

Executive Decision Report

CAPITAL BUDGET MONITORING 2012/13 – OUTTURN

Decision to be taken by: City Mayor

Decision Date: 22nd July 2013

Lead director: Alison Greenhill

Overview Select Committee: 22nd August 2013



City Mayor

Useful information

- Ward(s) affected: All
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- Report version number: 1

1. Summary

The purpose of this report is to show the position of the capital programme for 2012/13 at the end of the financial year. This is the fourth and final report of the financial year.

2. Recommendations

The Executive is recommended to:

- Note the outturn on the capital programme for the year
- Approve the slippage requested into 2013/14.
- Approve the transfer of underspends on Education and Children's Services' capital schemes (£4.001m) to the policy provision held for new primary school places, in order to maximise the funding available to meet this need. The uncommitted balance on the policy provision will consequently amount to £9.5m in 2013/14.
- Note that Appendix 5 provides a definitive schedule of all extant capital schemes for which there is approved budgetary provision
- Note that significant receipts from land sales were received in 2012/13, with a view to using these for phase 2 of the Economic Action Plan. In total, a sum of £13.5m is now available for the EAP

The OSC is recommended to:

- Note the position detailed in this report and make any observations it sees fit.

3. Commentary

The capital programme is split into 2 parts:

- (a) "immediate starts", for which approval is delegated to directors to commit expenditure;
- (b) "policy provisions", which are sums of money set aside for generally described purposes, and which are released for spending when approval is given by the Executive. At this point, the money is transferred to an "immediate start" budget.

Monitoring of the programme therefore tracks expenditure primarily on the immediate start programme.

The Council has spent £76.4m on capital works in 2012-13 out of a final budget of £98.8m. This equates to 77% of the overall programme, with significant slippage in many areas totalling £22.4m.

Most of this slippage was forecast in the Period 9 monitoring report, and certain areas of slippage are beyond the Council's control (for example because of events such as bad weather). Nevertheless, the Council will seek to continue focusing on the delivery of capital projects to projected timescales in order to ensure that projects are delivered on schedule and necessary changes to the programme are highlighted.

Under the Council's finance procedure rules, approval to carry forward slippage into the following financial year is automatic, unless the City Mayor determines otherwise at the outturn stage. The slippage it is proposed to carry forward is detailed in Appendices 2-4.

During 2012/13, receipts have been received to the value of £15.3m. This is considerably in excess of usual, and receipts have been generated to fund the Economic Action Plan. This is a major, phased programme to revitalise the economy of the city. Phase one was approved in November 2012, and included projects with a total value of £50m. The Council's contribution to this cost is now fully included in the capital programme, and substantial spending will take place in 2013/14. The receipts raised in 2013/14 mean there are now resources which can be set aside to fund the second phase of the EAP, and £13.5m can be used for this purpose.

The Council's capital programme for 2013-14 and 2014-15 is included at Appendix 5. The appendix shows all currently approved capital schemes, and includes slippage from 2012-13 as well as budgeted spend in 2013-14 and 2014-15.

Prior to 2012/13, the Council's capital programme was approved in separate parts, corresponding to the Government department providing support. Thus, there were separate programmes for transport, housing and education in addition to the corporate programme. Since 2012/13, the Council has only had one separate programme, being the programme financed from ringfenced Housing Revenue Account contributions. Consequently, all grant received is available to fund the programme as a whole, except where it is subject to specific conditions about what it can be spent on (very little grant falls into this category). Resources brought forward from previous years, which would have been used to support separate programmes had they been spent at the time, have now been amalgamated, and there are therefore no departmental specific sums in the Council's bank account.

4. Details of Scrutiny

The Overview and Select Committee has been asked to consider the overall position presented in this report and make any observations it sees fit.

5. Financial, legal and other implications

5.1 Financial & Legal implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 29 7401

6. Background information and other papers:

26th January 2012

- Council Housing Capital programme 2012/13 - 2014/15

29th March 2012

- City Works and Improvements Capital Programme 2012/13 to 2013/14

18th October 2012

- Capital Budget Monitoring 2012/13 – Period 4

13th December 2012

- Capital Budget Monitoring 2012/13 – Period 6

18th April 2013

- Capital Budget Monitoring 2012/13 – Period 9

7. Summary of appendices:

Appendix 1 - Outturn Financial Position of Capital Programme 2012/13

Appendix 2 - Summary of Adult Social Care, Health and Housing Projects

Appendix 3 - Summary of Children's Services Projects

Appendix 4 - Summary of City Development and Neighbourhoods

Appendix 5 – Summary of Capital Programme 2013-14 to 2014-15

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

No

10. If a key decision please explain reason

Appendix 1

LCC Capital Outturn 2012-13

Strategic Director	Division	Current Approved Programme 2012/13	Spend 12-13	Forecast Year End Slippage / Re-phasing*	Percentage of Spend compared to Approved programme
		£'000	£'000	£'000	%
Adult Social Care, Health & Housing	Adult Social Care	1,715	516	1,199	30%
	Housing Services (HRA)	24,334	18,875	5,459	78%
	Housing Strategy and Options	3,046	2,214	832	73%
Children's Services	Children's Social Care & Safeguarding	176	119	57	68%
	Young People's Services	116	116	-	100%
	Learning Services	240	16	224	7%
	Property (Children's Services)	9,029	6,261	2,768	69%
	Property (BSF)	25,546	25,546	-	100%
City Development & Neighbourhoods	Integrated Transport	13,432	8,615	4,817	64%
	Planning and Economic Regeneration	9,182	4,501	4,681	49%
	Culture & Neighbourhood Services	3,363	2,641	722	79%
	Environmental & Enforcement Services	3,475	2,992	483	86%
	Property (Operational)	5,142	4,031	1,111	78%
TOTAL		98,796	76,443	22,353	77%

Adult Social Care, Health and Housing Projects

1. Summary

- 1.1. The projects comprising the Adult Social Care (ASC), Health and Housing Capital programme have spent £21.6m in the year. This equates to 74% of their approved capital programme of £29.1m.
- 1.2. The Adult Social Care, Health and Housing programme is split into 2 distinct areas – Adult Social Care, and Housing. Housing is reported in two further categories to reflect those projects funded via the Housing Revenue Account (HRA) - the cost of which is met by tenants - and those relating to General Fund areas.

