
Executive Decision Capital Budget Monitoring Outturn 2023/24

Overview Select Committee

Decision to be taken by: City Mayor

Date of decision: 15 August 2024

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Kirsty Cowell, Head of Finance
- Author contact details: kirsty.Cowell@leicester.gov.uk

1. Summary

- 1.1 The purpose of this report is to show the final position of the capital programme for 2023/24.
- 1.2 During the year many capital projects have experienced delays in progress and increased costs, to an unusual extent. This has been attributable to instability in the construction industry, limited contractor capacity and continued inflationary pressures due to the current uncertain economic climate. Where possible increased costs are being managed within project contingencies and revised scope of works while maintaining the desired project outcomes. When this is not possible it is reported in the monitoring report and decisions are taken as required. These challenges are anticipated to continue for the foreseeable future.

2. Recommended actions/decision

- 2.1 The Executive is recommended to:
 - Note the following:
 - Total spend of £138.1m for the year.
 - The progress in delivery of major projects, as shown at Appendix A.
 - The progress on spending work programmes, as shown at Appendix B, and approve the carry-forward of resources into 2024/25 for schemes where spend has slipped (£30.2m).
 - The provisions that remain unspent as shown at Appendix C, and approve the carry forward of the Early Years – Two Year Olds provision into 2024/25 (£35k), Appendix C, Para 1.4
 - That across a number of schemes, £4.2m has been saved following completion of schemes below budget. Of this, £1.0m was funded by Corporate Resources and will become available for future capital planning.

- Approve the following additions to the programme:
 - £4,150k for Replacement Cladding Phoenix Square, funded by an additional government grant, see Appendix A, EBS, Para 2.4.
 - £1,014k for Highways Maintenance, funded by additional government grants, see Appendix B, Para 3.6.
 - £558k for Early Years – Two Year Olds, funded by a government grant, see Appendix C, Para 1.5.

- Approve the following policy provision release:
 - Release £380k from the Strategic Acquisitions Policy Provision for the release of a leasehold on Southampton Street to continue land assembly in the cultural quarter, see Appendix E, Para 1.3

- Approve the following transfers:
 - £726k from HRA revenue underspends for kitchens and bathrooms, boiler replacements, rewiring, disabled adaptations, and insulation works, (including those shown at Appendix B, Para 3.30, 3.31 and 3.32).
 - £289k of corporate resources from Onsite Construction Skills Hub to revenue reserves, see Appendix A, TCII Para 2.3

- Approve the following reductions to the 2024/25 capital programme:
 - £1,000k reduction in the budget for operational property maintenance (Appendix B, para. 3.21)

- Note the prudential indicators presented in Appendix F.

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

4.1 The 2023/24 Capital programme was initially approved by Council on 22nd February 2023. It has subsequently been amended following monitoring reports.

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, financial slippage is not in itself an issue on these projects;
- (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 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 budget and the spend at the end of the year is shown below:

	Budget £000	Spend £000
Projects	182,352	69,840
Work Programmes	88,106	58,181
Provisions	191	4
Schemes Substantially Complete	13,655	10,101
Total Immediate Starts	284,304	138,126
Policy Provisions	20,466	0
Total Capital Programme	304,770	138,126

4.4 The following changes have occurred to the capital programme since period 9, these movements are included in the table at 4.3 above:

	£000
Decisions since P9	
Housing Acquisitions - SAP	45,000
Affordable Housing - Acquisitions	6,700
Highways Maintenance	415
Leisure Centres	52
Highways, Transport, and Infrastructure	(1,294)
Tourism and Culture	(40)
Directors Decisions	
Council Housing - External Property Works	192
Tiny Forests	180
Other	20
Net Movements	51,225

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
- Appendix F – Prudential Indicators

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 £10.1m of General Fund capital receipts, of which £6.9m relates to receipts on the Ashton Green and Waterside developments. These receipts pay for spending on those developments.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £13.7m.

4.8 Prudential Indicators

This report also presents prudential indicators, in accordance with the CIPFA code.

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.

Kamal Adatia, Head of Law - City Barrister & Head of Standards

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, as projects involving buildings often present significant opportunities for achieving carbon savings and are an area where the council has a high level of control.

The following project for transfer within this report also has direct climate emergency implications:

The transfer of HRA revenue underspends for kitchens and bathrooms, boiler replacements, rewiring, disabled adaptations, and insulation works means that this funding will no longer be available for spending on boiler replacement and insulation projects that would have reduced carbon emissions from council housing.

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 February 2023.

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

2023/24 Capital Monitoring P3 Report presented to OSC on 20 September 2023.

