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# **Executive Decision Capital Budget Monitoring April-September 2023/24**

Decision to be taken by: City Mayor

Decision to be taken on: 14<sup>th</sup> December 2023

Lead director/officer: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Catherine Taylor, Acting Chief Accountant
- Author contact details: catherine.taylor@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 September 2023 (Period 6).
- 1.2 This is the second capital monitoring report of the financial year. One further quarterly report and an outturn report will be presented as the year progresses.
- 1.3 As reported in the period 3 monitoring report, many projects are experiencing delays and increased costs due to instability in the construction industry and continued inflationary pressures. Some work programmes will manage this through their current budget by deferring planned work. When this is not possible it is reported in the monitoring report and decisions are taken as necessary. It is anticipated construction industry uncertainty and cost pressures will continue to be an issue for the foreseeable future.

### 2. Recommended actions/decision

- 2.1 The Executive is recommended to:
  - Note total spend of £54m for the year to date.
  - Approve the following additions:
    - £915k for Green Homes, funded by Government Grant, see Appendix B, Para 3.11.
    - £713k for New Build Council Housing, funded by Government Grant, see Appendix A, HRA, Para 2.1.
    - £388k for Off-site Backup ICT Platform including the associated Cyber Security protection, which is to be funded from departmental reserves.

- £300k for Network Improvement & Wi-Fi Replacement, which is to be funded from departmental reserves.
- £237k for Disabled Facilities Grant, funded by Government Grant, See Appendix B, Para 3.12.
- Approve the following transfer:
  - £500k for Council Housing Boiler Replacements to be transferred from External property works. See Appendix B, 3.15.
- Approve the following policy provision releases:
  - £1,350k for Leicester Market Redevelopment to be funded from Programme Contingency policy provision. See Appendix A, Tourism, Culture and Inward Investment, Para 2.2.
- Approve the following change of funding and transfers:
  - £170k transfer from Property Conversions to revenue reserves. See Appendix A, HRA, Para 2.2.
  - £12,953k of Levelling up project funding to be match funded from Business Rates Pool monies instead of capital reserves.
  - £8,453k transfer of revenue funding previously set aside in the capital fund to the managed reserve, retaining £4,500k for capital schemes.

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 2023/24 Capital programme was initially approved by Council on 22nd February 2023. It has subsequently been amended (including the 2022/23 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 2023/24 capital programme as at Period 6 is shown below:

	<b>£000</b>
Projects	183,582
Work Programmes	223,201
Provisions	191
Schemes Substantially Complete	5,311
<b>Total Immediate Starts</b>	<b>412,285</b>
Policy Provisions	26,214
<b>Total Capital Programme</b>	<b>438,499</b>

4.4 The following changes have occurred to the capital programme since period 3:

	<b>£000</b>
Connecting Leicester	1,800
Dawn Centre	457
Additional SEND Places - Children's Hospital	314
Other	96
St Matthews Centre	(250)
Council Housing - External Property Works	(1,000)
<b>Net Movements</b>	<b>1,417</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 6, the Council has realised £5.4m of General Fund capital receipts, of which £4.8m relates to ringfenced receipts required for repayment of borrowing on the Ashton Green and Waterside developments.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £7.6m received in year.

4.8 Capital reserves currently have amounts transferred from revenue to fund capital projects. As other sources of funding have become available for capital, it is possible to transfer these back to revenue managed reserves.

### **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.

Kirsty Cowell, Head of Finance, 37 2377

## 6.2 Legal implications

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

Kevin Carter, Head of Law - Commercial, Property & Planning. 37 4197

## 6.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted.

There may be future projects, arising from the report and its recommendations, which would benefit from further consideration of the equalities implications and possibly a full equality impact assessment in certain circumstances. People from across all protected characteristics should benefit from the improved public good arising from the capital programme. Whether an Equalities Impact Assessment is required will be dependent upon how work develops and whether the changes are likely to have a disproportionate impact on any protected group; this is usually the case where there are significant changes or a reduction in provision.

