
Executive Decision Capital Budget Monitoring April-September 2025/26

Overview Select Committee

Decision to be taken by: City Mayor

Decision to be taken on: 03 December 2025

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Claire Gavagan
- Author contact details: claire.gavagan@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1 The purpose of this report is to present the position of the capital programme for 2025/26 as at the end of September 2025.
- 1.2 This is the second capital monitoring report of the financial year. There will be one further quarterly report followed by an outturn report being presented to this committee.
- 1.3 As reported in the previous year's monitoring reports, progressing capital projects continues to be difficult. 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.

2. Recommended actions/decision

- 2.1 The Executive is
 - Recommended to note the following:
 - Total spend of £48.7m for the year to date.
 - The progress in delivery of major projects, as shown at Appendix A.
 - The progress on spending against work programmes, as shown at Appendix B.
 - The provisions that remain unspent as shown at Appendix C.
 - That across a number of schemes, £211k has been saved following completion of schemes below budget. Of this, £202k was funded by corporate resources.
 - The transfer of the following schemes from Projects to Provisions: Aikman Avenue District Heating and St Paul's Church. They have been moved to Provisions as they are not yet ready for delivery, with key information and approvals still outstanding.

- £925k currently held in the Property and Operational Estate Work Programme for the Haymarket will be moved to the Corporate Estate Work Programme (see appendix B, para 3.11)
- The prudential indicators presented in Appendix F.
- Approve the following additions to the programme:
 - £485k for Green Homes, financed from government grant funding through the Department for Energy Security and Net Zero. (see Appendix B, para 3.2)
 - £1,036k in 2026/27 for the Corporate Estate Work Programme, financed from the Haymarket Reserve (see Appendix B, para 3.10)
 - £427k for Workspace Fit Out, financed from UKSPF grant funding (see Page 17, Para 2.1)

The OSC is recommended to consider the overall position presented within this report and make any observations it sees fit.

3. Scrutiny / stakeholder engagement

N/A

4. Background

4.1 The 2025/26 Capital programme was initially approved by Council on 19 February 2025. It has subsequently been amended (including through the 2024/25 outturn report).

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 2025/26 capital programme budget and the spend as at the end of September, is shown below:

	2025/26 Budget £'000	2025/26 Spend £'000
Projects	118,849	19,639
Work Programmes	76,230	22,930
Provisions	2,454	0
Schemes Substantially Complete	9,013	6,191
Total Immediate Starts	206,546	48,760
Policy Provisions	16,187	0
Total Capital Programme	222,733	48,760

4.4 A summary of the total approved 2025/26 capital programme budget and the resources that are funding them is shown below:

	£000s					
	Projects	Work Programmes	Provisions	Substantially Complete	Policy Provisions	Total
HRA - Budget	2,737	24,732	835	220	750	29,274
GF - Budget	116,112	51,498	1,619	8,793	15,437	193,459
Total	118,849	76,230	2,454	9,013	16,187	222,733
Ringfenced - HRA	650	2,315	0	0	750	3,715
Unringfenced - HRA	2,087	22,417	835	220	0	25,559
Total HRA	2,737	24,732	835	220	750	29,274
Ringfenced - GF	31,355	4,868	0	1,747	10	37,980
Unringfenced - GF	84,757	46,630	1,619	7,046	15,427	155,479
Total GF	116,112	51,498	1,619	8,793	15,437	193,459

4.5 The following changes have occurred to the capital programme since period 3 2025/26. These movements are included in the table at 4.3 above:

	Budget £000
Decisions since P3 2025/26	
Multi Use Games Area (MUGA)	2,329
St Johns/ Glebelands Bulge Capacity	640
School Capital Maintenance (TMB)	500
Local Transport Schemes (Local Transport Grant)	9,520
Local Transport Schemes (Active Travel Fund Grant)	1,549
Directors Decisions	
Heritage Interpretation Panels	200
Other	30
Net Movements	14,768

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 As part of the budget strategy set for 2025/26 there was a requirement to generate £60m of asset sales that could be used if a capitalisation directive was required. The Council has a significant programme to generate these capital receipts. To the end of the second quarter of 2025/26, the Council has realised £3.6m of General Fund capital receipts.

