
Executive Decision Capital Budget Monitoring April-March 2022/23

Decision to be taken by: City Mayor

Decision to be taken on: 13th July 2023

Lead director/officer: Amy Oliver, Director of Finance

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 March 2023 (Period 12).
- 1.2 This is the outturn capital monitoring report of the financial year 2022-23.
- 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. In this report we are starting to see the impact with some significant requests from the Programme Contingency which has been set aside for this purpose. It is anticipated these additional cost pressures will continue to be an issue for the foreseeable future.

2. Recommended actions/decision

2.1 The Executive is recommended to:

- Note the following
 - The total spend of £135.6m for the year.
 - The progress in delivery of major projects, as shown at Appendix A.
 - The progress on spending work programmes, as shown at Appendix B, and approve the carry-forward of resources into 2023/24 for schemes where spend has slipped (£19.4m).
 - That the majority of provisions remain unspent as shown at Appendix C and approve the carry forward of the Early Years – Two Year Olds provision into 2023/24 (£141k), Appendix C, Para 1.4.
 - That across a number of schemes, £982k has been declared as savings following completion of schemes below budget. Of this, £37k was funded by Corporate Resources and will become available for future capital projects.

- Approve the following additions:
 - £259k for Onsite Construction Skills Hub, funded by government grant, see Appendix A, TCII, Para 2.1.
 - £300k for Dawn Centre Reconfiguration, funded by government grant, see Appendix A, HRA, Para 2.1.
 - £580k for Highways Maintenance, funded by government grant, see Appendix B, Para. 3.6.
 - £767k for Green Homes, funded by government grant, see Appendix B, Para 3.16.
 - £887k for District Heating Metering (Housing General Fund), funded by borrowing which will then be repaid with charges and income from homeowners (leaseholders), see Appendix B, Para 3.22.
- Approve the following transfer:
 - £563k for District Heating Metering (Housing Revenue Account), funded by a transfer from the Public Realm programme, see Appendix A, HRA, Para 2.2.
 - £631k for Disabled Adaptations and Improvements, funded by transfers from Kitchens & Bathrooms (£323k) and Boiler Replacements (£308k), see Appendix B, Para 3.27.
- Approve the following policy provision releases:
 - £1,500k from the Programme Contingency, for Pioneer Park Levelling up to fund inflationary increases, see Appendix A, PDT, Para 2.4.
 - £1,500k from the Programme Contingency, for Pilot House Levelling up to fund inflationary increases, see Appendix A, TCII, Para 2.2.
 - £17k from the Programme Contingency, for Ugandan Asians 50 Year Anniversary Commemoration to fund inflationary increases, see Appendix A, TCII, Para 2.3.
 - £215k from the Extra Care Schemes Policy Provision, for Children's Homes Refurbishments to fund additional works, see Appendix A, Children's Services. Para 2.5.
 - £20k from the Programme Contingency, for Heritage Interpretation Panels to fund inflationary increases, see Appendix B, Para 3.11.

- Approve the following saving:
 - £859k reduction from the 2023/24 HRA capital programme, see Appendix B, Para 1.2.

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 23rd 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 12 is shown below:

	£000
Projects	241,998
Work Programmes	217,228
Provisions	191
Schemes Substantially Complete	17,575
Total Immediate Starts	476,992
Policy Provisions	26,611
Total Capital Programme	503,603

4.4 The following changes have occurred to the capital programme since period 9:

	£000
Phoenix Square Cladding	9,431
Ashton Green Access Road	2,250
District Heating Metering 23/24 programme (HRA)	2,310
District Heating Metering 23/24 programme (HGF)	1,250
Additional SEND Places - Pupil Referral Unit	806
Dawn Centre Reconfiguration	350
School Capital Maintenance - West Gate Special School	250
Other	323
School Capital Maintenance (Savings)	(708)
Vehicle Fleet Replacement Programme (Savings)	(2,246)
Net Movements	14,016

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 12, the Council has realised £9.1m of General Fund capital receipts, of which £2m is unallocated to the approved capital programme.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £19.4m 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 4081

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

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

People from across all protected characteristics will benefit from the improved public good arising from the capital programme. At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted. There may be future projects, arising from the report and its recommendations, which would benefit from further consideration of the equalities implications and possibly a full equality impact assessment in certain circumstances. Whether an Equalities Impact Assessment is required will be dependent upon how work develops and whether the changes are likely to have a disproportionate impact on any protected group; this is usually the case where there are significant changes or a reduction in provision.

