

Executive Decision Report

Capital Budget Monitoring – Period 3, 2018/19

Decision to be taken by: City Mayor

Overview Select Committee date: 13th September 2018

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 2018/19 as at the end of Period 3.
- 1.2 This is the first capital monitoring report of the financial year. Further quarterly reports and an outturn report will be presented as the year progresses.

2. Recommendations

2.1 The Executive is recommended to:

- Note total spend of £13.8m for the year to date.
- Note the progress in delivery of major projects, as shown at Appendix A.
- Note progress on spending work programmes, as shown at Appendix B.
- Note that the great majority of provisions remain unspent as shown at Appendix C.
- Approve the addition of £400k to the capital programme for increased costs associated with the Finance system replacement project, to be financed from earmarked reserves, as detailed in the Corporate Resources Project summary on page 10 (Para 2.2)

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 2018/19 to 2019/20 Capital Programme was approved by Council on 30th November 2017.
- 3.2 The 2017/18 Capital Outturn Report included a decision to carry forward unspent resources from 2017/18 into 2018/19. This was presented to OSC on 21st June 2018.
- 3.3 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;

3.4 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.

3.5 Summary of the total approved 2018/19 to 2019/20 capital programme as at Period 3:

	£000
Projects	129,774
Work Programmes	55,241
Provisions	1,945
Schemes nearly complete	8,348
Total Immediate Starts	195,308
Policy Provisions	98,705
Total Capital Programme	294,013

3.6 Since the beginning of the year, the following have been added to capital programme:

	£000
Haymarket House, Car Park & Lifts (new resources only)	9,127
Goscote House demolition	3,000
Total Additions	12,127

These additions are included in the table at 3.5 above.

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 3, the Council has realised £3.0m of General Fund capital receipts. These receipts are not required to fund the current programme. In line with our policies, with the exception of any earmarked receipts, these are set aside for future capital programmes.

3.8.2 Right to Buy receipts this year have so far amounted to £5.2m.

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”?**

No.

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. Project summaries provided by departments/divisions are shown on pages 10-21 within this Appendix.

Department / Division	Budget 2018/19 to 2019/20 £000	2018/19 Spend to Date £000
Corporate Resources	1,416	124
Adult Social Care	4,892	181
Planning, Development & Transportation	69,910	1,290
Tourism, Culture & Inward Investment	6,895	900
Neighbourhood & Environmental Services	269	1
Estates & Building Services	11,125	80
Children's Services	26,724	5,145
Public Health	3,619	53
Housing Revenue Account	4,924	760
Total	129,774	8,534

- 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 is drawn to expected completion dates and any project issues that have arisen.
- 1.3 A colour-coded rating of progress of each project has been determined, based on whether the project is progressing 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)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Period 3
CRS	Automatic Call Distribution System Upgrade	203	48	0	Apr-18	Apr-19	Purple	Amber
CRS	Finance, HR & Payroll System	1,213	76	0	Jun-17	Feb-19	Red	Red
ASC	ICT Investment - Phase 2 - Liquidlogic	627	160	0	Jan-19	Mar-19	Green	Green
ASC	Improvement to Day Care Services at Hastings Road	267	21	0	Apr-16	Sep-18	Green	Green
ASC	Specialist Dementia Care Centre	1,548	0	0	TBC	TBC	Purple	Purple
ASC	Extra Care Schemes	2,450	0	0	TBC	TBC	Purple	Purple
CDN (PDT)	Leicester North West Major Transport Scheme	8,555	0	0	Mar-19	Mar-21	Amber	Amber
CDN (PDT)	North City Centre Access Improvement Scheme	10,559	427	0	Feb-20	Nov-20	Green	Green
CDN (PDT)	Anstey Lane Improvements for Ashton Green	7,900	0	0	May-19	Mar-20	Green	Green
CDN (PDT)	City Centre Street Improvements	2,262	237	0	Apr-19	May-19	Green	Green
CDN (PDT)	Townscape Heritage Initiative	796	265	0	Feb-18	Apr-18	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	17,764	201	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	857	0	0	Aug-18	Aug-19	Amber	Amber
CDN (PDT)	Queen's Building (formerly Shahista House)	150	0	0	Dec-17	Sep-18	Green	Green
CDN (PDT)	Great Central Street / Vaughan Way	2,740	6	0	Jan-19	Aug-19	Green	Green
CDN (PDT)	Ashton Green	404	41	0	Mar-18	Mar-19	Green	Green
CDN (PDT)	Pioneer Park	4,217	17	0	Jan-21	Jan-21	Green	Green
CDN (PDT)	Great Central Railway Museum	160	0	160	Oct-18	TBC	Purple	Purple
CDN (PDT)	Newarke Street Car Park improvements	247	81	0	Sep-18	Dec-18	Green	Green
CDN (PDT)	Connecting Leicester - Low Carbon Schemes	7,200	0	0	Nov-20	Nov-20	N/a	Green
CDN (PDT)	Putney Road Link	4,859	14	0	Dec-19	Nov-19	N/a	Green
CDN (PDT)	Abbey Park Precinct Wall	92	0	0	Aug-19	Aug-19	N/a	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	1,148	1	0	Spring 18	Spring 20	Amber	Amber
CDN (TCI)	Jewry Wall Museum Improvements	1,069	264	0	Mar-19	Summer 20	Amber	Amber
CDN (TCI)	Leicester Market Redevelopment	5,030	606	0	Dec-18	Jun-19	Green	Amber
CDN (TCI)	Abbey Pumping Station	317	30	0	Mar-19	Sep-19	Green	Green

