

Executive Decision Report

Capital Budget Monitoring – Period 6, 2017/18

Decision to be taken by: City Mayor

Overview Select Committee date: 14th December 2017

Lead director: Alison Greenhill



City Mayor

Useful Information

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1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2017/18 as at the end of Period 6.
- 1.2 This is the second report of the financial year. Further reports at Period 9 and at Outturn will be presented as the year progresses.

2. Recommendations

2.1 The Executive is recommended to:

- Note total spend of £29.4m for 2017/18.
- Note the progress in delivery of major projects, as shown at Appendix A.
- Note progress on spending work programmes, and forecast slippage of £7.1m, as shown at Appendix B.
- Note that the great majority of provisions remain unspent (Appendix C).
- Approve the addition of £335k to the 2017/18 capital programme for Newarke Street Car Park improvements, to be funded from the Transformation Fund (an earmarked reserve).
- Approve the transfer of £1m of expenditure budget from the Friars' Mill project to the Waterside project, this being the forecast unspent budget due to the transfer of the property to an external developer for completion, as detailed in Appendix A para 3.8 of this report.

The OSC is recommended to:

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

3. Supporting Information including options considered

3.1 The 2017/18 Capital Programme was approved by Council on 24th February 2016.

3.2 The capital programme is split in the following way:

- (a) Schemes classified as '**immediate starts**', which require no further approval to commence; and
- (b) A number of separate '**policy provisions**' which are not released until specific proposals have been approved by the Executive;

3.3 Immediate Starts are further split into:

- (a) **Projects**, which are discrete, individual schemes such as a road scheme or a new building. Monitoring of projects focusses on delivery of projects on time and the

achievement of milestones. Consequently, there is no attention given to in-year financial slippage;

- (b) **Work Programmes**, which consist of minor works or similar on-going schemes where there is an allocation of money to be spent during a particular year. Monitoring of work programmes focusses on whether the money is spent in a timely fashion;
- (c) **Provisions**, which are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem;
- (d) **Schemes which are substantially complete**. These schemes are the tail end of schemes in previous years' capital programmes, usually consisting of small amounts of money brought forward from earlier years;
- (e) **Policy Provisions**, which are sums of money for which there is currently no approval to spend, ie they are awaiting a City Mayor decision. Spending cannot be monitored until such approval has been given.

3.4 Summary of the total approved capital programme as at Period 6:

	£000
Projects	110,102
Work Programmes	68,433
Provisions	1,716
Schemes nearly complete	4,398
Total Immediate Starts	184,649
Policy Provisions	43,501
Total Capital Programme	228,150

3.5 Since Period 4 the Total capital Programme has increased by £18.4m, as follows:

	£000
Total Capital Programme at Period 4	209,722
LGF budgets for external schemes previously approved added to capital programme	9,776
22/8/17 decision - A46/Anstey Lane improvements for Ashton Green	7,900
8/9/17 decision - Potential Strategic Development Sites	500
8/9/17 decision - St George's public realm works	137
Other	115
Total Capital Programme at Period 6	228,150

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

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

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

3.8 Capital Receipts

3.8.1 At Period 6, the Council has realised £6.0m of General Fund capital receipts. Some of this will be used for the 2018/19 capital programme, some for the 2019/20 programme.

3.8.2 Right to Buy receipts this year have so far amounted to £7.6m.

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 and Planning).

4.3 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

4.4 Equalities Implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

4.5 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”?**

Yes.

7. **If a key decision please explain reason**

N/A.

PROJECTS

1. Summary

- 1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, ie whether they are being delivered on time, on budget and to the original specification. This appendix summarises progress on projects. Departmental/Divisional summaries are shown at Appendix F.

Department / Division	Budget 2017-18 to 2019-20 £000	2017/18 Spend to Date £000
Corporate Resources	1,720	222
Adult Social Care	6,167	348
Planning, Development & Transportation	59,770	6,298
Tourism, Culture & Inward Investment	10,833	2,698
Neighbourhood & Environmental Services	451	75
Estates & Building Services	58	1
Children's Services	25,728	3,479
Public Health	328	179
Total (including HRA)	105,055	13,300
Housing Revenue Account	5,047	1,744
Total (including HRA)	110,102	15,044

- 1.2 A list of the individual projects is shown in the table on pages 6-8 of this report. This also summarises the progress of each project. Attention has been given to expected completion dates and any project issues that have arisen.
- 1.3 A colour-coded rating of progress of each project has been determined, based on whether the project is progressing as expected, and whether it is still expected to complete within budget.
- 1.4 The ratings used are:
- (a) **Green** Successful delivery of the project on time, within budget, to specification and in line with original objectives seems very likely. There are no major issues that appear to threaten delivery significantly.
 - (b) **Amber** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears probable. However, some risks exist and close attention will be required to ensure these risks do not materialise into major issues threatening delivery. Alternatively, a project is classed as amber if some insubstantial slippage or minor overspend is probable.
 - (c) **Red** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears to be unachievable. The project is expected to require redefining, significant additional time or additional budget.
 - (d) **Blue** The project is complete.
 - (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.

