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# **Executive Decision Capital Budget Monitoring April-December 2022/23**

Decision to be taken by: City Mayor

Decision to be taken on: 20<sup>th</sup> March 2023

Lead director/officer: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Ben Matthews, Chief Accountant
- Author contact details: ben.matthews@leicester.gov.uk

### 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme at the end of December 2022 (Period 9).
- 1.2 This is the third capital monitoring report of the financial year. A further outturn report will be presented at year end.
- 1.3 As previously reported, many projects have delayed completion dates and face additional costs due to volatility in the construction industry and inflationary pressures. The limited labour and resourcing issues facing contractors' capacity levels is impacting tender price returns. Some work programmes will manage this through their current budget by deferring projects. When this is not possible it is reported in the monitoring and decisions are taken as necessary. It is anticipated this will continue to be an issue for the foreseeable future.

### 2. Recommended actions/decision

- 2.1 The Executive is recommended to:
  - Note total spend of £100.3m for the year to date.
  - Note the budget reduction of £86k for the Property Conversions project, see Appendix A, Housing (HRA), Para 2.2.
  - Note the saving of £2,246k on the Vehicle Fleet Replacement Programme, see Appendix B, Para 3.18.
  - Note the saving of £708k on School Capital Maintenance, see Appendix B, Para 3.19.
  - Approve the following transfers:
    - £400k to Tower Block Sprinklers from Kitchens and Bathrooms, see Appendix A, Housing (HRA), Para 2.1 and Appendix B, 3.21.

- £100k to Disabled Adaptations & Improvements from Kitchens and Bathrooms, see Appendix B, Para 3.22.
- £305k to Overdale Infant & Juniors School Expansion from Expansion of Oaklands Special School, see Appendix A, Children's Services, Para 2.2.
- Approve the following additions:
  - £2,050k to Additional SEND Places, funded by £1,056k of government grant, the release of £750k from the policy provision for Additional School Places and £244k from the expansion of Oaklands Special School, see Appendix A, Children's Services, Para 2.1.
  - £350k to Dawn Centre Reconfiguration, funded by government grant, see Appendix A, Housing (HRA), Para 2.4
  - £145k to Green Homes, funded by government grant, see Appendix B, Para 3.13.

The OSC is recommended to:

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

### 3. Scrutiny / stakeholder engagement

N/a

### 4. Background and options with supporting evidence

4.1 The 2022/23 Capital programme was initially approved by Council on 23<sup>rd</sup> February 2022. It has subsequently been amended (including the 2021/22 outturn).

The capital programme is split in the following way:

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

4.2 Immediate Starts are further split into:

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

4.3 A summary of the total approved 2022/23 capital programme as at Period 9 is shown below:

	<b>£000</b>
Projects	223,685
Work Programmes	219,787
Provisions	191
Schemes Substantially Complete	6,966
<b>Total Immediate Starts</b>	<b>450,629</b>
Policy Provisions	38,958
<b>Total Capital Programme</b>	<b>489,587</b>

4.4 The following changes have occurred to the capital programme since period 6:

	<b>£000</b>
Affordable Housing - RP's & Other	4,900
Green Homes	639
Leicester Hockey Club - S106	350
Tiny Forests in Schools	300
Other	45
Greener Homes	(900)
Policy Provision Savings	(1,400)
<b>Net Movements</b>	<b>3,934</b>

These movements are included in the table at 4.3 above.

4.5 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

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

#### 4.7 Capital Receipts

4.7.1 At Period 9, the Council has realised £6.94m of General Fund capital receipts, which are required for the repayment of borrowing.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £15.7m received in year.

#### 5. Detailed report

N/A

### 6. Financial, legal, equalities, climate emergency and other implications

#### 6.1 Financial implications

This report is solely concerned with financial issues.

Colin Sharpe, Deputy Director of Finance, 37 4001

#### 6.2 Legal implications

There are no direct legal implications arising from the recommendations of this report.

Kamal Adatia, City Barrister & Head of Standards

#### 6.3 Equalities implications

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

#### 6.4 Climate Emergency implications

This report is solely concerned with financial issues.

#### 6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

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

**7. Background information and other papers:**

Capital Programme 2022/23 approved by Council on 23<sup>rd</sup> February 2022.

Housing Revenue Account Budget (including Capital Programme) 2022/23 approved by Council on 23<sup>rd</sup> February 2022.

2022/23 Capital Monitoring P3 Report presented to OSC on 27<sup>th</sup> September 2022.

2022/23 Capital Monitoring P6 Report presented to OSC on 15<sup>th</sup> December 2022.

**8. Summary of appendices:**

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

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

No.

**10. Is this a “key decision”? If so, why?**

Yes. Expenditure exceeding £1m is proposed which has not been specifically approved by Council.