4.8.2 Over the same period “Right to Buy” receipts from sales of council housing have amounted to £9m. There was an increase in sales completed in Quarter 2 compared to the first three months of the year. The Council is still working through the applications which resulted from changes to the Right to Buy scheme made in November 2024. These changes saw a surge in the number of applications which are currently being processed. Applications have since dropped by around 30% compared to historic levels, which is a smaller reduction than anticipated. Although many applications will not result in a sale of the property, the Council is likely to see high levels of completed sales in the second half of 2025/26 and throughout 2026/27. The changes to scheme eligibility will likely reduce sales thereafter as the number of applications reduces further and people opt to discontinue the process when the reduced level of discount becomes apparent. Assumptions relating to the impact of the change in government policy were included in the HRA’s 2025/26 budget report approved at Council in February 2025.

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 deals entirely with financial matters, the implications of which are contained within the report.

Signed: Amy Oliver, Director of Finance

Dated: 10th November 2025

5.2 Legal implications

There are no adverse legal implications arising in respect of this report. The monitoring of capital expenditure is required in order to comply with the provisions of the Local Government Act 2003 which this report seeks to do.

Signed: Kevin Carter, Head of Law

Dated: 7 November 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 present the position of the capital programme for 2025/26 as at the end of September 2025.

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: 23 October 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.

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: Phil Ball, Sustainability Officer, Ext 2246

Dated: 27 October 2025

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:

- General Fund Capital Programme 2025/26 and HRA Budget (including Capital Programme) approved by Council on 19 February 2025.
- Capital Outturn 2024/25 presented at OSC on 9 July 2025.
- 2025/26 Capital Monitoring P3 Report presented to OSC on 24 September 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?

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	Approved Budget £000	2025/26 Spend £000	Forecast (Under) / Overspend £000
Corporate Resources	1,000	23	0
Planning, Development & Transportation	37,804	2,835	0
Tourism, Culture & Inward Investment	15,907	1,230	0
Neighbourhood & Environmental Services	7,716	768	0
Estates & Building Services	6,857	1,562	0
Housing General Fund	35,869	10,171	0
Children's Services	10,957	2,902	0
Housing Revenue Account	2,738	148	0
Total	118,849	19,639	0

- 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	Approved Budget (£000)	2025/26 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CRS	Finance System Replacement	1,000	23	0	Apr-27	Apr-27	Green	Green
CDN (PDT)	Local Transport Schemes	14,199	1,942	0	Mar-24	Dec-27	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	2,371	411	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	180	71	0	Aug-18	Dec-25	Green	Blue
CDN (PDT)	Leicester Railway Station - Levelling up	14,230	148	0	Mar-24	TBC	Red	Red
CDN (PDT)	Land South of Phoenix	281	16	0	Jun-25	Dec-25	Amber	Green
CDN (PDT)	Leicester Urban Natural Flood Management	60	16	0	Mar-27	Mar-27	Green	Green
CDN (PDT)	Heritage Development Trust	134	1	0	Mar-25	Dec-26	Green	Amber
CDN (PDT)	Restoring the Soar	562	66	0	Jul-26	Jul-26	Green	Green
CDN (PDT)	Southgates Underpass Lighting	55	0	0	Oct-25	Nov-25	Green	Blue
CDN (PDT)	Strategic Sites	4,934	153	0	Mar-28	Mar-28	Green	Green
CDN (PDT)	Connecting St Margarets	798	11	0	Mar-26	Mar-26	Green	Green
CDN (TCI)	Leicester Market Redevelopment	7,725	1,094	0	Dec-21	Dec-26	Green	Green
CDN (TCI)	12-20 Cank St Link	2,594	148	0	Jan-25	Oct-26	Amber	Green
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	5,037	(12)	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	King Richard III Café	551	0	0	Feb-27	Feb-27	Green	Green
Total		54,712	4,088	0				

