
Executive Decision Capital Budget Monitoring April-March 2021/22

Considered by OSC on: 30th June 2022

Decision to be taken by: City Mayor

Decision to be taken on: 18 July 2022

Lead director/officer: Colin Sharpe, Deputy Director of
Finance

Useful information

- Ward(s) affected: All
- Report author: Ben Matthews, Senior Capital Accountant
- Author contact details: ben.matthews@leicester.gov.uk

1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme at the end of 2021/22.
- 1.2 This is the final capital monitoring report of the financial year, following similar monitoring reports at Periods 3, 6 and 9.
- 1.3 As reported previously, the COVID-19 pandemic has had a significant impact on the capital programme, with many schemes delayed. In addition, increased costs of materials and labour on schemes are starting to be realised. In most cases, the cost pressures are manageable within current budgets. For those where it is not these are reported as they are identified, and decisions recommended as necessary. Funding was set-aside for this purpose in the 2021/22 and 2022/23 capital programme.

2. Recommended actions/decision

- 2.1 The Executive is recommended to:
 - Note total spend of £149m 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 2022/23 for schemes where spend has slipped into 2022/23 (£17.2m).
 - Note that the majority of provisions remain unspent as shown at Appendix C and approve the carry forward of the Early Years – Two Year Olds provision into 2021/22 (£141k), Appendix C, Para 1.4.
 - Note that across a number of schemes, £3.4m has been declared as savings following completion of schemes within budget. Of this £0.5m was funded by Corporate resources and will now be available for future capital projects.
 - Approve the following additions:
 - £3,770k to Greener Homes, funded by government grant and match funding, see Appendix A, Housing, Para 2.5.

- £314k to Connecting Leicester, funded by government grant, see Appendix A, Planning, Development & Transportation, Para 2.1.

The OSC is recommended to:

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

3. Scrutiny / stakeholder engagement

N/a

4. Background and options with supporting evidence

4.1 The 2021/22 Capital programme was approved by Council on 17th February 2021. It has subsequently been amended following decisions and through monitoring exercises.

The capital programme is split in the following way:

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

4.2 Immediate Starts are further split into:

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

4.3 A summary of the total approved 2021/22 capital programme as at Period 12 is shown below:

	£000
Projects	261,327
Work Programmes	149,112
Provisions	191
Schemes Substantially Complete	18,292
Total Immediate Starts	428,922
Policy Provisions	20,479
Total Capital Programme	449,401

4.4 The following changes have occurred to the capital programme since period 9:

	£000
Pioneer Park - Levelling Up	24,683
Green Homes	1,600
S106 Additional School Places	857
St Margaret's Gateway	800
Expansion of Children's Homes	500
Community & Environmental Works (Re-profiled from 22/23 programme)	240
Other	285
Net Movements	28,965

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 12, the Council has realised £1,671k of General Fund capital receipts, of which £1,042k is unallocated to the approved capital programme.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £18.3m received in year.

5. Detailed report

N/A

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

6.1 Financial implications

This report is solely concerned with financial issues.

Colin Sharpe, Deputy Director of Finance, 37 4001

6.2 Legal implications

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

Kamal Adatia, City Barrister & Head of Standards

6.3 Equalities implications

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

6.4 Climate Emergency implications

This report is solely concerned with financial issues.

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

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

7. Background information and other papers:

Capital Programme 2021/22 approved by Council on 17th February 2021.

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

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

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

2021/22 Capital Monitoring P6 Report presented to OSC on 16th December 2021.

2021/22 Capital Monitoring P9 Report presented to OSC on 24th March 2022.

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 11-26 within this Appendix.

Department / Division	Remaining Budget £000	2021/22 Spend £000
Corporate Resources	208	3
Smart Cities	190	37
Planning, Development & Transportation	145,182	24,976
Tourism, Culture & Inward Investment	38,627	5,823
Neighbourhood & Environmental Services	2,285	1,231
Estates & Building Services	29,045	15,796
Adult Social Care	2,510	0
Children's Services	28,812	5,158
Public Health	2,226	144
Housing Revenue Account	12,242	5,505
Total	261,327	58,673

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 substantially complete.
- (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.