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

Dept/ Division	Project	Total Budget (£000)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating
CDN (TCI)	De Montfort Hall Improvement Works	479	0	0	Sep-18	Nov-18	N/a	Amber
CDN (NES)	Library Management System	130	0	0	Dec-18	Dec-18	Green	Green
CDN (NES)	Watermead Country Park - Additional Car Park	39	1	0	Mar-19	Mar-19	N/a	Green
CDN (NES)	City Centre Playground	100	0	0	Mar-19	Jan-19	N/a	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	10,067	0	0	Spring 19	Spring 19	N/a	Green
CDN (EBS)	11-15 Horsefair Street	423	75	200	Nov-18	Mar-19	Amber	Amber
CDN (EBS)	Property Acquisition	335	0	0	Sep-18	Sep-18	N/a	Green
CDN (EBS)	City Hall Power Backup	300	5	75	Sep-18	Mar-19	N/a	Amber
ECS	Waterside Primary School	911	553	0	Aug-19	Sep-20	Amber	Green
ECS	Additional Places - Inglehurst Junior	285	40	0	Sep-17	Sep-18	Amber	Green
ECS	Additional Places - Spinney Hill	231	0	0	Feb-18	Sep-18	Amber	Green
ECS	Additional Places - Marriott	1,000	0	0	Sep-18	Dec-18	Amber	Amber
ECS	Primary School Temporary Modular Buildings	681	0	0	Oct-17	Sep-18	Green	Amber
ECS	Primary School Internal Reconfigurations	292	4	0	Sep-17	Sep-18	Green	Amber
ECS	Carisbrooke Temporary Modular Buildings	53	0	0	Oct-17	Sep-18	Green	Amber
ECS	Secondary School Places - PFI schools	400	216	0	Aug-19	TBC	Green	Purple
ECS	Secondary School Places - Non-PFI schools	85	467	0	Jul-19	Jan-20	Amber	Amber
ECS	St Paul Temporary Modular Buildings	582	0	0	Sep-18	Sep-18	N/a	Green
ECS	English Martyrs Internal Refurbishments	206	0	0	Sep-18	Sep-18	N/a	Green
ECS	Fullhurst / Ellesmere School Expansions	14,832	3,835	0	Aug-19	Jul-19	Green	Green
ECS	St John the Baptist Primary Extension	1,566	0	0	May-19	May-19	N/a	Green
ECS	SEND Places Expansion - Phase 1	2,064	0	0	Nov-18	Nov-18	N/a	Green
ECS	Primary Pupil Referral Unit Expansion	2,657	0	0	Oct-19	Oct-19	N/a	Green
ECS	Wigston Lane Children's Home	500	0	0	Nov-18	Nov-18	N/a	Green
ECS	Children's Homes - Netherhall	264	11	0	Sep-17	Oct-18	Amber	Green
ECS	Children's Homes - Tatlow Road	115	19	0	Dec-17	Sep-18	Amber	Green
PH	Relocation of Sexual Health Clinic	1,374	53	0	Mar-18	Mar-18	N/a	Green
PH	Leisure Centre Improvement Programme	2,245	0	0	Mar-20	Mar-20	N/a	Amber
Total (excluding HRA)		124,850	7,774	435				