2023/24 Capital Monitoring P6 Report presented to OSC on 14 December 2023.

2023/24 Capital Monitoring P9 Report presented to OSC on 11 April 2024.

8. Summary of appendices:

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

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 in the remainder of this Appendix.

Department / Division	Remaining Budget £000	2023/24 Spend £000
Corporate Resources	688	0
Planning, Development & Transportation	96,975	48,837
Tourism, Culture & Inward Investment	37,663	8,288
Neighbourhood & Environmental Services	4,471	344
Estates & Building Services	12,379	3,224
Housing General Fund	2,137	630
Adult Social Care	2,510	0
Children's Services	19,301	6,528
Housing Revenue Account	6,228	1,989
Total	182,352	69,840

1.2 A list of the individual projects is shown in the table below. 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 @ Outturn
CRS	Off-site Cloud Backup	388	0	0	Sep-24	Sep-24	Green	Green
CRS	Network Wi-Fi Replacement	300	0	0	Dec-24	Dec-24	Green	Green
CDN (PDT)	Connecting Leicester	36,016	19,979	0	Mar-24	Dec-24	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	3,793	1,500	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	558	7	(322)	Aug-18	Jul-24	Green	Green
CDN (PDT)	Leicester Railway Station - Levelling up	20,901	3,034	0	Mar-24	TBC	Amber	Amber
CDN (PDT)	Electric Bus Investment	8,003	7,995	0	Dec-23	May-24	Green	Blue
CDN (PDT)	Pioneer Park - Levelling Up	25,054	16,322	0	Dec-24	Sep-24	Green	Green
CDN (PDT)	Ashton Green Access Road	2,250	0	(2,250)	Dec-24	N/A	Purple	Red
CDN (PDT)	St Paul's Church	400	0	0	Aug-25	Aug-25	Green	Green
CDN (TCI)	Jewry Wall Museum Improvements	10,004	4,164	0	Mar-23	Jan-25	Green	Amber
CDN (TCI)	Leicester Market Redevelopment	9,733	1,118	0	Dec-21	TBC	Amber	Purple
CDN (TCI)	12-20 Cank St Link	2,824	80	0	Jan-25	TBC	Green	Purple
CDN (TCI)	Onsite Construction Skills Hub	706	271	(435)	Dec-22	Mar-24	Green	Blue
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,091	531	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	Pilot House - Levelling Up	12,305	2,124	0	Mar-24	Feb-25	Green	Green
CDN (NES)	Library Self Access Rollout	587	45	0	Sep-24	TBC	Purple	Purple
CDN (NES)	St Margaret's Pastures Skate Park	384	37	0	Jan-23	May-25	Amber	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	3,106	144	0	Mar-25	Apr-26	Amber	Amber
CDN (NES)	Spinney Hills Park - Levelling Up	199	37	0	Mar-24	Jun-24	Blue	Amber
CDN (NES)	African Caribbean Centre Maintenance	60	40	0	Jan-24	Jul-24	Green	Green
CDN (NES)	Study Zones	135	41	0	Mar-24	Sep-24	Blue	Amber
Total		139,797	57,469	(3,007)				

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 @ Outturn
CDN (EBS)	Estate Shops	496	19	0	Mar-22	Dec-24	Blue	Amber
CDN (EBS)	Changing Places - Disabled Facilities Toilets	305	113	0	Mar-24	Aug-24	Amber	Amber
CDN (EBS)	Malcolm Arcade Refurbishment	1,353	42	0	Nov-23	TBC	Purple	Purple
CDN (EBS)	Replacement Cladding Phoenix Square	9,570	3,036	0	Dec-24	Sep-25	Green	Green
CDN (EBS)	St Nicholas Wall	460	14	0	Sep-24	Mar-25	Green	Amber
CDN (EBS)	Aikman Avenue District Heating	195	0	0	Dec-23	TBC	Green	Purple
CDN (HGF)	District Heating Metering	2,137	630	(483)	Jun-24	Jun-24	N/A	Green
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	TBC	Purple	Purple
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	11,754	4,175	10,300	Jan-24	Sep-25	Red	Red
SCE (ECS)	Pindar Nursery	841	8	0	Mar-23	TBC	Purple	Purple
SCE (ECS)	S106 Additional School Places	519	106	0	Sep-23	Aug-24	Green	Green
SCE (ECS)	Children's Homes Refurbishments	800	394	0	Sep-23	Jul-24	Green	Green
SCE (ECS)	Expansion of Children's Homes	2,037	845	0	May-23	Mar-25	Green	Amber
SCE (ECS)	Winstanley Contact Centre	785	522	0	Apr-24	Jun-24	Green	Green
SCE (ECS)	Education System Re-tender	2,200	119	0	Mar-26	Mar-26	Green	Green
SCE (ECS)	Family Hubs	132	129	(3)	Mar-26	Mar-24	Green	Blue
SCE (ECS)	Tiny Forests in Leicester Schools	233	230	0	Mar-24	Mar-24	N/A	Blue
Total (excluding HRA)		176,124	67,851	6,807				
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	Mar-23	Dec-24	Amber	Amber
CDN (HRA)	Dawn Centre Reconfiguration	1,500	39	0	May-23	Mar-25	Green	Amber
CDN (HRA)	St Matthews Concrete Works	1,300	0	0	Mar-24	Sep-24	Green	Green
CDN (HRA)	District Heating Metering	3,128	1,950	0	Jan-24	Jun-24	Amber	Green
Total HRA		6,228	1,989	0				
Total (including HRA)		182,352	69,840	6,807				