Equalities Officer, Surinder Singh, ext. 37 4148

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 was approved by Council on 23rd February 2022.

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

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

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

2022/23 Capital Monitoring P9 Report presented to OSC on 20th March 2023.

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 12-25 within this Appendix.

Department / Division	Remaining Budget £000	2022/23 Spend £000
Planning, Development & Transportation	131,512	40,569
Tourism, Culture & Inward Investment	42,117	7,596
Neighbourhood & Environmental Services	1,963	374
Estates & Building Services	14,739	1,940
Housing	2,087	0
Adult Social Care	2,510	0
Children's Services	29,314	6,741
Public Health	2,366	2,275
Housing Revenue Account	15,390	8,311
Total	241,998	67,806

- 1.2 A list of the individual projects is shown in the table on pages 10-11 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 to the latest approved delivery and cost plan 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 @ P12
CDN (PDT)	Connecting Leicester	51,576	18,949	0	Mar-24	Jul-24	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	4,994	1,201	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	582	24	0	Aug-18	Jul-24	Green	Amber
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	151	68	0	Mar-21	Aug-23	Purple	Green
CDN (PDT)	North West Leicester Regeneration Area	711	651	0	Mar-22	Dec-23	Amber	Green
CDN (PDT)	High Streets Heritage Action Zones	1,341	533	0	Apr-24	Apr-24	Amber	Amber
CDN (PDT)	Saffron Brook	832	552	0	Mar-23	Jun-23	Green	Green
CDN (PDT)	Leicester Railway Station - Levelling up	22,550	1,672	0	Mar-24	Feb-25	Green	Amber
CDN (PDT)	Electric Bus Investment	20,331	15,401	0	Dec-23	Dec-23	Green	Green
CDN (PDT)	Pioneer Park - Levelling Up	24,567	1,036	1,500	Dec-24	Feb-24	Amber	Amber
CDN (PDT)	Land South of Midland Street	1,627	482	0	Sep-22	Jun-23	Green	Green
CDN (PDT)	Ashton Green Access Road	2,250	0	0	Dec-24	Dec-24	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	13,366	3,362	0	Mar-23	Aug-24	Green	Green
CDN (TCI)	Leicester Market Redevelopment	11,460	1,698	0	Dec-21	Oct-24	Amber	Green
CDN (TCI)	Onsite Construction Skills Hub	708	261	0	Dec-22	Mar-25	Green	Amber
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,721	630	0	Mar-22	Mar-24	Green	Green
CDN (TCI)	Visit Leicester Relocation	164	164	0	Nov-21	Mar-23	Green	Blue
CDN (TCI)	Growth Hub	714	371	0	Jun-23	Jun-23	Green	Green
CDN (TCI)	Fashion Technology Academy	159	39	0	Aug-23	Aug-23	Green	Green
CDN (TCI)	De Montfort Hall	1,014	292	0	Mar-22	Mar-24	Green	Green
CDN (TCI)	Pilot House	11,511	730	1,500	Mar-24	Nov-24	Green	Amber
CDN (TCI)	Ugandan Asians – 50 Year Anniversary Commemoration	300	49	17	Jun-23	Sep-23	Green	Amber
CDN (NES)	Western Park Sanitisation Tree Works	241	240	(1)	Mar-23	Mar-23	Green	Blue
CDN (NES)	Digital & Performance Suite	65	50	0	Mar-23	Mar-23	Green	Blue
CDN (NES)	Library Self Access Rollout	592	5	0	Sep-24	Sep-24	Green	Green
CDN (NES)	St Margaret's Pastures Skate Park	365	31	0	Jan-23	Feb-24	Amber	Amber
CDN (NES)	Multi Use Games Areas (MUGAs)	615	9	0	Mar-25	Mar-25	N/A	Green
CDN (NES)	Spinney Hills Park - Levelling Up	85	39	0	Mar-24	Mar-24	N/A	Green
Total		175,592	48,539	3,016				