2. Summary of Individual Projects

Dept/ Division	Project	Remaining Budget (£000)	2021/22 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P12
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	208	3	0	Dec-21	Jun-22	Amber	Green
SC	Smart Cities Pilot Projects	190	37	0	Dec-20	TBC	Amber	Purple
CDN (PDT)	Connecting Leicester	52,214	12,973	0	Nov-20	Mar-24	Green	Amber
CDN (PDT)	Waterside Strategic Regeneration Area	6,903	1,909	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	803	54	0	Aug-18	Dec-22	Amber	Green
CDN (PDT)	Ashton Green	658	399	0	Mar-21	Mar-22	Green	Green
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	200	49	0	Mar-21	Sep-22	Amber	Amber
CDN (PDT)	North West Leicester Regeneration Area	871	160	0	Mar-22	Mar-23	Green	Green
CDN (PDT)	St Margaret's Gateway	12,951	8,621	0	Sep-22	Jun-22	Red	Green
CDN (PDT)	High Streets Heritage Action Zones	1,935	594	0	Apr-24	Apr-24	Green	Green
CDN (PDT)	Saffron Brook	840	8	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	Stocking Farm Community Shop	150	0	0	Mar-22	May-22	Amber	Green
CDN (PDT)	Leicester Railway Station - Levelling up	22,643	93	0	Mar-24	Mar-24	Green	Green
CDN (PDT)	Electric Bus Investment	20,331	0	0	Dec-23	Dec-23	Green	Green
CDN (PDT)	Pioneer Park - Levelling Up	24,683	116	0	Dec-24	Dec-24	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	15,358	1,992	0	Mar-23	TBC	Red	Red
CDN (TCI)	Leicester Market Redevelopment	2,597	240	0	Dec-21	Mar-23	Green	Green
CDN (TCI)	Abbey Pumping Station	239	0	0	Mar-19	Jun-22	Amber	Green
CDN (TCI)	Onsite Construction Skills Hub	848	140	0	Dec-22	Jun-23	Green	Green
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,376	503	0	Mar-22	Mar-23	Green	Green
CDN (TCI)	Visit Leicester Relocation	263	99	0	Nov-21	Aug-22	Amber	Green
CDN (TCI)	Growth Hub	1,506	792	0	Jun-23	Jun-23	Green	Green
CDN (TCI)	Phoenix 2020	1,900	1,201	0	Mar-23	Mar-23	Green	Green
CDN (TCI)	Fashion Technology Academy	332	173	0	Aug-23	Aug-23	Green	Green
CDN (TCI)	De Montfort Hall	1,440	426	0	Mar-22	Nov-22	Green	Green
CDN (TCI)	Pilot House	11,768	257	0	Mar-24	Mar-24	Green	Green
Total		184,207	30,839	0				

Dept/ Division	Project	Remaining Budget (£000)	2021/22 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P12
CDN (NES)	Abbey Park Precinct Wall	605	482	0	Mar-22	Jul-22	Green	Amber
CDN (NES)	Library Improved Self-Access Pilot	210	155	0	Mar-21	Mar-22	Amber	Blue
CDN (NES)	Reuse Shop Expansion	505	300	0	Jul-20	Apr-22	Green	Green
CDN (NES)	Western Park Sanitisation Tree Works	500	259	0	Mar-23	Mar-23	Green	Green
CDN (NES)	Digital & Performance Suite	65	0	0	Mar-23	Mar-23	N/A	Green
CDN (NES)	St Margaret's Pastures Skate Park	400	35	0	Jan-23	Jan-23	N/A	Green
CDN (EBS)	Estate Shops	905	172	0	Mar-22	Sep-22	Green	Green
CDN (EBS)	Haymarket Theatre - Internal Completion Works	579	222	0	Mar-21	Sep-22	Green	Green
CDN (EBS)	Haymarket Bus Station - Toilet Expansion and Refurbishments	573	444	0	Dec-20	Mar-22	Green	Blue
CDN (EBS)	Energy Efficiency Technology	25,097	14,958	0	Mar-20	Jun-22	Amber	Amber
CDN (EBS)	Aylestone Leisure Centre PV Panels	1,639	0	0	Aug-22	Feb-23	Green	Amber
CDN (EBS)	Leycroft Road Energy Reduction Works	252	0	0	May-22	May-22	Green	Green
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	Mar-25	Purple	Amber
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	16,311	4,909	0	Dec-19	Dec-22	Amber	Amber
SCE (ECS)	Overdale Infant and Juniors School Expansion	3,315	32	0	Nov-21	Jan-23	Amber	Amber
SCE (ECS)	Expansion of Oaklands Special School	4,458	84	0	Mar-22	Dec-22	Amber	Amber
SCE (ECS)	Pindar Nursery	921	129	0	Mar-23	Mar-23	Green	Amber
SCE (ECS)	Glebelands Primary School Modular Building	250	4	0	Aug-22	Aug-22	Green	Green
SCE (ECS)	S106 Additional School Places	857	0	0	Sep-23	Sep-23	N/A	Green
SCE (ECS)	Expansion of Children's Homes	2,700	0	0	May-23	May-23	N/A	Green
PH	Leisure Centres Phase 2	2,226	144	0	Nov-22	Nov-22	Green	Green
Total (excluding HRA)		249,085	53,168	0				
CDN (HRA)	St Leonard's Tower Block - Lift	496	331	(121)	Mar-18	Mar-22	Green	Blue
CDN (HRA)	Goscote House Demolition	4,587	2,011	0	Jan-20	Mar-23	Green	Amber
CDN (HRA)	New House Build Council Housing	2,825	2,825	0	Apr-23	Jun-23	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,299	22	0	Apr-22	Mar-23	Green	Green
CDN (HRA)	Property Conversions	435	286	0	Mar-22	Mar-23	Green	Green
CDN (HRA)	Feasibility Study for Sheltered Housing	250	0	0	Apr-22	Mar-23	Purple	Purple
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	TBC	Mar-23	Purple	Purple
CDN (HRA)	Climate Change & Retrofitting Feasibility	250	0	(250)	Mar-22	Mar-22	Green	Green
CDN (HRA)	Greener Homes	1,800	30	0	Mar-22	Jul-22	Amber	Green
Total HRA		12,242	5,505	(371)				
Total (including HRA)		261,327	58,673	(371)				

