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# **Executive Decision Capital Budget Monitoring April-December 2024/25**

Overview Select Committee

Decision to be taken by: City Mayor

Decision to be taken on: 19 March 2025

Lead director: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Karen Linnett
- Author contact details: karen.linnett@leicester.gov.uk
- Report version number: 1

### 1. Summary

- 1.1 The purpose of this report is to provide the position of the capital programme at the end of December 2024 (Period 9).
- 1.2 This is the third capital monitoring report of the financial year. There will be an outturn report presented to this committee, reporting on the capital programme.
- 1.3 As reported in the previous year's monitoring reports many capital projects have experienced delays in progress and increased costs. This has been attributable to instability in the construction industry, limited contractor capacity and continued inflationary pressures. New pressures in schemes, where possible will be 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.
- 1.4 This report incorporates reductions to the 2024/25 capital programme and financing as approved by Council on 19 February 2025.

### 2. Recommended actions/decision

- 2.1 The Executive is recommended to:
  - Note the following:
    - Total spend of £92.1m 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.
    - The provisions that remain unspent as shown at Appendix C.
  - Approve the addition 950k for property acquisitions in the HRA, financed from £475k grant funding (from an extension to the Local Authority Housing Fund Round 3) and £475k of prudential borrowing.
  - 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 2024/25 Capital programme was initially approved by Council on 21 February 2024. It has subsequently been amended (including the 2023/24 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, 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 2024/25 capital programme budget and the spend at period 9 in the year is shown below:

	<b>Budget £000</b>	<b>Spend £000</b>
Projects	154,984	39,875
Work Programmes	96,691	43,311
Provisions	2,795	545
Schemes Substantially Complete	12,226	8,388
<b>Total Immediate Starts</b>	<b>266,551</b>	<b>92,119</b>
Policy Provisions	18,297	0
<b>Total Capital Programme</b>	<b>284,848</b>	<b>92,119</b>

4.4 A summary of the total approved 2024/25 capital programme budget and the resources that are funding them:

	£000s					Total
	Projects	Work Programmes	Provisions	Substantially Complete	Policy Provisions	
<b>HRA - Budget</b>	3,786	48,170	1,178	232	750	54,116
<b>GF - Budget</b>	151,053	48,521	1,617	11,994	17,547	230,732
<b>Total</b>	154,839	96,691	2,795	12,226	18,297	284,848
<b>Ringfenced - HRA</b>	650	5,738	-	232	750	7,370
<b>Unringfenced - HRA</b>	3,136	42,432	1,178	-	-	46,746
<b>Total HRA</b>	3,786	48,170	1,178	232	750	54,116
<b>Ringfenced - GF</b>	38,146	4,923	558	2,303	2,460	48,390
<b>Unringfenced - GF</b>	112,907	43,598	1,059	9,691	15,087	182,324
<b>Total GF</b>	151,053	47,521	1,617	11,994	17,547	230,732

The unringfenced funding, in the above table, includes amounts where budget commitments have been made.

4.5 The following changes have occurred to the capital programme since period 6 2024/25, these movements are included in the table at 4.3 above:

	<b>Budget £000</b>
<b>Decisions since P6 2024/25</b>	
Pilot House - Levelling Up	1,300
Pioneer Park – Levelling Up	(1,300)
Haymarket Theatre Works– UKSPF	901
Jewry Wall Museum Improvements	750
The Curve Remedial Works	732
De Montfort Hall Works – UKSPF	251
Property and Operational Estate Capital Maintenance	204
Tiny Forests in Leicester Schools and Parks	158
<u>Approved at Council as part of 2025/26</u>	
<u>Capital Programme</u>	
- Operational Estate	(1,000)
- Malcolm Arcade	(1,300)
- Fleet Programme	(2,000)
- Connecting Leicester	(3,200)
- <u>Policy Provision's</u>	
Highways and Transport	
Infrastructure	(200)
Programme Contingency	(1,700)
New Ways of Working	(1,887)
Strategic Acquisitions	(2,192)
<b>Directors Decisions</b>	
Connecting Leicester - S106	147
Other	95
<b>Net Movements</b>	<b>(10,241)</b>

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

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

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

## 4.8 Capital Receipts

4.8.1 At Period 9, the Council has realised £6.9m of General Fund capital receipts, of which £1.5m relates to receipts on the Waterside development. The receipts received in relation to the Waterside development pay for spending on the development. Included in capital receipts is the return of investment into the Lothbury Property fund of £2.1m.

