



# **Capital Budget Monitoring – April-December 2019/20**

Decision to be taken by: City Mayor

Decision to be taken on: 27 April 2020

Overview Select Committee date: Not Applicable

Lead director: Alison Greenhill

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## Useful Information

- Report author: Amy Oliver
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## 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2019/20 as at the end of December 2019 (Period 9).
- 1.2 This is the third capital monitoring report of the financial year following similar monitoring reports as at Period 3 and Period 6. A final report will be presented at Outturn.

## 2. Recommendations

2.1 The Executive is recommended to:

- Note total spend of £78.4m for the year to date.
- Approve the addition of £300k match-funding for Transforming Cities work programmes as detailed in Appendix B, Para 3.5.
- Approve the addition of £700k for Haymarket House, Car Parks and Lifts, to be funded from corporate resources, as detailed in Appendix A, Estates and Building Services Para 2.1.
- Approve the return of £1,388k HRA New Affordable Housing policy provision to HRA balances as detailed in Appendix E, Para 1.5.
- Approve the addition of £920k for the Netherhall Pupil Referral Unit to be funded from the New School Places policy provision, as detailed in Appendix A, Children's Services Para 2.1.
- Approve the release of £1,415k for fleet vehicle replacement from the policy provision, as detailed in Appendix E Para 1.6.
- Approve the addition of £500k to property maintenance works, as detailed in Appendix B Para 3.7.

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

3.3 Immediate Starts are further split into:

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

3.4 A summary of the total approved 2019/20 capital programme as at Period 9 is shown below:

	<b>£000</b>
Projects	113,416
Work Programmes	198,618
Provisions	462
Schemes nearly complete	26,327
<b>Total Immediate Starts</b>	<b>338,823</b>
Policy Provisions	61,069
<b>Total Capital Programme</b>	<b>399,892</b>

3.5 The following changes have occurred to the capital programme since Period 6:

	<b>£000</b>
Affordable Housing New Build	70,000
Affordable Housing other additions	621
Schools Capital Maintenance addition	1,273
Additional Sexual Health Clinic budget	250
Transfer of capital budgets and resources to revenue	(490)
Other	186
<b>Net Movements</b>	<b>71,840</b>

These movements are included in the table at 3.4 above.

3.6 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 9, the Council has realised £3.9m 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 (including the recently approved 20/21 programme).

3.8.2 “Right to Buy” receipts from sales of council housing have amounted to £15.4m so far this year.

## 4. Financial, Legal and other Implications

### 4.1 Financial Implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

### 4.2 Legal Implications

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

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

### 4.3 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

### 4.4 Equalities Implications

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

### 4.5 Other Implications

<b>Other implications</b>	<b>Yes/No</b>	<b>Paragraph referred</b>
Equal Opportunities	No	-
Policy	No	-
Sustainable & Environmental	No	-
Crime & Disorder	No	-

Human Rights Act	No	-
Elderly/People on low income	No	-
Corporate Parenting	No	-
Health Inequalities Impact	No	-

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

5. Background information and other papers

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

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

2019/20 Period 3 Capital Monitoring Report presented to OSC on 19<sup>th</sup> September 2019.

2019/20 Period 6 Capital Monitoring Report presented to OSC on 28<sup>th</sup> November 2019.

6. Is this a private report

No.

7. Is this a "key decision"?

Yes.

8. If a key decision please explain reason

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 8-17 within this Appendix.

Department / Division	Budget 2019/20 to 2020/21 £000	2019/20 Spend to Date £000
Corporate Resources	1,562	18
Adult Social Care	2,510	0
Planning, Development & Transportation	68,820	14,687
Tourism, Culture & Inward Investment	6,078	1,582
Neighbourhood & Environmental Services	743	66
Estates & Building Services	10,161	4,473
Children's Services	8,991	1,039
Public Health	2,330	275
Housing Revenue Account	12,221	1,596
<b>Total</b>	<b>113,416</b>	<b>23,736</b>

