



Capital Budget Monitoring – Outturn, 2016/17

Decision to be taken by: City Mayor

Executive meeting date: 25th May 2017

Overview Select Committee date: 22nd June 2017

Lead director: Alison Greenhill

Useful information

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1. Summary

The purpose of this report is to show the position of the capital programme at the end of the 2016/17 financial year.

This is the fourth and final report of the financial year.

2. Recommendations

The Executive is recommended to:

- Note the level of expenditure of £111.8m for the financial year, and that £21.7m of the approved programme of £139.9m has now been re-profiled to future years. Re-profiling occurs when it is sensible to delay commencement of a scheme and reasons for this are detailed in the commentary on individual schemes in Appendices B-F;
- Approve the carry-forward of resources into 2017/18 for schemes that have been re-profiled (£21.7m) and schemes where spend has slipped into 2017/18 (£5.0m);
- Note that across a number of schemes, £1.4m has been declared as savings following completion of projects within budget. £425k of this was to be funded by corporate resources and will now be available for future capital projects. The remainder was to be funded by prudential borrowing or revenue contributions which will not now be required;
- Approve the addition of £1.2m to the Highways Maintenance budget in 2017/18, funded by additional resources secured from the Department for Transport (Appendix E, Para 2.9)

The OSC is recommended to:

- Consider the overall position presented within this report and make any observations it sees fit.

3. Report/Supporting information including options considered:

The 2016/17 Capital Programme was approved by Council on 24th February 2016.

The appendices B, C, D, E & F attached to this report provide further detail for each Strategic Director's area of responsibility.

The approved programme included:

- Schemes classified as 'immediate starts', which required no further approval to commence; and
- A number of separate 'policy provisions' which would not be released until

specific proposals have been approved by the Executive.

This report only monitors policy provisions to the extent that spending approval has been given.

Appendix G provides a summary of capital receipts.

4. Financial, legal and other implications

4.1 Financial Implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

4.2 Legal Implications

There are no legal implications arising directly from the recommendations of this report.
Emma Horton, Head of Law (Commercial, Property & Planning)

4.2 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

4.3 Equalities Implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.
Surinder Singh, Ext 37 4148

4.4 Other Implications

Other implications	Yes/No	Paragraph referred
Equal Opportunities	No	-
Policy	No	-
Sustainable & Environmental	No	-
Crime & Disorder	No	-
Human Rights Act	No	-
Elderly/People on low income	No	-
Corporate Parenting	No	-
Health Inequalities Impact	No	-

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

5. Is this a private report?

No

6. Is this a “key decision”?

No

7. If a key decision please explain reason

N/A

APPENDIX A

Strategic Director	Division	Approved Programme 2016/17	Spend at Outturn	Re-profiling into 2017/18	Year End Slippage	Year End Savings / (overspends)	Percentage of Spend *
		£000	£000	£000	£000	£000	%
Adult Social Care	Adult Social Care	6,677.0	996.0	5,025.0	656.0	-	15%
Health Improvement & Wellbeing	Sports	450.0	122.0	328.0	-	-	27%
Children's Services	Schools	18,949.0	9,260.0	9,689.0	-	-	49%
	Schools (BSF)	4,370.0	2,577.0	1,793.0	-	-	59%
	Non-Schools	881.0	150.0	731.0	-	-	17%
City Development & Neighbourhoods	Planning, Development and Transportation	27,352.0	23,274.0	4.0	3,855.0	219.0	86%
	Tourism, Culture and Inward Investment	8,284.0	8,060.0	80.0	125.0	19.0	98%
	Neighbourhood & Environmental Services	3,272.0	3,025.0	25.0	-	222.0	99%
	Estates and Building Services	7,189.0	7,033.0	5.0	151.0	-	98%
	Vehicle Fleet Replacement Programme	551.0	388.0	-	-	163.0	100%
	Housing General Fund	2,721.0	2,101.0	-	195.0	425.0	92%
	Housing Revenue Account (HRA)	23,922.0	19,549.0	4,017.0	-	356.0	83%
	LLEP (accountable body)	32,431.0	32,431.0	-	-	-	100%
Corporate Resources	Financial Services	1,038.0	1,038.0	-	-	-	100%
	Information Services	104.0	104.0	-	-	-	100%
	Corporate Loans	1,700.0	1,700.0	-	-	-	100%
TOTAL		139,891.0	111,808.0	21,697.0	4,982.0	1,404.0	81%

* Percentage is based on approved programme minus any savings.

Adult Social Care Projects

1. Summary

- 1.1. The projects comprising the Adult Social Care capital programme have spent £1.0m during the financial year. This equates to 15% of the approved programme of £6.7m.

2. Adult Social Care

- 2.1. The table below summarises the £6.7m approved capital programme for Adult Social Care.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
ICT Investment - Phase 2	1,198.0	747.0	394.0	57.0	-	62%
Social Inclusion	201.0	201.0	-	-	-	100%
Improvement to Day Care Services at Hastings Road	430.0	45.0	385.0	-	-	10%
Anchor Centre	600.0	1.0	-	599.0	-	0%
Dementia Friendly Buildings Initiative	250.0	2.0	248.0	-	-	1%
Special Dementia Care Centre	1,548.0	-	1,548.0	-	-	0%
Extra Care	2,450.0	-	2,450.0	-	-	0%
Total	6,677.0	996.0	5,025.0	656.0	-	15%

- 2.2. **ICT investment.** This scheme consists of further enhancements to the Liquid Logic social Care IT system. The enhancements include mobile working for social workers, an on-line market place to enable budget holders and self-funders to purchase goods and services, improvements in data sharing with the NHS, training and other system improvements. A substantial proportion of this work has now been re-scheduled for 2017/18 (resulting in the re-profiled budget shown above) to reflect a more realistic work programme and the available technical resources for delivery. For Children's Services, this scheme will provide enhancements to the system including an online portal to communicate with children and families, improved communication and payment mechanisms for foster carers, case management for early help cases, together with delivering recommendations from the 2015 system health check.
- 2.3. **Social Inclusion.** This covers a range of projects to provide access for disabled people to universal services, including community centres, libraries, leisure centres and other public services. The Council capital programme of £201k has funded two toilet facility schemes at Aylestone and Leicester Leys Leisure centres. The Aylestone Leisure Centre site installation was completed in December and the Leicester Leys Leisure Centre site installation in November. This programme is now complete with all the approved sum of £201k fully spent. In addition to these a further scheme has been completed to add a toilet facility at the Outdoor Pursuits Centre which has been funded separately from the Disabled Facilities Grant.
- 2.4. **Hastings Road.** This scheme is intended to improve Hastings Road Day Centre by utilising and expanding the use of the building, to accommodate more teams and provide a resource hub for service users. The capital works are on hold pending a review of the provision and will not now commence until 2017/18.