4.8.2 “Right to Buy” receipts from sales of council housing have amounted to £8.7m. Whilst the number of sales in the first half of this year were relatively low, the changes to scheme eligibility in November 2024, have resulted in a large increase in the number of applications; this is likely to increase the number of sales over the next 12 months as the applications are processed. The impact of the changes to scheme eligibility will reduce sales in future years, as indicated by the number of applications received following the change in November 2024.

## 4.9 Prudential Indicators

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

# 5. Financial, legal, equalities, climate emergency and other implications

## 5.1 Financial implications

This report is solely concerned with financial issues.

Signed: Kirsty Cowell, Head of Finance, ext. 37 2377

Dated: 21 February 2025

## 5.2 Legal implications

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

Signed: Kevin Carter, Head of Law – Commercial, Property & Planning

Dated: 25 February 2025

## 5.3 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.

People from across all protected characteristics should benefit from the improved public good arising from the capital programme. The purpose of this report is to provide the position of the capital programme at the end of December 2024. At this time, there are no further equality implications as these will 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. 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.

Signed: Equalities Officer, Surinder Singh, ext. 37 4148

Dated: 24 February 2025

#### 5.4 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 and infrastructure often present significant opportunities for achieving carbon savings or climate adaptations and are an area where the council has a high level of control.

Notable projects in the current programme expected to achieve climate benefits / high standards of environmental performance include Pioneer Park, Pilot House, Leicester

Urban Natural Flood Management, PV panels at Evington Leisure Centre, Aikman Avenue District Heating project and Connecting Leicester.

It is important that the climate implications and opportunities of all projects and work programmes are considered on a project-by-project basis, both during the development phase and when decisions are made.

Signed: Duncan Bell, Change Manager (Climate Emergency). Ext. 37 2249

Dated: 20.02.25

5.5 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.

**6. Background information and other papers:**

- Capital Programme 2024/25 approved by Council on 21 February 2024.
- Housing Revenue Account Budget (including Capital Programme) 2024/25 approved by Council on 21 February 2024.
- Capital Outturn 2023/24 presented at Overview Select Committee on 31 July 2024.
- Capital Monitoring April - September 2024/25 presented at Overview Select Committee on 12 December 2024. This report was presented to the Council on 16 January 2025 under call-in of executive decision arrangements.
- Capital Programme 2025/26 approved by Council on 19 February 2025.

**7. 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

**8. 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.

**9. Is this a “key decision”? If so, why? No**



## 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	2024/25 Spend £000	Forecast (Under)/over Spend £000
Planning, Development & Transportation	34,534	11,225	0
Tourism, Culture & Inward Investment	36,580	12,364	0
Neighbourhood & Environmental Services	5,769	378	0
Estates & Building Services	17,358	8,188	0
Housing General Fund	44,995	3,417	0
Children's Services	11,817	4,231	0
Housing Revenue Account	3,786	72	0
<b>Total</b>	<b>154,839</b>	<b>39,875</b>	<b>0</b>

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)	2024/25 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CDN (PDT)	Connecting Leicester	12,984	7,559	0	Mar-24	Dec-27	Amber	Amber
CDN (PDT)	Waterside Strategic Regeneration Area	2,293	213	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	229	63	0	Aug-18	Jul-25	Amber	Amber
CDN (PDT)	Leicester Railway Station - Levelling up	17,867	3,267	0	Mar-24	TBC	Amber	Red
CDN (PDT)	St Paul's Church	400	0	0	Aug-25	Dec-26	Green	Purple
CDN (PDT)	Land South of Phoenix	380	0	0	Jun-25	Jun-25	Green	Green
CDN (PDT)	Leicester Urban Natural Flood Management	217	123	0	Mar-27	Mar-27	Green	Green
CDN (PDT)	Heritage Development Trust	164	0	0	Mar-25	Mar-26	Green	Amber
CDN (TCI)	Jewry Wall Museum Improvements	6,590	3,408	0	Mar-23	Jun-25	Amber	Green
CDN (TCI)	Leicester Market Redevelopment	8,676	1,056	0	Dec-21	Dec-26	Purple	Amber
CDN (TCI)	12-20 Cank St Link	2,683	9	0	Jan-25	May-26	Purple	Amber
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	6,025	383	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	Pilot House - Levelling Up	11,481	7,167	0	Mar-24	May-25	Amber	Green
CDN (TCI)	Climate Change Retail Scheme	165	61	0	Mar-25	Mar-25	Green	Green
CDN (TCI)	Community Digital Grant	135	128	0	Mar-25	Mar-25	Green	Green
CDN (TCI)	Community Asset Transfer	130	20	0	Mar-25	Mar-25	Green	Green
CDN (TCI)	De Montfort Hall	695	132	0	Mar-22	Mar-26	Blue	Green
CDN (NES)	Library Self Access Rollout	542	51	0	Sep-24	Mar-26	Green	Green
CDN (NES)	St Margaret's Pastures Skate Park	397	53	0	Jan-23	Sep-25	Green	Amber
CDN (NES)	Multi Use Games Areas (MUGAs)	2,962	232	0	Mar-25	Apr-26	Green	Green
CDN (NES)	Depot Relocation	200	29	0	Mar-25	Sep-25	Green	Amber
CDN (NES)	Pest & Dogs Depot Relocations	48	0	0	Mar-25	TBC	Amber	Red
CDN (NES)	Leisure Centre Improvements	1,072	0	0	Dec-25	TBC	Amber	Amber
CDN (NES)	Green Libraries Project	150	11	0	Mar-25	Jun-25	Green	Green
<b>Total</b>		<b>76,485</b>	<b>23,965</b>	<b>0</b>				