Equalities Officer, Surinder Singh, ext. 37 4148

## 6.4 Climate Emergency implications

Following the council's declaration of a climate emergency and ambition to reach net zero carbon emissions for the council and the city, the council has a key role to play in addressing carbon emissions relating to the delivery of its services. This includes through its delivery of capital projects, with buildings being one of largest contributors to the city's carbon emissions.

A number of the projects for addition and transfer with this report have direct climate emergency implications, including the following:

Green Homes – This funding will directly contribute to reducing carbon emissions in the city's private homes through increasing their energy efficiency.

New Build Council Housing – New council housing has been designed to be energy efficient and low carbon, minimising carbon emissions from its use.

Council House Boiler Replacements – This work will reduce carbon emissions from existing council houses through fitting more efficient gas boilers to properties.

Leicester Market Redevelopment – This project has been designed to be energy efficient, including the installation of solar PV panels and a heat pump, minimising carbon emissions.

Aidan Davis, Sustainability Officer, Ext 37 2284

**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 2023/24 approved by Council on 22<sup>nd</sup> February 2023.

Housing Revenue Account Budget (including Capital Programme) 2023/24 approved by Council on 22<sup>nd</sup> February 2023.

2023/24 Capital Monitoring P3 Report presented to OSC on 20<sup>th</sup> September 2023.

**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 12-23 within this Appendix.

<b>Department / Division</b>	<b>Remaining Budget £000</b>	<b>2023/24 Spend £000</b>
Planning, Development & Transportation	97,373	22,733
Tourism, Culture & Inward Investment	35,834	2,070
Neighbourhood & Environmental Services	4,548	87
Estates & Building Services	13,295	166
Adult Social Care	2,510	0
Children's Services	22,070	3,287
Housing Revenue Account	8,115	2,254
<b>Total</b>	<b>183,745</b>	<b>30,597</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 to the latest approved delivery and cost plan 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)	2023/24 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (PDT)	Connecting Leicester	34,427	9,453	0	Nov-20	Dec-24	Amber	Green
CDN (PDT)	Waterside Strategic Regeneration Area	3,793	577	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	558	4	0	Aug-18	Jul-24	Green	Green
CDN (PDT)	North West Leicester Regeneration Area	60	19	0	Mar-22	Dec-23	Green	Blue
CDN (PDT)	High Streets Heritage Action Zones	808	48	0	Apr-24	Mar-24	Green	Green
CDN (PDT)	Leicester Railway Station - Levelling up	20,878	943	0	Mar-24	Feb-25	Amber	Amber
CDN (PDT)	Electric Bus Investment	7,903	5,033	0	Dec-23	May-24	Green	Green
CDN (PDT)	Pioneer Park - Levelling Up	25,031	6,656	0	Dec-24	Sep-24	Green	Green
CDN (PDT)	Land South of Midland Street	1,145	0	0	Sep-22	Mar-24	Blue	Amber
CDN (PDT)	Ashton Green Access Road	2,250	0	0	Dec-24	Dec-24	Green	Green
CDN (PDT)	St Paul's Church	400	0	0	Aug-25	Aug-25	Green	Green
CDN (PDT)	Acquisition of Queen St	120	0	0	Oct-23	Oct-23	N/A	Blue
CDN (TCI)	Jewry Wall Museum Improvements	10,004	1,541	0	Mar-23	Oct-24	Green	Amber
CDN (TCI)	Leicester Market Redevelopment	9,762	138	1,350	Dec-21	Dec-24	Amber	Amber
CDN (TCI)	Onsite Construction Skills Hub	706	73	0	Dec-22	Mar-25	Green	Green
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,091	123	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	De Montfort Hall	722	47	0	Mar-22	Mar-24	Green	Green
CDN (TCI)	Pilot House - Levelling Up	12,281	23	0	Mar-24	Feb-25	Amber	Green
CDN (TCI)	Ugandan Asians – 50 Year Anniversary Commemoration	268	125	0	Jun-23	Mar-24	Amber	Green
CDN (NES)	Library Self Access Rollout	587	6	0	Sep-24	Mar-25	Green	Amber
CDN (NES)	St Margaret's Pastures Skate Park	334	23	0	Jan-23	Apr-24	Amber	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	3,106	30	0	Mar-25	Mar-25	Green	Green
CDN (NES)	Spinney Hills Park - Levelling Up	196	28	0	Mar-24	Mar-24	Green	Green
CDN (NES)	African Caribbean Centre Maintenance	60	0	0	Jan-24	Jul-24	Green	Amber
CDN (NES)	Ash Die Back Equipment	130	0	0	Sep-23	Oct-23	Green	Blue
CDN (NES)	Study Zones	135	0	0	Mar-24	Mar-24	Green	Green
<b>Total</b>		<b>137,755</b>	<b>24,890</b>	<b>1,350</b>				