## PROJECTS

### 1. Summary

1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, i.e. whether they are being delivered on time, on budget and to the original specification. This appendix summarises progress on projects. Project summaries provided by departments/divisions are shown on pages 11-25 within this Appendix.

Department / Division	Remaining Budget £000	2022/23 Spend £000
Corporate Resources	418	415
Planning, Development & Transportation	129,262	32,227
Tourism, Culture & Inward Investment	33,951	5,924
Neighbourhood & Environmental Services	1,263	37
Estates & Building Services	15,244	10,651
Housing	2,087	0
Adult Social Care	2,510	0
Children's Services	24,873	4,188
Public Health	2,366	1,309
Housing Revenue Account	11,711	4,305
<b>Total</b>	<b>223,685</b>	<b>59,056</b>

1.2 A list of the individual projects is shown in the table on pages 9-10 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 substantially complete.
- (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.



## 2. Summary of Individual Projects

Dept/ Division	Project	Remaining Budget (£000)	2022/23 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	205	202	0	Dec-21	Dec-22	Green	Blue
CRS	Phase 4 Laptop rollout	213	213	0	Dec-22	Dec-22	N/A	Blue
CDN (PDT)	Connecting Leicester	51,436	12,855	0	Mar-24	Jul-24	Amber	Green
CDN (PDT)	Waterside Strategic Regeneration Area	4,994	1,050	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	722	24	0	Aug-18	Jul-23	Amber	Green
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	151	28	0	Mar-21	TBC	Amber	Purple
CDN (PDT)	North West Leicester Regeneration Area	711	454	0	Mar-22	Dec-23	Green	Amber
CDN (PDT)	High Streets Heritage Action Zones	1,341	280	0	Apr-24	Apr-24	Green	Amber
CDN (PDT)	Saffron Brook	832	86	0	Mar-23	Jun-23	Amber	Green
CDN (PDT)	Leicester Railway Station - Levelling up	22,550	1,217	0	Mar-24	Feb-25	Amber	Green
CDN (PDT)	Electric Bus Investment	20,331	15,401	0	Dec-23	Dec-23	Green	Green
CDN (PDT)	Pioneer Park - Levelling Up	24,567	350	0	Dec-24	Dec-24	Green	Amber
CDN (PDT)	Land South of Midland Street	1,627	482	0	Sep-22	Jun-23	Amber	Green
CDN (TCI)	Jewry Wall Museum Improvements	13,366	2,706	0	Mar-23	Aug-24	Green	Green
CDN (TCI)	Leicester Market Redevelopment	3,390	1,583	0	Dec-21	Oct-24	Green	Amber
CDN (TCI)	Onsite Construction Skills Hub	708	200	0	Dec-22	Jun-23	Green	Green
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,639	283	0	Mar-22	Mar-24	Green	Green
CDN (TCI)	Visit Leicester Relocation	150	91	0	Nov-21	Mar-23	Green	Green
CDN (TCI)	Growth Hub	714	248	0	Jun-23	Jun-23	Green	Green
CDN (TCI)	Fashion Technology Academy	159	30	0	Aug-23	Aug-23	Green	Green
CDN (TCI)	De Montfort Hall	1,014	256	0	Mar-22	Mar-24	Amber	Green
CDN (TCI)	Pilot House	11,511	485	0	Mar-24	Nov-24	Amber	Green
CDN (TCI)	Ugandan Asians – 50 Year Anniversary Commemoration	300	42	0	Jun-23	Sep-23	Amber	Green
<b>Total</b>		<b>163,631</b>	<b>38,566</b>	<b>0</b>				