Dept/ Division	Project	Remaining Budget (£000)	2024/25 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CDN (NES)	PV Panels at Evington Leisure Centre	186	0	0	Mar-25	Mar-25	Green	Green
CDN (NES)	Saffron Lane Athletics Stadium S106 Improvements	212	2	0	Mar-25	Jul-25	-	Green
CDN (EBS)	Estate Shops	477	211	0	Mar-22	Sep-25	Amber	Amber
CDN (EBS)	Replacement Cladding Phoenix Square	10,684	7,418	0	Dec-24	Sep-25	Green	Green
CDN (EBS)	St Nicholas Wall	396	22	0	Sep-24	Jul-25	Amber	Green
CDN (EBS)	Aikman Avenue District Heating	195	0	0	Dec-23	TBC	Purple	Purple
CDN (EBS)	Boston Road	1,516	53	0	Jul-25	Mar-26	Amber	Amber
CDN (EBS)	SuDS in Schools	50	7	0	Mar-25	Mar-25	Green	Green
CDN (EBS)	The Curve Remedial Works	2,200	0	0	Oct-25	Oct-25	-	Green
CDN (EBS)	Tiny Forests in Leicester Schools and Parks	158	0	0	Mar-25	Mar-25	-	Green
CDN (EBS)	Haymarket Theatre - Internal Completion Works	1,007	477	0	Mar-21	Jun-25	Blue	Green
CDN (EBS)	Gilroes Cemetery	675	0	0	Sep-25	Sep-25	-	Green
CDN (HGF)	Housing Acquisitions - SAP	44,995	3,417	0	Aug-25	Dec-25	Green	Amber
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	7,711	3,472	0	Jan-24	Sep-27	Red	Red
SCE (ECS)	Pindar Nursery	833	5	0	Mar-23	TBC	Amber	Purple
SCE (ECS)	Expansion of Children's Homes	1,192	315	0	May-23	Sep-25	Green	Green
SCE (ECS)	Education System Re-tender	2,081	439	0	Mar-26	Mar-27	Green	Amber
<b>Total (excluding HRA)</b>		<b>151,053</b>	<b>39,803</b>	<b>0</b>				
CDN (HRA)	Bridlespur Way Refurbishment	370	23	0	Mar-23	Jun-25	Amber	Amber
CDN (HRA)	Dawn Centre Reconfiguration	1,461	14	0	May-23	May-25	Green	Amber
CDN (HRA)	St Matthews Concrete Works	1,500	35	0	Mar-24	Oct-25	Amber	Green
CDN (HRA)	Council Housing - District Heating	455	0	0	Dec-23	TBC	-	Purple
<b>Total HRA</b>		<b>3,786</b>	<b>72</b>	<b>0</b>				
<b>Total (including HRA)</b>		<b>154,839</b>	<b>39,875</b>	<b>0</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 2024/25 Period 9

### 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	12,984	0	Mar-24	Dec-27	A
Waterside Strategic Regeneration Area	2,293	0	Mar-23	Jun-26	G
St George's Churchyard	229	0	Aug-18	Jul-25	A
Leicester Station Improvements – Levelling Up	17,867	0	Mar-24	TBC	R
St Paul's Church	400	0	Aug-25	Dec-26	P
Land South of Phoenix	380	0	Jun-25	Jun-25	G
Leicester Urban Natural Flood Management	217	0	Mar-27	Mar-27	G
Heritage Development Trust	164	0	Mar-25	Mar-26	A
<b>Total</b>	<b>34,534</b>	<b>0</b>			

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

2.1. **Connecting Leicester** – The programme started in 2015 and continues to expand to take on delivery of projects as funding becomes available from DfT, the forecast completion date has been extended to reflect this.