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

Dept/ Division	Project	Total Budget (£000)	2018/19 Spend (£000)	Forecast U/(O)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating
CDN (HRA)	St Leonard's Tower Block - Lift	100	0	(95)	Mar-18	TBC	Amber	Amber
CDN (HRA)	Exchange Demolition	100	0	0	Dec-17	TBC	Amber	Amber
CDN (HRA)	E-Communications (Mobile Working)	397	4	0	Aug-18	Feb-19	Amber	Amber
CDN (HRA)	Northgate Business Systems Phase 2	975	164	0	Mar-18	Mar-19	Green	Green
CDN (HRA)	Tower Block Redevelopment	352	592	(300)	Sep-18	Jan-19	Amber	Amber
CDN (HRA)	Goscote House Demolition	3,000	0	0	TBC	TBC	N/a	Green
Total HRA		4,924	760	(300)				
Total (including HRA)		129,774	8,534	135				

COLOUR KEY : Successful Delivery Likely Successful Delivery Probable Successful Delivery Appears Unachievable Project Complete Project on Hold
[Green] [Amber] [Red] [Blue] [Purple]

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 in the next pages. This has been defined as any scheme that has a RAG Rating other than “green” or “blue”.

Capital Programme Project Monitoring 2018/19 Period 3

Corporate Resources

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Automatic Call Distribution System.	203	48	June 2017	April 2019	A
Finance, HR & Payroll System	1213	76	2018/19	2018/19	R
Total	1,416	0			

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

2.1. **Automatic Call Distribution System** This project is now live with a new supplier following a tender exercise but costs for some modules are under dispute and may result in a cost overrun. Implementation resources are an issue as the budget does not allow for the employment of additional back-fill resources. This may impact the project timelines and push some of the implementation costs into the next financial year.

2.2. **Finance, HR & Payroll System** The core HR system has now been implemented with the recruitment system anticipated to be implemented during 2018/19. The Council has reviewed the project plan for the Finance system with the supplier following identification of project slippage and the need to ensure we use the flexibility offered by the system to best effect. Additional resources have been allocated to the project team and additional resource will be needed from the supplier to ensure the system is implemented at the end of 2018/19.

Capital Programme Project Monitoring 2018/19 – Period 3

Adults

Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
ICT Investment – Phase 2 (Liquidlogic Enhancements)	627	0	January 2019	March 2019	G
Improvements to day care services at Hastings Road	267	0	April 2016	September 2018	G
Special Dementia Care Centre	1,548	0			P
Extra Care – Two Schemes	2,450	0			P
Total	4,892	0			

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

1.1 Specialist Dementia Care Centre This project is on hold, pending the outcome of the government consultation on the future of social housing rents. Early indications are positive for the Council, but the detail is still awaited. An announcement was anticipated during April 2018 but now likely to be in the autumn.

1.2 Extra Care Schemes These schemes are on hold, awaiting the outcome of the government consultation on the future of social housing rents. Whilst this has not yet been published the consortia who were procured to develop the schemes have proposed a way forward, which will allow the properties to be built without putting the Council at financial risk. The proposal is still pending legal consideration.

Capital Programme Project Monitoring 2018/19 Period 3

Planning, Development & Transportation

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	8,555	0	Mar 2019	Mar 2021	A
North City Centre Access	10,559	0	Feb 2020	Nov 2020	G
Ashton Green Highways Infrastructure	7,900	0	May 2019	Mar 2020	G
City Centre Street Improvements	2,262	0	Apr 2019	May 2019	G
Townscape Heritage Initiative	796	0	Feb 2018	Apr 2018	G
Waterside	17,764	0	Mar 2023	Mar 2023	G
St George's Churchyard	857	0	Aug 2018	Aug 2019	A
Shahista House	150	0	Dec 2017	Sept 2018	G
Vaughan Way / Great Central Street	2,740	0	Jan 2019	Aug 2019	G
Ashton Green	404	0	Mar 2018	Mar 2019	G
Pioneer Park	4,217	0	Jan 2021	Jan 2021	G
Newarke Street Car Park Improvements	247	0	Sept 2018	Dec 2018	G
GCR Mainline Museum	160	160	Oct 2018	TBC	P
Abbey Park Precinct Wall	92	0	Aug 2019	Aug 2019	G
Pioneer Park Commercial Workspace	1,148	0	Spring 2018	Spring 2020	A
Connecting Leicester – Low Carbon Schemes	7,200	0	Nov 2020	Nov 2020	G
Putney Road Link	4,859	0	Nov 2019	Nov 2019	G
Total	69,910	160			

