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# Capital Budget Monitoring April- July 2020/21

Overview Select Committee

Date of meeting: 24<sup>th</sup> September 2020

Decision to be taken by: City Mayor

Decision to be taken on: tbc

Lead director/officer: Alison Greenhill,  
Director of Finance

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## Useful information

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

## 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2020/21 as at the end of July 2020 (Period 4).
- 1.2 This is the first capital monitoring report of the financial year. Further quarterly reports and an outturn report will be presented as the year progresses.
- 1.3 The COVID-19 pandemic has had a significant impact on the capital programme, with many schemes delayed. Some £34.6m slippage has been reported on work programmes, the chief reason for which is the pandemic. A number of projects have had to revise their forecast completion dates. This will have an impact on capacity to deliver additional schemes next year as we make up for lost time.
- 1.4 We are currently identifying the individual schemes that may be impacted by additional cost pressures.

## 2. Recommended actions/decision

2.1 The Executive is recommended to:

- Note total spend of £37.9m for the year.
- Approve £675k for the Leicester North West Transport Scheme to be funded from external contributions from the Leicestershire County Council, see Appendix A, Planning, Development & Transportation para 2.1.
- Approve the addition of £5,100k match funding to Connecting Leicester for the improvement of footways, cycling, bus lanes and traffic movements, to be funded from Business Rates Pool, see Appendix A, Planning, Development & Transportation para 2.1.
- Approve addition of £1,882k to the Highways Maintenance budget to be funded from the Highways Maintenance Challenge Fund government grant, Appendix B, Para 3.3.
- Approve the addition of £724k for Parks and Open spaces schemes including creating a new ball court at Rally Park and an activity area at Victoria Park, to be funded from S106 contributions.
- Approve the addition of £400k for Phoenix 2020 expansion to create a roof terrace, to be funded from the Business Rates Pool.

The OSC is recommended to:

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

### 3. Scrutiny / stakeholder engagement

Overview Select Committee 24 September 2020

### 4. Background and options with supporting evidence

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

The capital programme is split in the following way:

- (a) Schemes classified as '**immediate starts**', which require no further approval to commence; and
- (b) A number of separate '**policy provisions**' which are not released until specific proposals have been approved by the Executive.

4.2 Immediate Starts are further split into:

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

4.3 A summary of the total approved 2020/21 capital programme as at Period 4 is shown below:

	<b>£000</b>
Projects	163,802
Work Programmes	140,077
Provisions	202
Schemes Substantially Complete	23,557
<b>Total Immediate Starts</b>	<b>327,638</b>
Policy Provisions	38,878
<b>Total Capital Programme</b>	<b>366,516</b>

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

	<b>£000</b>
Transforming Cities Tranche 2 addition	39,400
Connecting Leicester addition	100
Leicester Strategic Flood Risk Management Strategy addition	60
Other	69
<b>Net Movements</b>	<b>39,629</b>

These movements are included in the table at 4.3 above.

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

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

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

#### 4.7 Capital Receipts

4.7.1 At Period 4, the Council has realised £4.7m of General Fund capital receipts. These receipts are not required to fund the current programme. In line with our policies, with the exception of any earmarked receipts, these are set aside for future capital programmes.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £3.5m received in year.

## 5. Detailed report

N/a

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

### 6.1 Financial implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

### 6.2 Legal implications

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

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

### 6.3 Equalities implications

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

### 6.4 Climate Emergency implications

This report is solely concerned with financial issues.

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

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

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

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

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

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

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

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

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

No

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

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

## PROJECTS

### 1. Summary

- 1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, i.e. whether they are being delivered on time, on budget and to the original specification. This appendix summarises progress on projects. Project summaries provided by departments/divisions are shown on pages 11-22 within this Appendix.