Dept/ Division	Project	Remaining Budget (£000)	2022/23 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CDN (NES)	Western Park Sanitisation Tree Works	241	15	0	Mar-23	Mar-23	Green	Green
CDN (NES)	Digital & Performance Suite	65	0	0	Mar-23	Mar-23	Green	Green
CDN (NES)	Library Self Access Rollout	592	0	0	Sep-24	Sep-24	Green	Green
CDN (NES)	St Margaret's Pastures Skate Park	365	22	0	Jan-23	Dec-23	Green	Amber
CDN (EBS)	Estate Shops	733	237	0	Mar-22	Jul-23	Amber	Amber
CDN (EBS)	Haymarket Theatre - Internal Completion Works	357	18	0	Mar-21	May-23	Green	Amber
CDN (EBS)	Energy Efficiency Technology	10,205	10,193	0	Mar-22	Dec-22	Red	Blue
CDN (EBS)	Aylestone Leisure Centre PV Panels	1,579	105	0	Aug-22	May-23	Green	Amber
CDN (EBS)	Leycroft Road Energy Reduction Works	192	10	0	May-22	Mar-23	Green	Amber
CDN (EBS)	African Caribbean Centre	252	21	0	Mar-23	Mar-23	Green	Green
CDN (EBS)	Changing Places - Disabled Facilities Toilets	440	0	0	Mar-24	Mar-24	Green	Green
CDN (EBS)	Malcolm Arcade Refurbishment	1,000	39	0	Nov-23	Nov-23	Green	Green
CDN (EBS)	SuDS in Schools	86	28	0	Mar-23	Mar-23	Green	Green
CDN (EBS)	Bosworth House	400	0	0	Aug-23	Aug-23	N/A	Amber
CDN (HGF)	Greener Homes	2,087	0	(720)	Mar-23	Jun-23	Amber	Amber
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	Jan-26	Amber	Amber
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	11,403	1,613	1,050	Dec-19	Sep-24	Purple	Red
SCE (ECS)	Overdale Infant and Juniors School Expansion	3,283	170	305	Nov-21	Nov-23	Green	Amber
SCE (ECS)	Expansion of Oaklands Special School	4,374	1,697	(549)	Mar-22	Apr-23	Green	Green
SCE (ECS)	Pindar Nursery	892	49	0	Mar-23	TBC	Green	Purple
SCE (ECS)	S106 Additional School Places	857	174	0	Sep-23	Aug-24	Green	Amber
SCE (ECS)	Tiny Forests in Leicester Schools	300	0	0	May-23	May-23	N/A	Green
SCE (ECS)	Children's Homes Refurbishments	1,064	0	0	Sep-23	Sep-23	Green	Green
SCE (ECS)	Expansion of Children's Homes	2,700	485	0	May-23	Jan-24	Green	Green
PH	Leisure Centres Phase 2	2,016	1,309	0	Nov-22	Apr-23	Green	Amber
PH	Leicester Hockey Club S106	350	0	0	Jun-23	Jun-23	N/A	Green
<b>Total (excluding HRA)</b>		<b>211,974</b>	<b>54,751</b>	<b>86</b>				
CDN (HRA)	Goscote House Demolition	2,576	1,336	0	Jan-20	Mar-23	Green	Green
CDN (HRA)	New House Build Council Housing	2,156	1,541	0	Apr-23	Mar-25	Amber	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,277	240	400	Apr-22	Jun-23	Green	Amber
CDN (HRA)	Property Conversions	399	133	(86)	Mar-22	Mar-24	Green	Green
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	Mar-23	Jan-24	Amber	Green
CDN (HRA)	Greener Homes	3,453	1,019	(629)	Mar-22	Jun-23	Green	Amber
CDN (HRA)	Dawn Centre Reconfiguration	450	36	0	May-23	Oct-23	Green	Green
CDN (HRA)	St Matthews Concrete Works	1,100	0	0	Mar-24	Mar-24	Green	Green
<b>Total HRA</b>		<b>11,711</b>	<b>4,305</b>	<b>(315)</b>				
<b>Total (including HRA)</b>		<b>223,685</b>	<b>59,056</b>	<b>(229)</b>				

## **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 2022/23 P9

### Corporate Resources

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Corporate LAN/WAN Network Cisco Infrastructure Replacement	205	0	Dec 2021	Dec 2022	<b>B</b>
Phase 4 Laptop Rollout	213	0	Dec 2022	Dec 2022	<b>B</b>
<b>Total</b>	<b>418</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2022/23 P9

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Connecting Leicester	51,436	0	March 2024	July 2024	G
Waterside Strategic Regeneration Area	4,994	0	March 2023	June 2026	G
St George's Churchyard	722	0	Aug 2018	July 2023	G
City-wide Parkmap TRO review, signs and lines upgrades	151	0	March 2021	TBC	P
North West Leicester Regeneration Area	711	0	March 2022	Dec 2023	A
High Streets Heritage Action Zones	1,341	0	April 2024	April 2024	A
Saffron Brook	832	0	March 2023	June 2023	G
Leicester Station Improvements	22,550	0	March 2024	Feb 2025	G
Electric Bus Investment	20,331	0	Dec 2023	Dec 2023	G
Pioneer Park – Levelling Up	24,567	0	Dec 2024	Dec 2024	A
Land South of Midland Street	1,627	0	Sep 2022	June 2023	G
<b>Total</b>	<b>129,262</b>	<b>0</b>			

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

- 2.1 **City-wide Parkmap TRO Review** - As previously reported, further work was required to ensure the system meets requirements. Negotiations to resolve the remaining issues are ongoing.