Commentary on Specific Projects

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

Capital Programme Project Monitoring 2021/22 Outturn

Corporate Resources

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Corporate LAN/WAN Network Cisco Infrastructure Replacement	208	0	Dec 2021	June 2022	G
Total	208	0			

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

Capital Programme Project Monitoring 2021/22 Outturn

Smart Cities

1. Projects Summary

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

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

2.1 **Smart Cities Pilot Projects** – This project is currently on hold, whilst future schemes are decided.

Capital Programme Project Monitoring 2021/22 Outturn

Planning, Development & Transportation

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Connecting Leicester	52,214	0	Nov 2020	March 2024	A
Waterside Strategic Regeneration Area	6,903	0	March 2023	June 2026	G
St George's Churchyard	803	0	Aug 2018	Dec 2022	G
Ashton Green	658	0	March 2021	March 2022	G
City-wide Parkmap TRO review, signs and lines upgrades	200	0	March 2021	Sep 2022	A
North West Leicester Regeneration Area	871	0	March 2022	March 2023	G
St Margaret's Gateway	12,951	0	Sep 2022	June 2022	G
High Streets Heritage Action Zones	1,935	0	April 2024	April 2024	G
Saffron Brook	840	0	March 2023	March 2023	G
Stocking Farm Community Shop	150	0	March 2022	May 2022	G
Leicester Station Improvements	22,643	0	March 2024	March 2024	G
Electric Bus Investment	20,331	0	Dec 2023	Dec 2023	G
Pioneer Park – Levelling Up	24,683	0	Dec 2024	Dec 2024	G
Total	145,182	0			

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

2.1 Connecting Leicester – The delay to the forecast completion date of the scheme is as a result of delays with in-house and contractor capacity due to the pandemic.

As part of this report, we are proposing an additional £314k for Connecting Leicester. This is a net addition following reduction of £1,861k of government funding that was withdrawn owing to the government paying these grants directly to the recipients. However, the Council has been successful in obtaining £2,175k DfT Active Travel grant funding, this is for walking and cycling improvement works on Melton Road and Saffron Lane.

2.2 City-wide Parkmap TRO review, signs and lines upgrades - A delay has occurred due to completing survey work of the pedestrian preference zone and resolving data queries arising from the upload of the survey information onto the new software. The software provider and surveying contractor are liaising to resolve these issues and completion is now expected in September.

Capital Programme Project Monitoring 2021/22 Outturn

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	15,358	0	March 2023	TBC	R
Leicester Market Redevelopment	2,597	0	Dec 2021	March 2023	G
Abbey Pumping Station	239	0	March 2019	June 2022	G
Onsite Construction Skills Hub	848	0	Dec 2022	June 2023	G
Leicester Museum and Art Gallery Phase 1	2,376	0	March 2022	March 2023	G
Visit Leicester Relocation	263	0	Nov 2021	Aug 2022	G
Growth Hub	1,506	0	June 2023	June 2023	G
Phoenix 2020	1,900	0	March 2023	March 2023	G
Fashion Technology Academy	332	0	Aug 2023	Aug 2023	G
De Montfort Hall	1,440	0	March 2022	Nov 2022	G
Pilot House	11,768	0	March 2024	March 2024	G
Total	38,627	0			

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

2.1 **Jewry Wall Museum Improvements** – Progress is continuing to be made to identify and appoint suitable contractors to resume phase 1 works after the previous contractor went into administration. Alongside this, given the scale and complexity of the scheme, work is still being undertaken to consider the procurement and delivery plan for the entire scheme.