Dept/ Division	Project	Approved Budget (£000)	2025/26 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (NES)	Library Self Access Rollout	473	14	0	Sep-24	TBC	Purple	Purple
CDN (NES)	Neighbourhood Services Transformation	1,000	0	0	Mar-27	Mar-27	Green	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	4,844	436	0	Mar-25	Aug-26	Green	Amber
CDN (NES)	Depot Relocation	149	125	0	Mar-25	Mar-26	Green	Green
CDN (NES)	Pest & Dogs Depot Relocations	48	0	0	Mar-25	Mar-26	Green	Green
CDN (NES)	Leisure Centre Improvements	1,072	186	0	Dec-25	TBC	Purple	Purple
CDN (NES)	Green Libraries Project	130	7	0	Mar-25	Mar-26	Green	Amber
CDN (EBS)	Estate Shops	266	1	0	Mar-22	Dec-26	Amber	Green
CDN (EBS)	Replacement Cladding Phoenix Square	2,077	1,516	0	Dec-24	Sep-25	Green	Blue
CDN (EBS)	St Nicholas Wall	362	0	0	Sep-24	Jun-26	Green	Green
CDN (EBS)	Boston Road	1,431	45	0	Jul-25	Sep-26	Purple	Green
CDN (EBS)	Gilroes Cemetery	719	0	0	Sep-25	Feb-26	Amber	Green
CDN (EBS)	Energy Smart Initiatives	2,002	0	0	Jun-26	Jun-26	Amber	Green
CDN (HGF)	86 Leycroft Road Depot	3,794	4	0	Dec-26	Sep-27	Green	Green
CDN (HGF)	Housing Acquisitions - SAP	32,075	10,167	0	Aug-25	Dec-25	Green	Green
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	5,716	1,288	0	Jan-24	Sep-27	Green	Green
SCE (ECS)	S106 School Places (Slater/ Wolsey House)	847	0	0	Sep-26	Sep-26	Green	Green
SCE (ECS)	Pindar Nursery	825	0	0	Mar-23	Sep-27	Purple	Purple
SCE (ECS)	Expansion of Children's Homes	740	696	0	May-23	Oct-25	Green	Blue
SCE (ECS)	Education System Re-tender	1,486	361	0	Mar-26	Mar-27	Green	Green
SCE (ECS)	Beaumont Leys School – Bulge Works - Café and Canopy	110	0	0	-	Oct-25	-	Blue
SCE (ECS)	St Johns/Glebelands Bulge Capacity	640	517	0	-	Nov-25	-	Blue
SCE (ECS)	Early Years - Two Year Olds	593	40	0	-	Mar-26	-	Green
Total (excluding HRA)		116,112	19,491	0				

Dept/ Division	Project	Approved Budget (£000)	2025/26 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P6
CDN (HRA)	Dawn Centre Reconfiguration	1,104	103	0	May-23	Jan-26	Amber	Amber
CDN (HRA)	St Matthews Residential Property Concrete Works	1,633	45	0	Mar-24	Oct-26	Amber	Amber
Total HRA		2,738	148	0				
Total (including HRA)		118,849	19,639	0				

Capital Programme Project Monitoring 2025/26 P6

Corporate Resources

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Finance System Replacement	1,000	0	Apr-27	Apr-27	G
Total	1,000	0			

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

Capital Programme Project Monitoring 2025/26 P6

Planning, Development & Transportation

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Local Transport Schemes	14,199	0	Mar-24	Dec-27	G
Waterside Strategic Regeneration Area	2,371	0	Mar-23	Jun-26	G
St George's Churchyard	180	0	Aug-18	Dec-25	B
Leicester Railway Station - Levelling up	14,230	0	Mar-24	TBC	R
Land South of Phoenix	281	0	Jun-25	Dec-25	G
Leicester Urban Natural Flood Management	60	0	Mar-27	Mar-27	G
Heritage Development Trust	134	0	Mar-25	Dec-26	A
Restoring the Soar	562	0	Jul-26	Jul-26	G
Southgates Underpass Lighting	55	0	Oct-25	Nov-25	B
Strategic Sites	4,934	0	Mar-28	Mar-28	G
Connecting St Margarets	798	0	Mar-26	Mar-26	G
Total	37,804	0			

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

2.1. Leicester Railway Station – Levelling Up – This is a very large and complex contract. The contracting approach has been carefully reviewed, and we have undertaken detailed soft market testing with construction sector. This has confirmed that our approach should be attractive to the market. We anticipate formal relaunch of the main contract to procurement by the end of the calendar year, with an appointment by Autumn of 2026.

2.2. Heritage Development Trust - The project completion date has been aligned to the end date of the external grant funding.