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 @ P12
CDN (EBS)	Estate Shops	733	237	0	Mar-22	Jul-23	Amber	Green
CDN (EBS)	Haymarket Theatre - Internal Completion Works	357	56	0	Mar-21	Jun-23	Amber	Amber
CDN (EBS)	Aylestone Leisure Centre PV Panels	1,579	984	0	Aug-22	May-23	Amber	Green
CDN (EBS)	Leycroft Road Energy Reduction Works	192	104	0	May-22	Mar-23	Amber	Blue
CDN (EBS)	African Caribbean Centre	312	229	0	Mar-23	Apr-23	Green	Blue
CDN (EBS)	Changing Places - Disabled Facilities Toilets	440	135	0	Mar-24	Mar-24	Green	Green
CDN (EBS)	Malcolm Arcade Refurbishment	1,000	47	0	Nov-23	Nov-23	Green	Green
CDN (EBS)	SuDS in Schools	86	86	0	Mar-23	Mar-23	Green	Blue
CDN (EBS)	Bosworth House	400	0	0	Aug-23	Aug-23	Amber	Green
CDN (EBS)	Leycroft Road Depot Refurbishment	20	12	0	Jun-24	Jun-24	N/A	Green
CDN (EBS)	Replacement Cladding Phoenix Square	9,620	50	0	Dec-24	Dec-24	N/A	Green
CDN (HGF)	Greener Homes	2,087	0	(2,087)	Mar-23	Jun-23	Amber	Red
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	Jan-26	Amber	Green
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	13,203	2,008	0	Dec-19	Sep-25	Red	Amber
SCE (ECS)	Overdale Infant and Juniors School Expansion	3,588	333	0	Nov-21	Dec-23	Amber	Amber
SCE (ECS)	Expansion of Oaklands Special School	3,825	2,636	0	Mar-22	Jun-23	Green	Blue
SCE (ECS)	Pindar Nursery	892	51	0	Mar-23	TBC	Purple	Purple
SCE (ECS)	S106 Additional School Places	857	424	0	Sep-23	Aug-24	Amber	Green
SCE (ECS)	Tiny Forests in Leicester Schools	300	247	0	May-23	May-23	Green	Green
SCE (ECS)	Children's Homes Refurbishments	1,064	379	215	Sep-23	Feb-24	Green	Amber
SCE (ECS)	Expansion of Children's Homes	2,700	663	0	May-23	Jan-24	Green	Green
SCE (ECS)	Winstanley Contact Centre	685	0	0	Apr-24	Apr-24	N/A	Green
SCE (ECS)	Education System Re-tender	2,200	0	0	Mar-26	Mar-26	N/A	Green
PH	Leisure Centres Phase 2	2,016	1,925	0	Nov-22	Apr-23	Amber	Blue
PH	Leicester Hockey Club S106	350	350	0	Jun-23	Mar-23	Green	Blue
Total (excluding HRA)		226,608	59,495	1,144				
CDN (HRA)	Goscote House Demolition	2,576	1,791	0	Jan-20	Apr-23	Green	Blue
CDN (HRA)	New House Build Council Housing	2,861	2,861	0	Apr-23	Mar-25	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,677	673	0	Apr-22	Jun-23	Amber	Green
CDN (HRA)	Property Conversions	313	143	0	Mar-22	Mar-24	Green	Green
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	Mar-23	Jan-24	Green	Green
CDN (HRA)	Greener Homes	3,453	2,786	0	Mar-22	Jun-23	Amber	Green
CDN (HRA)	Dawn Centre Reconfiguration	800	57	300	May-23	Feb-24	Green	Amber
CDN (HRA)	St Matthews Concrete Works	1,100	0	0	Mar-24	Mar-24	Green	Green
CDN (HRA)	District Heating Metering	2,310	0	563	Jan-24	Jan-24	N/A	Amber
Total HRA		15,390	8,311	863				
Total (including HRA)		241,998	67,806	2,007				

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 Outturn

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	51,576	0	March 2024	July 2024	G
Waterside Strategic Regeneration Area	4,994	0	March 2023	June 2026	G
St George's Churchyard	582	0	Aug 2018	July 2024	A
City-wide Parkmap TRO review, signs and lines upgrades	151	0	March 2021	Aug 2023	G
North West Leicester Regeneration Area	711	0	March 2022	Dec 2023	G
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	A
Electric Bus Investment	20,331	0	Dec 2023	Dec 2023	G
Pioneer Park – Levelling Up	24,567	1,500	Dec 2024	Feb 2024	A
Land South of Midland Street	1,627	0	Sep 2022	June 2023	G
Ashton Green Access Road	2,250	0	Dec 2024	Dec 2024	G
Total	131,512	1,500			

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

- 2.1 **St George's Churchyard** – This project has been delayed due to a change in the original extent of works to be completed and internal resourcing pressures.