- 2.2 North West Leicester Regeneration Area** – The forecast completion date for this scheme has been delayed until December 2023 due to the time currently being taken to find a suitable contractor for the main works.
- 2.3 High Street Heritage Action Zones** – The project has incurred some delays pending confirmation of contracts.
- 2.4 Pioneer Park – Levelling Up** – Tender responses for the Dock 3-5 scheme have come in higher than budgeted and therefore discussions to agree a price are ongoing. The cost of the Ian Marlow Centre and Abbey Court schemes are expected to be known shortly. The possibility of simplifying the Abbey Court scheme is being explored to relieve some of the budgetary pressure. However, it is expected that the programme is going to require additional funding at some point in the future, due to construction price inflation.

## Capital Programme Project Monitoring 2022/23 P9

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	13,366	0	March 2023	Aug 2024	G
Leicester Market Redevelopment	3,390	0	Dec 2021	Oct 2024	A
Onsite Construction Skills Hub	708	0	Dec 2022	June 2023	G
Leicester Museum and Art Gallery Phase 1	2,639	0	March 2022	March 2024	G
Visit Leicester Relocation	150	0	Nov 2021	March 2023	G
Growth Hub	714	0	June 2023	June 2023	G
Fashion Technology Academy	159	0	Aug 2023	Aug 2023	G
De Montfort Hall	1,014	0	March 2022	March 2024	G
Pilot House	11,511	0	March 2024	Nov 2024	G
Ugandan Asians – 50 Year Anniversary Commemoration	300	0	June 2023	Sep 2023	G
<b>Total</b>	<b>33,951</b>	<b>0</b>			

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

**2.1 Leicester Market Redevelopment** – The completion date has been extended to build in time to gather feedback from stallholders.

## Capital Programme Project Monitoring 2022/23 P9

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Western Park Sanitation Tree Works	241	0	March 2023	March 2023	G
Digital & Performance Suite	65	0	March 2023	March 2023	G
Library Self Access Rollout	592	0	Sep 2024	Sep 2024	G
St Margaret's Pastures Skate Park	365	0	Jan 2023	Dec 2023	A
<b>Total</b>	<b>1,263</b>	<b>0</b>			

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

- 2.1 **St Margaret's Pastures Skate Park** – The forecast completion is delayed as a result of delays in lease negotiations, which have now been concluded.



## Capital Programme Project Monitoring 2022/23 P9

### Estates and Building Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Estate Shops	733	0	March 2022	July 2023	A
Haymarket Theatre - Internal Completion Works	357	0	March 2021	May 2023	A
Energy Efficiency Technology	10,205	0	March 2022	Dec 2022	B
Aylestone Leisure Centre PV Panels	1,579	0	Aug 2022	May 2023	A
Leycroft Road Energy Reduction Works	192	0	May 2022	March 2023	A
African Caribbean Centre	252	0	March 2023	March 2023	G
Changing Places - Disabled Facilities Toilets	440	0	March 2024	March 2024	G
Malcolm Arcade Refurbishment	1,000	0	Nov 2023	Nov 2023	G
SuDS in Schools	86	0	March 2023	March 2023	G
Bosworth House	400	0	Aug 2023	Aug 2023	A
<b>Total</b>	<b>15,244</b>	<b>0</b>			

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

**2.1 Estate Shops** – As previously reported, investigations had identified a greater extent of concrete repairs required. All sites except one will be completed by the end of March 2023, with the outstanding site to be completed by the end of July 2023 due to access issues relating to local businesses, limiting the opportunities to undertake the works.

- 2.2 Haymarket Theatre – Internal completion works** – The forecast completion date for this scheme has been delayed from March 2023 to May 2023, due to internal resourcing delays whilst prioritising other works.
- 2.3 Energy Efficiency Technology** - As previously reported, this scheme represents a significant investment of £25m from the government’s Salix programme into decarbonisation measures across the city as part of the Council’s Climate Emergency Action Plan. The grant funding has been utilised and additional budget has been required for remaining works, which is included in the 23/24 capital programme.
- 2.4 Aylestone Leisure Centre PV Panels** – The forecast completion date has been delayed from February 2023 to May 2023 due to protracted contract negotiations, which have now been resolved.
- 2.5 Leycroft Road Energy Reduction Works** – The forecast completion date has been delayed from November 2022 to March 2023 due to protracted contract negotiations, which have now been resolved.
- 2.6 Bosworth House** - Pending further survey works, it is likely that further funding will be required to meet the dilapidation costs for the building. Further approval will be sought once these requirements are known.

## Capital Programme Project Monitoring 2022/23 P9

### Housing (GF)

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Greener Homes	2,087	(720)	March 2023	June 2023	A
<b>Total</b>	<b>2,087</b>	<b>(720)</b>			

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

2.1 **Greener Homes** – As previously reported, the funding in this scheme is to be passported to registered housing providers to use on their own housing stock. This is a separate allocation to the HRA Greener Homes project, which relates to installation of energy efficiency measures in Council dwellings. An underspend of £720k has emerged, as one of the providers has withdrawn from the scheme.