Capital Programme Project Monitoring 2021/22 Outturn

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Abbey Park Precinct Wall	605	0	March 2022	July 2022	A
Library Improved Self-Access Pilot	210	0	March 2021	March 2022	B
Reuse Shop Expansion	505	0	July 2020	April 2022	G
Western Park Sanitation Tree Works	500	0	March 2023	March 2023	G
Digital & Performance Suite	65	0	March 2023	March 2023	G
St Margaret's Pastures Skate Park	400	0	Jan 2023	Jan 2023	G
Total	2,285	0			

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

- 2.1 **Abbey Park Precinct Wall** – The extension to the completion date represents additional works agreed with Historic England, for which grant funding has been added to the capital programme.

Capital Programme Project Monitoring 2021/22 Outturn

Estates and Building Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Estate Shops	905	0	March 2022	Sep 2022	G
Haymarket Theatre - Internal Completion Works	579	0	March 2021	Sep 2022	G
Haymarket Bus Station - Toilet Expansion and Refurbishments	573	0	Dec 2020	Mar 2022	B
Energy Efficiency Technology	25,097	0	March 2022	Jun 2022	A
Aylestone Leisure Centre PV Panels	1,639	0	Aug 2022	Feb 2023	A
Leycroft Road Energy Reduction Works	252	0	May 2022	May 2022	G
Total	29,045	0			

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

2.1 Aylestone Leisure Centre PV Panels – There have been delays to the scheme as an initial procurement was unsuccessful. Therefore, an alternative procurement route has now been identified and tender documents will go to market shortly.

2.2 Energy Efficiency Technology - The energy efficient technology (EET) scheme is based on a cost per carbon ton achieved over the lifetime of the technology installed. Due to the well-publicised increased costs of materials in the UK construction industry there is a strong likelihood the Council will need to increase its contribution towards the scheme. Final costs are currently being reviewed and will be reported once they are fully validated. Nonetheless this scheme represents a significant investment of £25m from the government's Salix programme into decarbonisation measures across the city as part of the Council's Climate

Emergency Action Plan. Whilst the contribution is more than originally anticipated and has escalated due to pressures outside of our control, the programme nevertheless represents extremely good value for the city.

Capital Programme Project Monitoring 2021/22 Outturn

Adults

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	March 2025	A
Total	2,510	0			

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

2.1 **Extra Care – Two Schemes** - A soft market testing exercise was completed in January to understand the appetite from the market to develop the two schemes. This approach has informed the future specification and it is anticipated a procurement exercise will start in the summer. The new contract is likely to be awarded early next year, with a build time of 24 months.

Capital Programme Project Monitoring 2021/22 Outturn

Children's Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	16,311	0	Dec 2019	Dec 2022	A
Overdale Infant and Juniors School Expansion	3,315	0	Nov 2021	Jan 2023	A
Expansion of Oaklands Special School	4,458	0	March 2022	Dec 2022	A
Pindar Nursery	921	0	March 2023	March 2023	A
Glebelands Primary School Modular Building	250	0	Aug 2022	Aug 2022	G
S106 Additional School Places	857	0	Sept 2023	Sept 2023	G
Expansion of Children's Homes	2,700	0	May 2023	May 2023	G
Total	28,812	0			

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

2.1 Additional SEND Places (including Primary Pupil Referral Unit) – Initially the scheme was delayed for a design revision at the Rowans (Ellesmere). Since then there have been difficulties in procuring a suitable supplier to deliver works at the Rowans (Ellesmere), Knighton Lane (Leicester Partnership School) and the Armadale Centre (Netherhall School). These difficulties have led to a wider review of the requirements for the scheme, which is going to result in an additional delay to the current forecast completion date.

- 2.2 Overdale Infant and Juniors School Expansion** – There are ongoing discussions around the requirements for this scheme, for which the impact is not yet clear. A further update will be provided once the impact is known.
- 2.3 Expansion of Oaklands Special School** - As previously reported this scheme has been delayed due to ongoing contract negotiations with the proposed contractor. These negotiations have recently concluded which will allow the scheme to proceed.
- 2.4 Pindar Nursery** – There is a delay to the current forecast completion date for this scheme, as pupils are still located at Pindar Nursery whilst waiting on the wider review of the requirements for the SEND scheme.