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

## 2. Summary of Individual Projects

Dept/ Division	Project	Total Budget (£000)	2019/20 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CRS	Automatic Call Distribution System Upgrade	70	18	0	Apr-18	May-20	Green	Green
CRS	Finance System	926	0	0	Jun-17	Mar-20	Green	Blue
CRS	Cash Income Management System	566	0	0	Jan-20	Dec-20	Purple	Green
ASC	Extra Care Schemes	2,510	0	0	Aug-20	Mar-22	Amber	Amber
CDN (PDT)	Leicester North West Major Transport Scheme	9,345	4,023	0	Mar-20	Mar-21	Green	Green
CDN (PDT)	Connecting Leicester	26,333	6,676	0	Nov-20	Jul-21	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	13,487	2,842	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	844	23	0	Aug-18	TBC	Purple	Purple
CDN (PDT)	Ashton Green	848	137	0	Mar-21	Mar-21	Green	Green
CDN (PDT)	Pioneer Park	3,110	647	0	Jan-21	May-21	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	5,000	6	0	Spring 18	May-21	Green	Green
CDN (PDT)	Ashton Green Highways Infrastructure	9,853	333	0	Mar-21	Mar-21	Green	Green
CDN (TCI)	Jewry Wall Museum Improvements	2,952	104	0	Mar-19	Feb-22	Amber	Green
CDN (TCI)	Leicester Market Redevelopment	2,541	1,388	0	Dec-18	Mar-20	Green	Green
CDN (TCI)	Abbey Pumping Station	255	53	0	Mar-19	TBC	Purple	Purple
CDN (TCI)	LCB Courtyard/Garden Development	80	37	0	Apr-19	Mar-20	Green	Blue
CDN (TCI)	Gresham Business Workspace	250	0	0	Mar-21	Mar-21	Green	Green
CDN (NES)	City Centre Playground	100	21	0	Mar-19	Mar-20	Green	Green
CDN (NES)	St Mary's Allotments	547	4	0	Jul-19	Mar-21	Amber	Green
CDN (NES)	Abbey Park Precinct Wall	96	41	0	Aug-19	Mar-20	Green	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	9,658	4,305	700	Mid-20	Autumn 20	Amber	Amber
CDN (EBS)	11-15 Horsefair Street	433	168	0	Nov-18	Dec-19	Green	Blue
CDN (EBS)	Demolition of Former Anchor Recovery Centre	70	0	0	Jun-20	Jun-20	N/A	Green

Dept/ Division	Project	Total Budget (£000)	2019/20 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
ECS	Additional SEND Places (including Pupil Referral Units)	7,297	691	920	Dec-19	Mar-22	Purple	Amber
ECS	Children's Residential Homes	1,694	348	29	Aug-20	Aug-20	Green	Green
PH	Leisure Centre Improvement Programme	1,930	275	0	Mar-20	Nov-20	Amber	Green
PH	Leisure Centre Air Handling Units	400	0	0	Mar-20	Dec-20	Amber	Green
<b>Total (excluding HRA)</b>		<b>101,195</b>	<b>22,140</b>	<b>1,649</b>				
CDN (HRA)	St Leonard's Tower Block - Lift	550	2	0	Mar-18	Apr-21	Green	Green
CDN (HRA)	Exchange Demolition	350	319	0	Dec-17	Nov-19	Green	Blue
CDN (HRA)	Goscote House Demolition	2,981	38	0	Jan-20	Jan-22	Amber	Amber
CDN (HRA)	Parking - Spend to Save	250	245	0	Mar-20	Jan-20	Green	Blue
CDN (HRA)	New House Build	6,200	924	0	Apr-20	Nov-20	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,390	68	0	Apr-22	Apr-22	Green	Green
CDN (HRA)	Property Conversions (2020/21)	500	0	0	Mar-22	Mar-22	Green	Green
<b>Total HRA</b>		<b>12,221</b>	<b>1,596</b>	<b>0</b>				
<b>Total (including HRA)</b>		<b>113,416</b>	<b>23,736</b>	<b>1,649</b>				