## Capital Programme Project Monitoring 2022/23 P9

### Adults

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	Jan 2026	A
<b>Total</b>	<b>2,510</b>	<b>0</b>			

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

- 2.1 **Extra Care – Two Schemes** – A delay in forecast completion date to this scheme is due to clarifying the most appropriate disposal route for the sites.

## Capital Programme Project Monitoring 2022/23 P9

### Children's Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	11,403	1,050	Dec 2019	Sep 2024	R
Overdale Infant and Juniors School Expansion	3,283	305	Nov 2021	Nov 2023	A
Expansion of Oaklands Special School	4,374	(549)	March 2022	April 2023	G
Pindar Nursery	892	0	March 2023	TBC	P
S106 Additional School Places	857	0	Sept 2023	Aug 2024	A
Tiny Forests in Leicester Schools	300	0	May 2023	May 2023	G
Children's Homes Refurbishments	1,064	0	Sept 2023	Sep 2023	G
Expansion of Children's Homes	2,700	0	May 2023	Jan 2024	G
<b>Total</b>	<b>24,873</b>	<b>806</b>			

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

**2.1 Additional SEND Places** - Surveys are currently underway at Netherhall and the Leicester Partnership School. Following formal pre-planning application feedback, an alternative site location is required for additional capacity at Ellesmere and the project is expected to complete by August 2024. Other changes have led to the need for an additional £2.050m across the Additional SEND Places project, due to:

- Inflationary pressure and additional works required on the Elmbrook scheme, together with confirmed prices received from the new contractor following the original contractor going into administration. An additional £1.25m is required, partly offset by an underspend of £0.2m on the Knighton Fields Centre, resulting in a forecast net overspend on the existing Additional SEND places programme of £1.050m. It is proposed to fund this by transferring £244k from the expansion of Oaklands Special School and the addition of £806k of government grant set aside for this purpose.
- Plans to create additional Designated Special Provision (DSP) places in three primary schools and the provision of permanent accommodation for an existing secondary DSP. It is proposed this is funded via a release of £750k from the Additional School Places Policy Provision. This follows on from the original decision in February 2022 to start DSP Programme Phase 2.
- Proposed works at Westgate Special School, to provide additional places. This can be funded by £250k of government grant set aside for this purpose.

**2.2 Overdale Infant & Juniors School Expansion** – There has been a delay of two months to the forecast completion date, because of ecological findings that need to be resolved. Furthermore, an overspend has arisen due to market inflation since the original budget was set and following the original contractor going into administration. A decision is sought to transfer £305k from the expansion of Oaklands Special School to offset this.

**2.3 Pindar Nursery** - This scheme is currently on hold, as pupils are still located at Pindar Nursery whilst waiting for the Netherhall SEND scheme to be completed.

**2.4 S106 Additional School Places** – There is a delay due to one of the schools changing their plans to now incorporate a designated special provision unit. This also involves resubmitting their significant change application to the DfE. Funding is expected to be passed to the school by August 2024.

## Capital Programme Project Monitoring 2022/23 P9

### Public Health

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centres Phase 2	2,016	0	Nov 2022	April 2023	A
Leicester Hockey Club S106	350	0	June 2023	June 2023	G
<b>Total</b>	<b>2,366</b>	<b>0</b>			

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

- 2.1 **Leisure Centres Phase 2** – The remaining works to be completed at Aylestone Leisure Centre have had a slight delay, due to a water leak in the reception area. The leak has since been repaired and the remaining works can now be completed.

## Capital Programme Project Monitoring 2022/23 P9

### Housing (HRA)

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Goscote House Demolition	2,576	0	Jan 2020	March 2023	G
New Build Council Housing	2,156	0	April 2023	March 2025	G
Tower Block Sprinklers	1,277	400	April 2022	June 2023	A
Property Conversions	399	(86)	March 2022	March 2024	G
Bridlespur Way Refurbishment	300	0	March 2023	Jan 2024	G
Greener Homes	3,453	(629)	March 2022	June 2023	A
Dawn Centre Reconfiguration	450	0	May 2023	Oct 2023	G
St Matthews Concrete Works	1,100	0	March 2024	March 2024	G
<b>Total</b>	<b>11,711</b>	<b>(315)</b>			

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

**2.1 Tower Block Sprinklers** – The work to fit sprinklers in the four tower blocks is proceeding well but has taken longer than expected due to difficulties in accessing occupied properties. Costs have increased by £400k from the impact of inflationary pressures on materials, an upgrade to the specification to address regulation changes, and a decision to renew communal boxings as part of the project. A decision is sought to use the underspend from the kitchens and bathrooms work programme to offset this overspend.