2. Summary of Individual Projects

Dept/ Division	Project	Total Budget (£000)	2017/18 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Project RAG Rating	Reason for RAG Rating (if not Green or Blue)
CRS	Electronic Document System Replacement	330	0	0	Apr-18	Sep-19	Purple	May not be needed
CRS	Automatic Call Distribution System Upgrade	300	7	0	Apr-18	Apr-19	Purple	Currently out to tender
CRS	Lync Telephony Infrastructure Upgrade	47	0	0	Apr-17	Jul-17	Blue	
CRS	Finance, HR & Payroll System	1,043	215	0	Jun-17	Apr-18	Amber	Delay risk due to resourcing and HR/payroll implementation issues
ASC	ICT Investment - Phase 2 - Liquidlogic	1,185	253	0	Jan-19	Mar-19	Green	
ASC	Improvement to Day Care Services at Hastings Road	385	0	0	Apr-16	Apr-18	Green	
ASC	Anchor Centre - new recovery hub	599	95	0	Apr-17	Nov-17	Green	Completed, invoices to be processed & retention payments.
ASC	Specialist Dementia Care Centre	1,548	0	0	TBC	TBC	Purple	Being reviewed following govt announcement on Housing Cap
ASC	Extra Care Schemes	2,450	0	0	TBC	TBC	Purple	
CDN (PDT)	Leicester North West Major Transport Scheme	8,928	142	0	Mar-19	Mar-19	Amber	Construction drawing delays, design issues and construction delays
CDN (PDT)	North City Centre Access Improvement Scheme	8,932	762	0	Feb-20	Apr-19	Green	
CDN (PDT)	Ashton Green Highways Infrastructure (A46/Anstey Lane)	7,900	0	0	May-19	Aug-19	Green	
CDN (PDT)	City Centre Street Improvements	2,297	878	0	Apr-19	Apr-19	Green	
CDN (PDT)	Townscape Heritage Initiative	2,515	817	0	Feb-18	Apr-18	Green	
CDN (PDT)	Friars' Mill Phase 2	1,250	0	0	Aug-17	Feb-18	Purple	Project to be transferred to a developer for completion
CDN (PDT)	Waterside Strategic Regeneration Area	25,370	3,404	0	Mar-23	Mar-23	Green	
CDN (PDT)	St Georges' Churchyard	900	0	0	Aug-18	Aug-18	Amber	Subject to planning permission. Aiming for December Committee
CDN (PDT)	Shahista House, 37-45 Rutland Street	150	0	0	Dec-17	Dec-17	Green	
CDN (PDT)	Great Central Street / Vaughan Way	150	6	0	Jan-19	Jan-19	Green	
CDN (PDT)	Ashton Green	878	244	0	Mar-18	Apr-18	Amber	Outstanding contractual obligations from developer
CDN (PDT)	Pioneer Park	500	45	0	Dec-17	Dec-17	Green	
CDN (TCI)	Dock 2	1,287	9	0	TBC	TBC	Purple	Tenders received higher than budget
CDN (TCI)	Jewry Wall Museum Improvements	1,622	244	0	Mar-19	May-19	Amber	Design issues on walkway
CDN (TCI)	Leicester Market Redevelopment	4,610	851	0	Dec-18	Dec-18	Amber	Contractor not appointed for screen