Capital Programme Project Monitoring 2021/22 Outturn

Public Health

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centres Phase 2	2,226	0	Nov 2022	Nov 2022	G
Total	2,226	0			

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

Capital Programme Project Monitoring 2021/22 Outturn

Housing

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Leonard's Tower Block - Lift	496	(121)	March 2018	March 2022	B
Goscote House Demolition	4,587	0	Jan 2020	March 2023	A
New Build Council Housing	2,841	0	April 2023	June 2023	G
Tower Block Sprinklers	1,299	0	April 2022	March 2023	G
Property Conversions	435	0	March 2022	March 2023	G
Feasibility Study for Sheltered Housing	250	0	April 2022	March 2023	P
Bridlespur Way Refurbishment	300	0	TBC	March 2023	P
Retrofitting Feasibility	250	(250)	March 2022	March 2022	G
Greener Homes	1,800	0	March 2022	July 2022	G
Total	12,242	(371)			

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

- 2.1 Goscote House** – The project completion date has been extended to March 2023 due to the extended time taken for the Health and Safety Executive to sign off risk assessments for the demolition.
- 2.2 Feasibility Study for Sheltered Housing** – As reported previously, capacity within the contracts management team is such that other work has been prioritised. This will be progressed in 2022/23 as other projects reach their conclusion.

- 2.3 Bridlespur Way Refurbishment** - The refurbishment of Bridlespur Way will lead to a time-limited reduction in the availability of temporary accommodation for families. Therefore, the scheme has been deferred until current pressures on temporary accommodation alleviate. The scheme will progress in 2022/23.
- 2.4 Retrofitting Feasibility** – As previously reported, this piece of work will not now be carried out by external consultants but will instead be undertaken by internal staff funded from revenue resources.
- 2.5 Greener Homes** – Additional Government grant has been received for the next phase of the scheme. Only an element of this funding is being added to the capital programme due to there being budget remaining from the first phase (the budget having been overstated). Of the £3.8m addition, £2.9m is government grant and £0.9m is match funding to be funded from HRA underspends reported elsewhere in this report. £2.1m of this money will be paid over to Registered Providers to use on their own housing stock, with the remaining balance to be used on the Councils own housing stock.

WORK PROGRAMMES**1. Summary**

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

Department / Division	Approved to spend in 21/22 £000	2021/22 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	182	119	63	0
Planning, Development & Transportation	17,009	13,248	3,655	(106)
Tourism, Culture & Inward Investment	1,323	831	492	0
Neighbourhood & Environmental Services	730	319	411	0
Estates & Building Services	8,807	5,492	3,192	(123)
Housing General Fund	9,476	4,199	5,228	(49)
Adult Social Care	0	0	0	0
Children's Services	6,199	3,745	2,454	0
Total (excluding HRA)	43,726	27,953	15,495	(278)
Housing Revenue Account	48,744	44,820	1,751	(2,173)
Total (including HRA)	92,470	72,773	17,246	(2,451)