2.2. **St George's Churchyard** – The project has faced further delays due to unexpected site conditions, bad weather and supply chain disruptions. However, the project is now making good progress.

- 2.3. Leicester Station Improvements – Levelling Up** – This is a very large and complex contract. The response from contractors able to deliver this sort of scheme reflected the state of the construction industry at the time. The contracting approach is being carefully reviewed and is subject to detailed discussion with a range of potential contractors. There is confidence that when the contract is reissued in the coming months it will be attractive to the market and we will receive competitive bids. An appointment is expected by the end of the year.
- 2.4. St Paul’s Church** – The project has been delayed as the owner dissolved the company after the issuance of the initial Urgent Works Notice on the property. The condition of the building continues to deteriorate and officers plan to serve a further Urgent Works Notice and Full Repair Notice, which triggers a Compulsory Purchase Order.
- 2.5. Heritage Development Trust** – There have been delays due to resource challenges, but the project is steadily progressing. We anticipate completion by March 2026.

## Capital Programme Project Monitoring 2024/25 Period 9

### 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	6,590	0	Mar-23	Jun-25	G
Leicester Market Redevelopment	8,676	0	Dec-21	Dec-26	A
12-20 Cank St Link	2,683	0	Jan-25	May-26	A
Leicester Museum and Art Gallery Phase 1	6,025	0	Mar-22	Jun-26	G
Pilot House – Levelling Up	11,481	0	Mar-24	May-25	G
Climate Change Retail Scheme	165	0	Mar-25	Mar-25	G
Community Digital Grant	135	0	Mar-25	Mar-25	G
Community Asset Transfer	130	0	Mar-25	Mar-25	G
De Montfort Hall	695	0	Mar-22	Mar-26	G
<b>Total</b>	<b>36,580</b>	<b>0</b>			

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

**2.1 Leicester Market Redevelopment** - Following public consultation support for a new scheme, final designs, new planning applications and detailed costs are being developed. Subject to planning permission and a formal decision to proceed, work could start on site in Summer 2025 with the new market open by the end of 2026.



**2.2 12-20 Cank Street link** - Subject to final costings, works are planned to start in August 2025.

## Capital Programme Project Monitoring 2024/25 Period 9

### 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	542	0	Sep-24	Mar-26	G
St Margaret's Pastures Skate Park	397	0	Jan-23	Sep-25	A
Multi Use Games Areas (MUGAs)	2,962	0	Mar-25	Apr-26	G
Depot Relocation	200	0	Mar-25	Sep-25	A
Pest & Dogs Depot Relocations	48	0	Mar-25	TBC	R
Leisure Centre Improvements	1,072	0	Dec-25	TBC	A
Green Libraries Project	150	0	Mar-25	Jun-25	G
PV Panels at Evington Leisure Centre	186	0	Mar-25	Mar-25	G
Saffron Lane Athletics Stadium S106 Improvements	212	0	Mar-25	Jul-25	G
<b>Total</b>	<b>5,769</b>	<b>0</b>			

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

**2.1 St Margaret's Pastures Skate Park** - Pre-commencement work is required following the planning approval conditions. The planning conditions have been approved in January 2025, with the first contractor starting work in February 2025, this will be ongoing for 4-6 weeks. This will be followed by works completed by the skatepark contractor. This is anticipated to be completed by the end of summer 2025.

**2.2 Depot Relocation** - Procurement failed to secure a contractor. A further procurement exercise is underway to procure a suitable contractor.

**2.3 Pest & Dogs Depot Relocations** – Our focus for this team has been a colocation of services, a suitable location has been found at the Public Lighting depot at Salter Street and officers are working with estates to progress requirements for the move.

**2.4 Leisure Centre Improvements** – The scope of the current programme continues to be reviewed to utilise the funding in the most efficient way and to maximise income generation and revenue savings. An initial feasibility report and estimated costs to upgrade Leicester leys Leisure Centre has been received, this is currently being assessed.