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

2.1. **Leicester North West Major Transport Project** Early contractor involvement on Phase 1 of the scheme (the Ravensbridge Drive/St Margaret's Way junction and Anstey Lane/Blackbird Road junctions) has progressed well and an acceptable target price was submitted with the contract signed in May. Work is due to commence on site on 1st October 2018. This was delayed from July due to conflicts with other schemes in the area and traffic management restrictions. Officers are progressing options for spending the remainder of the funding at Fiveways (approx. £4.5m) by March 2021.

2.2. **St George's Churchyard** The scheme for public realm improvements was presented to Planning Committee in January 2018 but was deferred. Conversations are ongoing with key stakeholders. It is anticipated that works, subject to planning permission, could commence in late 2018.

2.3. **Great Central Railway Mainline Museum** This project is now on hold following the withdrawal of HLF funding in December 2017. GCR are now considering options for an alternative scheme and further meetings to discuss alternatives will be held with the City and County Councils in due course. The £160,000 remaining in the budget will be held pending the outcome of the options review.

2.4. **Pioneer Park Commercial Workspace (formally Dock 2)** Land has been acquired from Homes England and a proposal to seek a development partner to develop new commercial space on the vacant site is being progressed. Consultants have been appointed to restart the design works and external legal advice has been appointed to assist with exploring procurement routes. The site will most likely be delivered in phases with the potential that the Council may retain some business space which could function as move-on space for Dock. The balance of the land available could enable the development partner to build additional business space for sale or lease.

Capital Programme Project Monitoring 2018/19 Period 3

Tourism, Culture and Inward Investment

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	1,069	0	March 2019	T.B.C.	A
Leicester Market Redevelopment	5,030	0	Dec 2018	June 2019	A
Abbey Pumping Station	317	0	March 2019	Sept 2019	G
De Montfort Hall Improvement Works	479	0	Sept 2018	Nov 2018	A
Total	6,895	0			

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

2.1. **Jewry Wall Museum Improvements** The design for the project is at RIBA Stage 4 and the walkway design has been revised. The museum refurbishment and walkway work will be incorporated into one procurement exercise, which is currently awaiting funding confirmation prior to issue of the tender documentation. Subject to being able to issue documents during the summer, the project is forecast to be complete in early summer 2020.

2.2. **Leicester Market Redevelopment** The work on the screen wall is now anticipated to complete in the New Year, due to the discovery of the asbestos during the demolition work. The package of works for Phase 3 are being finalised with expected commencement date of October 2018.

2.3. **De Montfort Hall Improvement Works** Procurement has been completed, planning permission has been granted and works are underway to extend the car park to create 38 new car parking spaces. Landscaping has been delayed and is to be completed once the warmer weather has passed. All the other works are currently taking place and should be complete for the end of September as originally forecast. The extension will allow De Montfort Hall to stage more large outdoor live music and comedy events.

Capital Programme Project Monitoring 2018/19 Period 3

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Approval 2018/19 to 2019/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Management System	130	0	Dec 18	Dec 18	G
City Centre Play	100	0	March 19	Jan 19	G
Watermead Country Park	39	0	March 19	March 19	G
Total	269	0			

Capital Programme Project Monitoring 2018/19 – Period 3

Estates and Building Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Haymarket House, Car Park and Lifts	10,067	0	Spring 2019	Spring 2019	G
11-15 Horsefair Street	423	(200)	Nov 2018	March 2019	A
City Centre Property Acquisition	335	0	Sept 2018	Sept 2018	G
City Hall Power Back Up	300	(75)	Sept 2018	March 2019	A
Total	11,125	(275)			

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

2.1 11-15 Horsefair Street A contractor for the demolition of one of the acquired units has been selected. Demolition is due to be completed by November 2018. Further to the completion of all investigation works it has been determined that it will be necessary to erect new walls to the exposed gables, which will increase works costs. These works will be delayed due to the availability and 25-week lead time of the brick finish required. The art works will be on hold until the gable walls are completed. Pedestrian access will be available from November with a temporary surface of approx. 3-4 metres width. The gable walls will be boarded to allow safe access to pedestrians over the Christmas period. Permanent reinstatement works are expected to be complete by March 2019.