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2021/22 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	182	119	63	0
Transport Improvement Works	CDN (PDT)	6,051	4,978	1,073	0
Bus Engine Retrofitting	CDN (PDT)	621	423	198	0
Air Quality Action Plan	CDN (PDT)	598	233	365	0
Highways Maintenance	CDN (PDT)	6,360	5,599	761	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	98	0	0	(98)
Flood Strategy	CDN (PDT)	298	298	0	0
Festive Decorations	CDN (PDT)	76	76	0	0
Local Environmental Works	CDN (PDT)	559	558	1	0
Legible Leicester	CDN (PDT)	135	112	23	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	426	407	19	0
Potential Strategic Development Sites Assessment	CDN (PDT)	140	75	65	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	200	0	200	0
Front Wall Enveloping	CDN (PDT)	265	86	179	0
Replacement Doors & Windows St Saviours Rd (Grant)	CDN (PDT)	46	12	34	0
Transforming Cities Work Programmes	CDN (PDT)	697	236	461	0
Campbell Street Feasibility Study	CDN (PDT)	186	0	186	0
Conservation Building Grants	CDN (PDT)	69	40	29	0
Street Nameplates City Branding Programme	CDN (PDT)	100	39	61	0
On-Street Charging	CDN (PDT)	66	58	0	(8)
Environment Agency Feasibility Studies	CDN (PDT)	18	18	0	0
Heritage Interpretation Panels	CDN (TCI)	284	159	125	0
Retail Gateways (Grant)	CDN (TCI)	239	165	74	0
Leicester Museum and Art Gallery	CDN (TCI)	347	277	70	0
Cank St Feasibility	CDN (TCI)	57	27	30	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	396	203	193	0
Parks Plant and Equipment	CDN (NES)	151	105	46	0
Parks and Open Spaces	CDN (NES)	579	214	365	0
Euston Street Store	CDN (EBS)	36	36	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	2,518	1,586	932	0
Replacement cladding Phoenix Square	CDN (EBS)	562	373	189	0
Green Homes	CDN (EBS)	3,776	2,333	1,443	0
Phoenix & Sovereign House	CDN (EBS)	1,090	842	248	0
CCTV Newarke Houses/Guildhall	CDN (EBS)	85	59	26	0
Depots Refurbishment	CDN (EBS)	290	1	289	0
Affordable Warmth	CDN (EBS)	450	262	65	(123)
Private Sector Disabled Facilities Grant	CDN (HGF)	2,100	1,922	178	0
Repayable Home Repair Loans	CDN (HGF)	200	1	150	(49)
Vehicle Fleet Replacement Programme	CDN (HGF)	7,176	2,276	4,900	0
School Capital Maintenance	SCE (ECS)	5,782	3,640	2,142	0
Foster Care Capital Contribution Scheme	SCE (ECS)	417	105	312	0
Total (excluding HRA)		43,726	27,953	15,495	(278)

Work Programme	Dept/ Division	Approved £000	2021/22 Spend £000	Slippage £000	Over/(under) Spend £000
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,434	3,361	0	(1,073)
Council Housing - Boiler Replacements	CDN (HRA)	3,100	2,623	0	(477)
Council Housing - Rewiring	CDN (HRA)	1,988	1,830	0	(158)
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,437	1,137	300	0
Council Housing - Insulation Works	CDN (HRA)	186	10	0	(176)
Council Housing - External Property Works	CDN (HRA)	2,798	2,689	0	(109)
Council Housing - Fire and Safety Works	CDN (HRA)	1,905	1,021	884	0
Community & Environmental Works	CDN (HRA)	2,475	2,475	0	0
Affordable Housing - Acquisitions	CDN (HRA)	28,410	28,410	0	0
Affordable Housing - RPs & Others	CDN (HRA)	489	489	0	0
Public Realm Works	CDN (HRA)	953	386	567	0
Business Systems	CDN (HRA)	569	389	0	(180)
Total HRA		48,744	44,820	1,751	(2,173)
Total (including HRA)		92,470	72,773	17,246	(2,451)

3. **Commentary on Specific Work Programmes**

- 3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For monitoring purposes this has been defined as any scheme where budgets have significantly changed, where spend is low or where material slippage is forecast. Due to the pandemic, there has been a lot of slippage from the previous year.
- 3.2 **Grant Related Work Programmes** – As previously reported, several of the Council's work programmes involve provision of grants to local businesses. Uptake has been lower than expected, as a result of COVID-19 related delays and issues within the construction industry. The remaining funding will slip in to 2022/23.
- 3.3 **Transport Improvement Works** - Progress with several schemes has been impacted by COVID-19, causing delays in availability of contractors and delivery of materials, leading to slippage of £1,073k.
- 3.4 **Bus Engine Retrofitting** – The current retrofitting scheme is complete, and savings were made by operators. The remaining funds (£198k) are to be carried forward to be spent on new retrofits or approved measures set out in the Leicester Local Nitrogen Dioxide Plan 2021.
- 3.5 **Air Quality Action Plan** - Slippage of £365k into 2022/23 is required for future electric vehicle charger installations. This slippage is a result of issues related to finding suitable locations for the installations due to power supply requirements and consultations required.
- 3.6 **Highways Maintenance** – Two bridge maintenance schemes have been delayed to Summer 2022 due to new environmental permitting requirements and developer sewer construction works on Barkbythorpe Road. This has added £360k to the amount slippage reported at P9. As reported at P9, the remaining slippage relates to the new asset management IT system and maintenance schemes that have been reprogrammed into early 2022/23 due to issues with contractor availability.
- 3.7 **Townscape Heritage Initiative – Business Grants** – This programme was completed in April 2021 and a saving of £98k has been identified on this scheme.