Dept/ Division	Project	Total Budget (£000)	2017/18 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Project RAG Rating	Reason for RAG Rating (if not Green or Blue)
CDN (TCI)	Haymarket Theatre	2,814	1,533	0	Dec-17	Jun-18	Amber	Increased scope requiring expected additional financing
CDN (TCI)	Abbey Pumping Station	500	61	0	Mar-19	Mar-19	Green	
CDN (NES)	Saffron Hill Cemetery Improvements	301	75	0	Dec-17	Dec-17	Green	
CDN (NES)	Library Management System	150	0	0	Dec-18	Dec-18	Green	
CDN (EBS)	15 New Street	58	1	0	Nov-17	Dec-17	Green	
ECS	Waterside Primary School	1,887	0	0	Aug-19	Aug-19	Amber	Project in danger of slippage due to being on critical path
ECS	Additional Places - Inglehurst Junior	310	12	(12)	Jan-18	Mar-18	Amber	Review following VFM concerns
ECS	Additional Places - Spinney Hill	231	1	0	TBC	TBC	Red	Being reviewed following original structural works found not to be viable
ECS	Additional Places - Alderman Richard Hallam	400	0	0	Sep-17	Sep-17	Green	Completed, but being reviewed to see if further improvements can be made
ECS	Additional Places - Overdale Junior	86	0	0	Aug-16	Aug-16	Blue	
ECS	Additional Places - Marriott	612	0	0	Sep-18	Nov-18	Amber	Requires scoping work with school
ECS	Primary School TMBs	2,346	792	266	Oct-17	Oct-17	Green	Completed. Some snagging issues
ECS	Primary School Internal Reconfigurations	777	4	0	Sep-17	Sep-17	Green	Completed, but being reviewed
ECS	Carisbrooke TMB	693	373	0	Oct-17	Oct-17	Green	Completed, but snagging issues
ECS	Secondary School Places - PFI schools	2,401	195	0	Aug-19	Aug-19	Green	
ECS	Secondary School Places - Non-PFI schools	1,099	88	0	Aug-19	Aug-19	Green	
ECS	Secondary School TMBs	11,993	1,979	0	Oct-17	Oct-17	Amber	Completed, but snagging issues have caused some operational issues
ECS	Fullhurst/Braunstone Skills Centre Expansions	575	2	0	Oct-17	Jan-18	Green	
ECS	Fullhurst / Ellesmere School Expansions	1,725	0	0	Apr-18	Aug-19	Amber	Project in danger of slippage due to being on critical path
ECS	Children's Homes - Barnes Heath	105	2	0	Sep-17	Sep-17	Green	Completed. Agreement of costs ongoing.
ECS	Children's Homes - Dunblane Avenue	96	0	(81)	Oct-17	Dec-17	Amber	Review of service has resulted in delay, but project close to completion
ECS	Children's Homes - Netherhall	214	14	0	TBC	TBC	Red	The completion of works has been delayed by a review of the costs of the overall Children's Homes programme. Plans for completion will be reported in December.
ECS	Children's Homes - Tatlow Road	178	17	0	Dec-16	Feb-18	Amber	Was delayed whilst overspending
PH	Humberstone Heights Golf Course - drainage/irrigation	328	179	0	Mar-18	Mar-18	Green	
Total (excluding HRA)		105,055	13,300	173				

Dept/ Division	Project	Total Budget (£000)	2017/18 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Project RAG Rating	Reason for RAG Rating (if not Green or Blue)
CDN (HRA)	Conversion of Former Council Hostels	1,988	1,168	0	Jan-18	Jan-18	Green	
CDN (HRA)	St Leonard's Tower Block - Lift	100	0	0	Mar-18	May-18	Amber	Overspend due to increased scope of project
CDN (HRA)	Exchange Demolition	112	12	(95)	Dec-17	Mar-18	Amber	Delay in construction by medical centre owner
CDN (HRA)	E-Communications (Mobile Working)	402	1	0	Mar-18	Dec-18	Amber	Procurement of new supplier
CDN (HRA)	Northgate Business Systems Phase 2	1,536	190	0	Jun-18	Jun-18	Amber	Delay in procurement decision
CDN (HRA)	Tower Block Redevelopment	909	373	0	Nov-18	Jan-19	Amber	Safety works following Grenfell
Total HRA		5,047	1,744	(95)				
Total (including HRA)		110,102	15,044	78				