Capital Programme Project Monitoring 2025/26 P6

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester Market Redevelopment	7,725	0	Dec-21	Dec-26	G
12-20 Cank St Link	2,594	0	Jan-25	Oct-26	G
Leicester Museum and Art Gallery Phase 1	5,037	0	Mar-22	Jun-26	G
King Richard III Café	551	0	Feb-27	Feb-27	G
Total	15,907	0			

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

2.1 This report recommends the addition of £427k for the Workspace Fit Out Project for post completion fit-out costs. This will be funded from external grant funding through the UK Shared Prosperity Fund.

Capital Programme Project Monitoring 2025/26 P6

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Self Access Rollout	473	0	Sep-24	TBC	P
Neighbourhood Services Transformation	1,000	0	Mar-27	Mar-27	G
Multi Use Games Areas (MUGAs)	4,844	0	Mar-25	Aug-26	A
Depot Relocation	149	0	Mar-25	Mar-26	G
Pest & Dogs Depot Relocations	48	0	Mar-25	Mar-26	G
Leisure Centre Improvements	1,072	0	Dec-25	TBC	P
Green Libraries Project	130	0	Mar-25	Mar-26	A
Total	7,716	0			

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

2.1 Library Self Access Rollout – The timing and roll out of library self-access will be dependent on the future Executive Decision on libraries and community centres.

2.2 Multi Use Games Area (MUGAs) - The forecast completion has been extended to reflect the inclusion of the Football Foundation Play zone project.

2.3 Leisure Centre Improvements - This is on hold whilst we undertake the leisure centre review.

2.4 Green Libraries Project - Contractor delays mean that the original timescales will no longer be met, and some work will now take place after Christmas.

Capital Programme Project Monitoring 2025/26 P6
Estates and Building Services

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Estate Shops	266	0	Mar-22	Dec-26	G
Replacement Cladding Phoenix Square	2,077	0	Dec-24	Sep-25	B
St Nicholas Wall	362	0	Sep-24	Jun-26	G
Boston Road	1,431	0	Jul-25	Sep-26	G
Gilroes Cemetery	719	0	Sep-25	Feb-26	G
Energy Smart Initiatives	2,002	0	Jun-26	Jun-26	G
Total	6,857	0			

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

Capital Programme Project Monitoring 2025/26 P6

Housing General Fund

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
86 Leycroft Road Depot	3,794	0	Dec-26	Sep-27	G
Housing Acquisitions - SAP	32,075	0	Aug-25	Dec-25	G
Total	35,869	0			

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

Capital Programme Project Monitoring 2025/26 P6

Children's Services

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	5,716	0	Jan-24	Sep-27	G
S106 School Places (Slater/ Wolsey House)	847	0	Sep-26	Sep-26	G
Pindar Nursery	825	0	Mar-23	Sep-27	P
Expansion of Children's Homes	740	0	May-23	Oct-25	B
Education System Re-tender	1,486	0	Mar-26	Mar-27	G
Beaumont Leys School – Bulge Works - Café and Canopy	110	0	-	Oct-25	B
St Johns/Glebelands Bulge Capacity	640	0	-	Nov-25	B
Early Years - Two Year Olds	593	0	-	Mar-26	G
Total	10,957	0			

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

2.1 Pindar Nursery – This is on hold whilst we review the requirements.

Capital Programme Project Monitoring 2025/26 P6

Housing (HRA)

1. Projects Summary

Project Name	Approved Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Dawn Centre Reconfiguration	1,104	0	May-23	Jan-26	A
St Matthews Concrete Works	1,633	0	Mar-24	Oct-26	A
Total	2,738	0			

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

2.1.Dawn Centre Reconfiguration – There has been delays in agreeing the additional improvements with the contractor, delaying the project.

2.2.St Matthews Concrete Work – Resourcing to undertake the concrete works on the St Matthews Estate and make the upgrades to the St Matthews Centre are shared. The works at the St Matthews Centre have been prioritised which has led to a delay to the wider estate works.