- 2.2 High Street Heritage Action Zones** – This project is delayed pending confirmation of contracts with the Contractor. Discussions are on-going to resolve the issues.
- 2.3 Leicester Station Improvements** – Similar to the other levelling up schemes included in the capital programme, construction inflation since the scheme was approved will increase the contract value. Detailed design is progressing following the recent consultation exercise, including potential public realm and access improvements from the Station Street area. It is expected that the programme will require additional funding in due course.
- 2.4 Pioneer Park – Levelling Up** - As previously reported at period 9, it was expected that this scheme would require additional funding. An overspend of £1.5m is now forecast as a result of construction industry and inflationary pressures being experienced nationally. A decision is sought to approve additional funding, to be funded from resources set aside for this purpose.

Capital Programme Project Monitoring 2022/23 Outturn

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	11,460	0	Dec 2021	Oct 2024	G
Onsite Construction Skills Hub	708	0	Dec 2022	March 2025	A
Leicester Museum and Art Gallery Phase 1	2,721	0	March 2022	March 2024	G
Visit Leicester Relocation	164	0	Nov 2021	March 2023	B
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	1,500	March 2024	Nov 2024	A
Ugandan Asians – 50 Year Anniversary Commemoration	300	17	June 2023	Sep 2023	A
Total	42,117	1,517			

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

2.1 Onsite Construction Skills Hub – The change in forecast completion date is due to securing additional funding of £259k to continue to deliver activities until March 2025. This report seeks approval to add this funding and increase the budget by £259k.

2.2 Pilot House – As a result of tender returns now being received, an overspend of £1.5m is forecast on this scheme as a result of construction industry and inflationary pressures

being experienced nationally. A decision is sought to approve additional funding for this scheme to be funded from resources set aside for this purpose.

2.3 Ugandan Asians – 50 Year Anniversary Commemoration – An overspend of £17k is forecast on the public art sculpture as a result of inflationary pressures being experienced nationally linked to steel and production costs. A decision is sought to approve additional funding for this scheme to be funded from resources set aside for this purpose

Capital Programme Project Monitoring 2022/23 Outturn

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	(1)	March 2023	March 2023	B
Digital & Performance Suite at St Barnabas Library	65	0	March 2023	March 2023	B
Library Self Access Rollout	592	0	Sep 2024	Sep 2024	G
St Margaret's Pastures Skate Park	365	0	Jan 2023	Feb 2024	A
Multi Use Games Areas (MUGAs)	615	0	March 2025	March 2025	G
Spinney Hills Park - Levelling Up	85	0	March 2024	March 2024	G
Total	1,963	(1)			

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

- 2.1 **St Margaret's Pastures Skate Park** – It has been identified that the proposed development area experiences protected wildlife activities, for which further investigation and mitigation measures are being undertaken.

Capital Programme Project Monitoring 2022/23 Outturn

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	G
Haymarket Theatre Internal Completion Works	357	0	March 2021	June 2023	A
Aylestone Leisure Centre PV Panels	1,579	0	Aug 2022	May 2023	G
Leycroft Road Energy Reduction Works	192	0	May 2022	March 2023	B
African Caribbean Centre	312	0	March 2023	April 2023	B
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	B
Bosworth House	400	0	Aug 2023	Aug 2023	G
Leycroft Road Depot Refurbishment	20	0	June 2024	June 2024	G
Replacement Cladding Phoenix Square	9,620	0	Dec 2024	Dec 2024	G
Total	14,739	0			

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

2.1 **Haymarket Theatre - Internal Completion Works** – The completion of this project has been extended to June due to internal resourcing delays whilst prioritising other works.

Capital Programme Project Monitoring 2022/23 Outturn

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	(2,087)	March 2023	June 2023	R
Total	2,087	(2,087)			

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. Unfortunately the registered housing providers have withdrawn from the scheme, which means that the funding will be returned to the government.