3. Commentary on Specific Projects

- 3.1 Explanatory commentary for projects that are not currently progressing as planned, or for which issues have been identified is provided below. This has been defined as any scheme that has a RAG Rating other than “green” or “blue”.
- 3.2 **Electronic Document System Replacement** This project is currently on hold pending an assessment of whether or not it should go ahead. Should the document storage capabilities of other systems such as LiquidLogic and SharePoint be deemed sufficient for Council needs, investment in a dedicated and costly EDRMS solution would not be required.
- 3.3 **Automatic Call Distribution System Upgrade** This project is currently on hold whilst a provider is being sought.
- 3.4 **Finance, HR & Payroll Systems** It was decided to delay the go live to the start of the next financial year to assist with data migration. This deadline has now been affected by delays in the HR project along with the complexities of the system. The Council is currently working with Technology One in aiming to achieve the 1st April deadline.
- 3.5 **Specialist Dementia Care Centre** This project is on hold, but will now be reviewed following the government announcement that the cap on social housing rents will now not go ahead.
- 3.6 **Extra Care Schemes** This scheme is currently on hold. The government have announced that the cap on social housing rents for sheltered housing and extra care schemes will now not go ahead and as a result these schemes are being reviewed.
- 3.7 **Leicester North West Major Transport Project** Staffing shortages, delays with construction drawings and County issues with design have hindered the progress of this project, which is causing delays on sites for construction works.
- 3.8 **Friars' Mill Phase 2** This project is currently on hold, following the main contractor going into administration. The current delivery strategy is to dispose of the partially constructed buildings via a land sale to a developer to complete for resale or letting. It is proposed that the remaining unspent Friars' Mill budget is transferred to the Waterside regeneration project to compensate for the reduced Friars' Mill capital receipt which was to be used to part-finance Waterside spend.
- 3.9 **St George's Churchyard** The commencement of the public realm improvements is dependent on planning approval being granted. This will be taken to the Planning Committee in December.
- 3.10 **Ashton Green** Morris Homes are currently on site constructing homes under a licence. However, they have some outstanding planning requirements to discharge before the Council can formally transfer land to them and receive the land sale capital receipt of £1.556m. The securing of the required Local Planning Authority approvals, needed before the first home sale, is expected during November 2017.
- 3.11 **Dock 2** As reported at 2016/17 Outturn, tenders received for the project were higher than the budget allowed. This project is now on hold as a result.

- 3.12 **Jewry Wall Museum Improvements** This project is expected to complete later than originally expected due to a technical review of the Stage 4 Walkway Design concluding that the current proposals were inadequate. Further works are also required to investigate archaeology and utilities infrastructure that will be impacted by the structure.
- 3.13 **Leicester Market Redevelopment** A contractor for the new screen behind the Corn Exchange has not yet been appointed, due to tenders not being received.
- 3.14 **Haymarket Theatre** The project scope has been enhanced for areas including door finishes in the public areas, toilets and heating provisions in the back of house areas, window treatments, decoration and relocating the existing main theatre entrance, creating a new glazed lobby and enclosing the current external corridor that is a focus for anti-social behaviour. Additional resources will be committed to the project and the contract period extended such that the building will now be handed over to the Haymarket consortium at the end of January 2018.
- 3.15 **Waterside Primary School** The programme is on the critical path and as such the procurement route is presently being reviewed and confirmed. This is following a market testing with the original procurement strategy that increased the level of risk to the programme. This places an 'Amber' status on the project.
- 3.16 **Additional School Places – Inglehurst Junior School** Value for money concerns regarding submitted costs have been identified. The project was therefore reviewed and re-programmed to allow for a formal competitive tender process, resulting in a revised programme as per the current forecast programme.
- 3.17 **Additional School Places – Spinney Hill Primary School** A feasibility study was previously executed outlining that the current specification would not prove financially viable due to the amount of structural works required and therefore increased costs to the scheme proposal. The project is currently on hold and no further costs will be incurred other than the feasibility study.
- 3.18 **Additional School Places – Marriott Primary School** The scheme has completed the feasibility period and the exact brief is being confirmed with the school. Based on a traditional procurement route and traditional form of construction, the scheme cannot be completed by September 2018 and as such, alternative procurement options and construction solutions are presently being considered.
- 3.19 **Secondary School TMBs** The projects are substantially complete and the TMBs occupied, but rectification of snagging items is ongoing which is causing operational challenges for the Schools. The snagging and associated outstanding works are on track for completion by the programmed completion date of October 2017.
- 3.20 **Fullhurst/Ellesmere School Expansion** There have been challenges in establishing a deliverable programme, which presently being reviewed with the Framework Contractor. The project is on the critical path in relation to having the first phase of accommodation ready for occupation by August 2017.
- 3.21 **Children's Homes – Dunblane Avenue** Whilst most works are either complete, or on track for completion, the Ground Floor Office Refurbishment Works were recently paused pending a review of funding remaining across the Children's Homes and Contact Centres Programme. All works are now on track for completion by December 2017. The project is expected to overspend by £81k.