2.2 City Hall Power Back Up Further to completion of an options appraisal EBS are in the process of evaluating the best option in respect of continuity of service. Once a preferred option has been selected the project can proceed into design. The initial feasibility report determined that significant infrastructure changes are required to allow the generator to serve the necessary footprint of building, which will result in a corresponding increase in works cost.

Capital Programme Project Monitoring 2018/19 – Period 3

Children's Services

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Waterside Primary School	911	0	Aug 19	Sep 20	G
Additional Places - Inglehurst Junior	285	0	Sep 17	Sep 18	G
Additional Places - Spinney Hill	231	0	Sep 18	Sep 18	G
Additional Places – Marriott	1,000	0	Sept 18	Dec 18	A
Primary School Temporary Modular Buildings	681	0	Oct 17	Sep 18	A
Primary School Internal Reconfiguration	292		Sep 17	Sep 18	A
Carisbrooke Temporary Modular Buildings	53	0	Oct 17	Sep 18	A
Secondary School Places – PFI Schools	400	0	Aug 19	-	P
Secondary School Places – Non-PFI Schools	85	0	Jul 19	Jan 20	A
Secondary Expansions – Fullhurst / Ellesmere	14,832	0	Aug 19	Jul 19	G
Children's Homes – Netherhall	264	0	Sep 17	Oct 18	G
Children's Homes – Tatlow Road	115	0	Dec 17	Sep 18	G
Wigston Lane - Children's Home Improvement Programme	500	0	May 19	May 19	G
St Paul's Temporary Modular Buildings	582	0	Sep 18	Sep 18	G
English Martyrs Catholic Internal Refurbishment 2018	206	0	Sep 18	Sep 18	G
St John the Baptist Primary Expansion	1,566	0	May 19	May 19	G
SEND Places Expansion - Phase 1	2,064	0	Nov 18	Nov 18	G
Primary Pupil Referral Unit (PRU) Expansion (Netherhall)	2,657	0	Oct 19	Oct 19	G
Total	26,724	0			

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

2.1 Additional Places – Marriott The project is now moving towards delivery on site, with works expected to complete by the end of 2018.

2.2 Primary School Temporary Modular Buildings Works were practically complete on site in August 2017 and the accommodation occupied by the schools. Since that time elements of related works have progressed. The defects rectification period is due to

complete in August 2018 and a plan is in place for outstanding matters to be closed in line with this timescale.

2.3 Primary School Internal Reconfiguration Project works were completed in 2017/18, although some budget remains for retentions. The final cost position is being reviewed in order to close out remaining budgets.

2.4 Carisbrooke Temporary Modular Buildings Works were practically complete on site in August 2017 and the accommodation occupied by the schools. Since that time elements of related works have progressed. The defects 'rectification period' is due to complete in August 2018 and there is a plan in place for outstanding matters to be closed in line with this timescale.

2.5 Secondary School Places – PFI Schools The approved budget relates to pre-construction design and tender activities which are now complete. The next stage is to proceed to RIBA Stage 5 (Construction) and the associated release of capital funding for the whole programme. At present, the programme has been 'paused' whilst increased certainty is obtained on future pupil place projections. The requirement for further certainty is following recent fluctuation to birth rate statistics.

2.6 Secondary School Places – Non-PFI Schools The approved budget relates to design and tender activities up to the end of RIBA Stage 3. These activities are complete and it is anticipated that RIBA Stage 4 activities should complete in August 2018, ahead of Executive Decision.

