A
North City Centre Access	10,559	0	3,509	Feb 2020	Nov 2020	G
Anstey Lane Improvements for Ashton Green	7,900	0	169	May 2019	Mar 2020	G
City Centre Street Improvements	4,862	0	783	Apr 2019	Dec 2020	G
Waterside	17,764	0	4,277	Mar 2023	Mar 2023	G
Vaughan Way / Great Central Street	2,740	0	61	Jan 2019	Aug 2019	G
Ashton Green	982	0	694	Mar 2021	Mar 2021	G
Pioneer Park	4,217	0	1,107	Jan 2021	Jan 2021	G
Newarke Street Car Park Improvements	247	0	172	Sept 2018	May 2019	G
Abbey Park Precinct Wall	92	0	34	Aug 2019	Aug 2019	G
Pioneer Park Commercial Workspace	5,021	0	21	Spring 2018	Spring 2020	G
Connecting Leicester – Low Carbon Schemes	7,250	0	1,914	Nov 2020	Nov 2020	G
22 St. Georges Way	541	0	0	Feb 2019	Apr 2019	G
Ashton Green Highways Infrastructure	10,000	0	147	Mar 2021	Mar 2021	A
St George's Churchyard	857	0	13	Aug 2018	Aug 2019	P
Total	81,752	0	15,007			

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

2.1. **Leicester North West Major Transport Project** Work is progressing on site. There has been some slippage due to the presence of services which were previously thought to be unaffected and the utility contractor being unable to programme the diversion works. Construction is now therefore programmed to continue until October 2019.

2.2. **Ashton Green Highways Infrastructure** Construction costs are being reviewed with the County Council, as they have risen over the last two years. It is anticipated that a further key decision will be required by the City Mayor in June with respect to additional funding to enable this scheme to proceed to delivery. The £5m funding secured from Highways England for road improvements must be drawn down by March 2021. The

County Council is the accountable body for this funding and is leading on project delivery.

2.3. **St George's Churchyard** The scheme for public realm improvements was represented to the Planning & Development Control Committee in December 2018 but was rejected. Options for the scheme are currently being reviewed.

Capital Programme Project Monitoring 2018/19 Outturn

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	2,691	0	114	March 2019	Nov 2020	G
Leicester Market Redevelopment	5,030	0	2,489	Dec 2018	March 2020	A
Abbey Pumping Station	482	0	227	March 2019	March 2020	G
De Montfort Hall Improvement Works	610	0	610	Sept 2018	May 2019	G
LCB Courtyard/Garden development	80	0	0	April 2019	March 2020	G
Total	8,893	0	3,440			

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

2.1. Leicester Market Redevelopment Further to a review with the contractor on 14th May the scheme is likely to be significantly delayed further until end July. Though work is progressing, an inability to resolve key design risks promptly, in particular a structurally safe solution for the windows to be safely installed, has created a knock-on slowdown. Until the windows, new render and decoration is complete, the scaffolding system must remain and finishing works can't begin. Project management arrangements are being reviewed by Directors on 23rd May.

2.2. Other projects highlighted as green are anticipated to be delivered as planned and within existing budget limits. Some projects have gone past their original completion date due to delays in procurement, the time of specific executive decisions and sometimes a need to hold back completion of an element. Project programmes have been reset consequently.

Capital Programme Project Monitoring 2018/19 Outturn

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Management System	130	0	130	Dec 18	March 19	B
City Centre Play	100	0	0	March 19	March 20	A
St Mary's Allotments	660	0	113	July 2019	December 2019	G
Total	890	0	243			

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

2.1 **City Centre Play** Proposals are currently being developed.

Capital Programme Project Monitoring 2018/19 – Outturn
Estates and Building Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Haymarket House, Car Park and Lifts	10,067	0	409	Mid 2020	Mid 2020	A
11-15 Horsefair Street	516	248	333	Nov 2018	June 2019	A
City Hall Power Back Up	300	(295)	5	Sept 2018	N/A	P
GCR Mainline Museum	160	0	21	Oct 2018	TBC	P
Total	11,043	(47)	768			

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

2.1 Haymarket House, Car Park and Lifts All works have been contracted. Works to the car park are due to commence in May, with works to the lift and Haymarket House to undertaken as per agreed programme. The scheme is rated Amber due to its complexity and time critical activities, rather than any specific concerns at this stage.