Capital Programme Project Monitoring 2022/23 Outturn

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	G
Total	2,510	0			

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

Capital Programme Project Monitoring 2022/23 Outturn

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)	13,203	0	Dec 2019	Sep 2025	A
Overdale Infant and Juniors School Expansion	3,588	0	Nov 2021	Dec 2023	A
Expansion of Oaklands Special School	3,825	0	March 2022	June 2023	B
Pindar Nursery	892	0	March 2023	TBC	P
S106 Additional School Places	857	0	Sept 2023	Aug 2024	G
Tiny Forests in Leicester Schools	300	0	May 2023	May 2023	G
Children's Homes Refurbishments	1,064	215	Sept 2023	Feb 2024	A
Expansion of Children's Homes	2,700	0	May 2023	Jan 2024	G
Winstanley Contact Centre	685	0	April 2024	April 2024	G
Education System Re-tender	2,200	0	March 2026	March 2026	G
Total	29,314	215			

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

2.1 Additional SEND Places - There has been a delay to the forecast completion date of this scheme due to ensuring the most suitable site is selected for the Rowans (Ellesmere). Furthermore, following a review of the requirements for the scheme which

also includes Knighton Lane (Leicester Partnership School) and the Armadale Centre (Netherhall School) it should be noted that the revised options are likely to require additional funds.

- 2.2 Overdale Infant & Juniors School Expansion** – There has been a further slight delay to the forecast completion of this scheme due to ongoing contract negotiations which have since been resolved and the contract now signed.
- 2.3 Expansion of Oaklands Special School** - This scheme is substantially complete, but the building is waiting to be energised by National Grid.
- 2.4 Pindar Nursery** - This scheme is currently on hold, as pupils remain located at Pindar Nursery whilst waiting for the Netherhall SEND scheme to be completed.
- 2.5 Children’s Homes Refurbishments** – The delay in the scheme is due to internal resourcing pressures which have now been resolved with new timescales agreed. There is also additional funding required on the Belvoir drive refurbishment scheme, due to the heating/cooling system needing to be replaced. It is proposed this is funded via a release of £215k from the Extra Care Schemes Policy Provision.

Capital Programme Project Monitoring 2022/23 Outturn

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	B
Leicester Hockey Club S106	350	0	June 2023	March 2023	B
Total	2,366	0			

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

Capital Programme Project Monitoring 2022/23 Outturn

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	April 2023	B
New Build Council Housing	2,861	0	April 2023	March 2025	G
Tower Block Sprinklers	1,677	0	April 2022	June 2023	G
Property Conversions	313	0	March 2022	March 2024	G
Bridlespur Way Refurbishment	300	0	March 2023	Jan 2024	G
Greener Homes	3,453	0	March 2022	June 2023	G
Dawn Centre Reconfiguration	800	300	May 2023	Feb 2024	A
St Matthews Concrete Works	1,100	0	March 2024	March 2024	G
District Heating Metering	2,310	563	Jan 2024	Jan 2024	A
Total	15,390	863			

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

2.1 Dawn Centre Reconfiguration – The scope of works for this project has been expanded significantly to incorporate a greater number of rooms, and to facilitate additional upgrades to the building, including re-wiring. This report seeks to increase the budget for the project by £300k, funded from income being received for Asylum Seekers housed within the city.

2.2 District Heating Metering – On further investigation the installation of meters is technically more difficult in some areas of the network, which results in additional works

required. Therefore, additional funding of £563k is required to complete the HRA element of the scheme and it is proposed to fund this by a transfer from the Public Realm Programme.

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.
- 1.2 The 2023/24 HRA budget report approved by Council included a recommendation to subsidise the district heating charges to tenants and leaseholders until meters are installed. It was acknowledged by full Council that a reduction of £859k to the capital programme would need to take place, and this report proposes that this reduction be applied to the 2023/24 Public Realm budget, by scaling back some planned works.