Dept/ Division	Project	Remaining Budget (£000)	2023/24 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (EBS)	Estate Shops	496	18	0	Mar-22	Mar-24	Amber	Amber
CDN (EBS)	Haymarket Theatre - Internal Completion Works	301	17	0	Mar-21	Oct-23	Amber	Blue
CDN (EBS)	Changing Places - Disabled Facilities Toilets	305	2	0	Mar-24	Mar-24	Green	Green
CDN (EBS)	Malcolm Arcade Refurbishment	1,353	20	0	Nov-23	TBC	Green	Purple
CDN (EBS)	Replacement Cladding Phoenix Square	9,570	109	0	Dec-24	Sep-25	Amber	Green
CDN (EBS)	St Nicholas Wall	460	0	0	Sep-24	Sep-24	Green	Green
CDN (EBS)	Aikman Avenue District Heating	195	0	0	Dec-23	TBC	Purple	Purple
CDN (EBS)	Phoenix Arts Car Park	100	0	0	Mar-25	Mar-24	Green	Green
CDN (EBS)	Heathers Industrial Estate	515	0	0	Dec-23	Jan-24	N/A	Green
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	May-26	Green	Amber
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	11,718	1,256	0	Jan-24	Sep-25	Amber	Amber
SCE (ECS)	Overdale Infant and Juniors School Expansion	3,255	1,412	0	Nov-21	Mar-24	Amber	Green
SCE (ECS)	Pindar Nursery	841	12	0	Mar-23	TBC	Purple	Purple
SCE (ECS)	S106 Additional School Places	434	0	0	Sep-23	Aug-24	Green	Green
SCE (ECS)	Children's Homes Refurbishments	900	74	0	Sep-23	Jul-24	Amber	Green
SCE (ECS)	Expansion of Children's Homes	2,037	454	0	May-23	Dec-24	Amber	Green
SCE (ECS)	Winstanley Contact Centre	685	66	0	Apr-24	Jun-24	Green	Amber
SCE (ECS)	Education System Re-tender	2,200	13	0	Mar-26	Mar-26	Green	Green
<b>Total (excluding HRA)</b>		<b>175,630</b>	<b>28,343</b>	<b>1,350</b>				
CDN (HRA)	New House Build Council Housing	713	0	0	Apr-23	Mar-25	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,004	913	0	Apr-22	Oct-23	Amber	Blue
CDN (HRA)	Property Conversions	170	0	(170)	Mar-22	Mar-24	Green	Purple
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	Mar-23	Apr-24	Green	Amber
CDN (HRA)	Dawn Centre Reconfiguration	1,500	20	0	May-23	Oct-24	Amber	Amber
CDN (HRA)	St Matthews Concrete Works	1,300	0	0	Mar-24	Sep-24	Amber	Green
CDN (HRA)	District Heating Metering	3,128	1,321	0	Jan-24	Mar-24	Green	Amber
<b>Total HRA</b>		<b>8,115</b>	<b>2,254</b>	<b>(170)</b>				
<b>Total (including HRA)</b>		<b>183,745</b>	<b>30,597</b>	<b>1,180</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 2023/24 P6