2.2 11-15 Horsefair Street. The project cost plan has been increased to include the additional wall re-build because of the structural steel projections from number 11 which cannot be removed. It is proposed to fund the additional costs of £250k from the policy provision set aside for the Economic Action Plan. Current completion date for the works is the end of June 2019.

2.3 City Hall Power Back Up Following a full option appraisal, it has been concluded that the cost and disruption of a power outage are acceptable when contrasted against the likelihood of occurrence, the cost of a fully effective back-up solution, and the availability of alternative management procedures. Therefore, this project is to be closed down.

2.4 Great Central Railway Mainline Museum Further site investigations and feasibility work have been undertaken. The substantive project is on hold following the withdrawal of HLF funding in December 2017. GCR are considering the most recent feedback from the Council regarding site constraints and estimated budget costs of which we expect updated proposals from GCR later summer 2019.

Capital Programme Project Monitoring 2018/19 – Outturn

Children’s Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Additional Places - Marriott	1,440	0	238	Sept 18	Feb 20	G
St Paul’s TMB 2018	632	0	413	Sep 18	May 19	B
Secondary Expansions – Fullhurst	14,282	0	12,172	Aug 19	Sep 19	G
SEND Places Expansion - Phase 1	1,714	0	1,051	Nov 18	Jun 19	G
Primary Pupil Referral Unit (PRU) Expansion (Netherhall)	2,807	0	94	Oct 19	May 20	A
St John the Baptist Primary Expansion	1,616	0	851	May 19	Jun 19	G
Additional SEND Places - Phase 2 - Knighton Fields Centre	3,924	0	3	Dec 19	Jan 21	G
Children’s Homes – Wigston Lane	500	0	38	Nov 18	Nov 19	G
Children’s Homes – Netherhall	264	0	17	Sep 17	Dec 20	G
Children’s Homes – Tatlow Road	225	0	110	Dec 17	Jun 19	G
Total	27,404	0	14,987			

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

2.1 St Paul’s Temporary Modular Building - Works are now complete, providing additional provision for up to 60 Secondary school places.

2.7 Primary Pupil Referral Unit Expansion (Netherhall) – Currently a review is being undertaken of the Primary PRU scheme.

Capital Programme Project Monitoring 2018/19 – Outturn

Public Health

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Relocation of Sexual Health Clinic	1,496	0	1,496	March 2018	Feb 2019	B
Leisure Centre Improvement Programme	2,245	0	11	March 2020	July 2020	A
Total	3,741	0	1,507			

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

2.1. **Leisure Centre Improvement Programme** – As previously reported feasibility studies have identified that costs were likely to be more than programme funds. Sports Services and EBS have been working together to produce a report for August 2019 detailing proposed timescales, further clarity on cost of delivery, along with revised business plans. The report and business plans will be informed by demand studies, that have been completed at Aylestone, Cossington and Evington.

Capital Programme Project Monitoring 2018/19 – Outturn

Housing

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Over / (Under) Spend (£000)	Outturn (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
St Leonard's Tower Block - Lift	195	0	0	Mar 18	April 20	A
Exchange Demolition	100	0	0	Dec 17	Oct 19	A
E-Communications (Mobile Working)	247	0	59	Aug 18	Dec 19	G
Northgate Business Systems Phase 2	1,125	0	520	March 18	March 20	G
Tower Block Redevelopment	736	18	754	Sept 18	April 19	B
Goscote House Demolition	3,000	0	19		Jan 20	G
Installation of Sprinklers in Maxfield House	450	0	410	Mar 19	Mar 19	B
Total	5,853	18	1,762			

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

2.1 St Leonard's Lift Following significant delays, the necessary agreement to enable the installation of second lift has been reached with a leaseholder and procurement is due to start imminently. This will be followed by the renewal of the existing single lift.

2.2 Exchange Demolition The demolition of the parade of shops is dependent on the relocation of the post office to an existing health centre. The land transfer to facilitate the necessary health centre extension was completed in October 2017. However, ongoing delays to the construction of the post office mean that demolition is not expected before the Autumn of 2019.