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

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

## Capital Programme Project Monitoring 2019/20 Period 9

### Corporate Resources

#### 1. Projects Summary

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

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

## Capital Programme Project Monitoring 2019/20 Period 9

### Adults

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	March 2022	A
<b>Total</b>	<b>2,510</b>	<b>0</b>			

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

**2.1. Extra Care – Two Schemes** Discussions have been concluded with the consortia and contractual arrangements are being drawn up. The process has taken longer than anticipated due to the changes that occurred within the consortia as a result of 'pausing' the developments pending the outcome of the Government's consultation on the future of the Local Housing Allowance for supported housing. It is however expected that the remaining contractual documents will be signed and the building of both schemes will commence by the end of April.

## Capital Programme Project Monitoring 2019/20 Period 9

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	9,345	0	March 2020	March 2021	G
Connecting Leicester	26,333	0	Nov 2020	July 2021	G
Waterside	13,487	0	March 2023	March 2023	G
St George's Churchyard	844	0	Aug 2018	TBC	P
Ashton Green	848	0	March 2021	March 2021	G
Pioneer Park	3,110	0	Jan 2021	May 2021	G
Pioneer Park Commercial Workspace	5,000	0	Spring 2018	May 2021	G
Ashton Green Highways Infrastructure	9,853	0	March 2021	March 2021	G
<b>Total</b>	<b>68,820</b>	<b>0</b>			

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

- 2.1. **St George's Churchyard** Options for the churchyard scheme continue to be reviewed. As previously reported, monies within the budget have recently been used to deliver highway/public realm improvements on Orton Square/Rutland Street.

## Capital Programme Project Monitoring 2019/20 Period 9

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	2,952	0	March 2019	Feb 2022	G
Leicester Market Redevelopment	2,541	0	Dec 2018	March 2020	G
Abbey Pumping Station	255	0	March 2019	TBC	P
LCB Courtyard/Garden Development	80	0	April 2019	March 2020	B
Gresham Business Workspace	250	0	March 2021	March 2021	G
<b>Total</b>	<b>6,078</b>	<b>0</b>			

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

2.1 **Abbey Pumping Station** RIBA phase 3 design work has been put on hold pending a decision on Museum capital investment priorities.

## Capital Programme Project Monitoring 2019/20 Period 9

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
City Centre Play	100	0	March 19	March 20	G
St Mary's Allotments	547	0	July 19	March 21	G
Abbey Park Precinct Wall	96	0	Aug 19	March 20	G
<b>Total</b>	<b>743</b>	<b>0</b>			

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

All projects rated green

## Capital Programme Project Monitoring 2019/20 Period 9

### Estates and Building Services

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Haymarket House, Car Park and Lifts	9,658	700	Mid 2020	Autumn 2020	A
11-15 Horsefair Street	433	0	Nov 2018	Dec 2019	B
Demolition of Former Anchor Recovery Centre	70	0	June 2020	June 2020	G
<b>Total</b>	<b>10,161</b>	<b>700</b>			

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

**2.1 Haymarket House, Car Park and Lifts** The Haymarket car park improvements were completed in December 2019. Haymarket House (Travelodge) and the associated new lifts and other improvements are being delivered via a separate contract by the owners of the Haymarket Shopping Centre. Changes in scope to deliver an improved overall scheme whilst works are underway have resulted in an additional requirement of £700k, which will be funded from corporate resources (utilising surplus resources in the 20/21 capital programme).

## Capital Programme Project Monitoring 2019/20 Period 9

### Children's Services

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	7,297	920	Dec 19	March 22	A
Children's Residential Homes	1,694	0	Aug 20	Aug 20	G
<b>Total</b>	<b>8,991</b>	<b>920</b>			

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

**2.1 Additional SEND Places (including Primary Pupil Referral Unit)** Additional budget of £920k from the new school places policy provision is to be added to the original PRU project, to facilitate the addition of specialist Educational Health Care Plan places for children. This work is needed in order to strengthen our Social Emotional & Mental Health and Autism Spectrum Disorder provision in the city. This PRU project offers the most efficient opportunity to secure these places at the best value and will interlink to an existing specialist facility within the city.