- 2.2 Property Conversions** – It is proposed that £86k of the capital budget be used to support revenue costs linked to case reviews of overcrowding and under-occupation. This approach will identify alternative options to property conversions (such as supporting a home exchange), whilst still focused on alleviating the pressures of overcrowding.
- 2.3 Greener Homes** – As reported previously the Greener Homes scheme is forecast to underspend due to a reduced number of externally insulated properties and a change in the timescales such that an air-source heat pump at a Council-owned block of flats will no longer take place under the current fund. To support maximum delivery, the date for spending the grant has been extended by BEIS to June 2023.
- 2.4 Dawn Centre Reconfiguration** – The scope of works for this project has been expanded to incorporate wider improvements to the Dawn Centre being funded from the Rough Sleeping Initiatives grant with the total scope of the works now expected to be completed by October 2023. This report seeks to add £350k to the capital programme for these additional works.

**WORK PROGRAMMES****1. Summary**

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

<b>Department / Division</b>	<b>Approved to spend in 22/23 £000</b>	<b>2022/23 Spend £000</b>	<b>Slippage £000</b>	<b>Over/(under) Spend £000</b>
City Development & Neighbourhoods	463	84	100	0
Planning, Development & Transportation	15,270	7,559	2,556	(6)
Tourism, Culture & Inward Investment	1,272	349	500	0
Neighbourhood & Environmental Services	621	165	321	0
Estates & Building Services	9,442	2,161	3,581	(74)
Housing General Fund	10,634	3,343	3,944	(2,246)
Adult Social Care	0	0	0	0
Children's Services	7,769	2,600	2,451	(708)
<b>Total (excluding HRA)</b>	<b>45,471</b>	<b>16,261</b>	<b>13,453</b>	<b>(3,034)</b>
Housing Revenue Account	25,304	19,066	0	(1,150)
<b>Total (including HRA)</b>	<b>70,775</b>	<b>35,327</b>	<b>13,453</b>	<b>(4,184)</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2022/23 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	463	84	100	0
Transport Improvement Works	CDN (PDT)	6,453	3,792	656	0
Bus Engine Retrofitting	CDN (PDT)	474	62	376	0
Air Quality Action Plan	CDN (PDT)	415	145	100	0
Highways Maintenance	CDN (PDT)	4,020	1,977	315	0
Flood Strategy	CDN (PDT)	290	191	0	0
Festive Decorations	CDN (PDT)	225	124	25	0
Local Environmental Works	CDN (PDT)	555	433	0	0
Legible Leicester	CDN (PDT)	71	4	0	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	19	13	0	(6)
Potential Strategic Development Sites Assessment	CDN (PDT)	1,424	415	734	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	200	0	130	0
Front Wall Enveloping	CDN (PDT)	210	210	0	0
Transforming Cities Work Programmes	CDN (PDT)	461	120	114	0
Campbell Street Feasibility Study	CDN (PDT)	186	0	0	0
Conservation Building Grants	CDN (PDT)	59	59	0	0
Street Nameplates City Branding Programme	CDN (PDT)	111	7	19	0
Environment Agency Feasibility Studies	CDN (PDT)	97	7	87	0
Heritage Interpretation Panels	CDN (TCI)	355	121	0	0
Retail Gateways (Grant)	CDN (TCI)	74	49	0	0
Leicester Museum and Art Gallery	CDN (TCI)	70	70	0	0
Cank St Feasibility	CDN (TCI)	30	27	0	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	743	82	500	0
Parks Plant and Equipment	CDN (NES)	246	98	40	0
Parks and Open Spaces	CDN (NES)	365	67	281	0
Franklyn Fields Public Open Space	CDN (NES)	10	0	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	4,943	522	3,088	0
Replacement cladding Phoenix Square	CDN (EBS)	189	21	130	0
Green Homes	CDN (EBS)	3,682	1,581	0	0
Phoenix & Sovereign House	CDN (EBS)	248	20	228	0
CCTV Newarke Houses/Guildhall	CDN (EBS)	26	0	0	(26)
Depots Refurbishment	CDN (EBS)	289	0	135	0
Affordable Warmth	CDN (EBS)	65	17	0	(48)
Private Sector Disabled Facilities Grant	CDN (HGF)	2,089	1,324	100	0
Repayable Home Repair Loans	CDN (HGF)	200	0	125	0
Vehicle Fleet Replacement Programme	CDN (HGF)	8,345	2,019	3,719	(2,246)
School Capital Maintenance	SCE (ECS)	7,457	2,529	2,330	(708)
Foster Care Capital Contribution Scheme	SCE (ECS)	312	71	121	0
<b>Total (excluding HRA)</b>		<b>45,471</b>	<b>16,261</b>	<b>13,453</b>	<b>(3,034)</b>