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 £000	2018/19 Outturn £000	Slippage £000	Over/(Under) Spend £000
Adult Social Care	184	6	21	(157)
Planning, Development & Transportation	19,614	10,976	8,638	0
Tourism, Culture & Inward Investment	2,848	1,772	1,076	0
Neighbourhood & Environmental Services	900	502	398	0
Estates & Building Services	4,204	1,248	2,956	0
Housing General Fund	5,833	3,073	2,514	(246)
LLEP	11,297	11,297	0	0
Children's Services	10,619	2,296	8,323	0
Total (excluding HRA)	55,499	31,170	23,926	(403)
Housing Revenue Account	27,841	20,691	7,171	21
Total (including HRA)	83,340	51,861	31,097	(382)

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2018/19 Outturn £000	Slippage £000	Over/(Under) Spend £000
Dementia Friendly Buildings Initiative	ASC	184	6	21	(157)
Transport Improvement Works	CDN (PDT)	7,343	1,257	6,086	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	2,200	1,581	619	0
Air Quality Action Plan	CDN (PDT)	87	85	2	0
Highways Maintenance	CDN (PDT)	4,078	4,062	16	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	661	98	563	0
Flood Strategy	CDN (PDT)	367	312	55	0
Festive Decorations	CDN (PDT)	46	42	4	0
Local Environmental Works	CDN (PDT)	400	375	25	0
Legible Leicester	CDN (PDT)	695	427	268	0
Parking Strategy Development	CDN (PDT)	735	735	0	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	2,223	1,517	706	0
Potential Strategic Development Sites Assessment	CDN (PDT)	479	438	41	0
Architectural & Feature Lighting	CDN (PDT)	50	0	50	0
Front Wall Enveloping	CDN (PDT)	200	47	153	0
Replacement Doors & Windows St Saviours Rd	CDN (PDT)	50	0	50	0
Enterprising Leicester Loans	CDN (TCI)	993	973	20	0
Heritage Interpretation Panels	CDN (TCI)	313	11	302	0
Retail Gateways	CDN (TCI)	425	29	396	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	40	0
Collaborate Business Project - Business Grants	CDN (TCI)	977	659	318	0
Cultural investment programme	CDN (TCI)	100	100	0	0
Parks Plant and Equipment	CDN (NES)	150	148	2	0
Allotment Infrastructure Phase 2	CDN (NES)	75	75	0	0
Replacement Tree Planting	CDN (NES)	86	86	0	0
CCTV Upgrade - Infrastructure	CDN (NES)	444	138	306	0
CCTV Upgrade - Neighbourhood Facilities	CDN (NES)	90	0	90	0
Street Scene Improvements	CDN (NES)	55	55	0	0
Euston Street Store	CDN (EBS)	790	460	330	0
Property Maintenance	CDN (EBS)	3,330	788	2,542	0
Energy Fund - Pool Covers	CDN (EBS)	84	0	84	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,495	2,131	364	0
Repayable Home Repair Loans	CDN (HGF)	433	132	100	(201)
Leicester Energy Efficiency Fund	CDN (HGF)	50	5	0	(45)
Vehicle Fleet Replacement Programme	CDN (HGF)	2,855	805	2,050	0
Local Growth Fund Projects	CDN (LLEP)	11,297	11,297	0	0
School Capital Maintenance	ECS	8,094	1,912	6,182	0
BSF Schools' Landlord Lifecycle Fund	ECS	2,525	384	2,141	0
Total (excluding HRA)		55,499	31,170	23,926	(403)
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,341	4,599	0	258
Council Housing - Boiler Replacements	CDN (HRA)	3,500	3,617	0	117
Council Housing - Rewiring	CDN (HRA)	1,750	1,719	0	(31)
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,374	991	165	(218)
Council Housing - External Property Works	CDN (HRA)	1,054	840	223	9
Council Housing - Fire and Safety Works	CDN (HRA)	1,150	958	192	0
Council Housing - Insulation Works	CDN (HRA)	350	288	0	(62)
Community & Environmental Works	CDN (HRA)	1,967	1,910	0	(57)
Affordable Housing - Acquisitions	CDN (HRA)	9,780	4,630	5,150	0
Affordable Housing - LA New Build	CDN (HRA)	200	231	0	31
Affordable Housing - Other	CDN (HRA)	2,375	908	1,441	(26)
Total HRA		27,841	20,691	7,171	21
Total (including HRA)		83,340	51,861	31,097	(382)