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 Outturn

Corporate Resources

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Off-site Cloud Backup	388	0	Sept 2024	Sept 2024	G
Network Wi-Fi Replacement	300	0	Dec 2024	Dec 2024	G
Total	688	0			

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

Capital Programme Project Monitoring 2023/24 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	36,016	0	March 2024	Dec 2024	G
Waterside Strategic Regeneration Area	3,793	0	March 2023	June 2026	G
St George's Churchyard	558	(322)	Aug 2018	July 2024	G
Leicester Station Improvements – Levelling Up	20,901	0	March 2024	TBC	A
Electric Bus Investment	8,003	0	Sept 2024	May 2024	B
Pioneer Park – Levelling Up	25,054	0	Dec 2024	Sept 2024	G
Ashton Green Access Road	2,250	(2,250)	Dec 2024	N/A	R
St Paul's Church	400	0	Aug 2025	Aug 2025	G
Total	96,975	(2,572)			

2. **Projects Commentary** (for **all** projects rated Amber, Red or Purple; and others as required).

2.1. **St George's Churchyard** – This scope of this scheme has been reduced to make savings. Works to the public realm outside the churchyard will not now take place, and the remaining budget will be used to carry out main works within the churchyard such as, improved accessibility and wayfinding.

2.2. Leicester Station Improvements – Levelling Up – Contractor engagement is due to occur in the Autumn. Therefore, an updated completion date will be provided after this.

2.3. Ashton Green Access Road – This scheme is no longer progressing as the requirement was linked to a decision to dispose of land which is not now taking place.

Capital Programme Project Monitoring 2023/24 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	10,004	0	March 2023	Jan 2025	A
Leicester Market Redevelopment	9,733	0	Dec 2021	TBC	P
12-20 Cank St Link	2,824	0	Jan 2025	TBC	P
Onsite Construction Skills Hub	706	(435)	Dec 2022	March 2024	B
Leicester Museum and Art Gallery Phase 1	2,091	0	March 2022	June 2026	G
Pilot House – Levelling Up	12,305	0	March 2024	Feb 2025	G
Total	37,663	(435)			

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

2.1 Jewry Wall Museum Improvements – There has been a delay on the completion of outstanding works to a satisfactory standard from the Phase 1 contractor which were transferred to Phase 2, including finding a solution to paint stripping issues on the vaulted ceiling in the exhibition space.

2.2 Leicester Market Redevelopment & 12-20 Cank St Link – These projects are currently on hold while a decision is made on how to progress the schemes.

2.3 Onsite Construction Skills Hub – The remaining expenditure on the project will consist of training and upskilling the construction workforce. It is therefore proposed that £289k of corporate resources is to be transferred to revenue reserves.

Capital Programme Project Monitoring 2023/24 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
Library Self Access Rollout	587	0	Sept 2024	TBC	P
St Margaret's Pastures Skate Park	384	0	Jan 2023	May 2025	G
Multi Use Games Areas (MUGAs)	3,106	0	March 2025	April 2026	A
Spinney Hills Park - Levelling Up	199	0	March 2024	June 2024	A
African Caribbean Centre Maintenance	60	0	Jan 2024	July 2024	G
Study Zones	135	0	March 2024	Sept 2024	A
Total	4,471	0			

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

2.1 Library Self Access Rollout – As previously reported, the project is on hold until a Community Services and Library Needs Assessment is complete following public consultation.

2.2 Multi Use Games Areas (MUGAs) – As previously reported, majority of the sites will meet the original completion date. However, there is a legal obligation to protect some protected species, and this has caused delays in some sites.