Department / Division	Total Budget £000	2020/21 Spend to Date £000
Corporate Resources	1,516	0
Smart Cities	200	0
Adult Social Care	2,510	0
Planning, Development & Transportation	92,099	6,738
Tourism, Culture & Inward Investment	22,931	215
Neighbourhood & Environmental Services	2,123	0
Estates & Building Services	5,821	400
Children's Services	24,446	718
Public Health	1,985	464
Housing Revenue Account	10,171	1,618
<b>Total</b>	<b>163,802</b>	<b>10,153</b>

- 1.2 A list of the individual projects is shown in the table on pages 9-10 of this report. This also summarises the progress of each project. Attention is drawn to expected completion dates and any project issues that have arisen.
- 1.3 A colour-coded rating of progress of each project has been determined, based on whether the project is progressing as expected, and whether it is still expected to complete within budget.
- 1.4 The ratings used are:
- (a) **Green** Successful delivery of the project on time, within budget, to specification and in line with original objectives seems very likely. There are no major issues that appear to threaten delivery significantly.
  - (b) **Amber** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears probable. However, some risks exist and close attention will be required to ensure these risks do not materialise into major issues threatening delivery. Alternatively, a project is classed as amber if some insubstantial slippage or minor overspend is probable.

- (c) **Red** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears to be unachievable. The project is expected to require redefining, significant additional time or additional budget.
- (d) **Blue** The project is complete.
- (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.

## 2. Summary of Individual Projects

Dept/ Division	Project	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P4
CRS	Cash Income Management System	566	0	0	Jan-20	Dec-20	Purple	Purple
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	600	0	0	Dec-21	Dec-21	Green	Green
CRS	Corporate Storage Area Network (SAN) Replacement	350	0	0	Jun-21	Jun-21	Green	Green
SC	Smart Cities Pilot Projects	200	0	0	Dec-20	Mar-21	Green	Amber
ASC	Extra Care Schemes	2,510	0	0	Aug-20	Aug-22	Amber	Amber
CDN (PDT)	Leicester North West Major Transport Scheme	5,103	1,090	0	Mar-20	Mar-21	Green	Green
CDN (PDT)	Connecting Leicester	59,085	2,286	0	Nov-20	Mar-23	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	9,892	1,418	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	812	0	0	Aug-18	TBC	Purple	Amber
CDN (PDT)	Ashton Green	625	75	0	Mar-21	Mar-21	Green	Green
CDN (PDT)	Pioneer Park	2,466	41	0	Jan-21	May-21	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	4,832	1,415	0	Spring 18	May-21	Green	Green
CDN (PDT)	Ashton Green Highways Infrastructure	8,584	413	0	Mar-21	Nov-21	Green	Amber
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	200	0	0	Mar-21	Jun-21	Green	Amber
CDN (PDT)	North West Leicester Regeneration Area	500	0	0	Mar-22	Mar-22	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	14,235	26	0	Mar-23	Mar-23	Green	Green
CDN (TCI)	Leicester Market Redevelopment	2,916	135	0	Dec-21	Jun-22	Green	Amber
CDN (TCI)	Abbey Pumping Station	246	0	0	Mar-19	TBC	Purple	Purple
CDN (TCI)	Gresham Business Workspace	250	0	0	Mar-21	Mar-21	Green	Green
CDN (TCI)	Onsite Construction Skills Hub	1,000	0	0	Dec-22	Dec-22	Green	Green
CDN (TCI)	New Walk Museum Phase 1	2,439	0	0	Mar-22	Mar-22	Green	Green
CDN (TCI)	Museums Security Programme	125	0	0	Nov-21	Nov-21	Green	Green
CDN (TCI)	Visit Leicester Relocation	320	26	0	Nov-21	Nov-21	Green	Green
CDN (TCI)	Growth Hub	1,400	28	0	Jun-23	Jun-23	N/A	Green
CDN (NES)	St Mary's Allotments	507	0	0	Jul-19	Mar-21	Green	Green
CDN (NES)	Abbey Park Precinct Wall	546	0	0	Mar-22	Mar-22	Green	Green
CDN (NES)	Library RFID Self-Service System	330	0	0	Mar-21	Mar-21	Green	Green
CDN (NES)	Library Improved Self-Access Pilot	210	0	0	Mar-21	Jun-21	Green	Amber
CDN (NES)	Reuse Shop Expansion	530	0	0	Jul-20	Nov-21	Green	Amber
<b>Total</b>		<b>121,379</b>	<b>6,953</b>	<b>0</b>				