2. Adult Social Care

- 2.1. The table below highlights the £1.7m approved Capital Programme for Adult Social Care and the significant slippage at year end. In part the slippage has been the result of capital costs being met from revenue. The ASC directorate remained within its budget in 2012-13, as set out in the separate revenue outturn report, and was able to meet some capital costs from revenue in order to maintain capital resources.
- 2.2. The outturn was as follows:

Project	Approved £000	Expenditure £000s	Slippage /Transfer £000	% spent in 12-13
ICT Investment (electronic care monitoring, rostering & scheduling)	70	-	70	0%
Adult Social Care IT Infrastructure	8	8	0	100%
Social Care Reform Grant (mobile working)	50	4	46	8%
Elderly Persons Homes	462	25	438	5%
Social Inclusion (changing places)	250	45	205	18%
Supported Living (including Extra Care) (additional units)	425	300	125	71%
Early prevention & Intervention (assistive technology & telecare)	300	135	165	45%
Hastings Road (refurbishment)	150	0	150	0%
Total	1,715	517	1,199	30%

- 2.3. The programme includes £70k for investment in electronic care monitoring, scheduling and rostering. This spend is dependent upon the implementation of the new social care IT system and will now slip into 2013/14.
- 2.4. The Social Care Reform Grant is for expenditure on mobile working for social workers. The pilot is to begin in 13/14 and thus there has been slippage from 12-13.
- 2.5. During 12/13 urgent EPH works have very largely been funded from revenue (£287k) rather than capital (£38k). This use of revenue funding has allowed £160k of the capital budget to be transferred to the purchase of the new IT system. An underspend of £264k is included in the slippage figures above but it is proposed that this is not carried forward and residual urgent works (if any) are met from the Central Maintenance Fund.
- 2.6. Social inclusion incorporates 'changing places' which enables profoundly disabled people to have access to community venues. Some slippage has occurred due to delayed commencement of building works.
- 2.7. The council is supporting the redevelopment of Abbey Mills into an extra care facility in return for 100% nomination rights for 50 units which can be used for a range of vulnerable adults. The current year contribution is £300k and this will be followed by further payments of £350k and £100k in 2013/14 and 2014/15 respectively.
- 2.8. Other supported living capital is primarily being used towards the modernisation of bungalows and minor works to warden-assisted accommodation and other forms of supported living. Delays in the commencement of building works will lead to some slippage.
- 2.9. Assistive technology and telecare projects are now well underway after initial recruitment delays. In addition to capital expenditure of £136k, £35k of early prevention funding has been re-directed to fund the new social care IT system, which is to be implemented by April 2014
- 2.10. The Hastings Road Day Centre is being re-designed to create a resource hub for disabled people to access short term crisis support. There have been some delays at the design stage of the project resulting in slippage into 2013-14.

3. Housing Services

- 3.1. The table below summarises the £27.4m approved Capital Programme for Housing Services and the related expenditure;

Programme Area	Funded	Approved £000	Expenditure £000s	Slippage /Transfer £000	% spent in 12-13
Providing Quality Rented Homes	HRA	13,494	10,211	3,284	76%
Creating Thriving, Safe Communities	HRA	1,889	1,541	349	82%
Reducing Our Carbon Footprint	HRA	6,448	5,558	890	86%
Providing Housing Appropriate to Need	HRA	1,610	1,283	327	80%
Investing in Skills & Enterprise	HRA	450	0	450	0%
Redundancy, Operational and Other Costs	HRA	443	283	159	64%
General Fund Activities	GF	3,046	2,214	832	73%
Total		27,380	21,090	6,291	77%

- 3.2. Providing Quality Rented Homes makes up nearly 50% of the approved programme for Housing Services and includes projects such as the Kitchen and Bathroom replacement scheme (£6.7m), re-wiring of the Council Housing portfolio (£1.9m) and the St Peters Tower Block Refurbishment (£1.8m).
- 3.3. Significant slippage is expected on four Providing Quality Rented Homes projects. These are the St Peters Tower Block Refurbishment (£0.9m) due to the tender process being delayed until November, E-Communications for Mobile Repairs (£0.6m) which has had delays due to supplier software errors discovered during testing, Safety Works (£0.2m) due to lower than anticipated spend on water tank replacements and targeted alarms (these works are carried out on a responsive basis) and Kitchen and Bathroom replacement (£1.5m) due to insufficient availability of contractors.
- 3.4. Creating Thriving, Safe Communities is predominantly focused upon community environmental works (£1.2m) such as improving communal areas in the City's neighbourhoods. Slippage of £0.2m relates to delays on demolition works on the Exchange

redevelopment and Supporting Neighbourhood Hubs for which planned work has now been agreed after community consultation and will commence in 2013/14.