## Capital Programme Project Monitoring 2024/25 Period 9

### 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	477	0	Mar-22	Sep-25	A
Replacement Cladding Phoenix Square	10,684	0	Dec-24	Sep-25	G
St Nicholas Wall	396	0	Sep-24	Jul-25	G
Aikman Avenue District Heating	195	0	Dec-23	TBC	P
Boston Road	1,516	0	Jul-25	Mar-26	A
SuDS in Schools	50	0	Mar-25	Mar-25	G
The Curve Remedial Works	2,200	0	Sep-25	Oct-25	G
Tiny Forests in Leicester Schools and Parks	158	0	Mar-25	Mar-25	G
Haymarket Theatre - Internal Completion Works	1,007	0	Mar-21	Mar-26	G
Gilroes Cemetery	675	0	Sep-25	Sep-25	G
<b>Total</b>	<b>17,358</b>	<b>0</b>			

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

**2.1 Estate Shops** –There have been delays in carrying out the remaining work due to limited resources across the division, we are currently prioritising these resources to carry out the works and we are now awaiting quotes for the works.

**2.2 Aikman Avenue District Heating** – The original plans to develop the heating network are not considered sustainable by the new District Heating provider. Negotiations are underway to determine how to proceed.

**2.3 Boston Road** – There is a delay to the forecast completion date at the site due to carry out specialist surveys. The works are now expected to be completed March 2026.

## Capital Programme Project Monitoring 2024/25 Period 9

### Housing General Fund

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Housing Acquisitions - SAP	44,995	0	Aug-25	Dec- 25	A
<b>Total</b>	<b>44,995</b>	<b>0</b>			

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

**2.1 Housing Acquisitions - SAP** – The £45m budget is for the acquisition of 225 units of temporary accommodation. Positively, this number of units are expected to be purchased by August 2025, with sufficient budget remaining to acquire further units by December 2025.

## Capital Programme Project Monitoring 2024/25 Period 9

### 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)	7,711	0	Jan-24	Sep-27	<b>R</b>
Pindar Nursery	833	0	Mar-23	TBC	<b>P</b>
Expansion of Children's Homes	1,192	0	May-23	Sep-25	<b>G</b>
Education System Re-tender	2,081	0	Mar-26	Mar-27	<b>A</b>
<b>Total</b>	<b>11,817</b>	<b>0</b>			

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

**2.1 Additional SEND Places** – The approved scheme includes works at Ellesmere, Lansdowne Road and the Armadale Centre (Nether Hall School). The result of feasibility studies has meant that changes to schemes are required. The revised schemes will require additional funding compared to the original estimates, noting also the ongoing inflationary pressures in the construction sector. As schemes come forward, this funding can initially be found from within the overall approval; and as the programme progresses, the scope of the schemes will be adjusted where possible to ensure that costs align to the available remaining funding. Should further funding come to be needed, this funding could be found from the uncommitted element of the ring-fenced High Needs Capital grant allocations. Any necessary approvals will be sought as the details and options are developed.

**2.2 Pindar Nursery** – Work on this has been put on hold whilst we await the outcome of the children's centres review.

**2.3 Education System Re-tender** – The project remains within budget but has been delayed by a year due to the cyber incident. The planned resources for the migration mapping between March and August 2024 were diverted to recovery efforts in early March. Following the recovery, a new contract with a supplier for data mapping was initiated. The finalisation of this contract postponed the mapping to August 2026. Additionally, the education system can only undergo changes every August due to statutory and reporting requirements, causing further delays.



## Capital Programme Project Monitoring 2024/25 Period 9

### 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	370	0	Mar-23	Jun-25	A
Dawn Centre Reconfiguration	1,461	0	May-23	May-25	A
St Matthews Concrete Works	1,500	0	Mar-23	Oct-25	G
Council Housing - District Heating	455	0	Dec-23	Mar-26	P
<b>Total</b>	<b>3,786</b>	<b>0</b>			

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

**2.1. Bridlespur Way** – The work on Bridlespur Way is still ongoing and is now anticipated to complete in June 2025. The work on the flats is now being scheduled in line with flats becoming vacant to reduce the impact on Homelessness Services.

**2.2. Dawn Centre Reconfiguration** – Due to the initial program running under budget, additional work has been identified to further improve the centre. The revised programme is anticipated to be completed by May 2025.