### 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	34,427	0	March 2024	Dec 2024	G
Waterside Strategic Regeneration Area	3,793	0	March 2023	June 2026	G
St George's Churchyard	558	0	Aug 2018	July 2024	G
North West Leicester Regeneration Area	60	0	March 2022	Dec 2023	B
High Streets Heritage Action Zones	808	0	April 2024	March 2024	G
Leicester Station Improvements – Levelling Up	20,878	0	March 2024	Feb 25	A
Electric Bus Investment	7,903	0	Sept 2024	May 2024	G
Pioneer Park – Levelling Up	25,031	0	Dec 2024	Sept 2024	G
Land South of Midland Street	1,145	0	Sept 2022	March 2024	A
Ashton Green Access Road	2,250	0	Dec 2024	Dec 2024	G
St Paul's Church	400	0	Aug 2025	Aug 2025	G
Acquisition of Queen Street	120	0	Oct 2023	Oct 2023	B
<b>Total</b>	<b>97,373</b>	<b>0</b>			

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

- 2.1. **Leicester Station Improvements – Levelling Up** – We are expecting further delays to the forecast completion date, due to the lease surrender negotiations with existing tenants taking longer than originally expected and it is anticipated that the appointment of a contractor will be affected by national construction inflation.

**2.2. Land South of Midland Street** – It was reported in period 3 monitoring that this project would be substantially complete in September 2023. However, due to ongoing lease negotiations the purchase of Land South of Midland Street did not complete and as a result the Land Registry is investigating the issue of the title. Therefore, the completion date has been revised to March 2024.

## Capital Programme Project Monitoring 2023/24 P6

### 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	10,004	0	March 2023	Oct 2024	A
Leicester Market Redevelopment	9,762	1,350	Dec 2021	Dec 2024	A
Onsite Construction Skills Hub	706	0	Dec 2022	March 2025	G
Leicester Museum and Art Gallery Phase 1	2,091	0	March 2022	June 2026	G
De Montfort Hall	722	0	March 2022	March 2024	G
Pilot House – Levelling Up	12,281	0	March 2024	Feb 2025	G
Ugandan Asians – 50 Year Anniversary Commemoration	268	0	June 2023	March 2024	G
<b>Total</b>	<b>35,834</b>	<b>1,350</b>			

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

**2.1 Jewry Wall Museum Improvements** – The delay in forecast completion is due to paint stripping of the barrel-vaulted ceiling requiring different treatments for effective and safe removal of multiply layers of paint. As part of listed building requirements, the works needed to be approved before undertaking.

**2.2 Leicester Market Redevelopment** – The programme for phase 3 has slipped to December 2024 due to a revised construction programme provided by our preferred



bidder following the tender process. This report requests £1,350k of budget be added to the capital programme, to be funded from the programme contingency policy provision. This is primarily to fund inflationary increases following receipt of the tender return, notably in the Café New-Build and an emergency provision to cover associated risk within the existing ground conditions.

## Capital Programme Project Monitoring 2023/24 P6

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Self Access Rollout	587	0	Sept 2024	March 2025	A
St Margaret's Pastures Skate Park	334	0	Jan 2023	April 2024	G
Multi Use Games Areas (MUGAs)	3,106	0	March 2025	March 2025	G
Spinney Hills Park - Levelling Up	196	0	March 2024	March 2024	G
African Caribbean Centre Maintenance	60	0	Jan 2024	July 2024	A
Ash Die Back Equipment	130	0	Sept 2023	Oct 2023	B
Study Zones	135	0	March 2024	March 2024	G
<b>Total</b>	<b>4,548</b>	<b>0</b>			

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

**2.1 Library Self Access Rollout** – The timelines for this scheme have had to be adjusted to align with Community Services & Library Needs Assessment.

**2.2 African Caribbean Centre Maintenance** – Payment of grant is staggered and the final payment is due to be paid in July 2024. This will be complete once the Community Asset Transfer (CAT) Lease is signed.