- 3.5. Reducing Our Carbon Footprint uses 57% of its approved programme for replacing central heating boilers (£3.6m). However, it also undertakes other smaller projects such as Window and Door Replacement (£0.5m) and Condensation Initiatives to improve household energy efficiency (£0.4m). Slippage relates to £0.1m for loft insulation due to the current Government funding/Procurement contract having finished (a new procurement contract will not be in place until the start of the new financial year) and £0.2m window and door replacement at St Leonards Court which is due to start in 2013/14.
- 3.6. Providing Housing Appropriate to Need is nearly all focused upon Disabled Adaptations (£1.4m). Slippage of £0.33m occurred due to a reduced level of requests being received.
- 3.7. Investing in Skills and Enterprise has as its main project the Leicester at Work Initiative (£0.4m) which will now be funded from revenue.
- 3.8. Redundancy & Operational Costs includes £0.3m to cover potential redundancy costs; however these (if they do now occur) will be met from revenue provision, and the funds will not be spent.
- 3.9. Since preparing the capital programme the need to replace the Open Housing System has arisen. The current system is no longer fit for purpose and the software licence is due to expire. The estimated cost is £1.4m, £0.3m of which will be met by savings in redundancy costs described in 3.7. The balance will be met by the 2013/14 HRA capital programme.
- 3.10. The General Fund Activities are largely taken up by the Disabled Facilities Grant (£2m) which aims to improve disabled access across our housing estate. There is also the new Repayable Home Repairs Grant (£0.6m) which aims to give small grants to home owners with economic difficulties to make small improvements to their property. Slippage of £0.58m on the Repayable Home Repairs Grant was due to staff resourcing issues meaning not all cases were processed by year end.
- 3.11. Approval was given in December 2012 for £0.7m (£0.2m 2012/13, £0.5m 2013/14) of Private Sector Housing projects which includes work to improve the condition of private sector rented housing, residential street scene improvements and shared alleyway improvements. This project was reprogrammed to 2013-14 and no spend was made in 2012-13.
- 3.12. The HCA has now approved an application whereby the Council is to receive £60k per annum on a matching basis when expenditure is incurred for each of the next 3 years to bring empty private dwellings back into use as leased properties. Following further discussions with the HCA indications are that the total of £180k could be drawn upon over a shorter time period.

4. Policy Provisions

- 4.1. At the end of the year a number of Policy Provisions for Adult Social Care, Health and Housing Projects still await formal approval for allocation to specific schemes:

Service Area	Project	Amount £000
Adult Social Care	Adult Care Transformation	4,231
Housing Services	Gypsies and Travellers	738
Total		4,969

Children's Services Projects

1. Summary

- 1.1. The projects comprising the Children's Services Capital programme have spent £32.1m at the year end, including the Building Schools for the Future programme.
- 1.2. This equates to 89% of the approved capital programme of £35m.
- 1.3. The Children's Service Capital Programme is reported, for monitoring purposes, in three distinct sections; programmes which are directly controlled by Children's Services (£0.5m); major schemes managed by the City Development and Neighbourhoods Property Services Division (£9m); and the Building Schools for the Future programme (£25.5m).

2. Children's Services Directly Controlled Projects

- 2.1. The table below highlights the £0.5m approved Capital Programme for Children's Services directly controlled projects:

Project	Approved £000	Spend to date £000	Slippage/ Transfer £000s	% Spent in 12-13
Integrated Children's System	68	41	27	60%
AHDC Short Break Grant	240	16	224	7%
Children's Centre Works	61	61	0	100%
Adventure Playgrounds & Youth Centres	55	55	0	100%
Children's Residential Homes	78	78	0	100%
Contact Centre Refurbishment	30	0	30	0%
Total	532	251	281	47%

- 2.2. The integrated children's system scheme relates to the project management costs for upgrades to the child and educational record management IT system. £41k of the £68k cost has been spent in 2012/13. £27k will be spent in the new year as a result of delays in finalising the tender specification.
- 2.3. The majority (£215k) of the Aiming Higher for Disabled Children grant funding of £240k will be used to fund a therapeutic pool at Westgate Special School which will be completed as part of the BSF programme at the school. The BSF works will in fact not commence until 2013/14. The expenditure of £16k to date relates to other projects and has been used for a number of small contributions to local providers to support the independent living skills for disabled young people.
- 2.4. A provisional sum of £100k for children's centre works was included in the budget to cover annual refurbishments and other capital maintenance. The full provision was not needed in

2012/13. £39k of the expenditure incurred relates to the main item, the re-location of the Babington Bear Children's Centre from its current site at Babington Community College to Bishop Dale family centre due to BSF.

- 2.5. A provisional sum of £200k for annual refurbishment and other capital maintenance works to adventure playgrounds and youth centres was included in the 2012/13 budget. The full provision was not needed in 2012/13. The main works have been at the Highfields and Goldhill adventure playgrounds.
- 2.6. The full provisional allocation for works to the children's residential homes was not needed in 2012/13. Refurbishment works will have taken place at the St Martins contact centre, Barns Heath House, 124 and 126 Wigston Lane and Netherhall Road.
- 2.7. The contact centre refurbishment scheme is the conversion of a garage to a reception room at the St Andrew's contact centre. This scheme will complete in the new financial year due to delays in the tendering process.
- 2.8. The table above represents a total underspend on projects of £206k which has been deducted from the approved budgets for the relevant schemes. If the recommendations of this report are approved, the sum will be added to the amount available in 2013-14 for new primary school places.