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 25/26 £000	2025/26 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	1,921	71	775	0
Planning, Development & Transportation	13,072	2,969	575	0
Tourism, Culture & Inward Investment	1,014	179	190	0
Neighbourhood & Environmental Services	966	0	120	0
Estates & Building Services	5,721	511	1,309	0
Housing General Fund	11,507	1,555	7,638	0
Children's Services	17,048	2,625	4,899	0
Adult Social Care	250	0	200	0
Total (excluding HRA)	51,499	7,910	15,706	0
Housing Revenue Account	24,731	15,020	1,208	417
Total (including HRA)	76,230	22,930	16,914	417

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2025/26 Spend £000	Slippage £000	Over/ (under) Spend £000
Feasibility Studies	CDN	1,921	71	775	0
Transport Improvement Works	CDN (PDT)	4,764	1,476	0	0
Bus Engine Retrofitting	CDN (PDT)	376	0	0	0
Highways Maintenance	CDN (PDT)	6,091	1,085	0	0
Flood Strategy	CDN (PDT)	321	86	0	0
Festival Decorations	CDN (PDT)	55	7	0	0
Local Environmental Works	CDN (PDT)	400	264	0	0
Architectural & Feature Lighting	CDN (PDT)	30	0	30	0
Front Wall Enveloping	CDN (PDT)	582	0	400	0
Secure Cycle Parking (TCF Funded)	CDN (PDT)	338	2	145	0
Street Nameplates City Branding Programme	CDN (PDT)	24	24	0	0
Historic Building Grant Fund	CDN (PDT)	91	25	0	0
Heritage Interpretation Panels	CDN (TCI)	370	78	70	0
Local Shopping Centres Reopening & Improvement Programme	CDN (TCI)	494	103	120	0
Community Asset Transfer	CDN (TCI)	150	(2)	0	0
Grounds Maintenance Equipment	CDN (NES)	150	0	50	0
Evington Park Depot Staff Welfare Facilities	CDN (NES)	140	0	0	0
Street Cleaning Equipment	CDN (NES)	445	0	0	0
Public Toilet Automatic Locking	CDN (NES)	176	0	0	0
Trees and Woodland Stump Grinder	CDN (NES)	55	0	0	0
Corporate Estate	CDN (EBS)	1,358	90	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	4,363	421	1,309	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,775	923	575	0
Repayable Home Repair Loans	CDN (HGF)	121	0	100	0
Vehicle Fleet Replacement Programme	CDN (HGF)	8,323	489	6,963	0
Action Homeless' Supported Living Scheme	CDN (HGF)	288	143	0	0
School Capital Maintenance (CCIP works)	SCE (ECS)	15,897	2,177	4,654	0
School Capital Maintenance (TMBs + other)	SCE (ECS)	756	448	0	0
Foster Care Capital Contribution Scheme	SCE (ECS)	395	0	245	0
Extra Care Feasibility	ASC	250	0	200	0
Total (excluding HRA)		51,499	7,910	15,636	0

Work Programme	Dept/ Division	Approved £000	2025/26 Spend £000	Slippage £000	Over/ (under) Spend £000
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,658	1,562	1,158	0
Council Housing - Boiler Replacements	CDN (HRA)	2,000	1,218	0	0
Council Housing - Rewiring	CDN (HRA)	1,610	608	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,200	536	0	0
Council Housing - Insulation Works	CDN (HRA)	200	126	0	0
Council Housing - External Property Works	CDN (HRA)	1,158	917	0	417
Council Housing - Fire and Safety Works	CDN (HRA)	600	220	0	0
Council Housing - Community & Environmental Works	CDN (HRA)	1,757	65	50	0
Affordable Housing - Acquisitions	CDN (HRA)	6,067	5,895	0	0
Public Realm Works	CDN (HRA)	732	112	0	0
New House Build Council Housing	CDN (HRA)	6,750	3,761	0	0
Total HRA		24,731	15,020	1,208	417
Total (including HRA)		76,230	22,930	16,844	417