## Capital Programme Project Monitoring 2019/20 Period 9

### Public Health

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centre Improvement Programme	1,930	0	March 2020	Nov 2020	G
Leisure Centre Air Handling Units	400	0	March 2020	Dec 2020	G
<b>Total</b>	<b>2,330</b>	<b>0</b>			

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

All projects rated green

## Capital Programme Project Monitoring 2019/20 Period 9

### Housing

#### 1. Projects Summary

Project Name	Approval 2019/20 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Leonard's Tower Block - Lift	550	0	March 18	April 21	G
Exchange Demolition	350	0	Dec 17	Nov 19	B
Goscote House Demolition	2,981	0	Jan 20	Jan 22	A
Parking – Spend to Save	250	0	March 20	Jan 20	B
New Build Council Housing	6,200	0	April 20	Nov 20	G
Tower Block Sprinklers	1,390	0	April 22	April 22	G
Property Conversions (2020/21)	500	0	March 22	March 22	G
<b>Total</b>	<b>12,221</b>	<b>0</b>			

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

**2.1 Goscote House** All tenants have now moved out of the building. As reported at Period 6, the nature of the building and its surroundings mean that the building will need to be dismantled one floor at a time. The demolition will take longer than originally anticipated and with increased project costs; full costings will be available once all specialist surveys have been completed.

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

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

<b>Department /Division</b>	<b>Approved to spend in 19/20 £000</b>	<b>2019/20 Spend to Date £000</b>	<b>Forecast Slippage £000</b>	<b>Forecast Over/(under) Spend £000</b>
Planning, Development & Transportation	19,679	5,621	10,519	0
Tourism, Culture & Inward Investment	1,520	1,080	250	0
Neighbourhood & Environmental Services	729	426	0	0
Estates & Building Services	2,138	1,265	0	0
Housing General Fund	5,099	1,893	1,054	0
LLEP	0	0	0	0
Children's Services	7,949	4,565	2,113	0
<b>Total (excluding HRA)</b>	<b>37,114</b>	<b>14,850</b>	<b>13,936</b>	<b>0</b>
Housing Revenue Account	45,433	30,257	4,745	(324)
<b>Total (including HRA)</b>	<b>82,547</b>	<b>45,107</b>	<b>18,681</b>	<b>(324)</b>

## 2. Summary of Individual Work Programmes

Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,000	1,703	400	0
Council Housing - Boiler Replacements	CDN (HRA)	3,425	2,456	0	0
Council Housing - Rewiring	CDN (HRA)	1,760	1,005	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,465	598	0	(365)
Council Housing - Insulation Works	CDN (HRA)	100	29	0	0
Council Housing - External Property Works	CDN (HRA)	1,473	474	273	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,492	640	0	Forecast (74)
Community & Environmental Works	CDN (HRA)	2,425	847	236	Forecast Over/(under) 115
Affordable Housing - Acquisitions	CDN (HRA)	26,330	21,062	12,600	Spend
Affordable Housing - RPs & Others	CDN (HRA)	2,000	1,000	£000	£000
Northgate Business Systems Phase 2	CDN (HRA)	605	275	91	0
E-Communications (Mobile Working)	CDN (HRA)	249	7	165	0
<b>Total HRA</b>		<b>45,433</b>	<b>30,257</b>	<b>4,745</b>	<b>(324)</b>
<b>Total (including HRA)</b>		<b>82,547</b>	<b>45,107</b>	<b>18,681</b>	<b>(324)</b>

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

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

3.2 **Transport Improvement Works** - The two major schemes within this block are Putney Road and Bus Pinch points, both of which will slip as reported at period 6.

Transport Improvement Works also include Active Travel & Local Safety Scheme Programmes. These are now well advanced but construction was delayed pending securing additional design resources. Detailed designs are underway with the aim of delivering the outstanding project programme by Spring / Summer 2020.

3.3 **Leicester Strategic Flood Risk Management Strategy** - As previously reported there will be slippage of circa £3m, in relation to Environment Agency schemes.