- 2.5. **Anchor Centre.** An Executive decision was taken to develop a new recovery hub at the Abbey Street premises. However the landlord pulled out of the scheme at the last minute and a new long term site has been identified on Hill Street.
- 2.6. **Dementia Friendly Buildings Initiative.** Approval was given in November to add a new scheme to the capital programme to support the authority's commitment to making Leicester a Dementia friendly city by investing in its own building to make them more accessible. £250k was made available from the existing specialist dementia care centre scheme. Due to the timing of the scheme there has been very little spend in this financial year.
- 2.7. **Specialist Dementia Care Scheme.** This scheme is intended to provide financial support for the development of a specialist Dementia Care scheme in partnership with an external organisation. This scheme has been re-profiled into 2017/18 as currently plans are on hold pending further consideration of service needs.
- 2.8. **Extra Care** provides self-contained flats where service users can live independently but have care and support provided on-site rather than having to live in traditional residential homes. As previously reported the Council procured a partner, Ashley House Independent Living consortia, to develop two Extra Care Housing schemes in the city.

But following the Chancellors November 2015 budget announcing a cap to local housing allowance payments for supported living schemes the schemes were put on hold. This announcement put at risk the viability of new and existing schemes because the Housing Benefit paid to the tenant would then not cover the cost of the supported living accommodation.

The Council is now waiting for announcements in autumn 2017 on the level of new ring fenced grant that will be received to cover the cap that will apply to Housing Benefits so a decision can be made on the future viability of these projects.

3. Policy Provisions

- 3.1. At the end of the financial year there was one policy provision for Adult Social Care.

Service Area		Amount £000
Adult Social Care	Extra Care Schemes	6,700.0
Total		6,700.0

- 3.2 The ability to commit this funding has also been affected by the Governments cap on local housing allowance payments.

Health Improvement & Wellbeing**1. Summary**

- 1.1. The Health Improvement & Wellbeing capital programme consists of one project which has spent £122k during the financial year. This equates to 27% of the approved budget of £450k.

2. Sports

- 2.1. The table below summarises the £450k approved capital programme for Sports.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Humberstone Heights Golf Course Investment	450.0	122.0	328.0	-	-	27%
Total	450.0	122.0	328.0	-	-	27%

- 2.2. **Humberstone Heights Golf Course Investment.** This scheme was approved in November 2015 to improve the quality of facilities and the overall financial sustainability of the golf course. Works include new drainage, irrigation, footpath and pond repairs, new signage and rebranding and enhancements to the Academy course. Work on course signage and improvements to pathways/footpaths have been carried out. Drainage and irrigation works are scheduled to complete in 2017/18.

Children's Services Projects

1. Summary

- 1.1. The projects comprising the Children's Services Capital programme had spent £12m (excluding BSF – see para. 1.4) during the financial year
- 1.2. This equates to 50% of the approved capital programme of £24.2m.
- 1.3. The Children's Service Capital Programme is reported, for monitoring purposes, in two distinct sections, schools (£18.9m) and non-schools (£0.9m).
- 1.4. There are also the final elements of the Building Schools for the Future (BSF) programme which has amounted to £2.6m during 2016-17.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Schools	18,949.0	9,260.0	9,689.0	-	-	49%
Non-Schools	881.0	150.0	731.0	-	-	17%
Children's Services (excluding BSF)	19,830.0	9,410.0	10,420.0	-	-	47%
Building Schools for the Future (BSF) Programme	4,370.0	2,577.0	1,793.0	-	-	59%
Total Children's Services	24,200.0	11,987.0	12,213.0	-	-	50%

2. Schools

- 2.1. The table below summarises the £18.9m approved Capital Programme for Children's Services Schools Programme and the related expenditure.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Basic Need Works	8,181.0	5,830.0	2,351.0	-	-	71%
Targeted Basic Need - Kestrels' Field	1,424.0	1,155.0	269.0	-	-	81%
School Capital Maintenance	9,011.0	1,942.0	7,069.0	-	-	22%
Landlord Lifecycle Fund (LLF) – Capital Maintenance (priorities 1 and 2)	333.0	333.0	-	-	-	100%
Total	18,949.0	9,260.0	9,689.0	-	-	49%

- 2.2. **Basic Need Works.** £8.2m has been approved for schemes which create new school places. Of the £8.2m, £2.4m will now be spent in 2017/18.
 - 2.2.1. The new primary expansions programme covers approximately 15 schemes including conversion of non-teaching spaces into classrooms, refurbishment and conversion of former ICT rooms into classrooms together with the use of temporary modular buildings. In total these works will create up to 1,200 additional places.
 - 2.2.2. The £0.9m covers feasibility works for secondary school expansion.
 - 2.2.3. £4.7m is the balance of an earlier programme includes works at Wolsey House and was completed in December and rectification at Eyres Monsell, which is complete other than external works (including drainage and the resurfacing of the playground).