**2.3. Council Housing - District Heating** – The original plans to develop the heating network are not considered sustainable by the new District Heating provider. Negotiations are underway to determine how to proceed.

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

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

<b>Department / Division</b>	<b>Approved to spend in 24/25 £000</b>	<b>2024/25 Spend £000</b>	<b>Slippage £000</b>	<b>Over/(under) Spend £000</b>
City Development & Neighbourhoods	1,805	181	470	0
Planning, Development & Transportation	12,354	6,051	1,385	0
Tourism, Culture & Inward Investment	968	187	240	0
Neighbourhood & Environmental Services	790	483	69	0
Estates & Building Services	5,249	1,829	2,354	(95)
Housing General Fund	11,118	2,942	1,573	0
Children's Services	16,237	3,591	6,958	0
<b>Total (excluding HRA)</b>	<b>48,521</b>	<b>15,264</b>	<b>13,049</b>	<b>(95)</b>
Housing Revenue Account	48,170	28,047	1,823	150
<b>Total (including HRA)</b>	<b>96,691</b>	<b>43,311</b>	<b>14,872</b>	<b>55</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2024/25 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	1,805	181	470	0
Transport Improvement Works	CDN (PDT)	4,628	1,499	0	0
Bus Engine Retrofitting	CDN (PDT)	376	0	376	0
Air Quality Action Plan	CDN (PDT)	43	42	0	0
Highways Maintenance	CDN (PDT)	5,048	3,441	585	0
Flood Strategy	CDN (PDT)	300	199	0	0
Festival Decorations	CDN (PDT)	50	0	0	0
Local Environmental Works	CDN (PDT)	400	343	0	0
Legible Leicester	CDN (PDT)	31	0	15	0
Potential Strategic Development Sites Assessment	CDN (PDT)	568	483	0	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	50	0	50	0
Front Wall Enveloping	CDN (PDT)	394	0	359	0
Transforming Cities Work Programmes	CDN (PDT)	339	0	0	0
Conservation Building Grants	CDN (PDT)	82	40	0	0
Street Nameplates City Branding Programme	CDN (PDT)	45	4	0	0
Heritage Interpretation Panels	CDN (TCI)	221	10	0	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	747	177	240	0
Parks Plant and Equipment	CDN (NES)	368	297	0	0
Parks and Open Spaces	CDN (NES)	188	81	0	0
Franklyn Fields Public Open Space	CDN (NES)	234	105	69	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	4,965	1,751	2,351	0
Green Homes	CDN (EBS)	142	0	0	(95)
Depots Refurbishment	CDN (EBS)	142	78	3	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,061	1,165	252	0
Repayable Home Repair Loans	CDN (HGF)	121	0	121	0
Vehicle Fleet Replacement Programme	CDN (HGF)	8,271	1,777	1,200	0
Action Homeless' Supported Living Scheme	CDN (HGF)	665	0	0	0
School Capital Maintenance	SCE (ECS)	14,944	3,591	6,838	0
Brook Mead Academy Capital Contribution	SCE (ECS)	1,000	0	0	0
Foster Care Capital Contribution Scheme	SCE (ECS)	293	0	120	0
<b>Total (excluding HRA)</b>		<b>48,521</b>	<b>15,264</b>	<b>13,049</b>	<b>(95)</b>
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,800	1,279	600	0
Council Housing - Boiler Replacements	CDN (HRA)	2,500	1,298	0	0
Council Housing - Rewiring	CDN (HRA)	1,610	925	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,200	762	0	0
Council Housing - Insulation Works	CDN (HRA)	50	49	0	150
Council Housing - External Property Works	CDN (HRA)	1,008	340	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	822	460	0	0
Community & Environmental Works	CDN (HRA)	1,234	321	447	0
Affordable Housing - Acquisitions	CDN (HRA)	29,696	17,565	0	0
Public Realm Works	CDN (HRA)	1,338	493	664	0
Feasibility Study for Sheltered Housing	CDN (HRA)	112	0	112	0
New House Build Council Housing	CDN (HRA)	5,800	4,555	0	0
<b>Total HRA</b>		<b>48,170</b>	<b>28,047</b>	<b>1,823</b>	<b>150</b>
<b>Total (including HRA)</b>		<b>96,691</b>	<b>43,311</b>	<b>14,872</b>	<b>55</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** – There are a number of schemes which are progressing well. However, a few schemes have been reprioritised and focussed to support financial challenges and focus.
- 3.3 **Bus Engine Retrofitting** – Following a review by DFT, we are required to hold onto this underspend for possible future air quality monitoring and/or exit related costs.
- 3.4 **Highways Maintenance** – The council were awarded a grant from DFT for a programme of works related to traffic signalling. The schemes related to this grant have been planned and the work is due to be carried out in the 25/26 financial year.
- 3.5 **Architectural & Feature Lighting** – There are several projects in the pipeline, and we continue to work with third parties to progress these through to delivery.
- 3.6 **Front Wall Enveloping** – There is slippage on this scheme due to complexities in contacting property owners. Asbestos surveys will complete in the current year, with the main construction works planned for 2025/2026.
- 3.7 **Local Shopping Centres Reopening & Improvement Programme Grants** – We have commitments on a number of schemes and other schemes are being worked up, but these have yet to be fully signed off. Progress has been made with allocating shop front grant, but payments will not be processed until next year. Works around two neighbourhood areas is underway and nearly complete, the remaining areas and works will be completed next financial year.
- 3.8 **Property and Operational Estate Capital Maintenance** – As previously reported, the forecast slippage on this programme is due to the prioritisation of the Curve the Haymarket Shopping centre projects, with re-profiling of other work.
- 3.9 **Green Homes** – An underspend of £95k has been detailed for the work programme, with work expected to be complete by financial year end. The unspent grant will be returned to the Department of Energy, Security and Net Zero. These are external grants.