- 3.22 **Children's Homes – Netherhall** Due to a wider service budget overspend, works are currently paused until confirmation of the budget. A separate paper is to be prepared for submission in relation to completion of the works at Netherhall Road. The programme will be updated upon approval of the agreed works.
- 3.23 **Children's Homes – Tatlow Road** Works were delayed pending a full programme review due to identification of programme overspend. Works have recommenced and are on track to the revised programme.
- 3.24 **St Leonard's Lift** The building was originally designed to have two lifts but only one was ever installed, with the location of the second lift being used as communal cupboards. The original lift is now coming to the end of its useful life and the decision has been taken to install a new second lift so that the existing lift can be renewed the block will have two lifts as originally planned. It is now estimated that the cost for both lifts will be around £195k, exceeding the approved budget by £95k.
- 3.25 **Exchange Demolition** The demolition of the existing parade of shops is dependent on the relocation of the post office currently located there. A decision was taken on 4th August 2017 to dispose of land on Sturdee Road to Invonex Properties Limited in order that an existing Health Centre can to be extended to accommodate a new post office. The land transfer was subsequently completed on 13th October 2017.
- 3.26 **E-Communications (Mobile Working)** Procurement of new devices is currently in progress. This has delayed the trialling of new devices. The Mobile Working IT software solution (part of the Northgate project) is also delayed.
- 3.27 **Northgate Business Systems Phase 2** Roll-out of the online offer has been delayed due to the delay of the mobile working project.
- 3.28 **Tower Block Redevelopment** Following the Grenfell Tower fire in London, it was decided to delay the re-occupation of Gordon House to reassure returning tenants that all passive fire safety measures had been completed to the required standard. This delay has subsequently affected the start date for works to Maxfield House.

WORK PROGRAMMES**1. Summary**

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

Department /Division	Approved £000	2017/18 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Adult Social Care	248	0	0	0
Planning, Development & Transportation	8,452	3,053	0	0
Tourism, Culture & Inward Investment	130	15	0	0
Neighbourhood & Environmental Services	225	13	0	0
Estates & Building Services	874	276	0	0
Housing General Fund	5,474	131	1,039	0
LLEP	10,110	848	0	0
Children's Services	11,730	1,830	5,519	41
Total (excluding HRA)	37,243	6,166	6,558	41
Housing Revenue Account	15,764	5,772	550	0
Total (including HRA)	53,007	11,938	7,108	41

2. Summary of Individual Work Programmes

Work Programme	Approved £000	2017/18 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Transport Improvement Works	1,458	809	0	0
Air Quality - Walking and Cycling	115	0	0	0
Collaborate Business Project - Business Grants	300	40	0	0
Highways Maintenance	3,777	1,244	0	0
Townscape Heritage Initiative - Business Grants	200	108	0	0
Flood Strategy	247	0	0	0
Festive Decorations	50	9	0	0
Local Environmental Works	78	181	0	0
Legible Leicester	618	166	0	0
Leicester Strategic Flood Risk Management Strategy	1,200	127	0	0
Parking Strategy Development	309	369	0	0
Potential Strategic Development Sites Assessment	100	0	0	0
Retail Gateways	50	15	0	0
Heritage Interpretation Panels	80	0	0	0
Parks Plant and Equipment	150	0	0	0
Allotment Infrastructure Phase 2	75	13	0	0
Property Maintenance	874	276	0	0
Private Sector Disabled Facilities Grant	2,130	42	0	0
Repayable Home Repair Loans	300	56	0	0
Leicester Energy Efficiency Fund	50	0	10	0
Street Scene Improvements - Housing Estates	65	9	0	0
Vehicle Fleet Replacement Programme	2,929	24	1,029	0
Local Growth Fund Projects	10,110	848	0	0
School Capital Maintenance	8,063	1,616	2,744	41
BSF Schools' Landlord Lifecycle Fund	3,667	214	2,775	0
Dementia Friendly Buildings Initiative	248	0	0	0
Total (excluding HRA)	37,243	6,166	6,558	41
New Kitchens in Council Housing	2,800	1,517	500	0
New Bathrooms in Council Housing	1,200	295	200	0
Council Housing - Boiler Replacements	3,500	1,453	0	0
Council Housing - Rewiring	2,200	676	150	0
Disabled Adaptations & Improvements	1,300	486	0	0
Council Housing - External Property Works	1,077	430	(150)	0
Community & Environmental Works - Housing Estates	1,554	408	(150)	0
Council Housing - Fire and Safety Works	1,150	452	0	0
Council Housing - Insulation Works	983	55	0	0
Total HRA	15,764	5,772	550	0
Total (including HRA)	53,007	11,938	7,108	41