- 2.3. **Targeted Basic Need – Kestrels’ Field Primary School.** The Kestrels’ Field Primary School scheme has created an additional 60 reception places (equivalent to 420 places across all primary year groups). It is a £6.9m scheme funded through a combination of £3.9m from the Department of Education and £3.0m from the Council. The first phase of the works was completed at the end of November 2015. The second phase of the works, to reconfigure the existing Primary School site to become the new infant block, was completed in September 2016. There will be further spend in 2017/18 on drainage works, retentions and snagging.
- 2.4. **School Capital Maintenance.** In July the Executive approved spending of £8.1m to address works across the Children’s Services capital portfolio. £1.9m has been spent this year with the remaining works programmed for 2017/18 (£7m).
- 2.5. **Landlord Lifecycle Fund (LLF) – Capital Maintenance (priorities 1 and 2).** A report (‘Children’s Capital Maintenance – BSF Secondary and Special Schools’) was submitted on the 12th October 2016 outlining the proposal to enable the on-going capital maintenance of secondary and special schools rebuilt and refurbished under the BSF Programme. This included a decision for £4m to be released from the BSF Landlord Lifecycle Fund to meet the costs of the programme of planned priority works and also a decision to add £1m to the Fund in pursuance of the Council’s commitment to make further underwritten contributions (funded from a review of maintenance and lifecycle earmarked reserves). £0.3m of the £4m has been spent in the 2016/17 financial year with the rest programmed for 2017/18 and 2018/19.

3. Non-Schools

- 3.1. The table below summarises the £0.9m approved Capital Programme for Children’s Services directly controlled projects.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Children's Homes and Contact Centre Refurbishments	508.0	123.0	385.0	-	-	24%
Adventure Playgrounds and Youth Centres	26.0	1.0	25.0	-	-	4%
Early Years - Two Year Old Entitlement	347.0	26.0	321.0	-	-	7%
Total	881.0	150.0	731.0	-	-	17%

- 3.2. **Children’s Homes, Contact Centres Refurbishment.** This budget is being spent on:
- 3.2.1. The St Andrew’s Family Contact Centre scheme is now complete and has improved space and facilities for parents and children whilst also providing space for training and other meetings.
- 3.2.2. Children’s homes, which will be refurbished and improved, with works to be carried out at Barnes Heath, Dunblane Avenue, Netherhall and Tatlow Road. The works on these homes will complete in 2017/18, requiring the re-profiling of the £385k budget.
- 3.3. **Adventure Playgrounds and Youth Centres.** This scheme is a provision to cover refurbishments and small capital maintenance works as required.
- 3.4. The **Early Years Two Year Old Education Entitlement** scheme provides resources to private, voluntary and independent providers to enable them to expand their provision to accommodate and provide for the two year old free entitlement and for the extended entitlement for eligible 3 and 4 year olds from September 2017. Whilst only £26k has been spent

in 2016/17 there are a number of schemes that we are already committed to funding in 2017/18.

4. Building Schools For The Future (BSF)

- 4.1. The BSF programme is complete with only some final retention payments and claims expected. Actual expenditure of £2.577m has been incurred in 2016/17 and this is funded mainly from an earmarked reserve that has been specifically set-aside for this purpose.

5. Policy Provisions

- 5.1. At the end of the financial year there was one policy provision for Children's Services. This is to cover spend for 2017/18 and 2018/19.

Service Area		Amount £000
Schools	Children's Services (for current financial year)	46,638.0
Total		46,638.0

City Development and Neighbourhoods' Projects**1. Summary**

- 1.1 The projects comprising the City Development and Neighbourhoods' capital programme have spent £95.9m at outturn.
- 1.2 Excluding the Leicester & Leicestershire Enterprise Partnership (LLEP) grants programme (which is managed by the LLEP), this equates to 88% of the approved programme.
- 1.3 The City Development and Neighbourhoods programme is split into eight distinct areas, as shown in the following table:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Planning, Development and Transportation	27,352.0	23,274.0	4.0	3,855.0	219.0	86%
Tourism, Culture and Inward Investment	8,284.0	8,060.0	80.0	125.0	19.0	98%
Neighbourhood & Environmental Services	3,272.0	3,025.0	25.0	-	222.0	99%
Estates and Building Services	7,189.0	7,033.0	5.0	151.0	-	98%
Vehicle Fleet Replacement Programme	551.0	388.0	-	-	163.0	100%
Housing General Fund	2,721.0	2,101.0	-	195.0	425.0	92%
Housing Revenue Account (HRA)	23,922.0	19,549.0	4,017.0	-	356.0	83%
Total (Excluding LLEP)	73,291.0	63,430.0	4,131.0	4,326.0	1,404.0	88%
Leicester & Leicestershire Enterprise Partnership (LLEP)	32,431.0	32,431.0	-	-	-	100%
Total (Including LLEP)	105,722.0	95,861.0	4,131.0	4,326.0	1,404.0	92%

2. Planning, Development and Transportation

2.1 The table below summarises the current approved projects relating to Planning, Development and Transportation.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Transport Improvement Works	2,541.0	2,263.0	-	278.0	-	89%
North City Centre Access Improvement Scheme	1,338.0	658.0	-	680.0	-	49%
Leicester North West Major Transport Scheme	2,000.0	1,815.0	-	185.0	-	91%
Legible Leicester	461.0	461.0	-	-	-	100%
Air Quality - Walking and Cycling	44.0	42.0	-	2.0	-	95%
Haymarket Bus Station	779.0	767.0	-	12.0	-	98%
Highways Maintenance	2,721.0	2,511.0	-	210.0	-	92%
Street Lighting Replacement Programme	800.0	434.0	-	166.0	200.0	72%
Local Environmental Works	417.0	339.0	-	78.0	-	81%
Flood Strategy	353.0	353.0	-	-	-	100%
Christmas Decorations Replacement	66.0	66.0	-	-	-	100%
Parking Strategy Development	491.0	491.0	-	-	-	100%
City Centre Street Improvements	4,080.0	4,080.0	-	-	-	100%
Townscape Heritage Initiative	271.0	271.0	-	-	-	100%
Friars' Mill	377.0	157.0	-	220.0	-	42%
Friars' Mill Offices	1,250.0	295.0	-	955.0	-	24%
Waterside Strategic Regeneration Area	6,900.0	5,961.0	-	939.0	-	86%
Leicester Strategic Flood Risk Management Strategy	1,446.0	1,446.0	-	-	-	100%
St George's Church Yard	21.0	21.0	-	-	-	100%
15 New Street	60.0	5.0	4.0	51.0	-	8%
Architectural and Feature Lighting	162.0	162.0	-	-	-	100%
Ashton Green	580.0	580.0	-	-	-	100%
John Ellis Site	100.0	96.0	-	4.0	-	96%
Shahista House, 37-45 Rutland Street	75.0	-	-	75.0	-	0%
Residents' Parking Schemes	19.0	-	-	-	19.0	0%
Total	27,352.0	23,274.0	4.0	3,855.0	219.0	86%

2.2 **Transport Improvement Works** include:

- 2.2.1 Construction of the New College "closed road" cycle circuit which was delayed due to adverse ground conditions, resulting in slippage of £271k. The scheme is expected to be completed by the end of June 2017.
- 2.2.2 The level access bus stop programme which is complete.
- 2.2.3 Construction of the cycleway and new crossings on Welford Road between Newarke Street and Lancaster Walk which was completed in the summer. Works relating to Leicester Royal Infirmary bus gates were completed in September.