- 3.10 **Private Sector Disabled Facilities Grant** - 50 cases have been agreed, with completion timelines of up to 12 weeks. Given the timeframe and the financial year end in March, some of the funds are due to slip into next year.
- 3.11 **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.
- 3.12 **Vehicle Fleet Replacement Programme** – The slippage in the Fleet replacement schedule occurs as a result of the time taken to procure vehicles from the market. It takes on average 18 months from specification to delivery and if the complexity and scale of the vehicle requirements are significant it can be longer than this. A number of factors contribute to this including the UK now being a European quota country limiting the pool of vehicles available in the UK and increasing competition in the market with those undertaking large scale procurements being more attractive to suppliers. Fleet have undertaken a number of projects to lessen the impact of this including using new procurement frameworks to make our tenders more competitive in this market.
- 3.13 **School Capital Maintenance** – The forecasted slippage is due to unforeseen additional works required at two schools, delaying the planned works. Re-piping works are required which we were not able to be complete over the summer holidays, due to contractor capacity. Additional works are being carried out during term time to ensure minimal disruption to the educational environment.
- 3.14 **Foster Care Capital Contribution Scheme** - Two projects have been committed to, value of circa £125k. Spend to date of circa £48k and expected to slip the rest, but further projects are currently under review.
- 3.15 **Council Housing – New Kitchens and Bathrooms** – Due to the limited capacity of our contractors, the priority has been to focus on (1) remedial works to property acquisitions and (2) void properties, to alleviate demand for housing and pressure on temporary accommodation costs. With this, slippage of £600k will carry forward into 2025/26.
- 3.16 **Council Housing – Insulation Works** – As previously reported, there is currently a £150k overspend forecast due to increased demand for top ups of loft insulation. Revenue underspends have been identified to finance this work.

- 3.17 **Council Housing Communal and Environmental Works (including District Heating)** – As reported at Period 6, the technical team has been focussed on delivery of heat meter installations. The slippage of £300k will help to support the improvements and capital repair work of the heating network. Some of the smaller communal projects across the HRA estates have been delayed into 2025/26 with slippage of £147k being forecast.
- 3.18 **Public Realm Works – St Matthews and St Peters** – Following some recent engagement with ward Councillors the programme has been adjusted and reprofiled leading to slippage of £664k, works are due to start in the spring.
- 3.19 **Feasibility Study for Sheltered Housing** – This project hasn't commenced due to technical resource being allocated to key priorities within Housing. The £112k budget for this programme will be slipped into 2025/26.

**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 Normally provisions are there if needed. The sums below are for the 2024/25 financial year.