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 **Dementia Friendly Buildings** – A second phase of refurbishment works at the Customer Service Centre has been organised with a contribution of £21k to better accommodate those with dementia. This will be completed in June 2019. This will leave an unspent balance of £157k to be made available for the future capital programme.
- 3.3 **Transport Improvement Works** - This includes bus pinch point schemes at a number of locations, Putney Road, 20mph schemes, surveys and charges for management of the programme. Many of the schemes are at design stage but due to consultations and timing of the programme delivery there is slippage. The Putney Road scheme is expected to be delivered now starting Summer 2020 due to the complexity of the project. The majority of 20mph schemes programmed for 2018/2019 are complete, however schemes at Eyres Monsell and Montrose have required extended consultations resulting in the spend needing to be carried forward to the programme for 2019/20. Delays in finalising the ERDF Low Carbon Fund Project contract with the government has resulted in slippage. The contract was signed in February 2019 and the contribution will be made in 2019/20.
- 3.4 **Bus Engine Retrofitting (DFT funded)** - £2.2m was awarded by the Government in 2017/18 towards retrofitting engines in the city fleet (operated by First, Arriva, Centrebus and Kinch) to achieve the EURO VI emissions standard and hence improve air quality. Some 116 buses are expected to be fitted by December 2019. In February 2019 an extension to the project was requested and in March 2019 a further £983k was granted to fit a further 53 buses before March 2020.
- 3.5 **Townscape Heritage Initiative - Business Grants** - The overall programme is progressing although there will be some slippage into 2019/20 (the final year of the grant scheme) due to minor project changes. These include a delay in the development of a grant application for bringing vacant space back into use.
- 3.6 **Legible Leicester** - The overall Legible Leicester programme is progressing well; however, there will be some slippage into 2019/20, for example installation of a Variable Message System (VMS) on Vaughan Way, procurement of two additional trailer VMS's, and extensions to the existing wayfinding and de-cluttering directional signage. The delays are due to a number of factors including other highways/developer schemes, procurement issues and resourcing.
- 3.7 **Leicester Strategic Flood Risk Management Strategy** - This is a project within the Local Growth Fund programme which is led and managed by the City Council with delivery partners the Environment Agency and the Canal & River Trust (CRT). Lower than expected spend on the total budget in 2018/19 was due the CRT not being able to complete their projects by the end of March, which are being carried over into 2019/20.
- 3.8 **Architectural & Feature Lighting** – This is a grant scheme which has been promoted to local businesses and property owners. There has been some interest in the scheme, however due to dependency on third party applications there was no spend in 2018/19. This will be slipped into 2019/20.

- 3.9 **Front Wall Enveloping** – Following a successful pilot, £150k was released in March 2019 to complete the works on 23 identified properties in 2019/20.
- 3.10 **Retail Gateways** – Whilst there were delays in take up during 2018/19, there is healthy demand and full spend is expected across, this two-year programme.
- 3.11 **Collaborate Business Project - Business Grants** - This is ERDF funded, and spend is dependent on the number of applications from businesses. Therefore £318k will be slipped for use in 2019/20.
- 3.12 **CCTV Upgrade Infrastructure** - Slippage relates to resolution of repairs to the existing fibre/copper wire infrastructure, purchase of additional deployable cameras and replacement cameras for the city centre security system. All works elements are expected to be completed by the end of June.
- 3.13 **Euston Street Store** - The final phase of this programme, which includes shelving and partial re-roofing alongside solar PV panels, is expected to complete in the Autumn.
- 3.14 **Property Maintenance** - Approved in September 2018, this is a phased programme of essential maintenance works to Council properties. Works planned for delivery in 2019/20 include De Montfort Hall lifts and Town Hall fire and intruder alarms. Works are currently to the programme plan.
- 3.15 **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 an underspend of £301k, of which it is proposed only £100k be reprofiled into 2019/20, recognising likely demand.
- 3.16 **Vehicle Fleet Replacement Programme** - Of the £2.9m approval, it was originally planned that £1.5m would be spent during the year, supported by a detailed plan of vehicle purchases. Because of resource issues in drawing up specifications, only £805k was actually spent. This has now been addressed with initial priority in 2019/20 being given to procuring new passenger transport mini buses.
- 3.17 **Schools Capital Maintenance** – The previously reported slippage is due to limited spend to date against ‘production kitchens’ whilst schemes are identified. Compliance and fire safety surveys are underway to determine the necessary works to be carried out in 2019/20. Individual Access Needs works are now programmed into 2019/20.
- 3.18 **BSF Schools’ Landlord Lifecycle Fund** – Remedial works at New College, Millgate Academy, Lancaster Academy and Sir Jonathan North Academy are currently at RIBA Stage 4, with contracts expected to be issued for a total works value of £2.3m. Works are programmed to be completed in 2019/20.
- 3.19 **Council Housing** –due to the nature of the capital spend within the Housing Revenue Account, some programmes have slipped as planned work has not been completed or is no longer required. Some overspends have occurred due to the reactive nature of some of the works. The small overspend is being funded from Housing Revenue Account balances.