3.4 **Architectural and Feature Lighting** – Currently working with third parties to design and progress lighting schemes. Three schemes are currently in progress (the Fish Market, St Martins Square and the City Rooms) and it is anticipated the expenditure will be incurred in the next financial year, as these schemes are match-funded.

- 3.5 **Transforming Cities Work (TCF) Programmes** - This is to support public and sustainable transport schemes in cities. Leicester is one of 12 cities shortlisted to bid competitively for funds. The authority secured £7.84m for the delivery of Connecting Leicester programme including York Road/Grange Lane and Magazine crossing, bike share infrastructure, secure cycle parking and electric buses for Birstall Park and Ride Service. The costs here mainly include Transforming Cities Fund tranche 2 feasibility work carried out to allow submission of the TCF2 bid, with minimum expected funds of over £100m. An addition of £300k is proposed from match-funding allocated for TCF2 to fund the current level of expenditure.
- 3.6 **Heritage Interpretation Panels** - As reported in period 6 some slippage is forecast. This is due to the extent of historical research and design production being required. Also, in some cases the need for planning permission or listed buildings consent is taking longer than anticipated.
- 3.7 **Property Maintenance** to fund additional capital works in year, as identified in the revenue monitoring report.
- 3.8 **Disabled Facilities Grants** - An overspend of £182k is forecast based on an increase in the number of urgent cases in progress. Dealing with these cases in the current year reduces the length of the waiting list and can be funded from the 2020/21 budget.
- 3.9 **Vehicle Fleet Replacement Programme** - Orders have been placed to the full £2.4m current budget, with the lower than budget forecast expenditure reflecting the time lag from order to delivery date. A detailed schedule of essential vehicle replacements is being used to plan future years' requirements and the release of the remaining policy provision is proposed later in this report.
- 3.10 **School Capital Maintenance** - As reported at period 6 maintenance works for some schools have been rescheduled for the 2020 school summer holiday, mainly for window replacements, toilet refurbishments, fire risk reduction works and pipework replacement.
- 3.11 **Kitchens & Bathrooms** - £400k of this budget is forecast to slip into next year to enable completion of all planned kitchen and bathroom replacements.
- 3.12 **Disabled Adaptations** - This service is largely demand-led and a reduction in the number of adaptations is expected to lead to an underspend of £365k.
- 3.13 **Affordable Housing Acquisitions** - Of the £70m addition to the HRA capital programme in November 2019, £2m was allocated to the current year to create capacity for larger property acquisitions, should it be required. It is currently anticipated that £2.6m will slip into 2020/21.
- 3.14 **Affordable Housing RPs** - This budget represents approvals for grants to Registered Providers for the provision of Affordable Housing, fully funded from retained Right to Buy receipts. The nature of this is such that the approvals are prior to scheme development whilst the payment can be a number of years later, resulting in slippage of £966k.

**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 9, the majority of the following budgets for capital provisions were unspent. The Local Investment Fund Support provision, which has previously been reported separately, has now been merged into Feasibility and Development Studies provision.
- 1.3 Normally provisions are there if needed. The sums below are for the 2019/20 financial year.

<b>Provision</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2019/20 Spend to Date £000</b>	<b>2019/20 Commit- ments £000</b>	<b>2019/20 Total £000</b>	<b>Remaining Budget £000</b>
Feasibility and Development Studies	CDN (PDT)	256	84	0	84	172
Empty Homes Purchase	CDN (HGF)	50	0	0	0	50
Early Years - Two Year Olds	ECS	156	4	0	4	152
<b>Total</b>		<b>462</b>	<b>88</b>	<b>0</b>	<b>88</b>	<b>374</b>