Capital Programme Project Monitoring 2018/19 – Period 3

Public Health

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
Relocation of Sexual Health Clinic	1,374	0	December 2018	December 2018	G
Cossington Leisure Centre (CLC)	600	0	July 2019	July 2019	A
Evington Leisure centre (ELC)	865	0	July 2019	July 2019	A
Aylestone Leisure Centre (ALC)	349	0	September 2019	September 2019	A
Braunstone Leisure Centre (BLC)	31	0	March 2020	March 2020	P
All Leisure Centres (excluding BLC)	400	0	September 2018 Phase 1 and September 2019 Phase 2	April 2019	A
Total	3,619	0			

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

2.1. **Leisure Centre Improvement Programme** Initial feasibility work on Phase 1 (Evington and Cossington Leisure Centres) has been completed, with the preferred procurement route to be agreed by end of August. The specification for Phase 2 (Aylestone Leisure Centre Capital Scheme) is currently being developed. The Braunstone Leisure Centre Scheme has been deferred, as the decision to convert the crèche facility to an exercise studio not been taken forward. Options to secure external funding to extend the Leisure Centre are being explored through Sport England.

Capital Programme Project Monitoring 2018/19 – Period 3

Housing

1. Projects Summary

Project Name	Approval 18/19 to 19/20 (£000)	Forecast Under / (Over) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating (project)
St Leonard's Tower Block - Lift	100	(95)	Mar 18	tbc	A
Exchange Demolition	100	0	Dec 17	tbc	A
E-Communications (Mobile Working)	397	0	Aug 18	Feb 19	A
Northgate Business Systems Phase 2	975	0	March 18	March 19	G
Tower Block Redevelopment	352	(300)	Sept 18	Jan 19	A
Goscote House Demolition	3,000	0	tbc	tbc	G
Total	4,924	(395)			

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

2.1 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. The existing lift can then be renewed and 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. The ongoing delay is being caused because of reluctance on the part of a leaseholder to the installation of the second lift.

2.2 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 in August 2017 to dispose of land on Sturdee Road in order that an existing health centre can be extended to accommodate a new post office. The land transfer was subsequently completed in October 2017. Delays to the construction of the post office will mean that demolition will now not take place until later in 2018/19.

2.3 E-Communications (Mobile Working) The project has been subject to delays due to significant difficulties in sourcing suitable devices. Various options are being explored to resolve these issues including the use of Android phones which are compatible with the new Total Mobile solution.

2.4 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. Since starting the refurbishment, it has been established that the ventilation duct has corroded where it passes through the concrete floor slab and will need to be replaced, which will increase the cost of the refurbishment by £300k.

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	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Adult Social Care	184	0	0	0
Planning, Development & Transportation	11,348	776	0	0
Tourism, Culture & Inward Investment	1,858	89	0	0
Neighbourhood & Environmental Services	1,773	0	0	0
Estates & Building Services	480	301	0	0
Housing General Fund	5,883	294	0	45
LLEP	0	0	0	0
Children's Services	5,987	2	0	0
Total (excluding HRA)	27,513	1,462	0	45
Housing Revenue Account	16,190	2,336	(62)	0
Total (including HRA)	43,703	3,798	(62)	45