<b>Provision</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2024/25 Spend £000</b>	<b>Remaining Budget £000</b>
Early Years - Two Year Olds	SCE (ECS)	593	0	593
District Heating Metering	CDN (HGF)	1,024	0	1,024
District Heating Metering	CDN (HRA)	1,178	545	633
<b>Total</b>		<b>2,795</b>	<b>545</b>	<b>2,250</b>

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

Project	Dept/ Division	Approved £000	2024/25 Spend £000	Over/(Under) Spend £000
Network Wi-Fi Replacement	CRS	300	109	0
Off-site Cloud Backup	CRS	388	0	0
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	14	2	0
High Streets Heritage Action Zones	CDN (PDT)	133	135	2
Land South of Midland Street	CDN (PDT)	21	0	0
Electric Bus Investment	CDN (PDT)	8	0	0
Pioneer Park - Levelling Up	CDN (PDT)	7,432	6,476	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (TCI)	44	45	1
Gresham Business Workspace	CDN (TCI)	9	1	0
Ugandan Asians – 50 Year Anniversary Commemoration	CDN (TCI)	154	0	0
Abbey Park Precinct Wall	CDN (NES)	12	14	0
Spinney Hills Park - Levelling Up	CDN (NES)	12	8	0
Spinney Hills Park	CDN (NES)	150	23	0
African Caribbean Centre Maintenance	CDN (NES)	20	20	0
Study Zones	CDN (NES)	94	10	0
Haymarket House, Car Parks & Lifts	CDN (NES)	107	106	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	48	49	(1)
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	0
Aylestone Leisure Centre PV Panels	CDN (EBS)	284	24	(260)
Phoenix Arts Car Park	CDN (EBS)	46	9	(29)
Changing Places - Disabled Facilities Toilets	CDN (EBS)	192	90	0
Leisure Centre Air Handling Units	CDN (EBS)	31	0	0
Additional Primary School Places	SCE (ECS)	58	23	0
Expansion of Oaklands Special School	SCE (ECS)	879	109	0
Overdale Infant and Juniors School Expansion	SCE (ECS)	382	128	0
Tiny Forests in Leicester Schools	SCE (ECS)	3	0	0
Family Hubs	SCE (ECS)	3	0	0
S106 Additional School Places	SCE (ECS)	413	47	0
Children's Homes Refurbishments	SCE (ECS)	406	560	355
Winstanley Contact Centre	SCE (ECS)	263	245	0
Goscote Site Carpark	CDN (HRA)	232	155	0
<b>Total</b>		<b>12,226</b>	<b>8,388</b>	<b>68</b>

1.1 As at P9 in the 2024/25 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.



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

1.1. As at P9 in the 2024/25 financial year, 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	0
CDN (PDT)	Strategic Acquisitions	0
CDN (TCII)	Tourism & Culture	10
CDN (TCII)	Highways, Transport & Infrastructure	0
CDN (NES)	Library Investment	1,000
CDN (EBS)	Growing Spaces	301
CDN (Various)	Match Funding	3,000
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	3,673
SCE (ASC)	Extra Care Schemes	5,936
Other	Black Lives Matter	435
All	Programme Contingency	2,800
<b>Total (excluding HRA)</b>		<b>17,547</b>
CDN (HRA)	Other HRA Schemes	750
<b>Total HRA</b>		<b>750</b>
<b>Total (including HRA)</b>		<b>18,297</b>

1.2. There are no additions to policy provisions since the 2024/25 P6 report. There have been reductions to policy provisions resulting from the Council decision on 19 February in the capital programme 2025/26 report and the reduced amounts are shown in the table above for New Ways of Working; Strategic Acquisitions; Highways, Transport & Infrastructure; and Programme Contingency.

## 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.

	<b>2024/25 Authorised Limit £m**</b>	<b>2024/25 Operational Boundary £m**</b>	<b>Debt at 31/12/24 £m</b>	<b>Complied?</b>
Borrowing	320	250	174	yes
PFI and Finance Leases	175	145	86*	yes
<b>Total debt</b>	<b>495</b>	<b>395</b>	<b>260</b>	

\* Provisional subject to 2023/24 accounts audit

#### 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:

	<b>Upper Limit £m</b>	<b>Lower Limit £m</b>	<b>31/12/24 Actual £m</b>	<b>Complied?</b>
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. Further details on the limits can be found in the mid-year Treasury report to Overview Select Committee.

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 December 2024 was £4.9m\* which we hold in property funds, the limit was therefore complied with. It should be noted that the Council received 4 repayment of investment instalments up to 31 December 2024 totalling £1.586m following the termination of the fund in April 2024. Further details are available in Treasury report presented to Council on 19 February 2025.

\*After the four instalments from the Lothbury fund

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.