## Capital Programme Project Monitoring 2023/24 P6

### 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	496	0	March 2022	March 2024	A
Haymarket Theatre - Internal Completion Works	301	0	March 2021	Oct 2023	B
Changing Places - Disabled Facilities Toilets	305	0	March 2024	March 2024	G
Malcolm Arcade Refurbishment	1,353	0	Nov 2023	TBC	P
Replacement Cladding Phoenix Square	9,570	0	Dec 2024	Sept 2025	G
St Nicholas Wall	460	0	Sept 2024	Sept 2024	G
Aikman Avenue District Heating	195	0	Dec 2023	TBC	P
Phoenix Arts Car Park	100	0	March 2025	March 2024	G
Heathers Industrial Estate	515	0	Dec 2023	Dec 2023	G
<b>Total</b>	<b>13,295</b>	<b>0</b>			

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

**2.1 Estate Shops** – All works have been completed with the exception of one site, where completion of concrete works requires the temporary closure of businesses. The negotiations with leaseholders have caused further delays to gain access to the shops.

**2.2 Malcolm Arcade Refurbishment** – This scheme is currently on hold to consider revising the current scope of the scheme.

**2.3 Aikman Avenue District Heating** – This scheme is currently on hold due to protracted a contractual negotiations.

## Capital Programme Project Monitoring 2023/24 P6

### 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	May 2026	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** – This project is currently at the procurement stage advice is taken on the council's ability to proceed to the next stage.

## Capital Programme Project Monitoring 2023/24 P6

### 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)	11,718	0	Jan 2024	Sept 2025	A
Overdale Infant and Juniors School Expansion	3,255	0	Nov 2021	March 2024	G
Pindar Nursery	841	0	March 2023	TBC	P
S106 Additional School Places	434	0	Sept 2023	Aug 2024	G
Children's Homes Refurbishments	900	0	Sept 2023	Jul 2024	G
Expansion of Children's Homes	2,037	0	May 2023	Dec 2024	G
Winstanley Contact Centre	685	0	April 2024	June 2024	A
Education System Re-tender	2,200	0	March 2026	March 2026	G
<b>Total</b>	<b>22,070</b>	<b>0</b>			

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

**2.1 Additional SEND Places** – As previously reported, following a review of the requirements for the scheme which includes the Rowans (Ellesmere), Knighton Lane (Leicester Partnership School) and the Armadale Centre (Netherhall School), it should be noted that the revised options are likely to require additional funds. Funding sources are being identified now additional costs have been determined. A decision to increase the budget will be sought once the funding sources are identified.

**2.2 Pindar Nursery** – This scheme is currently on hold, as pupils remain located at Pindar Nursery whilst waiting for the Netherhall SEND scheme to be completed.

**2.3 Winstanley Contact Centre** – The slight delay in forecast completion is due to seeking planning approval which is due to take place in November 2023.

## Capital Programme Project Monitoring 2023/24 P6

### Housing (HRA)

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
New Build Council Housing	713	0	April 2023	March 2025	G
Tower Block Sprinklers	1,004	0	April 2022	Oct 2023	B
Property Conversions	170	(170)	March 2022	March 2024	P
Bridlespur Way Refurbishment	300	0	March 2023	April 2024	A
Dawn Centre Reconfiguration	1,500	0	May 2023	Oct 2024	A
St Matthews Concrete Works	1,300	0	March 2024	Sept 2024	G
District Heating Metering	3,128	0	Jan 2024	March 2024	A
<b>Total</b>	<b>8,115</b>	<b>(170)</b>			

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

- 2.1 New Build Council Housing** – This report seeks to add £713k to this project which is to be funded by a government grant.
- 2.2 Property Conversions** – The cost of converting properties to accommodate larger families is becoming prohibitively expensive. This report requests that the budget is moved to revenue to support alternative measures which achieve the same objectives.
- 2.3 Bridlespur Way Refurbishment** – During the works to the flats on the second floor, the need for significant roof repair work was identified. This delay means that the refurbishment will not now be complete until April 2024.