2.3 Spinney Hills Park – Levelling Up - This project has been reprofiled to complete in 2024/25 due to unexpected delays to design processes and delays due to weather conditions. The carryover also includes unspent costs for installation of outdoor chess tables in Victoria Park which has been delayed as a result of additional consultation with stakeholders.

2.4 Study Zones - There was an underspend on electrical cabling and other items. The funder has agreed for additional study furniture to be purchased instead - this will be subject to a procurement exercise in the first quarter of 2024/25. It is anticipated that some further work will take place in the new financial year. It's forecast to complete by September 2024.

Capital Programme Project Monitoring 2023/24 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	496	0	March 2022	Dec 2024	A
Changing Places - Disabled Facilities Toilets	305	0	March 2024	Aug 2024	A
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	March 2025	A
Aikman Avenue District Heating	195	0	Dec 2023	TBC	P
Total	12,379	0			

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

2.1 Estate Shops – This scheme has temporarily been put on hold due to housing maintenance works taking priority on the flats above the shops at Netherhall. It is anticipated that the maintenance works will be complete in four months after which the works on estate shops will resume.

2.2 Changing Places – Disabled Facilities Toilets – As previously reported the scheme has been delayed due to planning approval being required at Abbey Pumping Station toilets which was not foreseen. This is now forecast to complete by August 2024.

2.3 Malcolm Arcade Refurbishment – The proposed programme of works are currently being reviewed to determine the best use of available resources.

2.4 Replacement Cladding Phoenix Square – This report seeks approval to add £4,150k to the capital programme that has been awarded from Building Safety Fund to cover inflationary pressures experienced on the scheme.

2.5 St Nicholas Wall – The forecast completion of works to the wall at St Nicholas Church has been delayed due to the requirement for approval from multiple stakeholders before works commence, due to their disruptive nature.

2.6 Aikman Avenue District Heating – The project has delayed due to the complexities of resolving an ongoing contractual dispute with the district heating provider. The design and programme of works are to be agreed with the contractor.

Capital Programme Project Monitoring 2023/24 Outturn

Housing (GF)

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
District Heating Metering	2,137	(483)	June 2024	June 2024	G
Total	2,137	(483)			

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

- 2.1 **District Heating Metering** – St Matthews (phase 2) has been removed from the programme of works due to the network changes being unviable. This has resulted in an underspend against the original budget.

Capital Programme Project Monitoring 2023/24 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	TBC	P
Total	2,510	0			

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

2.1 Extra Care – Two Schemes – As previously reported, this project is currently paused at the procurement stage whilst seeking advice on the council’s ability to proceed to the next stage.

Capital Programme Project Monitoring 2023/24 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)	11,754	10,300	Jan 2024	Sept 2025	R
Pindar Nursery	841	0	March 2023	TBC	P
S106 Additional School Places	519	0	Sept 2023	Aug 2024	G
Children's Homes Refurbishments	800	0	Sept 2023	July 2024	G
Expansion of Children's Homes	2,037	0	May 2023	March 2025	A
Winstanley Contact Centre	785	0	April 2024	June 2024	G
Education System Re-tender	2,200	0	March 2026	March 2026	G
Family Hubs	132	(3)	March 2026	March 2024	B
Tiny Forests in Leicester Schools	233	0	March 2024	March 2024	B
Total	19,301	10,297			

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

2.1 Additional SEND Places – The approved scheme includes works at the Rowans (Ellesmere), Knighton Lane (Leicester Partnership School) and the Armadale Centre (Netherhall School). Following a review arising from increased demand, additional cost has been identified and funding options are being reviewed to determine the best use of resources available. As at period 9, the table above shows the spend required to complete the additional requirements, but this can be funded from a combination of government grant provided for high needs, and

the existing policy provision. A decision will be sought after funding options have been reviewed.

2.2 Pindar Nursery – This scheme is currently on hold due to a revision of the planned scope of works, which will need further decisions.

2.3 Expansion of Children's Homes – The expansion of Holly House Children's Home is currently complete but the expansion at Hillview is due to go out to tender and the timescale of works remains to be agreed.

Capital Programme Project Monitoring 2023/24 Outturn

Housing (HRA)

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Bridlespur Way Refurbishment	300	0	March 2023	Dec 2024	A
Dawn Centre Reconfiguration	1,500	0	May 2023	March 2025	A
St Matthews Concrete Works	1,300	0	March 2024	Sept 2024	G
District Heating Metering	3,128	0	Jan 2024	June 2024	G
Total	6,228	0			

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

2.1 Bridlespur Way Refurbishment – As reported previously, the start of the project was delayed due to an infestation in the roof space. Whilst contractors are now on site, the delay was longer than anticipated with the completion date now December 2024.