- 2.2.4 20mph schemes for 2016/2017 are complete for the Charnor Road, Fairfax Road and Northfields area. The Whitehall School scheme is delayed due to objections received following the consultation.
- 2.2.5 The pedestrian refuges scheme at the junction of Houlditch Road and Craighill Road is complete. Safety improvements at the junction of Craighill Road and Gainsborough Road are also complete.
- 2.2.6 Local Transport Plan (LTP) Management and Monitoring provides funding for staff costs and traffic surveys for preparing bids and monitoring performance of the various strategies of the LTP.
- 2.3 **North City Centre Access Improvement Scheme.** This scheme is helping to connect the city centre with existing and proposed communities at Belgrave and Abbey Meadows, together with new development sites at Belgrave Circle and the Community Sports Arena on Charter Street. A concept design has been approved for Belgrave Gate North and south, which will now go out to consultation in the summer. Construction of a new five metre wide footbridge crossing the Grand Union Canal from Charter Street to Abbey Park has started onsite, albeit later than originally planned which has led to slippage.
- 2.4 **Leicester North West Major Transport Scheme (A50 corridor).** Phase 1 works completed on site in July 2016 and monitoring surveys are taking place in May 2017. Preliminary design work on Phase 2 which focusses on the Five Ways junction (Fosse Road/Blackbird Road/Groby Road/Woodgate/Buckminster Road), the Blackbird Road/Anstey Lane/Ravensbridge Drive junction and the Ravensbridge Drive/St Margaret's Way junction is complete. A public engagement exercise is underway. Work on site is expected to start in the Autumn 2017. The scheme is largely funded through the Local Growth Fund and is promoted jointly with Leicestershire County Council. The slippage is due to the scheduling of work on this major multi-year infrastructure scheme.
- 2.5 **Legible Leicester.** The installation of city centre on-street wayfinding infrastructure has commenced and is expected to be substantially completed by the end of May 2017. It is anticipated this project will be completed in 2017/18.
- 2.6 **Air Quality – Walking and Cycling.** The DEFRA-funded pathfinding was to upgrade the data feeding into the online journey planner within the Choose How You Move website. All project outputs were achieved. This slippage of £2k represents the final payment to be made in 2017/18.
- 2.7 **Haymarket Bus Station.** As previously reported the new bus station opened in May 2016. The scheme is complete and the £12k slippage represents the final payment.
- 2.8 **Highways Maintenance.** The programme is targeted at asphalt carriageway maintenance works where the deterioration in road surfaces is most evident. Monies have also been allocated to address failing concrete roads and road humps, undertake footway schemes, renew traffic signals and for significant bridge maintenance schemes.
 - 2.8.1 Principal and Primary Roads. The A563 carriageway between the A50 Groby Road and Glenfield Road islands has been resurfaced in conjunction with the Leicester North West A50 improvement scheme and works to the traffic islands. Resurfacing of Welford Road between Marlborough Street and Regent Road has also been completed, as has a section between Palmerston Way and Highgate Drive. Resurfacing at the Red Hill Way/Thurcaston Road Island took place in July and at Saffron Lane in the autumn. All planned capital schemes have been fully completed.

- 2.8.2 Generic Treatment. The programme includes surface dressing, joint sealing and concrete carriageway repairs.
- Surface dressing: some 27 streets across different communities have benefitted. Locations include Ellesmere Road and Waltham Avenue (both in Braunstone), Tuxford Road (Hamilton), Nicklaus Road (Rushey Mead) and Asplin Road, Broughton Road, Sheridan Street and Cavendish Road (all in Aylestone).
 - DfT Incentive Fund. Seven sites in the New Parks area have benefitted to date.
 - DfT Pothole Action Fund. The Rutland Street/Charles Street junction has been resurfaced and the junction of Victoria Park Road and Queens Road was completed in February 2017.
 - DfT LEAN pothole funding. Works to all sites were completed by the end of March 2017.
- 2.8.3 Footways. Sites completed at end of March 2017 include Thurncourt Road and Wintersdale Road. Bryngarth Crescent, St. Saviours Walk and Astill Lodge footpath.
- 2.8.4 Bridge Maintenance. This includes bridge improvement and maintenance works, together with strategic bridge deck maintenance and replacements. Highway Road replacement has commenced and is due to be completed in the summer, resulting in slippage.
- 2.8.5 Traffic Signals Renewals. The planned programme has been completed. Sites include Welford Road/ Regent Road, Catherine Street/ Dysart Way, Main Street (Evington), West Bridge/ St. Nicholas Circle and Spencefield Lane/ Downing Drive.
- 2.9 Additional highways maintenance funds totalling £1.2m have been secured from the Department for Transport for 2017/18. These are £856k of Productivity Investment Funding and £187k of Pothole Action Funding. It is recommended that these are added to the capital programme via this report, to supplement and enhance the planned maintenance programme.
- 2.10 **Street Lighting Replacement Programme.** This is substantially complete, with a small number of units (high masts containing around 8 lamps each) left to install in 2017/18, resulting in slippage. Costs were lower than budgeted, resulting in a saving that will reduce prudential borrowing costs.
- 2.11 **Local Environmental Works.** Good progress has been made, although as previously reported there is some slippage. Activities since the last monitoring report at Period 9 include:
- 2.11.1 Speeding Action Plan - speed surveys were commissioned at 15 top priority sites as part of the speeding action plan and the procurement of vehicle activated signs (VAS) is underway for installation in the 2017/18 financial year.
- 2.11.2 A speed reduction scheme is being developed for Welford Road incorporating a pedestrian refuge near Muston Gardens and a number of traffic islands along Welford Road. This will be constructed towards the end of the summer holidays.
- 2.11.3 Work to improve the public realm at Barleycroft shopping precinct is being developed, with work expected early in 2017/18. This includes repair works to the steps, removal of a brick wall and the installation of a disabled ramp.