Dept/ Division	Project	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P4
CDN (EBS)	Haymarket House, Car Parks & Lifts	3,797	398	0	Mid-20	Nov-20	Amber	Green
CDN (EBS)	Demolition of Former Anchor Recovery Centre	49	1	0	Jun-20	Nov-20	Green	Amber
CDN (EBS)	Housing Estate Shops	905	0	0	Mar-22	Mar-22	Green	Green
CDN (EBS)	Touchdown Project	50	0	0	Mar-21	Mar-21	Green	Green
CDN (EBS)	Haymarket Theatre - Internal Completion Works	574	0	0	Mar-21	Jun-21	Green	Amber
CDN (EBS)	Haymarket Bus Station - Toilet Expansion and Refurbishments	446	1	0	Dec-20	Mar-21	Green	Amber
ECS	Additional SEND Places (including Pupil Referral Units)	15,310	473	0	Dec-19	Mar-22	Amber	Green
ECS	Overdale Infant and Juniors School Expansion	3,534	0	0	Nov-21	Mar-22	Green	Amber
ECS	Expansion of Oaklands Special School	4,675	0	0	Mar-22	Sep-22	Green	Amber
ECS	Children's Residential Homes	879	245	32	Aug-20	Sep-20	Green	Amber
ECS	New Parks House	48	0	0	Jan-21	Jan-21	N/A	Green
PH	Leisure Centre Improvement Programme	1,585	464	0	Mar-20	Jun-21	Green	Amber
PH	Leisure Centre Air Handling Units	400	0	0	Mar-20	Jun-21	Green	Amber
<b>Total (excluding HRA)</b>		<b>153,631</b>	<b>8,535</b>	<b>32</b>				
CDN (HRA)	St Leonard's Tower Block - Lift	528	17	0	Mar-18	Sep-21	Green	Amber
CDN (HRA)	Goscote House Demolition	2,844	96	0	Jan-20	Jan-22	Amber	Amber
CDN (HRA)	New House Build Council Housing	4,746	1,453	(1,411)	Apr-20	Nov-20	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,322	23	0	Apr-22	Apr-22	Green	Green
CDN (HRA)	Property Conversions	481	29	0	Mar-22	Mar-22	Green	Green
CDN (HRA)	Feasibility Study for Sheltered Housing	250	0	0	Apr-22	Apr-22	Green	Green
<b>Total HRA</b>		<b>10,171</b>	<b>1,618</b>	<b>(1,411)</b>				
<b>Total (including HRA)</b>		<b>163,802</b>	<b>10,153</b>	<b>(1,379)</b>				

## **Commentary on Specific Projects**

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

## Capital Programme Project Monitoring 2020/21 Period 4

### Corporate Resources

#### 1. Projects Summary

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

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

**2.1 Cash Income Management System** - This project has been paused to enable the resources to focus on the COVID-19 pandemic work. The contract will be extended with the current provider.

## Capital Programme Project Monitoring 2020/21 Period 4

### Smart Cities

#### 1. Projects Summary

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

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

- 2.1 **Smart Cities Pilot Projects** - The project forecast completion date has been extended due to delays caused by COVID-19.

## Capital Programme Project Monitoring 2020/21 Period 4

### Adults

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	Aug 2022	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-** Contractual arrangements have been drawn up and due to be signed in the coming weeks, the signing of contracts was delayed due to the current lockdown. Partners are still committed to developing the two schemes, which will take approximately 18 months to build once on site. It is anticipated the builds will commence in January 2021.

## Capital Programme Project Monitoring 2020/21 Period 4

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	5,103	0	March 2020	March 2021	G
Connecting Leicester	59,085	0	Nov 2020	March 2023	G
Waterside	9,892	0	March 2023	March 2023	G
St George's Churchyard	812	0	Aug 2018	TBC	A
Ashton Green	625	0	March 2021	March 2021	G
Pioneer Park	2,466	0	Jan 2021	May 2021	G
Pioneer Park Commercial Workspace	4,832	0	Spring 2018	May 2021	G
Ashton Green Highways Infrastructure	8,584	0	March 2021	Nov 2021	A
City-wide Parkmap TRO review, signs and lines upgrades	200	0	March 2021	June 2021	A
North West Leicester Regeneration Area	500	0	March 2022	March 2022	G
<b>Total</b>	<b>92,099</b>	<b>0</b>			

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

2.1 As part of this report two approvals are sought in this Division. The first is to add £675k to **Leicester North West Transport Scheme**, following the receipt of additional funding from the County. This has occurred as more works are now happening within the City boundary than had originally envisaged. The second recommendation seeks to add £5.1m of budget to the **Connecting Leicester** project following the receipt of additional funding from the Business Rates Pool. This will be used to fund improvements of footways, cycling, bus lanes and traffic movements. Particular schemes include Braunstone Gate, North West and South West districts of Leicester.