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Dementia Friendly Buildings Initiative	ASC	184	0	0	0
Transport Improvement Works	CDN (PDT)	2,594	110	0	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	2,200	0	0	0
Air Quality Action Plan	CDN (PDT)	76	1	0	0
Highways Maintenance	CDN (PDT)	2,670	46	0	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	661	11	0	0
Flood Strategy	CDN (PDT)	367	31	0	0
Festive Decorations	CDN (PDT)	46	0	0	0
Local Environmental Works	CDN (PDT)	0	65	0	0
Legible Leicester	CDN (PDT)	658	69	0	0
Parking Strategy Development	CDN (PDT)	1,083	49	0	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	488	84	0	0
Potential Strategic Development Sites Assessment	CDN (PDT)	405	283	0	0
Architectural & Feature Lighting	CDN (PDT)	50	0	0	0
Front Wall Enveloping	CDN (PDT)	50	27	0	0
Enterprising Leicester Loans	CDN (TCI)	403	0	0	0
Heritage Interpretation Panels	CDN (TCI)	13	2	0	0
Retail Gateways	CDN (TCI)	425	14	0	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	0	0
Collaborate Business Project - Business Grants	CDN (TCI)	977	73	0	0
Parks Plant and Equipment	CDN (NES)	288	0	0	0
Allotment Infrastructure Phase 2	CDN (NES)	75	0	0	0
Replacement Tree Planting	CDN (NES)	86	0	0	0
CCTV Upgrade - Infrastructure	CDN (NES)	444	0	0	0
CCTV Upgrade - Neighbourhood Facilities	CDN (NES)	90	0	0	0
Euston Street Store	CDN (NES)	790	0	0	0
Property Maintenance	CDN (EBS)	480	301	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,495	259	0	0
Repayable Home Repair Loans	CDN (HGF)	433	0	0	0
Leicester Energy Efficiency Fund	CDN (HGF)	50	5	0	45
Street Scene Improvements - Housing Estates	CDN (HGF)	50	0	0	0
Vehicle Fleet Replacement Programme	CDN (HGF)	2,855	30	0	0
School Capital Maintenance	ECS	3,462	2	0	0
BSF Schools' Landlord Lifecycle Fund	ECS	2,525	0	0	0
Total (excluding HRA)		27,513	1,462	0	45
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,341	815	4	0
Council Housing - Boiler Replacements	CDN (HRA)	3,500	507	0	0
Council Housing - Rewiring	CDN (HRA)	1,860	417	110	0
Disabled Adaptations & Improvements	CDN (HRA)	1,200	132	0	0
Council Housing - External Property Works	CDN (HRA)	1,054	219	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,150	230	0	0
Council Housing - Insulation Works	CDN (HRA)	174	16	(176)	0
Sheltered Housing Improvements	CDN (HRA)	174	0	0	0
Council Housing - Buy-backs	CDN (HRA)	880	0	0	0
Community & Environmental Works	CDN (HRA)	1,857	0	0	0
Total HRA		16,190	2,336	(62)	0
Total (including HRA)		43,703	3,798	(62)	45

3. Commentary on Specific Work Programmes

- 3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For monitoring purposes this has been defined as any scheme where material slippage is forecast.
- 3.2 **Transport Improvement Works** This includes bus pinch point schemes, 20mph schemes, surveys and charges for management of the programme. Many of the 20mph schemes are in progress with works programmed to complete towards the end of the year. The most significant works are the £1.2m on bus pinch point scheme covering the St Margaret's Bus Station exit, the new bus lane enforcement scheme for Groby Road and the bus lane extension and enforcement scheme for Narborough Road, all of which are expected to complete in the New Year.
- 3.3 **Highways Maintenance** The 2018-19 programme is now progressing at pace and will fully spend allocations this year. Over £1m of work is being undertaken during the school summer holiday, with further surfacing programmes planned for the autumn. Works include £1m on the resurfacing to arterial roads and key commuter routes, £290k on the annual summer surface dressing programme and £219k on repair programmes to side streets. The £50k joint sealing programme has been completed. £500k of works to bridges on Rayner Road and Havencrest Drive are also planned to commence in September.
- 3.4 **Leicester Strategic Flood Risk Management Strategy** Current year spend is in line with the spend profile agreed with the LLEP. The majority of spend is expected to happen during the second half of the year as there is a dependency on partners completing their projects. The whole of this budget allocated for 2018/19 is expected to be spent.
- 3.5 **School Capital Maintenance & BSF Landlord Lifecycle Fund** As reported at Outturn, following a school maintenance prioritisation exercise, works are scheduled to commence during the school summer holiday. Such works will include window, fencing and boiler replacement programmes, essential roof replacement works and kitchen and electrical upgrades.
- 3.6 **Dementia Friendly Buildings** As reported at Outturn, there has been a delay with the second phase of works at the Customer Care Centre. Works for libraries and other neighbourhood services have commenced, the spend for which will be reported when incurred. No slippage is forecasted.
- 3.7 **Leicester Energy Efficiency Fund** This is a programme of discretionary grants to landlords to improve the energy efficiency of privately rented homes, administered by the Estates & Building Services (EBS). A review within the EBS service has resulted in a focus on other home energy schemes and the possible discontinuation of support for the LEEF programme. The programme is currently forecast to underspend during this financial year.
- 3.8 **Vehicle Fleet Replacement Programme** Of the £2.9m approval, £1.5m is scheduled to be spent during this year, supported by a detailed plan of vehicle purchases. This approach continues the cost effective management of the Council's vehicle fleet and will result in £1.4m being available for purchases in 2019/20.
- 3.9 **Council Housing – Rewiring** Re-wiring is forecast to underspend by £110k during the year. This is partly due to undertaking an approach in which circuits are upgraded rather

than fully re-wiring properties. The resulting saving will be used to part-fund the additional spending on insulation works.