- 2.4 Dawn Centre Reconfiguration** – The tender process continues to be elongated due to a difficulty in identifying a suitable contractor. The expected completion date is now October 2024.
- 2.5 District Heating Metering** – Operational delays have combined with a higher number of residents refusing to have meters installed, which will necessitate a revisit. Whilst it is still anticipated that the majority of installations will be complete by January 2024, full completion is not expected until March 2024.

## APPENDIX B

### 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.

1.2

Department / Division	Approved to spend in 23/24 £000	2023/24 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	1,841	127	1,600	0
Planning, Development & Transportation	11,753	2,429	310	(117)
Tourism, Culture & Inward Investment	1,166	110	646	0
Neighbourhood & Environmental Services	1,034	121	317	0
Estates & Building Services	8,087	648	2,555	0
Housing General Fund	11,968	1,206	4,566	0
Adult Social Care	0	0	0	0
Children's Services	17,273	2,910	7,311	0
<b>Total (excluding HRA)</b>	<b>53,122</b>	<b>7,551</b>	<b>17,305</b>	<b>(117)</b>
Housing Revenue Account	43,763	14,504	250	79
<b>Total (including HRA)</b>	<b>96,885</b>	<b>22,055</b>	<b>17,555</b>	<b>(38)</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2023/24 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	1,841	127	1,600	0
Transport Improvement Works	CDN (PDT)	4,120	549	0	0
Bus Engine Retrofitting	CDN (PDT)	412	0	0	0
Air Quality Action Plan	CDN (PDT)	240	169	0	0
Highways Maintenance	CDN (PDT)	4,238	1,037	0	0
Flood Strategy	CDN (PDT)	300	92	0	0
Local Environmental Works	CDN (PDT)	400	225	0	0
Legible Leicester	CDN (PDT)	51	10	0	0
Potential Strategic Development Sites Assessment	CDN (PDT)	844	247	0	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	196	0	130	0
Front Wall Enveloping	CDN (PDT)	200	0	180	0
Transforming Cities Work Programmes	CDN (PDT)	341	1	0	0
Campbell Street Feasibility Study	CDN (PDT)	186	80	0	(34)
Conservation Building Grants	CDN (PDT)	71	2	0	0
Street Nameplates City Branding Programme	CDN (PDT)	67	13	0	0
Environment Agency Feasibility Studies	CDN (PDT)	87	4	0	(83)
Heritage Interpretation Panels	CDN (TCI)	217	35	0	0
Cank St Feasibility	CDN (TCI)	3	0	0	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	946	75	646	0
Parks Plant and Equipment	CDN (NES)	298	76	0	0
Parks and Open Spaces	CDN (NES)	327	1	252	0
Franklyn Fields Public Open Space	CDN (NES)	409	44	65	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	6,679	625	2,555	0
Green Homes	CDN (EBS)	1,032	0	0	0
Phoenix & Sovereign House	CDN (EBS)	210	0	0	0
Depots Refurbishment	CDN (EBS)	166	23	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	1,981	864	0	0
Repayable Home Repair Loans	CDN (HGF)	384	8	0	0
Vehicle Fleet Replacement Programme	CDN (HGF)	7,466	334	4,566	0
District Heating Metering	CDN (HGF)	2,137	0	0	0
School Capital Maintenance	SCE (ECS)	17,029	2,910	7,311	0
Foster Care Capital Contribution Scheme	SCE (ECS)	244	0	0	0
<b>Total (excluding HRA)</b>		<b>53,122</b>	<b>7,551</b>	<b>17,305</b>	<b>(117)</b>
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,000	1,086	0	0
Council Housing - Boiler Replacements	CDN (HRA)	2,300	1,444	0	500
Council Housing - Rewiring	CDN (HRA)	1,610	437	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,307	859	0	79
Council Housing - Insulation Works	CDN (HRA)	82	0	0	0
Council Housing - External Property Works	CDN (HRA)	950	151	0	(500)
Council Housing - Fire and Safety Works	CDN (HRA)	724	124	0	0
Community & Environmental Works	CDN (HRA)	1,349	1,425	0	0
Affordable Housing - Acquisitions	CDN (HRA)	27,797	8,753	0	0
Affordable Housing - RPs & Others	CDN (HRA)	4,765	74	0	0
Public Realm Works	CDN (HRA)	629	151	0	0
Feasibility Study for Sheltered Housing	CDN (HRA)	250	0	250	0
<b>Total HRA</b>		<b>43,763</b>	<b>14,504</b>	<b>250</b>	<b>79</b>
<b>Total (including HRA)</b>		<b>96,885</b>	<b>22,055</b>	<b>17,555</b>	<b>(38)</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 **Feasibility Studies** – A review of feasibility schemes is continuing to identify the priorities of schemes to be progressed.
- 3.3 **Architectural & Feature Lighting** – Grant recipients continue to request that works are delayed due to the current economic climate.
- 3.4 **Front Wall Enveloping** – These schemes require the approval of the property owners to progress and is usually a lengthy process to complete. These approvals are currently being sought and can take approximately 6 months. Therefore, the construction is due to take place in 2024/25.
- 3.5 **Campbell Street Feasibility Studies** – This study is considered complete. However, there is still some expenditure expected but there is a forecasted underspend being reported.
- 3.6 **Environment Agency Feasibility Studies** – All three projects are in the process of being terminated, mostly due to external partners having to prioritise other projects.
- 3.7 **Local Shopping Centres Reopening & Improvement Programme** – Plans for works at three priority sites have now been identified and the details of these works will be finalised in due course.
- 3.8 **Parks and Open Spaces** – There have been delays in getting planning approved for Rally Park Ballcourt and there has also been a requirement for further surveys, such as ecological and ground contamination.
- 3.9 **Franklyn Fields Public Open Space** – There have been some supply chain issues with some of the play equipment that the council is acquiring which will delay the completion of this programme to the next financial year.