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

- 1.1 As at the end of Period 9, 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	2019/20 Spend to Date £000	Forecast Slippage £000	Forecast Over/(Under) Spend £000
ICT Investment - Phase 2 - Liquidlogic	ASC	190	126	0	0
Day Care Services at Hastings Road	ASC	19	13	0	0
Friars' Mill Phase 1	CDN (PDT)	26	14	0	0
22 St. Georges Way	CDN (PDT)	541	516	0	0
Great Central Street / Vaughan Way	CDN (PDT)	2,679	2,416	0	0
Newarke Street Car Park Improvements	CDN (PDT)	95	95	0	0
Braunstone Hall	CDN (EBS)	19	19	0	0
45 Northgate Street	CDN (EBS)	732	732	0	0
Great Central Railway Museum	CDN (EBS)	121	121	0	0
Tower Block Redevelopment	CDN (HRA)	20	52	31	0
Additional Primary School Places	ECS	2,186	1,635	0	0
Additional Secondary School Places	ECS	15,919	3,630	0	0
New School Places *	ECS	1,307	0	876	(160)
Secondary School TMBs	ECS	1,081	0	0	0
Children's Homes	ECS	28	0	0	(28)
Children's Services Contact Centres	ECS	26	0	0	(22)
Primary School TMBs	ECS	393	2	0	(375)
Waterside Primary School	ECS	428	0	428	0
Secondary School Places - PFI schools	ECS	4	1	0	132
Secondary School Places - Non-PFI schools	ECS	44	0	0	(48)
St Paul's Temporary Modular Buildings	ECS	219	48	171	0
Relocation of Sexual Health Clinic	PH	250	111	0	0
<b>Total</b>		<b>26,327</b>	<b>9,531</b>	<b>1,506</b>	<b>(501)</b>

\*The outstanding budget on New School Places projects largely relates to on-going rental costs for the agreed periods.



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

1.1 As at Period 9, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

<b>Department/ Division</b>	<b>Policy Provision</b>	<b>Amount £000</b>
CDN (PDT)	Economic Action Plan	4,882
CDN (PDT)	Ashton Green Infrastructure	400
CDN (EBS)	Commercial Property Acquisitions	1,933
CDN (HGF)	Vehicle Replacement Programme	1,415
ECS	New School Places	41,850
ASC	Extra Care Schemes	6,700
<b>Total (excluding HRA)</b>		<b>57,180</b>
CDN (HRA)	New Affordable Housing (18/19 Programme)	1,388
CDN (HRA)	New Affordable Housing (19/20 Programme)	2,201
CDN (HRA)	Other HRA Schemes	300
<b>Total HRA</b>		<b>3,889</b>
<b>Total (including HRA)</b>		<b>61,069</b>

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

- £11,450k released for New School Places.
- £250k released from Economic Action Plan provision for 11-15 Horsefair Street.
- £385k released from the Vehicle Replacement Programme provision for the purchase of ultra-low emission vehicles.
- £400k policy provision for Local Environmental Works fully released.
- £729k policy provision for the Air Quality Action Plan fully released 25/10/19.
- £1,124k policy provision for Property Maintenance fully released 12/11/19.
- £3,688k policy provision for Schools Maintenance fully released 12/11/19.
- £450k policy provision for Gresham Business Workspace released 29/11/2019.
- £732k policy provision for 45 Northgate Street Acquisition released 30/12/2019.

1.3 Releases from policy provisions since Period 9 (not reflected in the tables above) are listed below:

- £200k released from the Economic Action Plan policy provision for Railway Station Feasibility Study 06/01/2020.
- £3,534k released from the New School Places policy provision for Overdale Infant and Juniors School Expansion 20/01/2020.

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

- 1.5 The Affordable Housing Policy Provision of £1,388k is currently held for the provision of additional Affordable Housing. The £70m addition to the HRA capital programme for affordable housing in November 2019 means that this provision is no longer required and can be returned to HRA balances. A decision to this effect is being sought as part of this report.
- 1.6 A decision is being sought to release the Vehicle Replacement Programme policy provision of £1,415k to be spent in 2020/21. In order to operate a well-maintained and compliant fleet of vehicles, a programme of replacement is carried out for those which have reached the end of their useful life. Consideration is always given to replacing with an Ultra-Low Emission Vehicle (ULEV) where practical and available.