3. Commentary on Specific Work Programmes

- 3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For Period 4 monitoring, this has been defined as any scheme where material slippage is forecast.
- 3.2 **Vehicle Fleet Replacement Programme** Work continues in developing a detailed vehicle replacement plan that will promote the most cost effective management of the Council's vehicle fleet. Given the time this is expected to take, and that vehicles are being kept for longer, the programme is forecasting that £1.0m of the budget will not be spent this financial year and needs to be re-profiled into 2018/19. The outcome of this review could result in fewer vehicles being required.
- 3.3 **School Capital Maintenance** Some school maintenance budgets have been rescheduled for 2018/19 including kitchen works, some aspects of the "CCMP1" programme that require alignment with the school summer holiday period as well as most aspects of the "CCMP2" programme which is presently in the scoping phase, which will also need to align to the school holiday period. This leaves an anticipated figure of £3,497k still to spend in 2017/18 which is presently on track.
- 3.4 **BSF Landlord Lifecycle Fund** The BSF Lifecycle budget was drawn from a fund set aside for "landlord" lifecycle/capital maintenance responsibilities across the BSF schools for which the Council has capital maintenance responsibility. The current allocation is for immediate works. Slippage is due to works scheduled for 2018 being packaged and put to market, the bulk part of relating to works at New College planned for the Summer holiday.
- 3.5 **Council Housing - New Kitchens and Bathrooms** The Grenfell Tower fire has resulted in delays to the tower block redevelopment. The reoccupation of Gordon House was delayed to enable returning residents to be properly assured about fire safety measures. £500k of the planned expenditure on new kitchens and £200k on new bathrooms will need to be re-profiled as a result.
- 3.6 **Council Housing - External Property Works** By undertaking work on a greater number of properties, expenditure on re-roofing can be brought forward from 2018/19.
- 3.7 **Council Housing – Rewiring** Rewiring is demand-led and will underspend by £150k during the year; this will be used to fund additional investment in cost effective waylighting, which delivers on-going revenue savings.
- 3.8 **Community & Environmental Works - Housing Estates** Housing Estates expenditure on waylighting can be brought forward from 2018/19 and funded from underspends in the Council Housing Rewiring programme.

PROVISIONS**1. Summary**

- 1.1 As stated in the cover report, provisions are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem.
- 1.2 As at the end of Period 6, the following budgets for capital provisions were unspent.

Provision	Approved £000	2017/18 Spend to Date £000	2017/18 Commit- ments £000	2017/18 Total £000	Remaining Budget £000
Local Investment Fund Support	187	0	20	20	167
New School Places - General Contingency	1,083	0	50	50	1,033
Adventure Playgrounds & Youth Centres	25	0	5	5	20
Early Years - Two Year Olds - PVI providers	321	31	82	113	208
Empty Homes Purchase	50	121	(71)	50	0
Total	1,666	152	86	238	1,428

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of Period 6, the following schemes were still in progress and nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

Project	Approved £000	2017/18 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Street Lighting Replacement Programme	166	18	0	0
Haymarket Bus Station	236	232	0	0
Friars' Mill Phase 1	220	16	0	0
Mill Lane Pedestrianisation (DMU funded)	70	118	0	0
Carron Building	18	0	0	0
Victoria Park Centenary Walk Phase 2	140	154	0	0
Installation of Defibrillators on Parks	25	7	0	0
New Walk Museum Works	414	338	0	0
LED Lighting	142	0	0	0
New School Places	605	226	0	0
Targeted Basic Need - Kestrels' Field	269	80	0	0
Children's Service's Contact Centre	13	0	0	0
Schools (Residual BSF Programme)	1,793	593	0	0
Meynell's Gorse	65	57	0	0
Total (excluding HRA)	4,176	1,839	0	0
Affordable Housing Programme 2013-17	164	61	0	0
Total HRA	164	61	0	0
Total (including HRA)	4,340	1,900	0	0

POLICY PROVISIONS**1. Summary**

1.1 As at Period 6, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CDN (EBS)	Property Maintenance	1,652
CDN (EBS)	Braunstone Hall*	141
CDN (PDT)	Economic Action Plan	7,654
CDN (PDT)	Air Quality Action Plan	740
CDN (PDT)	Parking Strategy Development	1,400
CDN (PDT)	Local Environmental Works	700
ECS	Children's Services	22,260
ASC	Extra Care Schemes	6,700
Total (excluding HRA)		41,247
CDN (HRA)	New Affordable Housing	1,954
CDN (HRA)	Other HRA Schemes	300
Total HRA		2,254
Total (including HRA)		43,501

* exception, in that no further approval required

1.2 Money for new school places has been periodically released during the year, as plans are developed and approved. Decisions taken include:

- £12,758k released on 30/5/17 for temporary modular buildings and secondary school expansions.
- £777k released on 23/6/17 for primary school expansions.
- A further £4,834k released on 3/7/17 for temporary modular buildings and secondary school expansions.
- £739k released 11-14/7/17 for ICT needs for secondary school expansions.
- £3,383k released on 6/9/17 for the design phase of secondary school expansions.
- £1,887k released on 25/9/17 for the new Waterside Primary School.