Department / Division	Approved to spend in 22/23 £000	2022/23 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	463	130	333	0
Planning, Development & Transportation	15,273	10,929	4,338	(6)
Tourism, Culture & Inward Investment	1,272	610	681	19
Neighbourhood & Environmental Services	652	176	476	0
Estates & Building Services	9,398	5,504	3,820	(74)
Housing General Fund	9,638	4,413	6,112	887
Adult Social Care	0	0	0	0
Children's Services	7,311	4,415	2,896	0
Total (excluding HRA)	44,007	26,177	18,656	826
Housing Revenue Account	25,634	24,748	715	(171)
Total (including HRA)	69,641	50,925	19,371	655

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	130	333	0
Transport Improvement Works	CDN (PDT)	6,306	4,762	1,544	0
Bus Engine Retrofitting	CDN (PDT)	474	62	412	0
Air Quality Action Plan	CDN (PDT)	415	175	240	0
Highways Maintenance	CDN (PDT)	4,005	3,609	396	0
Flood Strategy	CDN (PDT)	292	292	0	0
Festive Decorations	CDN (PDT)	238	238	0	0
Local Environmental Works	CDN (PDT)	702	702	0	0
Legible Leicester	CDN (PDT)	71	20	51	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	19	13	0	(6)
Potential Strategic Development Sites Assessment	CDN (PDT)	1,424	606	818	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	200	4	196	0
Front Wall Enveloping	CDN (PDT)	210	210	0	0
Transforming Cities Work Programmes	CDN (PDT)	461	120	341	0
Campbell Street Feasibility Study	CDN (PDT)	186	0	186	0
Conservation Building Grants	CDN (PDT)	62	62	0	0
Street Nameplates City Branding Programme	CDN (PDT)	111	44	67	0
Environment Agency Feasibility Studies	CDN (PDT)	97	10	87	0
Heritage Interpretation Panels	CDN (TCI)	355	343	32	20
Retail Gateways (Grant)	CDN (TCI)	74	74	0	0
Leicester Museum and Art Gallery	CDN (TCI)	70	69	0	(1)
Cank St Feasibility	CDN (TCI)	30	27	3	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	743	97	646	0
Parks Plant and Equipment	CDN (NES)	246	98	148	0
Parks and Open Spaces	CDN (NES)	395	67	328	0
Franklyn Fields Public Open Space	CDN (NES)	11	11	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	4,943	1,764	3,179	0
Green Homes	CDN (EBS)	3,827	3,562	265	0
Phoenix & Sovereign House	CDN (EBS)	248	38	210	0
CCTV Newarke Houses/Guildhall	CDN (EBS)	26	0	0	(26)
Depots Refurbishment	CDN (EBS)	289	123	166	0
Affordable Warmth	CDN (EBS)	65	17	0	(48)
Private Sector Disabled Facilities Grant	CDN (HGF)	2,089	1,969	120	0
Repayable Home Repair Loans	CDN (HGF)	200	16	184	0
Vehicle Fleet Replacement Programme	CDN (HGF)	6,099	2,428	3,671	0
District Heating Metering	CDN (HGF)	1,250	0	2,137	887
School Capital Maintenance	SCE (ECS)	6,999	4,347	2,652	0
Foster Care Capital Contribution Scheme	SCE (ECS)	312	68	244	0
Total (excluding HRA)		44,007	26,177	18,656	826

Work Programme	Dept/ Division	Approved £000	2022/23 Spend £000	Slippage £000	Over/(under) Spend £000
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,350	1,870	0	(480)
Council Housing - Boiler Replacements	CDN (HRA)	2,793	2,471	0	(322)
Council Housing - Rewiring	CDN (HRA)	1,720	1,720	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,110	1,669	72	631
Council Housing - Insulation Works	CDN (HRA)	100	18	82	0
Council Housing - External Property Works	CDN (HRA)	431	431	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,184	1,060	124	0
Community & Environmental Works	CDN (HRA)	1,816	1,463	353	0
Affordable Housing - Acquisitions	CDN (HRA)	12,280	12,280	0	0
Affordable Housing - RPs & Others	CDN (HRA)	450	450	0	0
Public Realm Works	CDN (HRA)	1,400	1,316	84	0
Total HRA		25,634	24,748	715	(171)
Total (including HRA)		69,641	50,925	19,371	655