- 2.2 St George's Churchyard** - A reduced-scale project is now expected to be delivered including churchyard environmental improvements (including tree management, establishing a useable open space and path improvements) together with related street art and signage in the Cultural Quarter.
- 2.3 Ashton Green Highways Infrastructure-** The project forecast completion date has been extended due to delays caused by COVID-19. In addition, some potential costs have been identified that may increase the cost of the project. This project has been funded from £10m of government grant, and any additional costs will be funded from prudential borrowing and later repaid with capital receipts. A decision to increase the budget will be sought at the time the additional costs are realised. It should be noted that additional costs are likely to arise from extending the scope of the works (which would otherwise have needed to be done later), rather than overspending per se.
- 2.4 City-wide Parkmap TRO review, signs and lines upgrades-** The project forecast completion date has been extended due to delays caused by COVID-19.

## Capital Programme Project Monitoring 2020/21 Period 4

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

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

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

- 2.1 Leicester Market Redevelopment-** Design options for the outdoor market are still being reviewed, depending on the scope of the works the budget may prove to be insufficient.
- 2.2 Abbey Pumping Station -** RIBA phase 3 design work has been put on hold pending a review of options to allow greater visitor numbers, that are currently limited.

## Capital Programme Project Monitoring 2020/21 Period 4

### Neighbourhood and Environmental Services

#### 1. Projects Summary

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

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

**2.1 Library Improved Self-Access Pilot** - The project forecast completion date has been extended due to delays caused by COVID-19.

**2.2 Reuse Shop Expansion** - The project forecast completion date has been extended due to delays caused by COVID-19.

## Capital Programme Project Monitoring 2020/21 Period 4

### Estates and Building Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Haymarket House, Car Park and Lifts	3,797	0	Mid 2020	Nov 2020	G
Demolition of Former Anchor Recovery Centre	49	0	June 2020	Nov 2020	A
Housing Estate Shops	905	0	March 2022	March 2022	G
Touchdown Project	50	0	March 2021	March 2021	G
Haymarket Theatre - Internal Completion Works	574	0	March 2021	June 2021	A
Haymarket Bus Station - Toilet Expansion and Refurbishments	446	0	Dec 2020	March 2021	A
<b>Total</b>	<b>5,821</b>	<b>0</b>			

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

- 2.1 **Demolition of Former Anchor Recovery Centre** – The project has been delayed due to COVID-19 and the additional lockdown within Leicester City Centre.
- 2.2 **Haymarket Theatre – Internal Completion Works** - The project has been delayed due to a change of scope and the theatre operating company going into liquidation.
- 2.3 **Haymarket Bus Station - Toilet Expansion and Refurbishments** - The project forecast completion date has been extended due to delays caused by COVID-19.

## Capital Programme Project Monitoring 2020/21 Period 4

### Children's Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	15,310	0	Dec 2019	March 2022	G
Overdale Infant and Juniors School Expansion	3,534	0	Nov 2021	March 2022	A
Expansion of Oaklands Special School	4,675	0	March 2022	Sept 2022	A
Children's Residential Homes	879	32	Aug 2020	Sept 2020	A
New Parks House	48	0	Jan 2021	Jan 2021	G
<b>Total</b>	<b>24,446</b>	<b>32</b>			

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

- 2.1 Overdale Infant and Juniors School Expansion-** The impact of COVID-19 has extended the programme by 17 weeks. We are currently reviewing the potential impact of COVID-19 on current cost proposals and this will be declared once determined in a future report.
- 2.2 Expansion of Oaklands Special School-** The impact of COVID-19 and planning complexities have extended the programme by 25 weeks.
- 2.3 Children's Residential Homes -** The impact of COVID-19 has extended the programme by 5 weeks resulting in a forecast overspend of £32k.