3. Property Services (Children's Services)

- 3.1. The table below summarises the £9m approved Capital Programme for Children's Services but are managed by the City Developments and Neighbourhoods Division:

Programme Area	Approved £000	Spend 12-13 £000	Slippage/ Transfer £000	% Spent in 12-13
Barleycroft Primary School	161	161	0	100%
St Barnabas Primary School	2,170	1,731	431	80%
Mellor Primary School	1,075	101	974	9%
Willowbrook Primary School	635	635	0	100%
Scraptoft Primary School	775	775	0	100%
Montrose Primary School	1,956	1488	468	76%
Contingencies, retentions & feasibility works	28	28	0	100%
Braunstone Community Primary School	600	22	578	4%
Temporary Pupil Places	3	3	0	100%
School Kitchen Scheme	803	803	0	100%
School Maintenance	268	268	0	100%
School Access Needs	77	77	0	100%
Riverside School Demolition	450	133	317	30%
Other minor works	28	28	0	100%
Total	9,029	6,261	2,768	69%

- 3.2. The table above reflects a total underspend on projects of £3.795m which has been deducted from the approved budgets for the relevant schemes. If the recommendations of this report are approved, the sum will be added to the amount available in 2013-14 for new primary school places. The approved budget for 2012-13 is consequently reduced to £9.029m.
- 3.3. Refurbishment works at Barleycroft Primary school including new circulation space, additional teaching accommodation and specialist teaching areas has been completed.
- 3.4. The first phase of refurbishment works at St Barnabas Primary school was completed in January this year which included the conversion of a vicarage into new classrooms, meeting

rooms, offices and a new dining/community hall and reception. A second phase including works to the community room, new foundation classrooms, new toilets and hygiene facilities together with changes to the outdoor play and teaching areas and landscaping will now complete in the new financial year. This has resulted in financial slippage of £0.4m.

- 3.5. The remaining elements of the new build scheme (carried forward from the previous year) at Mellor Primary school were completed in year apart from works to the playground which will complete in the new year.
- 3.6. The second scheme at Mellor will fit out an additional 6 classrooms so that the school becomes a 3 form entry school to support the need for additional school places across the city from September 2013. Delays in completing the new build works (following the discovery of asbestos) has meant that whilst this second scheme will be complete in August 2013 as required, works will only commence in the new financial year resulting in significant reported slippage of £0.8m
- 3.7. Schemes at Willowbrook and Scraftoft Primary were completed in September 2012. £1.4m of combined contingency budgets were not required.
- 3.8. The Montrose Primary School scheme includes the new build of a school and community hall for sports and dining, new classrooms, offices, ICT suite, meeting rooms and replacement heating and fire alarm system. The heating, fire alarm system and the conversion of the old ICT suite into new classrooms will now be completed in the school summer vacation period. This has resulted in slippage of nearly £0.47m and there will be project under-spend of £0.7m due to contingency budgets not being required.
- 3.9. The contingencies, retentions and feasibility works includes £0.35m of funding available for over-spends on projects. This will not be required.
- 3.10. The scheme at Braunstone Community Primary will provide an extension to the school to meet the increase in planned admission numbers with an increase in capacity of 105 places from September 2013. Works on this scheme will now commence in 2013/14 (resulting in financial slippage of £0.6m) and will complete in time for the start of the new term.
- 3.11. A provision of £0.5m was included in the budget for the provision of mobile classrooms or other works to accommodate unforeseen additional pupil places. In fact additional pupils from the September 2012 admissions have been managed by utilising existing spare capacity in schools and the provision has not been needed.
- 3.12. Contributions to new kitchen projects at Crown Hills and the City of Leicester College of £0.8m have been made. A provision for contributions towards retentions on kitchen schemes from previous years of £0.16m is no longer required.
- 3.13. A provisional sum of £0.5m is included in the programme on an annual basis for reactive capital maintenance in schools. The full provision has not been required. The most

significant item of expenditure (£0.25m) has been the replacement of the heating system and other works at Forest Lodge Primary School. It was announced by DfE in May 2012 that Forest Lodge had been included in the Priority School Building programme, a national scheme to refurbish or replace those schools in greatest need. There has been no further progress by the DfE on this scheme since the announcement.

- 3.14. A provisional sum of £0.2m is included in the programme on an annual basis for individual access needs of pupils that require specific works or equipment at schools due to disability. £77k was spent in 2012-13.
- 3.15. The demolition of Riverside Community College will now complete in early 2013/14. There have been delays caused by bat surveys and in completing the removal of asbestos.
- 3.16. The City Mayor approved a contribution of £0.8m from the primary places policy provision for the Westgate Special School BSF redevelopment in January 2013. This project will commence in 2013-14.

4. Building Schools for the Future (BSF)

- 4.1. BSF schemes are added to the capital programme individually once they have reached financial close. Some £25.5m has been spent in 2012-13. This represents 100% of the budgeted spend in the year
- 4.2. A significant proportion of the 2012/13 programme relates to the refurbishment of Rushey Mead Secondary School. Hand-over of the school took place in June 2012, with the remaining scheduled works completed by March 2013. Only remedial works and retention payments remain outstanding. Work on the Children's Hospital School is complete and a completion certificate was finalised in April 2013. The ICT capacity at Fullhurst Community College is to be enhanced.
- 4.3. Between December 2012 and March 2013, contracts were signed for twelve more schools, namely Keyham Lodge, Millgate, New College, Ellesmere, Sir Jonathan North, Moat, Lancaster, English Martyrs, St Pauls, Babington and Hamilton and Netherhall. The initial payments have been made and the majority of expenditure will be in 2013/14 and 2014/15. Of the remaining two schools, Westgate has recently reached contract close and Ashfield is expected to reach contract close imminently.
- 4.4. There is provision of £1.3m in the capital programme to support the Private Finance Initiative (PFI) scheme at Crown Hills and City of Leicester schools. The significant majority of the initial capital costs are financed by the PFI company. These schools are scheduled to move into their new buildings after the October 2013 half term.