1.3 Other releases from policy provisions up to Period 6 (now reflected in the tables above) include:

- £850k released from the Economic Action Plan policy provision on 24/4/17 for improvement works to King Street.
- £696k released from the Economic Action Plan policy provision on 23/6/17 for the access improvements to Jewry Wall Museum.
- £300k released from the Saffron Hill Cemetery policy provision on 23/5/17 for cemetery extension works.
- £150k released from the Library Management System policy provision on 12/7/17.
- £1,748k released from the Property Maintenance policy provision on 1/9/17 to undertake capital maintenance works on the Council's corporate property portfolio.
- £763k released from the Economic Action Plan policy provision on 8/9/17 for St George's Churchyard public realm improvement works.

1.4 Since Period 6, the following amounts have also been released from policy provisions (these are not yet reflected in the tables above):

- £304k released from the Economic Action Plan policy provision on 23/10/17 for Employment Hub projects.
- £700k released from the Parking Strategy Development policy provision on 17/11/17.
- £2.9m released from the Economic Action Plan policy provision on 21/11/17 for highway, pedestrian and cycleway improvements at Vaughan Way and Great Central Street.

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Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department	Resources
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Electronic Document Management System	330	April 18	Sept 19	P	May not be needed
Automatic Call Distributor (ACD) system.	300	April 18	April 19	P	Currently out to tender
Lync telephony Infrastructure upgrade	47	April 17	July 17	B	Complete
Finance, HR & Payroll System HR /Finance	1,043	June 17	Nov 17/ April 18	A	Delays in the delivery of the HR system and internal decisions.
Total	1,720				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Adult Social Care
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
ICT Investment – Phase 2 (Liquidlogic Enhancements)	1,185	January 2019	March 2019	G	
Improvements to day care services at Hastings Road	385	April 2016	April 2018	G	
Anchor Centre – new recovery hub	599	April 2017	November 2017	G	Complete. Invoices to be processed, and retention payment
Special Dementia Care Centre	1,548			P	On hold awaiting government announcement on the Housing Cap in Autumn 2017
Extra Care – Two Schemes	2,450			P	On hold awaiting government announcement on the Housing Cap in Autumn 2017
Total	6,167				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Planning, Development and Transportation
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Leicester North West Transport Scheme	8,928	March 2019	March 2019	A	Construction drawing delays, design issues and construction delays
North City Centre Access	8,932	Feb 2020	April 2019	G	
Ashton Green Highways Infrastructure	7,900	May 2019	August 2019	G	
City Centre Street Improvements	2,297	April 2019	April 2019	G	
Townscape Heritage Initiative	2,515	Feb 2018	April 2018	G	
Friars Mill Phase 2	1,250	Aug 2017	Feb 2018	P	New delivery strategies. New contractor to be appointed.
Waterside	25,370	March 2023	March 2023	G	
St George's Churchyard	900	August 2018	August 2018	A	Subject to planning approval. December committee targeted
Shahista House	150	December 2017	December 2017	G	
Vaughan Way/ Great Central Street	150	January 2019	January 2019	G	
Ashton Green	878	March 2018	April 2018	A	Outstanding contractual obligations from the Parcel 1 developer
Pioneer Park (Development phase)	500	December 2017	December 2017	G	
Total	59,770				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