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 **Green Homes** – The report recommends the addition of £485k for Green Homes, financed from government grant funding through the Department for Energy Security and Net Zero. The funding from DESNZ (Warm Homes Local Grant scheme) is for energy efficiency and low carbon heating grants for low income private households in Leicester.
- 3.3 **Feasibility Studies** – The feasibility programme includes multiple schemes, with budget expected to slip into next year due to a mix of factors, including contractor withdrawal, staffing gaps, and procurement delays. There has also been a focus on in-year delivery, reducing feasibility activity this year.
- 3.4 **Architectural & Feature Lighting** - There are several projects in the pipeline, and we continue to work with third parties to progress these through to delivery.
- 3.5 **Front Wall Enveloping** - We are currently working through securing the property owner permissions for the Welford Road scheme and progressing procurement of a project manager and contractor to deliver the works. It is now unlikely works will commence much before the end of the financial year and slippage is therefore anticipated.
- 3.6 **Secure Cycle Parking (TCF Funded)** - A contractor has been appointed, and design work is underway, but some projects are likely to slip into the next financial year due to constrained supplier availability.
- 3.7 **Heritage Interpretation Panels** – Research and writing work has been progressing as planned and there is confidence that the current phase will be delivered by the end of the year. The slippage will be used to finance ongoing project management costs in 2026/27
- 3.8 **Local Shopping Centres Reopening & Improvement Programme** - Works are underway for shop front grants and neighbourhood improvements. Work to assess a further two areas for neighbourhood improvements are likely to slip into the next financial year.

- 3.9 **Grounds Maintenance Equipment** - Some slippage is expected due to lead times on made-to-order and imported products.
- 3.10 **Corporate Estate** - This report recommends the addition of £1,036k for the Corporate Estate Work Programme into 2026/27, financed through the Haymarket Reserve. This is a capital reserve which is credited each year with the extent of the revenue surplus generated by the Haymarket Shopping centre and exists to support capital maintenance and reinvestment in the centre.
- 3.11 **Property & Operational Estate Capital Maintenance Programme** - Prioritisation of the Curve has meant that there is insufficient time to procure and get consents for £0.5m of other works that are weather dependent; these will now be programmed for the first quarter of 2026/27. The remainder of the slippage relates to the Haymarket Shopping Centre for which a new strategic approach is being developed; works will be rephased into 2026/27. The report notes the planned transfer of £925k of the Haymarket budget from the Property and Operational Estate Work Programme to the Corporate Estate Work Programme
- 3.12 **Private Sector Disabled Facilities Grant** – Additional grant was awarded to the Council at the end of 2024/25 and whilst efforts have been made to increase contractor capacity, this is taking longer than hoped. Unfortunately, significant work has been undertaken to utilise this funding however the service has seen an uplift in cancellations of works by residents equating to 30% of all cases that officers work on. This has been a major part of the underspend.
- 3.13 **Repayable Home Repair Loans** - To release capacity to maximise delivery of Disabled Facilities Grants, the Home Improvement Team are only processing loans in emergency cases. This will result in slippage of £100k into 2026/27.
- 3.14 **Vehicle Fleet Replacement Programme** - Due to the lead times associated with the procurement of vehicles, £6,963k of the current budget has been slipped into 2026/27.
- 3.15 **School Capital Maintenance (CCIP works)** - Slippage on the programme is due to school's access issues to carry out the larger schemes. Individual Access Needs slippage is due to complexity in pipeline works.
- 3.16 **Foster Care Capital Contribution Scheme** – Slippage mainly due to delays in planning approvals, which are taking longer than anticipated.

- 3.17 **Extra Care Feasibility** - The budget was approved in June 2025. Procurement activities are currently underway to appoint the required services, with appointments anticipated in December 2025. The subsequent work programme is expected to span approximately 8–10 months.
- 3.18 **Council Housing - New Kitchens and Bathrooms** - There is limited contractor capacity to complete upgrades to kitchens and bathrooms with resource being prioritised to the General Fund property acquisitions programme.
- 3.19 **Council Housing - External Property Works** - Works for the roofing replacement programme have been prioritised to mitigate the need for expensive temporary repairs. Positively, it has been possible to make advance progress into next year's programme. Subject to approval of the 2026/27 budget, this will fund the overspend.
- 3.20 **Council Housing - Community & Environmental Works** - £50k remains unallocated on this rolling programme. Community engagement will take place during the year to prioritise schemes on which to allocate this.

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 2025/26 financial year.