2.2 Dawn Centre Reconfiguration – The tender exercise resulted in two returns, both of which were over budget. A value engineering exercise has taken place with a revised scope of works and that will go out to tender within the next month.

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 23/24 £000	2023/24 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	1,416	414	771	(231)
Planning, Development & Transportation	11,707	7,728	3,799	(180)
Tourism, Culture & Inward Investment	1,081	305	773	(3)
Neighbourhood & Environmental Services	1,034	489	545	0
Estates & Building Services	8,952	3,698	5,194	(60)
Housing General Fund	9,836	3,049	6,787	0
Children's Services	17,273	6,764	10,509	0
Total (excluding HRA)	51,299	22,447	28,378	(474)
Housing Revenue Account	36,807	35,734	1,799	726
Total (including HRA)	88,106	58,181	30,177	252

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	1,416	414	771	(231)
Transport Improvement Works	CDN (PDT)	3,982	1,916	2,066	0
Bus Engine Retrofitting	CDN (PDT)	412	36	376	0
Air Quality Action Plan	CDN (PDT)	240	207	33	0
Highways Maintenance	CDN (PDT)	4,238	3,888	350	0
Flood Strategy	CDN (PDT)	329	329	0	0
Local Environmental Works	CDN (PDT)	463	463	0	0
Legible Leicester	CDN (PDT)	51	20	31	0
Potential Strategic Development Sites Assessment	CDN (PDT)	844	707	137	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	196	0	196	0
Front Wall Enveloping	CDN (PDT)	200	6	194	0
Transforming Cities Work Programmes	CDN (PDT)	341	2	339	0
Campbell Street Feasibility Study	CDN (PDT)	186	80	0	(106)
Conservation Building Grants	CDN (PDT)	71	39	32	0
Street Nameplates City Branding Programme	CDN (PDT)	67	22	45	0
Environment Agency Feasibility Studies	CDN (PDT)	87	13	0	(74)
Heritage Interpretation Panels	CDN (TCI)	217	191	26	0
Cank St Feasibility	CDN (TCI)	3	0	0	(3)
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	861	114	747	0
Parks Plant and Equipment	CDN (NES)	298	175	123	0
Parks and Open Spaces	CDN (NES)	327	139	188	0
Franklyn Fields Public Open Space	CDN (NES)	409	175	234	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	6,779	1,869	4,910	0
Green Homes	CDN (EBS)	1,947	1,805	142	0
Phoenix & Sovereign House	CDN (EBS)	60	0	0	(60)
Depots Refurbishment	CDN (EBS)	166	24	142	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,231	2,031	200	0
Repayable Home Repair Loans	CDN (HGF)	134	13	121	0
Vehicle Fleet Replacement Programme	CDN (HGF)	7,466	1,000	6,466	0
Housing Acquisitions - SAP	CDN (HGF)	5	5	0	0
School Capital Maintenance	SCE (ECS)	17,029	6,563	10,466	0
Foster Care Capital Contribution Scheme	SCE (ECS)	244	201	43	0
Total (excluding HRA)		51,299	22,447	28,378	(474)
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,000	2,302	0	302
Council Housing - Boiler Replacements	CDN (HRA)	2,800	2,859	0	59
Council Housing - Rewiring	CDN (HRA)	1,610	1,754	0	144
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,307	1,490	0	183
Council Housing - Insulation Works	CDN (HRA)	82	120	0	38
Council Housing - External Property Works	CDN (HRA)	642	642	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	724	502	222	0
Community & Environmental Works	CDN (HRA)	1,349	360	989	0
Affordable Housing - Acquisitions	CDN (HRA)	23,743	23,743	0	0
Affordable Housing - RPs & Others	CDN (HRA)	92	92	0	0
Public Realm Works	CDN (HRA)	629	291	338	0
Feasibility Study for Sheltered Housing	CDN (HRA)	250	0	250	0
New House Build Council Housing	CDN (HRA)	1,579	1,579	0	0
Total HRA		36,807	35,734	1,799	726
Total (including HRA)		88,106	58,181	30,177	252