CDN - Division	Tourism, Culture and Inward Investment
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Dock2	1,287			P	On Hold.
Jewry Wall Museum Improvement	1,622	March 2019	May 2019	A	Design problems on walkway. New procurement strategy needed. Shifts programme.
Leicester Market Redevelopment	4,610	Dec 2018	Dec 2018	A	Contractor not appointed for screen. No acceptable tenders received.
Haymarket Theatre	2,813	Dec 2017	Jun 2018	A	Completion will move back as scope has increased. Additional financial approval required. Showing amber as assumption is approval will be given.
Abbey Pumping Station	500	March 2019	March 2019	G	
Total	10,832				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Neighbourhood and Environmental Services
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Saffron Hill Cemetery Improvements	301	Dec 17	Dec 17	G	
Library Management System	150	Dec 18	Dec 18	G	
Total	451				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Estates and Building Services (EBS)
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
15 New Street	58	Nov 2017	Dec 2017	G	
Total	58				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Children's Services
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Waterside Primary School	1,887	Aug 19	Aug 19	A	The scheme is on the critical path for opening in August 2019. A review of the agreed procurement strategy is underway in order to 'de-risk' the programme
Additional Places - Inglehurst Junior	310	Jan 18	May 18	A	The project was originally to be procured via framework to meet the required timescales. However there were value for money concerns with the submitted costs. Project was therefore reviewed and re-programmed to allow for a formal competitive tender process, resulting in a revised programme.
Additional Places - Spinney Hill	231	TBC	TBC	R	The Feasibility Study identified challenges and due to the amount of structural works required the design was considered not to be viable when aligned to the project budget. Further plans are being reviewed to identify the next steps to identify a deliverable project.
Additional Places - Alderman Richard Hallam	400	Sep 17	Sept 17	G	Complete, but additional improvements may be made using remaining budget.
Additional Places - Overdale Junior	86	Aug 16	Aug 16	B	Completed. Budget close-out to be confirmed.
Additional Places - Marriott	612	Sept 18	Nov 18	A	The Feasibility Study has been completed. The project brief is presently being confirmed with the school. Based on a traditional procurement route and traditional form of construction, the scheme cannot be completed by Sept 18 and as such, alternative procurement options and construction solutions are presently being considered.
Primary School TMBs	2,346	Oct 17	Oct 17	G	Completed. Some snagging issues.
Primary School Internal	777	Sep 17	Sep 17	G	Completed but being reviewed

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Reconfiguration					
Carisbrooke TMBs	693	Oct 17	Oct 17	G	Completed, but snagging issues
Secondary School Places – PFI Schools	2,401	Aug 19	Aug 19	G	
Secondary School Places – Non-PFI Schools	1,099	Aug 19	Aug 19	G	
Secondary School TMBs	11,993	Oct 17	Oct 17	A	The snagging works have been substantially completed by the end of October and are presently being inspected. The snagging rectification has caused some operational issues for schools, which is why the project is classed as Amber.
Secondary Expansions – Fullhurst / Braunstone Skills Centre)	575	Oct 17	Jan 18	G	Phase 1 works were completed on programme and now Phase 2 works are planned for Nov/Dec 17.
Secondary Expansions – Fullhurst / Ellesmere)	1,725	Apr 18	Aug 19	A	The project is on the critical programme path, so formal execution of the main contract in November is crucial to achieving the occupation of Phase 1 in August 2018.
Children’s Homes – Barnes Heath	105	Sep 17	Sep 17	G	Completed. Agreement of final costs on-going.
Children’s Homes – Dunblane Avenue	96	Oct 17	Dec 17	A	Works are either complete, or on track for completion. The Ground Floor Office Refurbishment Works were recently paused pending review of funding remaining across the Children’s Homes and Contact Centres Programme, which has caused slippage to the programme.
Children’s Homes – Netherhall	214			R	The completion of works has been delayed by a review of the costs of the overall Children’s Homes programme. Plans for completion will be reported in December
Children’s Homes – Tatlow Road	178	Dec 16	Feb 18	A	Works were delayed pending a full programme review due to identification of programme overspend. Works have recommenced and are on track to the revised programme.
Total	25,728				

Capital Programme Project Monitoring 2017/18

Departmental Summary

1. General

Department (or Division in CDN)	Public Health
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Humberstone Heights Golf Course Investment	328	March 18	March 18	G	
Total	328				

Capital Programme Project Monitoring 2017/18

Divisional Summary – Housing

1. General

Department (or Division in CDN)	Housing
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2. Projects

Project Name	Approval 17/18 to 19/20 (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)	Give reasons if not green
Conversion of Former Council Hostels	1,988	Jan 18	Jan 18	G	
St Leonard's Tower Block - Lift	100	Mar 18	May 18	A	Indications that cost may exceed approval (by up to £95k) depending on procurement. Will be funded within HRA resources if required.
Exchange Demolition	112	Dec 17	March 18	A	Delay in construction undertaken by medical centre owners
E-Communications (Mobile Working)	402	Mar 18 / ongoing	Mar 18 / June 18 / Dec 18	A	Delay in trialling new devices until corporate procurement of new IT hardware supplier
Northgate Business Systems Phase 2	1,536	Mar 17 / June 18	Dec 17 / June 18	A	Decision to procure Mobile Working solution has delayed roll out which impacts online offer
Tower Block Redevelopment	909	Aug 17/ Nov 18	Nov 17 / Jan 19	A	Slight delay in reoccupation of Gordon House following Grenfell Fire has knock on effect to Maxfield House works
Total	5,047				