- 3.10 **Property and Operational Estate Capital Maintenance** – As previously reported, the slippage is due to the supplier for the energy efficiency works having limited capacity to deliver the decarbonisation of council buildings this financial year. These will be completed in future years. A decision is also to be made whether pre-planned maintenance works would be required this year.
- 3.11 **Green Homes** – Approval is sought to add £915k of government grant funding to this scheme. This will help to continue the installation of energy efficient measures in private homes across the city. In line with previous decisions, only an element of this funding is being added to the current scheme, due to previous grant not being fully spent and therefore budget remaining.
- 3.12 **Private Sector Disabled Facilities Grant** – It's proposed that £237k is to be added to the Capital Programme due to an additional grant being received from the government.
- 3.13 **Vehicle Replacement Programme** – Estimated slippage of £4.6m is due to the continued global factors affecting the supply of new vehicles and increased delivery lead times. The specification of some vehicles that require replacing are currently being reviewed to determine priority replacements. Internal resource issues have led to delays in the ordering process.
- 3.14 **School Capital Maintenance** – As previously reported, the slippage is principally due to the supplier for energy efficiency works having limited capacity to deliver the decarbonisation of school buildings. These will be completed in future years. In addition to this some works have slipped due to contractor capacity and works having to be scheduled around school holidays due to the disruptive nature.
- 3.15 **Council Housing Boiler Replacements /External Property Works**– The Boiler replacement service is a reactive one, responding to requests when a boiler is beyond economic repair. Demand in the current year is higher than anticipated when the budget was set, leading to a forecast overspend of £500k. This will be funded from underspends on External Property Works (re-roofing and soffits/facias) which have arisen due to delays in the current procurement exercise.

3.16 **Feasibility Study for Sheltered Housing** – The feasibility study will not be carried out this financial year due to resources being prioritised to the heat metering project; this is now expected to take place in 2024/25.