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** – A significant part of the slippage on this scheme is for the cemetery provision feasibility, due to alternative sites being explored. Additionally, the St Nicholas Church scheme has also been delayed whilst approval is sought from statutory stakeholders to allow the scheme to progress.
- 3.3 **Transport Improvement Works** – Activities that were initially scheduled for this year, including the proposed Workplace Parking Levy is no longer required. Therefore, works will be reprogrammed to other transport schemes to 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** – Bus operators have encountered 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 partially delayed until these issues can be resolved. The current forecast is that the remaining budget will be spent by Autumn 2023.
- 3.6 **Highways Maintenance** - The £398k slippage is due to various delays such as road works co-ordination and materials supply. The Council has received additional funding of £580k in 2023/24 from the Government towards the potholes repair programme within Highways Maintenance. It is therefore, requested to add this to the capital programme.
- 3.7 **Potential Strategic Development Sites Assessment** – Internal resourcing issues have led to a reduction of programme management and there have also been difficulties in recruiting temporary cover. The remaining budget will be required for the 2023/24 financial year.

- 3.8 **Architectural & Feature Lighting** – Grant recipients have requested that works are delayed due to the current economic climate.
- 3.9 **Transforming Cities Work Programmes** – Much of the slippage is for delivery of cycle hubs across the city, this is due to access issues and finding a suitable area for installing the hubs . Additional internal resource has been allocated to accelerate completion.
- 3.10 **Campbell Street Feasibility Study** – Due to the current economic climate the viability of the scheme is being reviewed, including considering alternative options.
- 3.11 **Heritage Interpretation Panels** - An overspend of £20k is forecast on this scheme as a result of inflationary pressures being experienced nationally. A decision is sought to approve additional funding for this scheme to be funded from resources set aside for this purpose
- 3.12 **Local Shopping Centres Reopening & Improvement Programme Grants** – A number of shop front works were delayed due to supply chain issues and wider pressures on businesses. The remaining improvements taking place and due to finish by March 2024.
- 3.13 **Parks Plant and Equipment** – Internal resourcing issues led to delays in sourcing vehicles which have since been resolved.
- 3.14 **Parks and Open Spaces** – The slippage for Rally Park has been delayed to allow for inclusion of the wider MUGA refurbishment programme that was approved in February 2023. The bandstand at Victoria Park has been further delayed due to the proposed festival on the park due to take place in late 2023. It is anticipated that works will commence as soon as the festival is completed.
- 3.15 **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 for 2023/24. The other element of the slippage was due to capacity and re-programming for ongoing decarbonisation requirements.
- 3.16 **Green Homes** – Approval is sought to add £767k 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. The slippage of £265k into 2023/24 is due to initial issues with customer demand which have been resolved, supply chain delays and bad weather delaying the installation of solar panels and external wall insulation.

- 3.17 **Phoenix & Sovereign House** – Slippage is due to the requirements for the Phoenix House building being reviewed.
- 3.18 **Depot Refurbishment** – Slippage is due to design changes to Knighton Park Depot, leading to knock-on delays on the completion of Evington Park Depot designs.
- 3.19 **Private Sector Disabled Facilities Grant** – Slippage of £120k is due to delays caused by staff being deployed on other Housing projects as a priority.
- 3.20 **Repayable Home Repair Loans** – Slippage of £184k is due to the same issues affecting the Private Sector Disabled Facilities Grant.
- 3.21 **Vehicle Fleet Replacement Programme** – As previously reported, there has been 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.
- 3.22 **District Heating Metering** - Similar to the HRA element of the programme, on further investigation the installation of meters is technically more difficult in some areas of the network, which results in additional works required. Therefore, additional funding of £887k is required to complete the General Fund element of the scheme. It is proposed to fund this by borrowing which will then be repaid with charges and income from homeowners (leaseholders).
- 3.23 **School Capital Maintenance** – The majority of this slippage is on sustainability schemes, which have slipped due to planning and listed building constraints.
- 3.24 **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.