<b>Work Programme</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2022/23 Spend £000</b>	<b>Slippage £000</b>	<b>Over/(under) Spend £000</b>
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,850	857	0	(1,250)
Council Housing - Boiler Replacements	CDN (HRA)	2,800	1,639	0	0
Council Housing - Rewiring	CDN (HRA)	1,760	1,234	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,010	912	0	100
Council Housing - Insulation Works	CDN (HRA)	100	1	0	0
Council Housing - External Property Works	CDN (HRA)	350	255	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,184	711	0	0
Community & Environmental Works	CDN (HRA)	1,850	1,144	0	0
Affordable Housing - Acquisitions	CDN (HRA)	11,564	10,811	0	0
Affordable Housing - RPs & Others	CDN (HRA)	436	436	0	0
Public Realm Works	CDN (HRA)	1,400	1,066	0	0
<b>Total HRA</b>		<b>25,304</b>	<b>19,066</b>	<b>0</b>	<b>(1,150)</b>
<b>Total (including HRA)</b>		<b>70,775</b>	<b>35,327</b>	<b>13,453</b>	<b>(4,184)</b>

### 3. **Commentary on Specific Work Programmes**

- 3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For monitoring purposes this has been defined as any scheme where budgets have significantly changed, where spend is low or where material slippage is forecast.
- 3.2 **Feasibility Studies** – £100k of slippage is forecast for the cemetery provision feasibility, due to alternative sites being explored.
- 3.3 **Transport Improvement Works** – Activity that was initially scheduled for this year, connected to the proposed Workplace Parking Levy is no longer required. Therefore, works will be reprogrammed to other transport schemes that will be delivered in 2023/24. Various other schemes expected for delivery this year have been delayed due to availability of contractors/internal resources.
- 3.4 **Bus Engine Retrofitting** – There have been difficulties retrofitting a number of buses, with this not being feasible in some cases. The slippage is required to reallocate the funding to operators with buses that can be retrofitted.
- 3.5 **Air Quality Action Plan** – The installation of electric vehicle chargers within the city is proving challenging, such as identifying suitable locations and gaining the necessary permission from National Grid for the power requirements. This has meant this scheme has been pushed back until these issues can be resolved. The current forecast is that the remaining budget will be spent by Summer 2023.
- 3.6 **Highways Maintenance** - The £315k slippage is due to various delays such as road works co-ordination and materials supply.
- 3.7 **Potential Strategic Development Sites Assessment** – Internal resourcing issues have led to a reduction of programme management dedicated to this scheme and there have also been difficulties in recruiting temporary cover for this scheme. The remaining budget will be required for the 23/24 financial year.
- 3.8 **Architectural & Feature Lighting** – Grant recipients have requested that works are delayed until next year due to the current economic climate.

- 3.9 **Local Shopping Centres Reopening & Improvement Programme Grants** – This slippage is mainly due to resourcing issues, therefore grants will continue to be awarded into 2023/24.
- 3.10 **Parks and Open Spaces** – The slippage is due to a delay in formalising the decision on the location of Victoria Park bandstand which has since been agreed. There has also been a delay in Rally Park ballcourt planning application with a decision to be made in mid-Spring and due to resources being prioritised on other schemes. Works are forecast to start in the summer.
- 3.11 **Property & Operational Estate Capital Maintenance Programme** – As previously reported, the majority of slippage was due to the assessment of maintenance works. This has now been completed and works are being programmed to be carried out, which will go into the next financial year. The other element of the forecast slippage is due to capacity and re-programming for ongoing decarbonisation requirements.
- 3.12 **Replacement Cladding Phoenix Square** – A delay has been incurred on this scheme whilst negotiations regarding future funding have taken place, once these have been concluded an indication of timescales will be provided.
- 3.13 **Green Homes** – Approval is sought to add £145k of government grant funding to this scheme. This will help to continue the installation of energy efficient measures in private homes across the city. In line with previous decisions, only an element of this funding is being added to the current scheme, due to previous grant not being fully spent and therefore budget remaining.
- 3.14 **Phoenix & Sovereign House** - £228k of slippage is forecast due to the requirements for the Phoenix House building being reviewed.
- 3.15 **Depot Refurbishment** – Slippage of £135k is forecast, due to design changes to Knighton Park Depot, leading to knock-on delays on the completion of Evington Park Depot designs.
- 3.16 **Private Sector Disabled Facilities Grant** – Forecast slippage of £100k is due to delays caused by resources being deployed on other Housing projects as a priority. Recruitment of support officers is currently ongoing.
- 3.17 **Repayable Home Repair Loans** – Forecast slippage of £125k is expected due to the same issues affecting the Private Sector Disabled Facilities Grant.