- 3.8 **Potential Strategic Development Sites Assessment** - Land promotion work for the draft Local Plan has not progressed at the pace originally envisaged due to delays in the planning process imposed by new government advice. This work will need to slip £65k into 2022/23 and is likely to be completed during the second quarter.
- 3.9 **Front Wall Enveloping** – The Green Lane Road scheme is complete and the Narborough Road Scheme is programmed to complete in 2022/23.
- 3.10 **Transforming Cities Work Programmes** – Slippage of £461k relates to three cycle hub schemes. The St Margaret’s Bus Station hub forming part of the larger redevelopment scheme and two further schemes the LRI and Humberstone Gate hubs that have been delayed due to resource constraints.
- 3.11 **Campbell Street Feasibility** – As previously reported, slippage of £186k is due to delays in securing an appropriate consultant to cover the scheme. Appointments have now been made and works will proceed in 2022/23.
- 3.12 **Street Nameplates City Branding Programme** – This delay has been mainly due to resourcing issues, therefore works on the St Georges Cultural Quarter will slip into 2022/23.
- 3.13 **Heritage Interpretation Panels** – The majority of the £125k slippage is due to supplier delays, the panels have been ordered and are awaiting delivery.
- 3.14 **Leicester Museum and Art Gallery** – Slippage on the scheme is due to contractor delays when carrying out the internal works package.
- 3.15 **Parks Plant and Equipment** – Supply chain issues have resulted in equipment not being delivered within the original timeframe.
- 3.16 **Parks and Open Spaces** – Slippage of £365k relates to the Victoria Park Bandstand, Aylestone Recreation Ground and Rally Park schemes. As previously reported, delays on the Victoria Park and Aylestone Recreation Ground schemes are the result of ongoing consultations. Rally Park Ball Court is delayed due to reprioritisation of other works.
- 3.17 **Property & Operational Estate Capital Maintenance Programme** – As previously reported at period 9, elements of this programme have slipped whilst the larger decarbonisation programme for the Council’s estate is considered.

Further slippage since period 9 is due to material delays, contractor staffing shortages and unforeseen additional compliance works required. However, these works have now been completed in the first few weeks of the new financial year.

- 3.18 **Replacement Cladding Phoenix Square** – This funding is for initial pre-tender support whilst the Council awaits the outcome of the full funding application. An element of the slippage is due to ongoing contract negotiations in procuring surveys and works not being progressed until the full funding is in place.
- 3.19 **Green Homes** – As previously reported at period 9, slippage is forecast due to increased cases of COVID-19 over the winter limiting the contractor's ability to access properties to survey and install energy efficiency measures in residents' homes.
- 3.20 **Phoenix & Sovereign House** – The completion of Phoenix House lifts is due to slip into 2022/23, due to additional planning being required due to part of the building having listed status.
- 3.21 **Depot Refurbishment** – Both schemes are delayed until the spring to reduce the impact on services.
- 3.22 **Affordable Warmth** - The impact of COVID-19 over the winter has limited the contractor's ability to access properties to survey and install energy efficiency measures in residents' homes. This has resulted in slippage of £65k and an underspend of £123k.
- 3.23 **Disabled Facilities Grants** – As previously reported, slippage is due to COVID-19 delays and the availability of contractors.
- 3.24 **Repayable Home Repairs Loans** –The service area has been focusing on the delivery of Disabled Facilities Grants this year to clear backlogs as a result of COVID-19 disruptions. The service area will be refocusing on Repayable Home Repairs loans next year. This has resulted in slippage of £150k and savings of £49k.
- 3.25 **Fleet Replacement** – Slippage has increased to £4.9m due to ongoing global factors affecting new vehicle delivery lead times, including steel shortages and microchip supply issues. This has particularly impacted electric vehicles.

- 3.26 **School Capital Maintenance** – Additional works and national issues such as contractor availability and material delays have contributed to slippage on this programme. Further slippage which has previously been reported, is as a result of additional works being identified linked to the decarbonisation scheme, which have subsequently been programmed for a later date to minimise disruption to schools.
- 3.27 **Foster Carers – Capital Contribution** - Applications for this funding continue to be received, with a further £72k spend committed. This capital investment supports the Council's wider placement sufficiency requirements to ensure adequate suitable accommodation for Looked After Children. There are ongoing discussions with foster carers about the possibility of adaptations to support additional children, which will be set against the slippage of £300k.
- 3.28 **Kitchens & Bathrooms** – The quantity of work undertaken during lockdown was significantly lower than normal, leading to a £1.1m underspend against this budget.
- 3.29 **Boiler Replacements** – An underspend of £477k reflects a reduction in the numbers in the demand for boiler replacements during the year.
- 3.30 **Re-Wiring** – This is a demand-led budget and as such £158k of surplus budget brought forward from 2020/21 was not required this year.
- 3.31 **Disabled Adaptations** – There has been limited capacity to make referrals for adaptations to properties to enable occupation by people on the housing register who are waiting for a suitable council property to become available. Slipping £300k of this budget will enable this work to be carried out in 2022/23.
- 3.32 **Insulation works** - These works are now incorporated within the Green Homes project resulting in an underspend of £176k.
- 3.33 **Fire & Safety Works** – There has been a national delay in the process for manufacturers of fire doors gaining accredited approval for their use from government resulting in slippage of £884k. Existing doors continue to be monitored to ensure they remain safe, and as the situation has improved recently, new doors are now being fitted which will continue into 2022/23.
- 3.34 **Public Realm Works** – As previously reported, slippage on this work programme is associated with a parking scheme at Ottawa Road and delays in contractor