5. Policy Provisions

5.1. There are three Policy Provisions for Children's Services Projects:

Project	Amount £000
New Primary School Places	9,508
Planned School Maintenance	6,288
2yr Olds Capital	793
Total	16,589

5.2. The sum above for new primary places is in addition to the £15m programme already approved by the executive to commence in 2013-14 (see Appendix 5).

5.3. The programme of works for capital maintenance will be the subject of a further report.

City Development and Neighbourhoods Projects

1. Summary

- 1.1. The projects comprising the City Development and Neighbourhood Capital programme had spent £22.8m at outturn. This equates to 64% of their approved capital programme of £34.6m.
- 1.2. The City Development and Neighbourhoods Department is reported in six sections, summarised in the table below.

Service	Approved £000	Spend 12-13 £000	Slippage/ Transfer £000s	% Spent in 12-13
Integrated Transport	13,432	8,615	4817	64%
Planning & Economic Regeneration	9,182	4,501	4,681	49%
Culture & Neighbourhood Services	3,363	2,641	722	79%
Environmental & Enforcement Services	3,475	2,992	483	86%
Property (Operational)	5,142	4,031	1,111	78%
Total	34,594	22,780	11,814	66%

2. Integrated Transport

- 2.1. Integrated Transport programme outturn was £8.6m or 64% of its approved programme of £13.4m. The main item of slippage relates the later start of the Street Lighting CMS project. The table below summarises the out-turn;

Service	Approved £000	Spend 12-13 £000	Slippage/ Transfer £000s	% Spent in 12-13
Congestion & Carbon Strategies	473	401	72	84%
Accessibility Strategy	3,945	2,470	1,475	63%
Active Travel & Road Safety	581	203	378	35%
Local Transport Plan - Monitoring	300	254	46	85%
Capital Maintenance	5,388	2,715	2,673	50%
Other H&T Schemes	1,169	997	172	85%
Vehicle Replacement Scheme	1,576	1,576	-	100%
Total	13,432	8,615	4,817	64%

- 2.2 Congestion and Carbon Strategies are providing funding for a rolling programme of CCTV redevelopments, network performance monitoring, system integration and upgrade, and signing work. Remedial works on the Sanvey Gate Junction Improvement Scheme identified in the final road safety audit have been incorporated and are now complete. Public Consultation on the Aylestone Quality Bus Corridor was completed at the end of October.

The City Mayor approved the design of the scheme in December. The main highway improvement works began on site mid April 2013.

- 2.2. Accessibility Strategy is programmed for schemes such as; completion of bus lane enforcement in the city centre, completion of the Humberstone Gate East Scheme (completed in May 2013), provision of more level access bus stops and dropped kerb crossings. Some Local Sustainable Transport Funding (LSTF) is also being spent on this priority; two LSTF Cycle Hubs have been completed in this year, namely Town Hall Bike Park Refurbishment and Adult Education Centre Cycle Works. Slippage of £0.7m is requested, £0.3m for the anticipated retention on the Humberstone Gate East Scheme and £0.25m due to delays in preparing the specification for the Real Time Information system.
- 2.3. The Active Travel and Road Safety programme includes projects such as; local safety schemes (Welford Road/Overdale Road Junction Improvement Scheme, Beaumont Leys Lane/Parker Drive, and Vulcan Road Safety Scheme) and introduction of 20 mph schemes. The Welford Road/Overdale Road Junction Improvement Scheme was completed on site at the end of July 2012. The decision to approve a proposed programme of 20 mph schemes was announced on 12 June 2012. Consultation on three of the nine schemes is complete. The majority of spend on these schemes is expected to take place in 2013/14, hence £0.2m slippage is requested.
- 2.4. Local Transport Plan (LTP) Monitoring provides funding for staff costs and traffic surveys for monitoring performance of the various strategies of the LTP.
- 2.5. The Capital Maintenance scheme is made up of a number of projects including comprehensive maintenance for; Hot Rolled Asphalt Patching, Surface Dressing and Pre-Patching, Joint Seal, Footway Slurry Seal & Pre-Patching, Concrete Road Repairs, Footways, Unclassified Roads, Unclassified Road Carriageways and Bridges.
- 2.6. The budget for capital maintenance has been increased by £2.4m in 2012/13 for the energy reduction project for public lighting which was given Executive approval, and work commenced in October 2012. This scheme will take a number of years and will replace and reconfigure the City's current street lighting, and include utilising new technology which will reduce energy lighting consumption by up to 57% of current levels. Spend in 2012/13 was £0.4m due to a later start.
- 2.7. Traffic signal renewal had a budget of £355k. Of the 12 planned schemes; there was only one not completed, Charles St /St George's way due to design changes. Spend in 2012/13 was £242k, 68% with a slippage of £113k.
- 2.8. The Other Highways and Transport Schemes relate to the on-going 2011/12 Local Environmental programme which in itself contained 22 schemes. The schemes were completed in March 2013, except the Melbourne Road / Worthington Street scheme which was on hold. Additional funding was released to enable the delivery of Silver Street and King Street and to commence Applegate. The bridge maintenance scheme is being redesigned.

- 2.9. Given that work has only just completed on the 2011/12 Local Environmental Works programme, it is recommended that the 2012/13 allocation is not carried forward. There will remain a standard £0.4m annual allocation in 2013/14. Likewise, the annual provision for bridge maintenance (£0.15m) has not been spent, and carry forwards is therefore not recommended.
- 2.10. The on-going Vehicle Replacement scheme is progressing as planned with spend of £1.58m in 2012-13.