- 3.18 **Vehicle Fleet Replacement Programme** – Forecast slippage of £3.7m due to ongoing global factors affecting new vehicle delivery lead times, including steel shortages and microchip supply issues. Work has been ongoing to adapt our ordering processes as a result of changes in the global markets. Now the 23/24 capital programme has been approved, a saving of £2,246k can now be taken.
- 3.19 **School Capital Maintenance** – The majority of this slippage is on sustainability schemes, which have slipped due to planning and listed building constraints. The £708k saving relates to previous budget set aside for a central production kitchen that is no longer taking place. This was funded by corporate resources and can now be made available for use in future programmes.
- 3.20 **Foster Care Capital Contribution Scheme** – Slippage is a result of increased delays sourcing available contractors and time taken for legal charges to be lodged on properties by the land registry.
- 3.21 **Kitchens & Bathrooms** - An underspend of £1,250k is forecast as contractor capacity has been utilised to prioritise bringing void council owned properties back into use more quickly and to support the inhouse craft workforce. As noted earlier in this report, a decision is sought to use £400k of this underspend to offset the overspend on the Tower Block Sprinklers project.
- 3.22 **Disabled Adaptations & Improvements** – As a demand-led programme, this area is always subject to fluctuation. Although an underspend was anticipated at period 6, the quantity of work has now increased such that the budget will be exceeded by £100k. A decision is sought to use the underspend on the kitchen and bathrooms programme to offset this overspend.

**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 9, none of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2022/23 financial year.

Provision	Dept/ Division	Approved £000	2022/23 Spend £000	2022/23 Total £000	Remaining Budget £000
Empty Homes Purchase	CDN (HGF)	50	0	0	50
Early Years - Two Year Olds	SCE (ECS)	141	0	0	141
<b>Total</b>		<b>191</b>	<b>0</b>	<b>0</b>	<b>191</b>



**PROJECTS SUBSTANTIALLY COMPLETE****1. Summary**

- 1.1 As at the end of Period 9, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

<b>Project</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2022/23 Spend £000</b>	<b>Over/(Under) Spend £000</b>
Leicester North West Major Transport Scheme	CDN (PDT)	89	0	0
Pioneer Park	CDN (PDT)	27	11	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (PDT)	109	43	0
St Margaret's Gateway	CDN (PDT)	4,330	4,300	0
Stocking Farm Community Shop	CDN (PDT)	150	109	0
Gresham Business Workspace	CDN (TCI)	64	24	0
Abbey Pumping Station	CDN (TCI)	253	247	0
Phoenix 2020	CDN (TCI)	689	688	(1)
St Mary's Allotments	CDN (NES)	11	11	0
Library RFID Self-Service System	CDN (NES)	25	0	0
Library Improved Self-Access Pilot	CDN (NES)	55	30	0
Abbey Park Precinct Wall	CDN (NES)	171	119	(20)
Reuse Shop Expansion	CDN (NES)	205	199	0
11-15 Horsefair Street	CDN (EBS)	55	10	(18)
Haymarket House, Car Parks & Lifts	CDN (EBS)	180	7	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	129	71	0
St Leonard's Tower Block - Lift	CDN (HRA)	44	37	
Additional Primary School Places	SCE (ECS)	66	3	0
Children's Residential Homes	SCE (ECS)	68	62	0
Glebelands Primary School Modular Building	SCE (ECS)	246	13	0
<b>Total</b>		<b>6,966</b>	<b>5,984</b>	<b>(39)</b>

**POLICY PROVISIONS****1. Summary**

1.1. As at Period 9, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

<b>Department/ Division</b>	<b>Policy Provision</b>	<b>Amount £000</b>
CRS	New Ways of Working	1,887
CDN (PDT)	Strategic Acquisitions	3,207
CDN (TCII)	Tourism & Culture	50
CDN (TCII)	Highways, Transport & Infrastructure	3,364
CDN (TCII)	Leicester Museum and Art Gallery (LMAG)	3,738
CDN (TCII)	Outdoor Market Phase 3	7,300
CDN (NES)	Investment in Multi-Use Game Areas (MUGAs)	600
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	5,673
SCE (ECS)	Education System Re-tender	2,200
SCE (ASC)	Extra Care Schemes	4,326
Other	Black Lives Matter	495
All	Programme Contingency	4,726
<b>Total (excluding HRA)</b>		<b>37,958</b>
CDN (HRA)	Other HRA Schemes	1,000
<b>Total HRA</b>		<b>1,000</b>
<b>Total (including HRA)</b>		<b>38,958</b>

1.2. Releases from policy provisions since the 2021/22 Outturn (reflected in the tables above) are listed below:

- £1,600k for Land South of Midland Street
- £1,033k for Leicester Market Redevelopment - 22 Market Place
- £400k for Bosworth House
- £213k for Phase 4 Laptop Rollout
- £174k for Children's Home Refurbishment
- £100k for Pindar Nursery