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

- 1.1 As stated in the cover report, provisions are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem.
- 1.2 As at the end of Period 6, none of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2023/24 financial year.

<b>Provision</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2023/24 Spend £000</b>	<b>2023/24 Total £000</b>	<b>Remaining Budget £000</b>
Empty Homes Purchase	CDN (HGF)	50	1	1	49
Early Years - Two Year Olds	SCE (ECS)	141	0	0	141
<b>Total</b>		<b>191</b>	<b>1</b>	<b>1</b>	<b>190</b>

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

1.1 As at the end of Period 6, 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	2023/24 Spend £000	Over/(Under) Spend £000
Leicester North West Major Transport Scheme	CDN (PDT)	89	0	0
Pioneer Park	CDN (PDT)	16	10	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (PDT)	63	43	0
St Margaret's Gateway	CDN (PDT)	1	0	0
Stocking Farm Community Shop	CDN (PDT)	41	0	0
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	83	38	0
Saffron Brook	CDN (PDT)	280	133	0
Gresham Business Workspace	CDN (TCI)	40	0	0
Abbey Pumping Station	CDN (TCI)	0	0	0
Growth Hub	CDN (TCI)	343	305	0
Fashion Technology Academy	CDN (TCI)	120	12	(98)
Library RFID Self-Service System	CDN (NES)	11	0	0
Library Improved Self-Access Pilot	CDN (NES)	10	2	0
Abbey Park Precinct Wall	CDN (NES)	46	2	(5)
Digital & Performance Suite	CDN (NES)	15	15	0
11-15 Horsefair Street	CDN (EBS)	45	0	(45)
Haymarket House, Car Parks & Lifts	CDN (EBS)	173	66	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	58	2	0
Energy Efficiency Technology	CDN (EBS)	0	0	0
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	0
African Caribbean Centre	CDN (EBS)	23	1	0
Aylestone Leisure Centre PV Panels	CDN (EBS)	595	310	0
Bosworth House	CDN (EBS)	675	675	0
Goscote House Demolition	CDN (HRA)	400	253	0
Greener Homes	CDN (HRA)	667	0	0
Additional Primary School Places	SCE (ECS)	63	0	0
Glebelands Primary School Modular Building	SCE (ECS)	33	1	0
Expansion of Oaklands Special School	SCE (ECS)	1,189	559	0
Tiny Forests in Leicester Schools	SCE (ECS)	53	50	0
Leisure Centres Phase 2	PH	91	200	115
<b>Total</b>		<b>5,311</b>	<b>2,677</b>	<b>(33)</b>

1.1 **Leisure Centres Phase 2** – The forecast overspend is a result of increased inflation on building materials and unforeseen drainage issues. A decision for additional budget will be sought once funding options have been explored.



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

1.1. As at Period 6, 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>
CRS	New Ways of Working	1,887
CDN (PDT)	Strategic Acquisitions	2,572
CDN (TCII)	Tourism & Culture	50
CDN (TCII)	Highways, Transport & Infrastructure	4,494
CDN (TCII)	Leicester Museum and Art Gallery (LMAG)	3,621
CDN (NES)	Library Investment	1,000
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	4,673
SCE (ASC)	Extra Care Schemes	3,426
Other	Black Lives Matter	435
All	Programme Contingency	2,914
<b>Total (excluding HRA)</b>		<b>25,464</b>
CDN (HRA)	Other HRA Schemes	750
<b>Total HRA</b>		<b>750</b>
<b>Total (including HRA)</b>		<b>26,214</b>

1.2. Releases from policy provisions since the 2023/24 P3 report (reflected in the tables above) are listed below:

- £515k for Heathers Industrial Estate from Strategic Acquisitions
- £250k for St Matthews Concrete Works from Other HRA Schemes
- £120k for Acquisition of Queen Street from Strategic Acquisitions
- £35k for KRIII Visitor Centre Feasibility Study from Leicester Museum and Art Gallery (LMAG)