3. Planning & Economic Regeneration

- 3.1. The Planning and Economic Regeneration programme out-turn spend was £4.5m, 49% of its approved programme of £9.1m. The main item of slippage relates to the later start of the Innovation Workspace at Abbey Lane and the slow initial take-up of the LLEP Growing Places Fund by private developers. The table below summarises the out-turn;

Project	Approved £000	Spend 12-13 £000	Slippage £000s	% Spent in 12-13
Creative Industries Workspace Rutland St (Maker's Yard)	1,105	1,030	75	93
Leicester Business Centre	15	15	-	100
Leicester Science Park Innovation Workspace	3,022	1,889	1,133	63
Ashton Green	1,121	531	590	47
Cathedral Gardens (Design and Support)	75	56	19	75
Rally Park	81	81	81	100
Jubilee Square Early Works	182	182	-	100
Retail Areas Extension	150	36	114	24
Market Schemes Early Works	381	240	141	63
Leicester Food Park	50	18	32	36
Growing Places Fund (LLEP)	3,000	423	2,577	14
Total	9,182	4,501	4,681	49

- 3.2. The Creative Industries Workspace project, known as 'Makers Yard' has created 10 new units and 7 had been let by the end of March.
- 3.3. The Innovation Workspace is the first enabling intervention at the Leicester Innovation and Technology Park, and has potential to create around 150 jobs by 2015 (600 jobs over 15 years) and could accommodate a range of business types from emerging green technology companies to advanced manufacturing. Approval for construction was given in August 2012 and construction started at the end of October. Due to construction starting late in the year owing to external funding delays, there is slippage of £1.1m

- 3.4. The capital programme provision for Ashton Green represents costs at the developer procurement stage of the project. It also includes work on new highway construction for the employment land which is now underway. The project is a substantial undertaking to develop and build a sustainable neighbourhood based around 3,000 new homes in the north west of the city. The first stage of the construction is due to be completed in mid-June 2013 and the future occupiers of the site, Samworth Brothers are aiming to be on site in early 2014.
- 3.5. The Jubilee Square project is an integral element of the Connecting Leicester vision. The proposal includes the creation of a new public square at St Nicholas Place. The design for the proposed square is now complete and the planning application has subsequently been approved. We anticipate a start on site in July. The project is anticipated to be completed by May 2014. ERDF funding of £1.7m has now been approved.
- 3.6. The objective of the Retail Areas Extension is to improve the vitality and viability of independent retail shopping areas, primarily on 'gateway' routes to the city centre. The allocations for 2012/13 were revised due to a slow initial take up of shop front grants. £36k was spent against a revised budget of £150k; further £39k was paid in early 2013/14.
- 3.7. Redevelopment of the market is a key priority. The Market Schemes allocation predominantly supports the design process for the new City Centre Marketplace; details are currently being worked on and a planning application for phase 1 of the scheme was submitted in March. Executive approval for the main scheme will be sought in due course.
- 3.8. The City Mayor gave approval in October for Leicester City Council to become the accountable body for the Growing Places Fund for the LLEP. This is a revolving fund, which advances government money for new developments across city and county areas. The LLEP has agreed £4.5m of loans across 5 schemes which are being led by a combination of private and public sector led development schemes. Three schemes commenced on site in the later part of 2012/13 and a fourth in May 2013. One scheme (Melton Mowbray Office Park) has experienced some difficulties which required a re-design of the proposed works (site drainage) which has significantly delayed start on site.
- 3.9. Abbey Quarter started on site in October 2012, a little later than anticipated hence they had only drawn down £423k of the £982k loan.

4. Culture & Neighbourhood Services

- 4.1. The Culture and Neighbourhood Services programme had an outturn spend of £2.6m, 79% of its approved programme of £3.4m. The table below summarises the outturn 2012/13;

Project	Approved £000	Spend £000	Slippage/ Transfer £000s	% Spent in 12-13
Football Investment Strategy	2,570	2,283	287	89
Upgrade of Sports Income System	200	2	198	1
Renaissance Project – New Walk Museum	242	186	56	77
Renaissance Project – Belgrave Hall	175	148	27	84
New Walk Museum CCTV	95	-	95	-
Libraries Self Service Equipment	50	-	50	-
Other Projects	31	22	9	71
Total	3,363	2,641	722	79

- 4.2. The football investment strategy is nearly complete. Aylestone Playing Fields is complete. £287k has slipped into 2013/14 on Riverside Playing Fields due to the adverse weather conditions; scheme is anticipated to be completed in the autumn.
- 4.3. The tender for the new Electronic Point of Sale (EPOS) system has now been awarded. This will require slippage of £198k into 2013/14.
- 4.4. Arts Council funding has been secured for Renaissance projects at New Walk Museum and Belgrave Hall to enable improvements.
- 4.5. The work at New Walk Museum commenced in October 2012 with the gallery closing at this time to allow redecoration and improvements to take place. Work is on-going on the development of the new exhibition content. Unforeseen technical difficulties regarding the Victorian features have caused delay. The programme has been reconfigured to address this issue with slippage of £56k into 2013/14 and it is anticipated to be completed by September.
- 4.6. Belgrave Hall has received funding that will enable the site to operate as a heritage venue with increased income generating activities. Rooms and internal areas have been redecorated. However, external work in the gardens to allow a marquee to be erected for future events will commence after consultation on the external works, which are anticipated by October 2013. Capital funds of £27k will be slipped into 2013/14.
- 4.7. An installation of high specification security CCTV at New Walk Museum to improve security for the site and the collections was agreed in 2012. However, due to changes in procurement policy, a new procurement exercise has now been undertaken. This required the full capital sum of £95k to be slipped into 2013/14. The Contractor has now been appointed.