# Capital Programme Project Monitoring 2020/21 Period 4

## Public Health

### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centre Improvement Programme	1,585	0	March 2020	June 2021	A
Leisure Centre Air Handling Units	400	0	March 2020	June 2021	A
<b>Total</b>	<b>1,985</b>	<b>0</b>			

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

**2.1 Leisure Centre Improvement Programme-** The project forecast completion date has been extended due to delays caused by COVID-19.

**2.2 Leisure Centre Air Handling Units -** The bulk of this funding is to be spent on the Evington Leisure Centre. Progress has been hampered due to COVID-19, start on site is now forecast for March 2021 with completion in June 2021.

## Capital Programme Project Monitoring 2020/21 Period 4

### Housing

#### 1. Projects Summary

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

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

- 2.1 St Leonard's Tower Block Lift** - The impact of COVID-19 on contractor appointment has extended the project by 20 weeks.
- 2.2 Goscote House Demolition-** Procurement of demolition contract is underway, once this is completed a more detailed programme of works will be drawn up.
- 2.3 New Build Council Housing** - The layout of sites included in Phase 1 was amended since the original budget approval of £6.2m, reducing the number of homes and the overall cost. A forecast underspend of £1.4m will be used towards Phase 2. Whilst there have been some delays to Phase 1 resulting from COVID-19, these are not expected to affect the timescales for overall project delivery.

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

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

Department /Division	Approved to spend in 20/21 £000	2020/21 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Adult Social Care	21	0	0	0
City, Development & Neighbourhoods	780	55	0	0
Planning, Development & Transportation	25,216	945	9,120	0
Tourism, Culture & Inward Investment	1,390	0	508	0
Neighbourhood & Environmental Services	419	170	0	0
Estates & Building Services	4,199	60	0	0
Housing General Fund	10,035	647	4,880	(130)
Children's Services	8,060	202	4,277	0
<b>Total (excluding HRA)</b>	<b>50,120</b>	<b>2,079</b>	<b>18,785</b>	<b>(130)</b>
Housing Revenue Account	49,657	9,575	15,858	(450)
<b>Total (including HRA)</b>	<b>99,777</b>	<b>11,654</b>	<b>34,643</b>	<b>(580)</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2020/21 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Dementia Friendly Buildings Initiative	ASC	21	0	0	0
Feasibility Studies	CDN	780	55	0	0
Transport Improvement Works	CDN (PDT)	9,862	456	5,910	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	467	0	0	0
Air Quality Action Plan	CDN (PDT)	463	0	0	0
Highways Maintenance	CDN (PDT)	5,925	203	1,850	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	284	10	0	0
Flood Strategy	CDN (PDT)	312	107	0	0
Festive Decorations	CDN (PDT)	49	0	0	0
Local Environmental Works	CDN (PDT)	341	32	50	0
Legible Leicester	CDN (PDT)	201	5	100	0
Parking Strategy Development	CDN (PDT)	274	38	100	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	2,835	75	750	0
Potential Strategic Development Sites Assessment	CDN (PDT)	40	0	0	0
Architectural & Feature Lighting	CDN (PDT)	200	0	160	0
Front Wall Enveloping	CDN (PDT)	225	19	100	0
Replacement Doors & Windows St Saviours Rd	CDN (PDT)	50	0	0	0
Transforming Cities Work Programmes	CDN (PDT)	2,855	0	0	0
Campbell Street Feasibility Study	CDN (PDT)	200	0	0	0
Solar Panels at Bus Station and Car Parks	CDN (PDT)	388	0	0	0
Conservation Building Grants	CDN (PDT)	50	0	0	0
Street Nameplates City Branding Programme	CDN (PDT)	100	0	25	0
On-Street Charging	CDN (PDT)	95	0	75	0
Heritage Interpretation Panels	CDN (TCI)	288	0	188	0
Retail Gateways	CDN (TCI)	276	0	0	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	0	0
Leicester Museum and Art Gallery	CDN (TCI)	350	0	320	0
Cank St Feasibility	CDN (TCI)	236	0	0	0
Local Shopping Centres Reopening & Improvement Programme	CDN (TCI)	200	0	0	0
Parks Plant and Equipment	CDN (NES)	150	0	0	0
Beaumont Park Depot Rd & Related works	CDN (NES)	99	0	0	0
Cossington Recreation Ground Access Improvements	CDN (NES)	170	170	0	0
Euston Street Store	CDN (EBS)	657	0	0	0
Property Maintenance	CDN (EBS)	1,842	60	0	0
Operational Estate Capital Maintenance Programme	CDN (EBS)	1,450	0	0	0
Pilot House	CDN (EBS)	250	0	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	3,213	314	1,213	0
Repayable Home Repair Loans	CDN (HGF)	300	0	0	(130)
Vehicle Fleet Replacement Programme	CDN (HGF)	6,522	333	3,667	0
School Capital Maintenance	ECS	7,802	194	4,277	0
BSF Schools' Landlord Lifecycle Fund	ECS	8	8	0	0
Foster Care Capital Contribution Scheme	ECS	250	0	0	0
<b>Total (excluding HRA)</b>		<b>50,120</b>	<b>2,079</b>	<b>18,785</b>	<b>(130)</b>