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 number of feasibility schemes have slipped due to limited resources available during the year and resources being focused on immediate start projects. It is anticipated that staffing resources will be available in 2024/25 to deliver the proposed studies. The £231k saving is due to the reprioritisation of feasibility studies and the funding is no longer required.
- 3.3 **Transport Improvement Works** – The scope of the transport improvement works is being reconsidered due to major levelling up schemes throughout the city occurring at the same time. There is also slippage on some schemes into the next financial year partly due to longer lead times for materials required for construction, and prioritisation for delivery and space on the network.
- 3.4 **Bus Engine Retrofitting** – DFT is undertaking a review to establish the efficiency of these schemes and therefore this work programme is currently on hold until the results of this review are published.
- 3.5 **Air Quality Action Plan** – The slippage on this scheme is due to equipment not being available to purchase until the 2024/25 financial year.
- 3.6 **Highways Maintenance** – The slippage on this scheme is due to works that started in March 2024 due to finish in the new financial year. This report seeks to add £1.014m to the Highways Maintenance budget, to be funded by additional government grant (Highways Maintenance Funding: Network North, Traffic Signal Obsolescence and Green Light Fund).
- 3.7 **Legible Leicester** – There is a small amount of slippage on this scheme due to prioritisation of other work.
- 3.8 **Potential Strategic Development Sites** – Due to available resources a small amount of the work planned for the 2023/24 financial year has now had to be carried forward into the next financial year.

- 3.9 **Architectural & Feature Lighting** – As previously reported, due to the current economic climate grant recipients continue to request that works are delayed.
- 3.10 **Front Wall Enveloping** – Construction on this scheme is due to take place in 2024/25. This is due to approval of the property owners being required to progress and this is usually a lengthy process to complete. These approvals are still being sought and can take approximately 6 months.
- 3.11 **Transforming Cities Work Programmes** – There have been technology issues associated with bike shelters that have needed to be resolved before being able to procure a contractor for this scheme. This is on track to be resolved for the middle of the next financial year.
- 3.12 **Campbell Street Feasibility Studies** – This study is now complete and a saving of £106k can be taken.
- 3.13 **Conservation Building Grants** – Some of the grant claims have been delayed until the next financial year at the request of the grant recipients.
- 3.14 **Street Nameplates City Branding Programme** – All of the equipment for this scheme has been delivered. However, the assembly of these signs will need to be completed in the 2024/25 financial year due to them needing to be installed on sites that are currently under construction.
- 3.15 **Environment Agency Feasibility Studies** – As previously reported, all three projects in this scheme of works are in the process of being terminated, mostly due to external partners prioritising other projects.
- 3.16 **Heritage Interpretation Panels** – The slight slippage is due to a delay in accessing staff resources to manage the scheme.
- 3.17 **Local Shopping Centres Reopening & Improvement Programme** – Plans for works at shop fronts located on Welford Road, Melton Road and Netherhall Road have now been identified and are planned for the next financial year due to the current capacity or resources.
- 3.18 **Parks, Plant and Equipment** – Slippage is due to internal resourcing shortages on the scheme.

- 3.19 **Parks and Open Spaces** – The work at Victoria Park bandstand was delayed because of pre-planned works having to be rearranged due to a recent festival. The work is now due to complete in the middle of summer. There has been additional investigations at Rally Park Ballcourt due to ground contamination and ecology issues, which has led to delays.
- 3.20 **Franklyn Fields Public Open Space** – The slippage on this scheme is due to resources being occupied on priority landscape works and recent wet conditions have prevented the start of some works further.
- 3.21 **Property and Operational Estate Capital Maintenance** – As previously reported, the significant slippage on this scheme is due to the long lead times for energy efficiency works required on council buildings, with contractors having limited capacity to deliver the decarbonisation works this financial year. These will be completed in future years. Some of the other scheduled works to maintain Council owned buildings have experienced delays during the year due to the availability of suitable contractors and seeking decisions for works that had wider implications. This will have an impact on ability on our ability to complete the programme for 2024/25, and reductions of £1m are proposed in the recommendations to this report.
- 3.22 **Green Homes** – The £142k slippage is due the difficulties of meeting certain conditions stipulated by the funding provider for energy efficiency measures to be installed.
- 3.23 **Phoenix & Sovereign House** – Work on access control has been completed at Phoenix House and following condition surveys it has been decided the original scope of works to a platform and passenger lift would not be required.
- 3.24 **Depots Refurbishment** – The scheme has slipped into the new financial year due to limited resources available. The scheme is expected to complete in July 2024.
- 3.25 **Private Sector Disabled Facilities Grant** - The demand for disabled adaptations to privately owned homes in the city remains high. The reported slippage of £200k is due internal resourcing pressures experienced during the year to meet demand.
- 3.26 **Repayable Home Repair Loans** – As previously reported, resources have been focused on the delivery of Disabled Facilities Grants resulting in the scheme slipping into the next financial year.