- 2.11.4 The Glengarry Way one-way scheme has been consulted on, and work on site will take place in 2017/18.
- 2.11.5 The pedestrian wheelchair/pram crossing installation programme was successfully completed. The programme to introduce or amend local parking restrictions was completed, as was the Pelican Crossing scheme on Glenfield Road near to The Christ the King School.
- 2.12 **Flood Strategy.** A comprehensive programme included several feasibility studies at locations identified as being at particular risk of flooding, including Holbrook, Gilroes Brook and Northfields. An ongoing programme of gulley replacements was undertaken. Other measures include watercourse improvements and repairs.
- 2.13 **Christmas Decorations Replacement.** This is the second year of a three-year refurbishment programme. Locations which have benefitted include Market Street, High Street and Town Hall Square.
- 2.14 **Parking Strategy Development.** This approved programme supports the commitment to improve road safety outside schools, improve car parking on housing estates, off-street car parking refurbishments and improve air quality by reducing congestion.
- 2.14.1 Work to tackle school run parking issues is underway as part of the School Run Parking programme. A programme of improvement measures is being developed against a prioritised list of 117 schools. Meetings have been held with the first 20 schools on the list and work has commenced at the first school, Soar Valley College.
- 2.14.2 Work has also started on the School Keep Clear (SKC) markings programme. This includes refreshing the road markings and installing the restriction plates at all schools, with a view to making the road markings enforceable. Further work will be required to prepare the Traffic Regulation Orders to support the SKC programme.
- 2.14.3 A substantial amount of work has been carried out progressing the annual Traffic Regulation Order (TRO) programme. This work includes preparing orders to support the installation of single and double yellow line restrictions.
- 2.14.4 Works to improve the appearance of Dover Street car park have been completed.
- 2.14.5 The annual layby construction programme was completed. Calgary Road has been delayed due to the need to obtain planning permission, hence it will be constructed in 2017/18.
- 2.14.6 Feasibility work on pavement and residents' parking has developed outline schemes for Rushey Mead and St Matthews. A Stoneygate residents' parking public engagement exhibition was held and the results are currently being assessed, to decide on whether or not to progress the scheme. Traffic surveys are also being carried out in Aylestone Ward.
- 2.14.7 Electric car charging points were installed, to contribute towards wider air quality goals.
- 2.15 **City Centre Street Improvements.** This involves pedestrian and cyclist improvements to key city centre streets. Works on the first phase of Belvoir Street were completed December. The next phase of works has commenced on Belvoir Street/King Street junction and is programmed to complete by October 2017. Design work for King Street public realm has also been completed and City Highways will commence construction in July 2017 with completion programmed for

December 2017. The Mill Lane public realm works completed on site in February 2017 and were funded entirely by De Montfort University.

- 2.16 **Townscape Heritage Initiative.** This is part-funded by a £1.1m grant from the Heritage Lottery Fund and will facilitate an overall five year programme of improvements valued at over £2m including third party investment. The project is progressing as planned. More grant applications for premises improvement have been received and approved.
- 2.17 **Friars' Mill** Approximately 80% of the space is now let and the enquiry pipeline remains strong. The main construction contractor went into administration in September, leaving a number of items outstanding. The Council is in the process of instructing individual sub-contractors to return to site to complete outstanding works, hence reported slippage.
- 2.18 **Friars' Mill Offices.** This project is funded from the Waterside Local Growth Fund monies and involves the construction of two new office buildings in the grounds of the existing Friars' Mill development. Work stalled due to the main contractor entering administration. There have been difficulties appointing a new contractor and site remains incomplete, hence reported slippage. Options to complete the development are being explored.
- 2.19 **Waterside Strategic Regeneration Area.** The main items of expenditure at this stage of the scheme are land acquisitions and development fees, with significant further land acquisitions expected. Very good progress was made in 16/17 with the final expenditure being close to £6m from a budget of £6.9m. The slippage was due to an agreed acquisition of circa £1m taking longer to complete than expected. This deal is expected to be completed in the first quarter of 17/18.
- 2.20 **Leicester Strategic Flood Risk Management Strategy.** This is a programme of projects delivered by the Council, the Environment Agency and the Canal and River Trust. Good progress is now being made as the programme is established. A number of projects are on site, led by the Council and our partners.
- 2.21 **St George's Church Yard.** The project consists of feasibility into planned improvements to the churchyard, including repairs and public realm works. Public consultation has taken place and final plans are being developed with a planning application to be submitted in the coming months.
- 2.22 **15 New Street.** This involves the demolition of the property and associated works to improve access from the rear of the Greyfriars complex. Overall consideration of the project in the context of access requirements related to the Greyfriars complex mean that this will now be demolished in 2017/18, hence slippage.
- 2.23 **Architectural & Feature Lighting.** This project is complete and properties which have benefitted include Blunts Shoes and the Turkey Café on Granby Street, Café Bruxelles on High Street and St. Nicholas Church.
- 2.24 **Ashton Green.** Morris Homes started on site with Parcel 1 (100 homes) in February 2017 with the aim of completing the first show home by August. The Council-led highway infrastructure is continuing to make good progress on site. The next project, the Morris Homes frontage, is due for completion in May. The next development parcel of circa 250 units is out to the market with 10 developers having expressed interest in bidding and final tenders are anticipated by early July 2017.
- 2.25 **John Ellis Site.** Project development funding was secured from the LLEP to allow commissioning of site investigations and ecology studies, which is now complete. Subsequently, Local Growth

Deal 3 funding of £5m has been awarded for the National Space Park / Pioneer Park infrastructure, allowing design work to commence in early 2017/18.