- 4.8. Procurement of the library self-service equipment (including revenue costs) was extended to six libraries and hence went above the European procurement threshold, requiring a procurement exercise.
- 4.9. Other projects - the Central Libraries consolidation and the Phoenix Square car park are complete.

5. Environmental & Enforcement Services

- 5.1. The Environmental and Enforcement Services programme had an outturn spend of £3m, 86% of its approved programme of £3.5m. The main item of slippage relates to delays to a playing surface installation at Spinney Hill Park. The table below summarises the outturn:

Project	Approved £000	Spend £000	Slippage/ Transfer £000s	% Spent in 12-13
Gilroes Cemetery – Cremator Replacement	2,527	2,527	-	100
Gilroes Cemetery – Burial Land Extension	29	29	-	100
Spinney Hill Park Restoration Project	614	186	428	30
Parks - Plant and Equipment	227	207	20	91
Air Quality Action Plan	75	40	35	53
Leicester Low Emission Zone Business Case	3	3	-	100
Total	3,475	2,992	483	86

- 5.2. Phase 1 of the cremator replacement project is complete. This consisted of an extension to house 4 new cremators, equipment and new toilets. Phase 2 completed in February and involved dismantling the old cremators and converting the old premises into administration buildings. The new facilities were reopened in April 2013.
- 5.3. The City Mayor officially re-opened Spinney Hill Park in July 2012 and CCTV for the Central Pavilion was recently installed. Training programmes for developing local community volunteers have been completed and park events and activities continue to be run as part of the Heritage Lottery work. The Community Arts Project for the design of a new seating shelter is complete and the winning community artist will be commissioned for construction of the winning design. Additionally consultation and design work for the installation of a new 'outdoor gym' is complete; installation will take place by July 2013. Drainage work to alleviate run-off from the large grass bank and improve the quality of the area adjacent to the Evington Brook is almost underway with completion anticipated by June 2013. Completion of above works requires a slippage of £428k.
- 5.4. The Parks plant and equipment budget relates to purchases of grounds maintenance plant and equipment funded via prudential borrowing. Plant and equipment are assessed annually and through a rolling programme are replaced as necessary.

- 5.5. The Air Quality Action plan is supported by funding from the Department for Environment, Food and Rural Affairs (DEFRA) for a bus emissions study. Recommendations are being drawn up for a workable package of public transport emission reduction measures as part of a wider public transport strategy for Leicester to be completed by March 2014, hence slippage of £35k is requested.

6. Property (Operational)

- 6.1. The Property programme had at outturn spent of £4m, 78% of its approved programme of £5.1m. The table below summarises the out-turn:

Scheme	Approved £000	Spend £000	Slippage/ Transfer £000s	% Spent in 12-13
Accommodation Strategy (CLABS)	995	966	29	97
DDA	32	2	30	6
Property Maintenance	1,650	859	791	52
Water Hygiene	105	105	-	100
Hamilton Footbridge	364	364	-	100
Other Projects	10	9	1	90
Hot Lofts	200	154	46	77
Square Mile – fuel poverty work	104	104	-	100
Property Purchases	1,682	1,468	214	87
Total	5,142	4,031	1,111	78

- 6.2. The (CLABS) Accommodation Strategy is a major project to deal with the actions arising from the condition of New Walk Centre and other CLAB related issues. Funds are added to the programme for specific projects. This includes the (£0.4m) demolition of Marlborough House which is now complete. Some work is outstanding to make good the exposed wall to the adjoining property at 40 Welford Road; this was delayed for technical reasons but is expected to be completed by June 2013. The site will then be fenced and secured. The (£0.5m) ICT strategy is still on-going with various licenses, equipment and software still to be purchased to facilitate e-working, spend £0.4m. The accommodation strategy programme has moved to implementation stage with activities concentrated on progressing of the customer services centre relocation, data centre and staff from NWC. Solutions are in place for all of these issues which will be undertaken in 2013/14.
- 6.3. Delays with the property maintenance work will result in £0.5m of slippage into 2013/14. The shortfall is mainly due to on-going efforts to prioritise and programme necessary fire risk work across the operational portfolio.
- 6.4. The remaining programme expenditure relates to outstanding work on Water Hygiene, Maintenance Surveys and Disabled Disability Access requirements. The first phase of the Water Hygiene project has been completed and invoiced. Delays in procurement for the subsequent phases have resulted in a slippage of £190k.

- 6.5. Hamilton footbridge represents our contribution towards the construction of a foot and cycle bridge over Hamilton Way. The bridge is now open and the Council, as Highway authority, has recently agreed to adopt the bridge.
- 6.6. The Hot Lofts scheme is now completed with a further 425 measures installed into 363 homes during 2012/13. The scheme combined capital programme funding with Carbon Emissions Reduction Target (CERT) funding from British Gas to assist 7,644 private sector homes with loft and cavity wall insulation measures over a 7 year period
- 6.7. The DECC funded fuel poverty work in the Square Mile has been completed with 47 properties receiving energy efficiency improvements to their heating systems.
- 6.8. Property purchases relate to the acquisition in 2012/13 of Friars Mill and St Martins Place.

7. **Policy Provisions**

- 7.1. At the end of the year a number of Policy Provisions for City Development & Neighbourhoods projects still await formal approval for allocation to specific schemes.