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 12, the majority of the following budgets for capital provisions were unspent. There has been an overspend within the Empty Homes Purchase following a Compulsory Purchase Order, which is anticipated to be recovered through re-sale in 2019/20.
- 1.3 Normally provisions are there if needed. The sums below are for two financial years.

Provision	Dept/ Division	Approved £000	2018/19 Outturn £000	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	175	0	175	75
Empty Homes Purchase	CDN (HGF)	50	181	0	181	(131)
New School Places - Contingency	ECS	0	0	0	0	0
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	33	0	33	156
Total		1,195	389	0	389	806

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of Period 12, 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 Outturn £000	Slippage £000	Over/(Under) Spend £000
Electronic Document System Replacement	CRS	330	105	0	(225)
Anchor Centre - new recovery hub	ASC	146	49	0	(97)
Friars' Mill Phase 1	CDN (PDT)	54	28	26	0
Queen's Building (formerly Shahista House)	CDN (PDT)	150	146	0	(4)
Townscape Heritage Initiative	CDN (PDT)	796	627	169	0
Carron Building	CDN (TCI)	18	18	0	0
Watermead Country Park - Additional Car Park	CDN (NES)	39	39	0	0
15 New Street	CDN (EBS)	24	24	0	0
Braunstone Hall	CDN (EBS)	130	24	106	0
9 Midland Street Acquisition	CDN (EBS)	281	275	6	0
Haymarket Theatre	CDN (EBS)	400	400	0	0
New School Places - various*	ECS	3,088	1,492	1,669	73
Secondary School Temporary Modular Buildings*	ECS	6,003	2,706	3,297	0
Children's Homes	ECS	15	0	15	0
Children's Services Contact Centres	ECS	33	10	21	(2)
Primary School Temporary Modular Buildings	ECS	625	236	384	(5)
Waterside Primary School Feasibility	ECS	1,623	1,195	428	0
Secondary School Places - PFI schools	ECS	568	564	4	0
Secondary School Places - Non-PFI schools	ECS	1,009	965	44	0
Total		15,332	8,903	6,169	(260)

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

POLICY PROVISIONS**1. Summary**

1.1 As at Period 12, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CDN (EBS)	Property Maintenance	1,124
CDN (PDT)	Economic Action Plan	6,314
CDN (PDT)	Air Quality Action Plan	729
CDN (PDT)	Parking Strategy Development	0
CDN (PDT)	Local Environmental Works	346
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Front Wall Enveloping	0
CDN (EBS)	Commercial Property Acquisitions	1,927
CDN (HGF)	Vehicle Replacement Programme	1,800
ECS	New School Places	53,300
ECS	School Maintenance	3,688
ASC	Extra Care Schemes	6,700
Total (excluding HRA)		76,328
CDN (HRA)	New Affordable Housing	1,388
CDN (HRA)	Other HRA Schemes	300
Total HRA		1,688
Total (including HRA)		78,016

1.2 Money for new school places has been periodically released since period 9, as plans are developed and approved. Decisions taken include:

- £1,765k released as per the recommendation in the P9 report, to fund additional project costs.

1.3 Other releases from policy provisions since Period 9 (reflected in the tables above) are listed below:

- £400k for the Haymarket Theatre
- £150k for Front Wall Enveloping
- £80k Cultural quarter - LCB depot courtyard and associated improvements.
- £288k Adult Learning Hub - Bishopdale Road

1.4 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 23rd October 2018. This money will not be formally committed until all of the other funding for the scheme is in place.