- 2.26 **Shahista House, 37-45 Rutland Street.** The grant will support a developer to regenerate the Grade II listed building with a mix of retail/leisure and residential apartments within the Cultural Quarter. The project is now on site and is due to be complete in December 2017. Payments will be made in 2017/18.
- 2.27 **Residents' Parking Schemes** – These are complete, with any new schemes now part of the Local Environmental Works programme.

3. Tourism, Culture & Inward Investment

- 3.1 The table below summarises the current approved projects for Tourism, Culture and Inward Investment.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
De Montfort Hall, new auditorium seating	400.0	395.0	-	-	5.0	100%
Heritage Interpretation Panels	55.0	55.0	-	-	-	100%
Story of Leicester Website	80.0	-	80.0	-	-	0%
Enterprising Leicester Investment Loan	4,013.0	4,013.0	-	-	-	100%
Leicester Market Redevelopment	2,436.0	2,436.0	-	-	-	100%
Dock 2	225.0	189.0	-	36.0	-	84%
Retail Gateways	100.0	95.0	-	5.0	-	95%
Broadband Business Vouchers	340.0	326.0	-	-	14.0	100%
New Walk Museum Works	408.0	324.0	-	84.0	-	79%
Jewry Wall Museum Improvements	217.0	217.0	-	-	-	100%
68-70 Humberstone Gate East	10.0	10.0	-	-	-	100%
Total	8,284.0	8,060.0	80.0	125.0	19.0	98%

- 3.2 **De Montfort Hall, new auditorium seating.** Replacement of the 22 year old seats was completed in August 2016 and has been well received.
- 3.3 **Heritage Interpretation panels.** 25 Heritage Panels have been created and installed. The panels were prioritised by identifying locations and themes with key benefits for local communities, businesses and tourists.
- 3.4 **Story of Leicester Website.** This will be developed into an exciting and modern resource that tells the history of the City and its people through images, video and digital interactives during 2017/18 hence requiring re-profiling.
- 3.5 **Enterprising Leicester Local Investment Fund.** A £4 million loan has been advanced to Infrastructure Investments (Leicester) Ltd to revamp further parts of St George's Tower, to enable Hastings Direct to expand its Leicester operations and workforce.
- 3.6 **Leicester Market Redevelopment.** The new public square on the site of the former indoor Market Hall opened in early May. Improvements to Market Place North and Hotel Street will be completed by the summer. Planning and listed buildings permissions have been approved for the new screen at the rear of the Corn Exchange.

- 3.7 **Dock 2.** The project is to provide grow-on workspace for Hi-Tech businesses at Leicester's Pioneer Park. Planning consent was secured and procurement of a construction contractor completed, however the tenders came in over budget and the scheme remains under review. Therefore a small element will slip into 2017/18.
- 3.8 **Retail Gateways.** The programme is designed to support independent shop owners in the main gateway and regeneration areas. Areas supported include the Golden Mile, the West End (Narborough Road, Braunstone Gate/ Hinckley Road) and Leicester Market. The scheme is nearing completion, and the remaining payments will be made in 2017/18.
- 3.9 **Broadband Business Vouchers.** This was funded by Broadband Delivery UK (BDUK) as part of their national programme. Grants of up to £5k were available to small and medium sized enterprises (SMEs) in Leicester and Leicestershire to improve their broadband connectivity. Almost 500 SMEs have been supported in this way and the project is now complete.
- 3.10 **New Walk Museum Works.** The contractor moved on site in January and commenced the main programme of works to install the new staircase, lift and associated works. A new combined reception / shop desk will be installed during the final phase. Payments have been made slightly later than originally planned, hence there is some slippage.
- 3.11 **Jewry Wall Museum Improvements.** Work is underway to finalise the designs for the accessible walkway to link St Nicholas Circle footpath to the entrance level for the former Vaughan College. A contractor will be procured to deliver a new walkway access, terrace and adjacent path improvements, for which funding is in place.
- 3.12 **68-70 Humberstone Gate East.** The grant has supported the development of new workspace for creative industries in the Cultural Quarter.

4. Neighbourhood and Environmental Services

- 4.1 The table below summarises the current approved projects for Neighbourhood and Environmental Services.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Victoria Park Centenary Walk Phase 2	2,033.0	2,033.0	-	-	-	100%
Victoria Park Gates	350.0	350.0	-	-	-	100%
Parks Plant and Equipment	150.0	28.0	-	-	122.0	100%
Public Conveniences	355.0	255.0	-	-	100.0	100%
Gypsum Close Waste Recycling Centre Enhancements	120.0	120.0	-	-	-	100%
Saffron Hill Cemetery improvements	99.0	99.0	-	-	-	100%
Allotment Infrastructure Phase 2	100.0	100.0	-	-	-	100%
Installation of Defibrillators on Parks	65.0	40.0	25.0	-	-	62%
Total	3,272.0	3,025.0	25.0	-	222.0	99%

- 4.2 **Victoria Park Centenary Walk Phase 2.** Works were completed in March 2017. This includes all tree planting and soft landscaping, along with works to the tennis and skate park including new lighting. The car park is now fully in use along with disabled bays, cycle shelter and provision for electric vehicle charging.

- 4.3 **Victoria Park Gates.** All works to the gates have been completed and both sets of gates have been reinstalled on site.
- 4.4 **Parks Plant and Equipment.** This funds replacement items of grounds maintenance equipment with an initial purchase value of over £5k per item. Following a review of grass cutting schedules and changes made to the frequency of cuts to highways and parks, the expenditure this year was reduced to £28k. This will reduce future years' prudential borrowing repayment costs.
- 4.5 **Public Conveniences.** The new build toilet block at Belgrave Road opened in May and the refurbishment works at Abbey Grounds are also complete. The costs were less than anticipated, hence a saving of £100k.
- 4.6 **Gypsum Close Waste Recycling Centre Enhancements.** The Gypsum Close Waste Recycling Centre Enhancements were completed as planned and this included new compactors, a roller packer, additional signage and speed bumps.
- 4.7 **Saffron Hill Cemetery.** The refurbishments complement previous improvements to the chapel and disabled toilets, all works were completed with an official reopening ceremony.
- 4.8 **Allotment Infrastructure Phase 2.** This is the first year of a three year programme, arising from the 2014 site audits. A range of work has been completed, concentrating on security fencing and roadway improvements. The sites include Bonney Road, Meredith Road, Harrison Road, Paget Street, Uppingham Road and Wakerley Road. In addition, the car park at Gorse Hill has been improved. Planning for the 2017/18 programme has begun and procurement packages are being established.
- 4.9 **Installation of Defibrillators on Parks.** Around 30 defibrillators have been installed on parks and cemeteries and heart problem "hot spots" across the City. A promotional campaign will be officially launched in the summer seeing the budget re-profiling into 2017/18.