- 3.27 **Vehicle Replacement Programme** – As previously reported forecast slippage is due to the continued global factors contributing to the limited supply of new vehicles. This has increased delivery lead times, particularly for electric vehicles. During the year, a supplier for passenger assisted vehicles went into administration resulting in proposed orders not being placed and derailing the procurement process. Internal resource issues have led to delays in the re-ordering process.
- 3.28 **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. Some of the other scheduled works in year have slipped due to delays in agreeing the programme of works with schools, limited contractor capacity and navigating around access issues to some sites.
- 3.29 **Foster Care Capital Contribution Scheme** – Reported slippage is a result of increased delays sourcing available contractors.
- 3.30 **Council Housing - Kitchens and bathrooms** – To facilitate the availability of properties for homeless families a greater number of void properties had kitchen and bathroom installations, resulting in a overspend of £302k. This is not expected to recur as fixed budgets have been set for void properties and installations will be timed accordingly. This will be funded by HRA revenue underspends.
- 3.31 **Council Housing - Rewiring** – In previous years, rewiring works have often been difficult to complete because of the disruptive nature of the works. Re-wiring has been conducted more successfully this year and all opportunities to complete the work have been taken. Consequently, this has generated a one-off overspend of £144k. This will be funded by HRA revenue underspends.
- 3.32 **Council Housing - Disabled Adaptations and Improvements** – As a demand-led programme, this area is subject to fluctuation. An increase in work during the last quarter of the year has resulted in an overspend of £183k, compounded by inflationary increases in the cost of building materials. This will be funded by HRA revenue underspends.
- 3.33 **Council Housing - Fire and Safety works** – There has been restricted contractor availability in this area and therefore the completion of fire safety works has taken longer than expected. There is already a full programme of fire door renewals scheduled for 2024/25 and it is requested that £222k be slipped into 2024/25 to meet the expected workload.

- 3.34 **Council Housing - Communal and Environmental Works** – Progress on the works to the District Heating network have slowed due to staffing resources being allocated to the heat metering project. As reported above, the allocated budget for the connection of the Aikman Avenue boiler house to the district heating network will take place in 2024/25. Elements of the wider Communal & Environmental work across the estates remains in progress. The slippage across all of these areas is requested to be carried forward into 2024/25.
- 3.35 **Public Realm Works** – Whilst work has commenced on the demolition of the St Peter's garages, it is requested that £338k of budget is slipped to enable this to complete in 2024/25.
- 3.36 **Feasibility Study for Sheltered Housing** – As reported previously, re-prioritisation of staffing resource means that no work has been undertaken on this during the year, so the budget of £250k is requested to be slipped into 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 the end of the 2023/24 financial year, there has been £4k spend on provisions.
- 1.3 Normally provisions are there if needed. The sums below are for the 2023/24 financial year.

Provision	Dept/ Division	Approved £000	2023/24 Spend £000	Remaining Budget £000
Empty Homes Purchase	CDN (HGF)	50	4	46
Early Years - Two Year Olds	SCE (ECS)	141	0	141
Total		191	4	187

- 1.4 The remaining budget of £46k for the year for Empty Home Purchase is not required and can be declared as a saving.
- 1.5 The Early Years capital funding is to support the development of places for early education in the city. The government has recently announced additional capital funding for childcare reforms to expand places for children of working parents over the next two years. This funding is to support small project development cases, as providers will need to remodel and respond to changes in demand. The Council has received funding of £558k which this report is seeking to add to the capital programme as an immediate start project. Approval is sought for £35k of the Early Years – Two Year Olds budget in the current capital programme to be carried forward in the 2024/25 programme as the remaining £106k is no longer required. This sum will be added to the Government funding and shown as a project in future years.