- 3.25 **Kitchens & Bathrooms** – An underspend of £480k reflects both the time for the new contract to build up speed and the decision to prioritise the refurbishment of void properties. Voids are now being carried out solely by the in-house teams, so external contractors are able to focus on kitchen and bathroom refurbishments
- 3.26 **Boiler Replacements** – The replacement of boilers is largely demand-led. An underspend of £322k has arisen during the year, reflecting demand being lower than anticipated.
- 3.27 **Disabled Adaptations & Improvements** – As a demand-led programme, this area is subject to fluctuation. An increase in work during the last quarter of the year has resulted in an overspend of £631k, compounded by inflationary increases in the cost of building materials. It is proposed to fund this with a transfer of the £308k Boiler Replacements underspend and £323k of the Kitchens & Bathrooms underspend. Separately, spend on adapting properties for those on the housing register is lower than anticipated, and it is requested that £72k be slipped to continue this work into 2023/24.
- 3.28 **Insulation Works** – Delays in procuring a contractor to carry out loft insulation works has now been resolved and the backlog of installations is being worked through. Slippage of £82k will be required to continue this work.
- 3.29 **Fire & Safety Works** – As reported previously, there have been difficulties nationally in the supply of new accredited fire doors. Whilst this has largely been resolved, slippage of £124k is requested to continue the programme into 2023/24.
- 3.30 **Communal & Environmental Works** – Slippage of £353k is requested to support the completion of estate improvement schemes.
- 3.31 **Public Realm Works** – Work has progressed well, and it is requested that £84k be slipped into 2023/24 to continue the improvements to Lethbridge Close, Edmonton Road courtyard and wider works across St Peters.

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 12, 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
Total		191	0	0	191

- 1.4 The Early Years capital funding is to support development of places for early education for the city. Expansion and development of provision has not been necessary or advisable through COVID recovery. Whilst sustainability of early years provision remains concerning, growth in demand will come out of government plans to significantly extend the offer of funded childcare places to working parents, through a graduated approach across the next two years. It is anticipated that this funding will be required to support small project development cases, as it is likely that providers will need to remodel and respond to changes in demand. Approval is sought to take forward the remaining £141k in to the 2023/24 programme.

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

1.1 As at the end of Period 12, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

Project	Dept/ Division	Approved £000	2022/23 Spend £000	Over/(Under) Spend £000
Corporate LAN/WAN Network Cisco Infrastructure Replacement	CRS	205	202	(3)
Phase 4 Laptop rollout	CRS	213	213	0
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	46	0
St Margaret's Gateway	CDN (PDT)	4,330	4,329	0
Stocking Farm Community Shop	CDN (PDT)	150	109	0
Gresham Business Workspace	CDN (TCI)	64	24	0
Abbey Pumping Station	CDN (TCI)	239	239	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	14	0
Library Improved Self-Access Pilot	CDN (NES)	55	45	0
Abbey Park Precinct Wall	CDN (NES)	171	125	0
Reuse Shop Expansion	CDN (NES)	205	205	0
11-15 Horsefair Street	CDN (EBS)	55	10	0
Haymarket House, Car Parks & Lifts	CDN (EBS)	180	7	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	129	71	0
Energy Efficiency Technology	CDN (EBS)	10,205	10,205	0
St Leonard's Tower Block - Lift	CDN (HRA)	44	39	(5)
Additional Primary School Places	SCE (ECS)	66	3	0
Children's Residential Homes	SCE (ECS)	68	68	0
Glebelands Primary School Modular Building	SCE (ECS)	246	213	0
Total		17,575	16,877	(9)

POLICY PROVISIONS**1. Summary**

1.1. As at Period 12, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CRS	New Ways of Working	1,887
CDN (PDT)	Strategic Acquisitions	3,207
CDN (TCII)	Tourism & Culture	50
CDN (TCII)	Highways, Transport & Infrastructure	2,694
CDN (TCII)	Leicester Museum and Art Gallery (LMAG)	3,656
CDN (TCII)	Outdoor Market Phase 3	0
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	4,923
SCE (ECS)	Education System Re-tender	0
SCE (ASC)	Extra Care Schemes	3,641
Other	Black Lives Matter	435
All	Programme Contingency	4,726
Total (excluding HRA)		25,611
CDN (HRA)	Other HRA Schemes	1,000
Total HRA		1,000
Total (including HRA)		26,611

1.2. Releases from policy provisions since P9 (reflected in the tables above) are listed below:

- £7,300k for Outdoor Market Phase 3
- £2,200k for Education System Re-tender
- £750k for New School Places
- £685k for Extra Care Schemes
- £670k for Highways, Transport & Infrastructure
- £600k for Investment in Multi-Use Game Areas
- £82k for Leicester Museum and Art Gallery (LMAG)
- £60k for Black Lives Matter