5. Estates and Building Services

- 5.1 The table below summarises the current approved projects for Estates and Building Services.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
City Centre Office Accommodation	1,019.0	929.0	-	90.0	-	91%
Property Maintenance	1,069.0	1,008.0	-	61.0	-	94%
20-40 New Walk	3,423.0	3,423.0	-	-	-	100%
6-8 St Martins	10.0	5.0	5.0	-	-	50%
Haymarket Theatre	406.0	406.0	-	-	-	100%
GCR Railway Museum	320.0	320.0	-	-	-	100%
Braunstone Hall	584.0	584.0	-	-	-	100%
LED Lighting	358.0	358.0	-	-	-	100%
Total	7,189.0	7,033.0	5.0	151.0	-	98%

- 5.2 **City Centre Office Accommodation.** This supports the relocation of social workers and support staff from Greyfriars to Halford House, which has progressed smoothly. Different teams who were previously separated in small offices can physically work closer together, and facilities for partners and families who have been invited in for meetings are much improved. Final payments and residual works will be completed in 2017/18, hence a slippage of £90k.

- 5.3 **Property Capital Maintenance.** This comprises planned works which address health and safety risks outside the scope of normal repairs and maintenance via the Central Maintenance Fund and 'tenant'/occupier budgets. It also includes replacement of certain buildings elements such as roofs or lifts that have reached the end of their life. Heritage works such as at Jewry Hall/Vaughan College and Abbey Pumping Station are also included. The slippage will be spent in 2017/18.
- 5.4 **20-40 New Walk.** IBM has been attracted to Leicester as a major inward investor. The Council has undertaken improvement works to this Council owned property for lease to IBM as their new city home. Works (including additional elements requested and funded by IBM) have been completed and offices are now occupied.
- 5.5 **Haymarket Theatre.** The feasibility funding supported the development of options for future uses. The City Mayor subsequently approved a £3m capital scheme that will see it re-open as a space for live performance later in the year.
- 5.6 **GCR Railway Museum.** The Great Central Railway (GCR) plans to deliver a major new railway museum at the Leicester North Station. The Council has financially supported the scheme design and the acquisition of allotment plots to release land, which is anticipated to be completed this year.
- 5.7 **Braunstone Hall.** The Council is contributing towards repairs and improvements to support bringing this historic building into use as a hotel and conference venue.
- 5.8 **LED Lighting.** This project will replace existing inefficient lighting in Council buildings to reduce energy consumption, cost and carbon emissions. It follows on from a successful pilot project, in 2015/16, and rolls out LED lighting to a further 8 operational buildings, namely the Adult Education Centre, Beaumont Leys Library, Gilroes Crematorium, the Guildhall, Humberstone Heights Golf Course, New Walk Museum, St Margaret's Bus Station, the Town Hall and Beaumont Leys open market. In addition to the energy savings and improved quality of lighting for building users, there will also be reduced maintenance cost to the authority. The lighting is anticipated to be completed early in 2017/18.

6. Vehicle Fleet Replacement Programme

- 6.1 The Vehicle Fleet Replacement programme includes the acquisition of 15 ultra-low emission vehicles and associated charging points. A robust approach is been taken to vehicle replacement hence not all of the budget being required.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Vehicle Fleet Replacement Programme	551.0	388.0	-	-	163.0	100%
Total	551.0	388.0	-	-	163.0	100%

7. Housing Services

- 7.1 The table below summarises the £26.6m approved capital programme for Housing Services and the related expenditure.

Programme Area	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Investment in Council Housing	14,771.0	14,064.0	409.0	-	298.0	97%
Business Investment	2,195.0	357.0	1,838.0	-	-	16%
Environmental and Communal Works	6,104.0	4,750.0	1,296.0	-	58.0	79%
Affordable Housing	852.0	378.0	474.0	-	-	44%
Total HRA	23,922.0	19,549.0	4,017.0	-	356.0	83%
Housing General Fund	2,721.0	2,101.0	-	195.0	425.0	92%
Total Housing	26,643.0	21,650.0	4,017.0	195.0	781.0	84%

7.2 **Investment in Council Housing.** As reported at Period 9, the current phase of the Tower Block Redevelopment programme started later than expected due to a delay reoccupying Clipstone House. The redevelopment is expected to complete with Maxfield House in 2017 and hence re-profiling of £0.4m into 2017/18 is required. Highlights of the programme over the year include the replacement of 960 kitchens & bathrooms, 1,360 boilers, 860 electrical rewires and upgrades, 80 new roofs and various citywide door entry upgrades. Door Entry, which is demand-led, underspent by £298k.

7.3 **Business Investment.** An underspend of £1.8m on business investment schemes is proposed to be re-profiled into 2017/18. This comprises of (a) the new Housing IT system (Northgate) which was delayed whilst phase 1 fixes were completed (£1.2m re-profiled), (b) mobile working, where the roll-out of tablet devices to other housing services followed the new repairs and tenancy management services (£0.3m re-profiled), and (c) CCTV renewal which is dependent upon the outcomes of an on-going citywide review across all services (£0.3m re-profiled).