availability and formal scheme sign off will now result in much of this being spent in 2022/23.

3.35 **Business Systems** – Delays to service development projects means that work which was due to take place this year will now be undertaken in 2022/23. The remaining element is revenue expenditure and will therefore be funded from revenue budgets.

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, £9k of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2021/22 financial year.

Provision	Dept/ Division	Approved £000	2021/22 Spend £000	2021/22 Total £000	Remaining Budget £000
Empty Homes Purchase	CDN (HGF)	50	9	9	41
Early Years - Two Year Olds	SCE (ECS)	141	0	0	141
Total		191	9	9	182

- 1.4 The Early Years capital funding is to support development of places for early education for the city. It was not advisable for expansion and development of provision to take place in 2021/22, given the continued risks of sustainability of providers. In the year ahead as the picture becomes clearer, it is anticipated that this funding will be required to support small project development cases, as it's likely providers will need to remodel and respond to changes in demand. Approval is sought to slip the remaining £141k in to the 22/23 programme.

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of Period 12, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

Project	Dept/ Division	Approved £000	2021/22 Spend £000	Over/(Under) Spend £000
Leicester North West Major Transport Scheme	CDN (PDT)	309	220	0
Pioneer Park	CDN (PDT)	627	600	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (PDT)	193	84	0
Ashton Green Highways Infrastructure	CDN (PDT)	4,260	4,260	0
Gresham Business Workspace	CDN (TCI)	250	186	0
Museums Security Programme	CDN (TCI)	125	125	0
St Mary's Allotments	CDN (NES)	206	153	(42)
Highways and Parks Public Toilet Refurbishment	CDN (NES)	76	76	0
Library RFID Self-Service System	CDN (NES)	330	295	(10)
11-15 Horsefair Street	CDN (EBS)	136	3	(78)
Haymarket House, Car Parks & Lifts	CDN (EBS)	568	158	(230)
Demolition of Former Anchor Recovery Centre	CDN (EBS)	13	1	(12)
Haymarket Centre	CDN (EBS)	9,960	9,895	(65)
ICT Investment - Phase 2 - Liquidlogic	SCE (ASC)	42	0	(42)
Additional Primary School Places	SCE (ECS)	72	6	0
Additional Secondary School Places	SCE (ECS)	114	111	(3)
Children's Residential Homes	SCE (ECS)	156	39	(58)
Relocation of Sexual Health Clinic	PH	36	33	(3)
Leisure Centre Improvement Programme	PH	819	817	(2)
Total		18,292	17,062	(545)

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 (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Strategic Acquisitions	4,000
CDN (TCII)	Tourism & Culture	550
CDN (TCII)	Highways, Transport & Infrastructure	3,364
CDN (Various)	People & Neighbourhoods	392
SCE (ASC)	Extra Care Schemes	4,500
SCE (ECS)	New School Places	5,773
Other	Black Lives Matter	500
Total (excluding HRA)		19,479
CDN (HRA)	Other HRA Schemes	1,000
Total HRA		1,000
Total (including HRA)		20,479

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

- £25k policy provision for Skate Park Feasibility
- £1,000k policy provision for Phoenix 2020
- £500k policy provision for Western Park Sanitisation Tree Works
- £1,000k policy provision for Leisure Centres Phase 2
- £895k policy provision for Pindar Nursery
- £250k policy provision for Glebelands Primary School Modular Building
- £600k policy provision for Additional SEND Places
- £2,200k policy provision for Expansion of Children's Homes
- £375k policy provision for St Margaret's Pastures Skate Park

- 1.3. In addition to the above policy provisions, £4.7m is being held as a programme contingency to manage cost pressures from construction inflation or for any emerging capital needs, such as match funding for any new government programmes.