<b>Work Programme</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>Forecast Slippage £000</b>	<b>Forecast Over/(under) Spend £000</b>
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,115	486	2,365	0
Council Housing - Boiler Replacements	CDN (HRA)	3,456	379	1,606	0
Council Housing - Rewiring	CDN (HRA)	1,884	177	1,034	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,300	203	0	(450)
Council Housing - Insulation Works	CDN (HRA)	100	10	50	0
Council Housing - External Property Works	CDN (HRA)	1,656	130	223	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,538	123	588	0
Community & Environmental Works	CDN (HRA)	2,385	116	624	0
Affordable Housing - Acquisitions	CDN (HRA)	30,606	7,516	8,606	0
Affordable Housing - RPs & Others	CDN (HRA)	854	236	354	0
Public Realm Works	CDN (HRA)	1,200	1	350	0
Business Systems	CDN (HRA)	563	198	58	0
<b>Total HRA</b>		<b>49,657</b>	<b>9,575</b>	<b>15,858</b>	<b>(450)</b>
<b>Total (including HRA)</b>		<b>99,777</b>	<b>11,654</b>	<b>34,643</b>	<b>(580)</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 main area of work under this work programme is on Putney Road. The majority of expenditure in 2020/21 is in relation to utilities diversion. This project has been delayed due to the COVID-19 pandemic and the relevant utilities staff and suppliers being unavailable. The forecast slippage of £5.9m relates to the main construction due to take place in 2021/22.
- 3.3 **Highways Maintenance-** A full capital maintenance programme is underway through to March 2021 and large resurfacing schemes have already been completed on Krefeld Way and Netherhall Road. Further schemes planned include Liberty Road maintenance and a programme of repair works in local neighbourhoods. The council has recently secured £3.0m funding for a major maintenance scheme along Welford Road. The carriageway resurfacing element of the works will take place next Spring hence slippage of £1.9m is requested into 2021/22. In addition, as part of this report approval is requested to add £1,882k to this budget, following the Department for Transport granting us additional funding through Highways Maintenance Challenge Fund.
- 3.4 **Leicester Strategic Flood Risk Management Strategy** - All the Local Growth Fund allocation is committed to schemes being delivered either by the Council or the Canal & River Trust; these are going on site within the next two months and will complete by March 2021. The £750k allocated to the Watermead bridge to be delivered with Leicestershire County Council has been delayed due to third party land ownership issues, and a requirement to recommence feasibility work to assess a new location.
- 3.5 **Architectural & Feature Lighting-** There are two schemes which have been approved and are to be implemented by third parties. Both have a delayed start date due to COVID-19 but are expected to be completed this financial year. Subject to approval at outturn, the balance of funding will be carried forward to 2021/22 as no new applications will be processed before the end of the financial year.
- 3.6 **Front Wall Enveloping** - The programme is progressing well. Works are expected to progress on Green Lane Road in the Autumn. A second gateway scheme on Narborough Road is also being developed jointly with the Housing Division, however, COVID-19 response resourcing means that timelines for completing Narborough Road are likely to be Spring 2021.
- 3.7 **Heritage Interpretation Panels-** Works have commenced regarding the Heritage Panels. The number of potential locations is above the original project

scope and options are currently being considered, however work has been delayed by the pandemic and will continue into 2021/22.