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

1.1 As at the end of the 2023/24 financial year, 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)	0	0	0
St Margaret's Gateway	CDN (PDT)	1	0	(1)
Stocking Farm Community Shop	CDN (PDT)	30	0	(30)
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	83	69	0
Saffron Brook	CDN (PDT)	280	165	(115)
North West Leicester Regeneration Area	CDN (PDT)	60	60	0
Acquisition of Queen St	CDN (PDT)	120	119	(1)
High Streets Heritage Action Zones	CDN (PDT)	808	599	(100)
Land South of Midland Street	CDN (PDT)	1,156	1,135	0
Pioneer Park	CDN (TCI)	16	16	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (TCI)	63	19	0
Gresham Business Workspace	CDN (TCI)	40	31	0
Abbey Pumping Station	CDN (TCI)	5	5	0
Growth Hub	CDN (TCI)	343	305	(38)
Fashion Technology Academy	CDN (TCI)	115	0	(115)
De Montfort Hall	CDN (TCI)	722	278	0
Ugandan Asians – 50 Year Anniversary Commemoration	CDN (TCI)	255	245	0
Library RFID Self-Service System	CDN (NES)	11	11	0
Library Improved Self-Access Pilot	CDN (NES)	10	10	0
Abbey Park Precinct Wall	CDN (NES)	46	34	0
Digital & Performance Suite	CDN (NES)	15	15	0
Ash Die Back Equipment	CDN (NES)	130	128	(2)
Haymarket House, Car Parks & Lifts	CDN (EBS)	173	66	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	58	10	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	3	(20)
Aylestone Leisure Centre PV Panels	CDN (EBS)	595	311	0
Bosworth House	CDN (EBS)	675	675	0
Haymarket Theatre - Internal Completion Works	CDN (EBS)	301	195	0
Phoenix Arts Car Park	CDN (EBS)	100	54	0
Heathers Industrial Estate	CDN (EBS)	515	499	0
Goscote House Demolition	CDN (HRA)	304	280	(24)
Greener Homes	CDN (HRA)	667	255	(412)
Tower Block Sprinkler Systems	CDN (HRA)	1,100	1,144	44
Additional Primary School Places	SCE (ECS)	63	5	0
Glebelands Primary School Modular Building	SCE (ECS)	33	1	(32)
Expansion of Oaklands Special School	SCE (ECS)	1,189	310	0
Overdale Infant and Juniors School Expansion	SCE (ECS)	3,255	2,873	0
Leisure Centres Phase 2	PH	207	176	0
Total		13,655	10,101	(846)

POLICY PROVISIONS**1. Summary**

1.1. As at the end of the 2023/24 financial year, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CRS	New Ways of Working	1,887
CDN (PDT)	Strategic Acquisitions	2,572
CDN (TCII)	Tourism & Culture	10
CDN (TCII)	Highways, Transport & Infrastructure	200
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	1,500
Total (excluding HRA)		19,716
CDN (HRA)	Other HRA Schemes	750
Total HRA		750
Total (including HRA)		20,466

1.2. Releases from policy provisions since the 2023/24 P9 report (reflected in the tables above) are listed below:

- £1,294k taken as a saving in the 2024/25 Capital Programme Report
- £40k taken as a saving in the 2024/25 Capital Programme Report
- £64k for Leisure Centres Phase 2 from Programme Contingency

1.3. There is a recommendation to release £380k from the Strategic Acquisitions policy provision for the release of a leasehold on Southampton Street to continue land assembly in the cultural quarter.

Prudential Indicators

Summary

Under the requirements of the Prudential Code for Capital Finance in Local Authorities, the full Council sets prudential indicators for the authority at the beginning of each year as part of the Treasury Management Strategy and Capital Strategy. This appendix reports on compliance during the year.

1. Debt and the Authorised Limit and Operational Boundary

The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	2023/24 Authorised Limit £m**	2023/24 Operational Boundary £m**	Debt at 31/03/24 £m	Complied?
Borrowing	320	250	154	yes
PFI and Finance Leases	175	145	86*	yes
Total debt	495	395	240	

* estimate before final accounts are completed

2. Maturity Structure of Borrowing

This indicator is set to control the Authority’s exposure to refinancing risk (i.e. not having to repay too much and then borrow again at the same time). The upper and lower limits on the maturity of all borrowing were:

	Upper Limit £m	Lower Limit £m	31/12/23 Actual £m	Complied?
Under 12 months	50	nil	20	yes
12 months and within 24 months	80	nil	nil	yes
24 months and within 5 years	140	nil	nil	yes
5 years and within 10 years	140	nil	nil	yes

3. Short-term Treasury Management Investments

The Council has an overall limit for investments. We invest mainly in money markets and with other Local Authorities for short-term investments as we are able to call the money back for any immediate spending needs. We complied with the limit.

4. Long-term Treasury Management Investments

The Council has a limit of £50m for long-term investments. The total sum of such investments held by the Council as of 31 March 2024 was just the £6.5m we hold in property funds, and the limit was therefore complied with.

5. Gross Debt and the Capital Finance Requirement (CFR)

The underlying need to borrow for capital purposes is called the Capital Financing Requirement (CFR).

Statutory guidance is that debt should remain below the capital finance requirement, except in the short term. The authority has complied and expects to continue to continue to comply with this requirement.

6. Liability Benchmark

The Liability Benchmark forecasts the underlying need to borrow for capital purposes over the next 50 years, to make sure it remains within the CFR. Our forecasts suggest we will comply with this requirement.