7.4 **Environmental and Communal Works.** Throughout the year, enabling work to soffits and fascia and extending boiler flues at 140 homes was carried out, meaning £0.9m will not be spent until 2017/18 when the substantive works will be completed. Other highlights of the programme include disabled adaptations for 930 tenants, energy efficiency improvements to 400 poorly performing homes, elevated walkway/balcony and waylighting improvements, playground upgrades, plus communal and environmental improvements which have been allocated across the city by local tenants and councillors. The contractor for balcony improvements was appointed late in the year, hence £0.3m is re-profiled into 2017/18. Consultation with leaseholders to install a second lift at St Leonards Court is still progressing so work did not commence in 2016/17; £0.1m has been re-profiled to 2017/18.

An overspend of £130k occurred on Supporting Neighbourhood Hubs, reflecting Housing's contribution to the refurbished Beaumont Leys Library/Hub where a team has been relocated. Waylighting overspent by £161k due to accelerating the programme which will now end earlier in 2017/18 than originally planned. In contrast underspends have occurred on Elevated Walkways (£127k) and Charnwood Door Entry (£150k) which is no longer required. Improvements to Council Houses for disabled tenants is a demand-led service and this has overspent by £72k

7.5 **Affordable Housing.** Four former council hostels at Lower Hastings Street, Loughborough Road, Myrtle Road and Seymour Street are being converted into affordable housing. Work commenced in January resulting in £311k being re-profiled into 2017/18. Approval was given to use £0.4m from Right to Buy receipts to fund the development of 25 homes at Keyham Lane, Hamilton, a scheme being carried out by Nottingham Housing Association; £164k of this is re-profiled into 2017/18.

- 7.6 **Housing General Fund Capital.** The main element within the Housing capital programme is the Disabled Facilities Grants programme. This awarded over 150 grants during the year towards the cost of adaptations, enabling people to continue living in their own homes. The final position for the year is an underspend of £304k against a budget of £2.1m. Previous monitoring reports had shown an anticipated underspend, following an earlier backlog in processing applications.

The capital programme also includes the on-going acquisition of empty properties in poor condition where the owner has failed to secure the necessary improvements. This delivered an underspend of £129k as the price at which houses were sold exceeded that at which they were purchased by the Council.

A £65k underspend in relation to the development of Gypsy and Traveller sites will slip into 2017/18.

Due to high levels of demand, Street Scene Improvements (which include installing alley gates and improving security in communal areas) overspent by £24k. This will be funded from the Community Safety Team.

8. **Leicester and Leicestershire Enterprise Partnership (LLEP)**

- 8.1 The table below summarises the approved projects relating to the Leicester and Leicestershire Enterprise Partnership, for which the Council is the accountable body.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Growing Places Fund	61.0	61.0				100%
MIRA Technology Park Enterprise Zone	530.0	530.0				100%
Local Growth Fund Projects	31,840.0	31,840.0				100%
Total	32,431.0	32,431.0	-	-	-	100%

- 8.2 **Growing Places Fund.** This is a revolving fund which advances loan funding for new development across city and county areas. The payment of £60k is the balance outstanding from the last round of approvals.
- 8.3 **MIRA Technology Park Enterprise Zone.** The grant has been paid and will be recouped by the LLEP over time by present and future business rates uplift within the Zone.
- 8.4 **Local Growth Fund.** This covers major development and infrastructure schemes in the city and county. City Council led projects include the North City Centre Access Improvement Programme, Strategic Flood Risk Management, the Waterside Strategic Regeneration Area and Connecting Leicester. These sums are also reflected in the Divisional tables above. Some £21m is allocated for projects led by external partners, including the North Warwickshire and Hinckley College new skills training centre at the MIRA Technology Park, the Leicester College Skills and Innovation village, the highways access to the new Lubbesthorpe development near Junction 21 of the M1 and accelerated broadband. All of the funding was allocated to capital schemes as required by the grant conditions.

9. **Policy Provisions**

- 9.1 At the end of the financial a number of policy provisions for City Development & Neighbourhoods projects were still awaiting formal approval for allocation to specific schemes.

Service Area	Project	Amount £000
Planning, Transportation and Economic Development	Economic Action Plan Phase 2	1,032.0
	Ashton Green Infrastructure	1,640.0
	Parking Strategy Development *	1,400.0
	Air Quality Action Plan *	740.0
	Local Environment Works *	700.0
Local Services & Enforcement	Replacement of Library Management System *	150.0
Property Services	Property Maintenance *	3,400.0
Housing Revenue Account	New Affordable Housing	954.0
	New HRA Schemes	300.0
Total		10,316.0

*These policy provisions cover up to three years.

Corporate Resources**1. Summary**

1.1. The projects comprising the Corporate Resources capital programme had spent all of their approved capital programme of £2.8m during the financial year.

1.2. The following table shows the split of the capital programme by division:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Financial Services	1,038.0	1,038.0	-	-	-	100%
Information Services	104.0	104.0	-	-	-	100%
Corporate Loans	1,700.0	1,700.0	-	-	-	100%
Total	2,842.0	2,842.0	-	-	-	100%

1.3. Two loans totalling £1.7m were made to Leicestershire County Cricket Club to assist them in developing the ground to increase income generation. The first loan of £1.0m was repaid by the English Cricket Board in January, before the second loan of £0.7m was granted.

Capital Receipts**1. Summary**

- 1.1. During the 2016/17 financial year, the Council realised £7.8m of General Fund capital receipts. These include the sales of Brookside Court, Herrick Lodge and Layton House.
- 1.2. The approved capital programme assumed that any capital receipts received since the programme was prepared would be set aside for the 18/19 programme. Thus, none of these receipts are required to fund the current programme. Taken together with receipts received at the end of 2015/16, £13.8m will so far be available when the programme for 18/19 is prepared.
- 1.3. Right to Buy receipts this year have amounted to £17.7m. Since the Government relaxed the rules, RTB receipts have increased significantly, and are 84% up on last year. Under Government rules, 2016/17 RTB receipts are expected to be allocated approximately as follows:
 - 50% ringfenced for one-for-one replacement of affordable housing
 - 35% ringfenced for the repayment of debt
 - 10% payable to the central government housing pool
 - 5% available for financing of eligible capital schemes
- 1.4. Of receipts set aside for new house building, the uncommitted balance now stands at £18.6m. The intention is that these are used in substantial part to support extra care, but as explained at para 2.8 of Appendix B above these schemes are currently on hold.