- 3.8 **Leicester Museum and Art Gallery-** Work has commenced on the preliminary exhibition designs, object identification and consultation. A consultation area was installed in the World Arts Gallery at Leicester Museum and Art Gallery in March, but due to COVID-19, this has not been accessible. In addition, community engagement has also been delayed by the pandemic. The funders of the gallery, Arts Council England, have been kept informed of the delays. It is expected that the gallery will now open at the end of 2021/22.
- 3.9 **Disabled Facilities Grants** - The client group which receives these grants is generally vulnerable in the context of COVID-19, so delays to the commencement of work will result in slippage of £1.2m of the budget.
- 3.10 **Repayable Home Repairs Loans** – This is a demand-led service, so is subject to variations in the number of requests. It is not anticipated that unused budget in 2020/21 will need to be used in 2021/22.
- 3.11 **Vehicle Fleet Replacement Programme** - Whilst orders will be placed to the full extent of the budget, the time-lag between placing orders for vehicles and their delivery is expected to result in slippage. The normal lag is exaggerated by COVID-19 having increased manufacturing and delivery times.
- 3.12 **School Capital Maintenance** - COVID-19 has slipped the completion of the programme into Summer 2021, in agreement with Children's Services and individual schools' accesses. There are no resulting budget implications.
- 3.13 **Kitchens & Bathrooms** - The forecast slippage on this work programme relates entirely to the impact of COVID-19, and the impact it has had on limiting access to tenants' properties. Whilst efforts are underway to minimise the extent of the slippage, this will be dependent upon contractor capacity.
- 3.14 **Boiler Replacements** – This work programme has been significantly affected by COVID-19, with both contractors and in-house staff only being able to undertake a restricted number of boiler replacements.
- 3.15 **Re-Wiring** – Whilst steps are being taken to bring this work programme back up to full speed, work is currently only being carried out on void properties.
- 3.16 **Disabled Adaptations** - An underspend is expected to arise on this demand-led work programme. This has not been significantly impacted by COVID-19, and work on those properties which were affected will be caught up.
- 3.17 **External Property Works** – Due to the external nature of the work, much of the re-roofing and soffits/facia work has continued throughout lockdown, and the programme of work will be fully delivered. Some slippage is forecast on balcony improvement work on Aikman Avenue which has yet to commence.

- 3.18 **Fire & Safety Works** – Most of the programmed work relates to communal areas within blocks of flats, and as such has been affected by COVID-19. Work has recently re-started.
- 3.19 **Community & Environmental Works** – Slippage is forecast on environmental work as staff in frontline service areas (Repairs, Highways and Parks) focus on providing core services as they come out of recovery and catching up with the backlog of work, accumulated during lockdown. In addition, large-scale planned works on the district heating network have been delayed because of the desire to avoid shutdowns during lockdown.
- 3.20 **Affordable Housing Acquisitions** - The number of suitable properties available to purchase fell dramatically during lockdown, alongside a restricted ability to view properties. The pipeline of acquisitions has resulted in a limited impact on Q1, but Q2 and Q3 expenditure will be significantly lower.
- 3.21 **Public Realm Works** – To protect staff and residents some of the improvement schemes to internal areas of blocks are being pushed back until it is safer to carry out work in public areas. The survey for refurbishment work in the St Matthews and St Peter's area has been scoped, progress has been made on carparking schemes, and recruitment is being carried out in September.

**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 4, all of the budgets for capital provisions were unspent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2020/21 financial year.

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

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

- 1.1 As at the end of Period 4, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

<b>Project</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>Forecast Over/(Under) Spend £000</b>
ICT Investment - Phase 2 - Liquidlogic	ASC	64	0	0
Great Central Street / Vaughan Way	CDN (PDT)	262	3	0
11-15 Horsefair Street	CDN (EBS)	145	19	0
Additional Primary School Places	ECS	189	0	0
Additional Secondary School Places	ECS	22,757	16,122	0
Waterside Primary School	ECS	20	0	0
St Paul's Temporary Modular Buildings	ECS	7	0	0
Relocation of Sexual Health Clinic	PH	113	37	0
<b>Total</b>		<b>23,557</b>	<b>16,181</b>	<b>0</b>

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

1.1 As at Period 4, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

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

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

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

1.3 The Economic Action Plan Policy Provision includes £1,000k that has been committed for the Cultural Investment Programme, as per an executive decision taken on 23<sup>rd</sup> October 2018. This money will not be formally committed until all of the other funding for the scheme is in place.