Provision	Dept/ Division	Approved £000	2025/26 Spend £000	Remaining Budget £000
Aikman Avenue District Heating	CDN (EBS)	195	0	195
Council House - District Heating	CDN (HRA)	455	0	455
St Paul's Church	CDN (PDT)	400	0	400
District Heating Metering	CDN (HGF)	1,024	0	1,024
District Heating Metering	CDN (HRA)	380	0	380
Total		2,454	0	2,454

- 1.3 Since the previous monitoring report, the following transfer has been made from a Provision to a Project: Early Years - Two Year Olds
- 1.4 Since the previous monitoring report, the following schemes have been moved from Projects to Provisions: Aikman Avenue District Heating and St Paul's Church. They have been moved to provisions as they are sums of money set aside in case they are needed and may not be required. The schemes are not yet ready for delivery, with key information and approvals still outstanding.

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

1.1 As at the end of the quarter two in 2025/26, 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	2025/26 Spend £000	Over/(Under) Spend £000
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	12	0	0
High Streets Heritage Action Zones	CDN (PDT)	177	63	0
Electric Bus Investment and Grant	CDN (PDT)	8	0	0
Pioneer Park - Levelling Up	CDN (PDT)	867	213	0
Air Quality Action Plan	CDN (PDT)	1	0	0
Gresham Business Workspace	CDN (TCI)	8	10	2
Pilot House - Levelling Up	CDN (TCI)	2,201	1,932	0
Climate Change Retail Scheme	CDN (TCI)	17	0	0
Community Digital Grant	CDN (TCI)	7	0	(7)
Jewry Wall Museum Improvements	CDN (TCI)	1,754	1,607	0
PV Panels at Evington Leisure Centre	CDN (NES)	91	0	0
Study Zones	CDN (NES)	56	45	0
St Margaret's Pastures Skate Park	CDN (NES)	295	289	0
Saffron Lane Athletics Stadium S106 Improvements	CDN (NES)	27	0	0
Franklyn Fields Public Open Space	CDN (NES)	31	0	0
SuDS in Schools	CDN (EBS)	66	35	0
Tiny Forests in Leicester Schools and Parks	CDN (EBS)	4	0	(4)
Haymarket Theatre - Internal Completion Works	CDN (EBS)	19	0	0
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	0
Leisure Centre Air Handling Units	CDN (EBS)	14	0	0
The Curve Remedial Works	CDN (EBS)	1,613	1,463	0
Additional Primary School Places	SCE (ECS)	20	0	(20)
Expansion of Oaklands Special School	SCE (ECS)	710	61	0
Overdale Infant and Juniors School Expansion	SCE (ECS)	219	45	(174)
Family Hubs	SCE (ECS)	102	35	0
S106 Additional School Places	SCE (ECS)	366	0	0
Winstanley Contact Centre	SCE (ECS)	18	10	(8)
Bridlespur Way Refurbishment	CDN (HRA)	220	383	0
Total		9,013	6,191	(211)

POLICY PROVISIONS**1. Summary**

- 1.1. As at the end of the 2025/26 financial year, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CDN (TCII)	Tourism & Culture	10
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	1,813
SCE (ASC)	Extra Care Schemes	5,686
Other	Black Lives Matter	435
All	Programme Contingency	2,800
Total (excluding HRA)		15,437
CDN (HRA)	Other HRA Schemes	750
Total HRA		750
Total (including HRA)		16,187

- 1.2. Since the previous monitoring report, £110k from the New School Places Policy Provision has been released to finance the Beaumont Leys School (Bulge Works - Café and Canopy) project.

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.

	2025/26 Authorised Limit £m*	2025/26 Operational Boundary £m*	Debt at 30/09/25 £m	Complied?
Borrowing	650	550	216	Yes
PFI and Finance Leases	500	450	80	Yes
Total debt	1,150	1,000	296	

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	30/09/25 Actual £m	Complied?
Under 12 months	50	Nil	28	Yes
12 months and within 24 months	100	Nil	15	Yes
24 months and within 5 years	150	Nil	12	Yes
5 years and within 10 years	200	Nil	8	Yes
10 years and within 25 years	250	Nil	19	Yes
25 years and over	300	Nil	115	Yes

3. Short-term Treasury Management Investments

The Council is allowed to utilise a broad range of investment instruments but in practice things are kept straight forward concentrating on other Local Authorities & similar bodies, UK Registered Banks and Money Market Funds (MMF). As of 30 September 2025, the council held £100m in short-term investments including £75m in MMFs which allow the Council instant access for liquidity purposes.

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 30 September 2025 was £10m which includes £5m in property funds, 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 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.