Service Area	Project	Amount £000
Planning & Economic Regeneration	Regeneration Provisions	1,128
Integrated Transport	Flood Strategy	400
	Additional Transport Maintenance	399
	Congestion & Carbon Strategies	265
	Local Environmental Works	400
Property	Property Maintenance Provisions	1,700
Total		4,292

LCC Capital Programme 2013-14 to 2014-15

Immediate Start Schemes

Strategic Director	Division	Project Name	Current Approved Budget 2013-14 £000s	Current Approved Budget 2014-15 £000s
Adult Social Care	Adults	<u>Adult Care Transformation Programme</u> Early Prevention - Assitive Tech. and Equipment Social Inclusion - "Changing Places" Supported Living Improvements to Day Care Services <u>Other</u> Elderly Persons Homes Remedial Works ICT Investment	380 555 575 150 13 312	100 250 150 - - -
Adult Social Care Total			1,985	500
Housing	Housing Strategy	Disabled Facilities Grants Empty Homes Leasing (HCA Grant) Empty Homes Purchases Private Sector Housing Repayable Home Repairs Grants Work to Council Hostels	2,300 99 163 690 400 48	- - - - - -
Housing Total			3,700	-
Children's Services	Children's Social Care	Integrated Children's Systems Childrens Home Refurbishment Contact Centre Refurbishment	27 100 30	- - -
	Learning Services	Short Breaks for Disabled Children	224	-
	Property Services	Building Schools for the Future Programme New Primary School Places - main programme Add. Primary Places Braunstone Community Primary Add. Primary Places Mellor Primary Riverside School Demolition Catherine Junior Rebuild (due to fire damage) Montrose Primary School St Barnabas Primary re-modelling Reactive School Maintenance re-modelling Individual Access Needs (Disabled Children) New Temporary Places	82,176 15,012 578 974 317 1,200 468 431 500 200 500	54,537 - - - - - - - - - -
	Young People's Services	Adventure Playgrounds and Youth Centres Children's Centre Maintenance	200 100	- -
Children's Services Total			103,037	54,537

Strategic Director	Division	Project Name	Current Approved Budget 2013-14 £000s	Current Approved Budget 2014-15 £000s	
City Development	Culture & Neigh'd	Brite Centre	36	-	
		Central Libraries Consolidation Final Costs	3	-	
		Football Investment Strategy Final Costs	637	-	
		Libraries Self Service Infrastructure Investment	213	-	
		New Walk Museum CCTV	95	-	
		Renaissance Project - Belgrave Hall	27	-	
		Renaissance Project - New Walk Museum	87	-	
		Upgrade Sports Income System	198	-	
	Economic Regen	Economic Action Plan Phase One	15,870	1,137	
		Braunstone Hall	790	-	
		Ashton Green Infrastructure	397	135	
		Creative Industries Workspace Rutland Street	115	-	
		Growing Places Fund - sums available	4,354	6,693	
		Markets Food Enterprise Scheme	15	-	
		Retail (Gateway) Area Extension	114	-	
	Environment & Enforcement	Air Quality Action Plan	92	-	
		Parks Plant & Equipment	567	-	
		Saffron Lane Cemetery Extension	450	-	
		Household Waste Recycling Centre	-	3,534	
		Spinney Hill Park Restoration Project	106	-	
	Integrated Transport	Capital (Infrastructure) Maintenance	3,118	-	
		Accessibility Strategy	1,514	333	
		Active Travel & Road Safety	943	-	
		Aylestone Bus Corridor	403	-	
		Bridge Maintenance Programme	150	-	
		CCTV	50	-	
		City Centre Bus Scheme - early works	1,550	-	
		Community Safety Lighting	10	-	
		Congestion and Carbon Strategies	227	-	
		Gypsy Lane Pedestrian Crossing	3	-	
		Local Environmental Works	5	-	
		Local Transport Plan Monitoring	346	-	
		Mill Lane Pedestrianisation	169	-	
		Network Improvements (SCOOT etc)	6	-	
		Public Lighting Energy Reduction	4,600	4,600	
		Unclassified Roads	31	-	
		Vehicle Replacement Programme	2,315	-	
		Watercourses	43	-	
		Property Services	CLABS	2,569	1,311
			Chinese Takeaway Demolition (Beaumont Leys)	40	-
	DDA & EI (Disability Discrimination Act and Equality Impact)		30	-	
	Friar Mill Remedial Works		214	-	
	Property Maintenance		633	-	
	Property Maintenance CMF & Surveys		18	-	
	Square Mile Fuel Porverty Project		16	-	
	Victoria Road East Extension/Lewisher Road Link		514	-	
	Water Hygiene		193	-	
City Development Total			43,876	17,743	
Total "Non Ringfenced" Capital Programme			152,598	72,780	

Other "Ringfenced" Schemes

Housing	Housing (HRA)	HRA Capital Programme Works	26,419	0
Total "Ringfenced" Capital Programme			26,419	0
Council total			179,017	72,780

Policy Provisions awaiting allocation to immediate start schemes

Strategic Director	Division	Project	Current Approved Budget 2014-15
			£000s
Adult Social Care	Adults	Adult Care Transformation	4,231
Adult Social Care Total			4,231
Housing	Housing Strategy	Gypsies and Travellers	738
Housing Total			738
Children's Services	Property Services	New Primary School Places	9,508
		Planned School Maintenance	6,288
		2yr Olds Capital	793
Children's Services Total			16,589
City Development	Economic Regen	Regeneration Provisions	1,128
	Integrated Transport	Flood Strategy	400
		Additional Transport Maintenance	399
		Congestion and Carbon Strategies	265
		Local Environmental Works	400
	Property Services	Property Maintenance Provisions	1,700
City Development Total			4,292
	Council Total		25,850