- 3.10 **Council Housing - Insulation Works** Additional insulation work has been undertaken, over and above that provided for within the budget. This work is positive for tenants and the environment since it reduces energy consumption. The work will be funded from underspends on re-wiring and from HRA revenue underspends.

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 3, the following budgets for capital provisions were unspent.

Provision	Dept/ Division	Approved £000	2018/19 Spend to Date £000	2018/19 Commit- ments £000	2018/19 Total £000	Remaining Budget £000
Local Investment Fund Support	CDN (TCI)	181	0	0	0	181
Feasibility and Development Studies	CDN (PDT)	250	8	0	8	242
Empty Homes Purchase	CDN (HGF)	50	0	0	0	50
New School Places - Contingency	ECS	750	0	0	0	750
Children's Services Buildings (Non-Schools)	ECS	500	0	0	0	500
Adventure Playgrounds & Youth Centres	ECS	25	0	0	0	25
Early Years - Two Year Olds	ECS	189	0	0	0	189
Total		1,945	8	0	8	1,937

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of Period 3, 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	Dept/ Division	Approved £000	2018/19 Spend to Date £000	Forecast Slippage £000	Forecast Under/(over) Spend £000
Electronic Document System Replacement	CRS	330	0	0	100
Anchor Centre - new recovery hub	ASC	146	25	0	100
Friars' Mill Phase 1	CDN (PDT)	54	2	0	0
Carron Building	CDN (PDT)	18	0	0	0
15 New Street	CDN (PDT)	24	1	0	(57)
Braunstone Hall	CDN (PDT)	130	20	0	0
9 Midland Street Acquisition	CDN (EBS)	281	275	0	0
New School Places - Alderman Richard Hallam	ECS	340	0	0	0
New School Places - various	ECS	339	86	0	0
Secondary School Temporary Modular Buildings	ECS	6,003	86	0	0
Fullhurst/Braunstone Skills Centre Expansion	ECS	187	86	0	0
Targeted Basic Need - Kestrels' Field	ECS	151	0	0	0
Schools (Residual BSF Programme)	ECS	250	1	0	0
Children's Homes - Barnes Heath	ECS	15	0	0	0
Children's Services Contact Centres	ECS	33	1	0	0
Total (excluding HRA)		8,301	583	0	143
Affordable Housing Programme 2013-17	CDN (HRA)	47	0	44	0
Total HRA		47	0	44	0
Total (including HRA)		8,348	583	44	143

POLICY PROVISIONS**1. Summary**

1.1 As at Period 3, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CDN (EBS)	Property Maintenance	3,762
CDN (PDT)	Economic Action Plan	11,117
CDN (PDT)	Air Quality Action Plan	740
CDN (PDT)	Parking Strategy Development	800
CDN (PDT)	Local Environmental Works	746
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Front Wall Enveloping	150
CDN (NES)	Commercial Property Acquisitions	1,685
CDN (HGF)	Vehicle Replacement Programme	1,800
ECS	New School Places	59,517
ECS	School Maintenance	8,000
ASC	Extra Care Schemes	6,700
Total (excluding HRA)		95,417
CDN (HRA)	New Affordable Housing	2,988
CDN (HRA)	Other HRA Schemes	300
Total HRA		3,288
Total (including HRA)		98,705

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

- £788k released 3/5/18 for interim expansions of St Paul Primary and English Martyrs Secondary schools
- £2,064k released 4/7/18 for additional SEND school places
- £2,657k released 4/7/18 for the expansion of the Pupil Referral Unit in Netherhall
- £1,724k released 5/7/18 for the expansion of St John the Baptist CoE Primary School

1.3 Other releases from policy provisions up to Period 3 (reflected in the tables above) include:

- £2,245k for the Leisure Centre Improvement Programme
- £790k for works to Euston Street Store to prevent deterioration of stored museum exhibits
- £616k for City Centre property acquisitions.
- £690k for the Haymarket House, Car Park and Lifts project.