
Executive Decision Capital Budget Monitoring April-June 2024/25

Overview Select Committee

Decision to be taken by: City Mayor

Decision to be taken on: 26 September 2024

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Kirsty Cowell, Head of Finance
- Author contact details: Kirsty.Cowell@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1 The purpose of this report is to provide the position of the capital programme at the end of June 2024 (Period 3).
- 1.2 This is the first capital monitoring report of the financial year. There will be two further quarterly reports and an outturn report will be presented to this committee, reporting on the capital programme.
- 1.3 As reported in the previous year's monitoring reports many capital projects have experienced delays in progress and increased costs, to an unusual extent. This has been attributable to instability in the construction industry, limited contractor capacity and continued inflationary pressures due to the uncertain economic climate. For 2024/25 where projects continue from the previous year pressures should already have been identified. In the case of any new pressures, where possible increased costs will be managed within project contingencies and revised scope of works while maintaining the desired project outcomes. When this is not possible it is reported in the monitoring report and decisions are taken as required.

2. Recommended actions/decision

- 2.1 The Executive is recommended to:
 - Note the following:
 - Total spend of £28.3m 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.
 - The provisions that remain unspent as shown at Appendix C.
 - Approve the transfer of the Extra Care – Two Schemes budget, £2,510k, from a project to the Extra Care Schemes policy provision. See Appendix A, Adults, Para 2.1
 - Note the prudential indicators presented in Appendix F.

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

4.1 The 2024/25 Capital programme was initially approved by Council on 21 February 2024. It has subsequently been amended (including the 2023/24 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, financial slippage is not in itself an issue on these projects;
- (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 previous years' capital programmes, usually consisting of small amounts of money brought forward from earlier years.

4.3 A summary of the total approved 2024/25 capital programme budget and the spend at the end of the year is shown below:

	Budget £000	Spend £000
Projects	121,370	15,154
Work Programmes	88,736	12,864
Provisions	593	0
Schemes Substantially Complete	2,865	317
Total Immediate Starts	213,564	28,335
Policy Provisions	22,766	0
Total Capital Programme	236,330	28,335

4.4 A summary of the total approved 2024/25 capital programme budget and the resources that are funding them:

	£000s					
	Projects	Work Programmes	Provisions	Substantially Complete	Policy Provisions	Total
HRA - Budget	4,439	36,809	-	-	750	41,998
GF - Budget	116,931	51,927	593	2,865	22,016	194,332
Total	121,370	88,736	593	2,865	22,766	236,330
Ringfenced - HRA	650	1,580	-	-	-	2,230
Unringfenced - HRA	3,789	35,229	-	-	750	39,768
Total HRA	4,439	36,809	-	-	750	41,998
Ringfenced - GF	37,173	4,205	558	380	10	42,326
Unringfenced - GF	79,758	47,722	35	2,485	22,006	152,006
Total GF	116,931	51,927	593	2,865	22,016	194,332

4.4.1 The unringfenced funding, in the above table, includes amounts where budget commitments have been made.

4.5 The following changes have occurred to the capital programme since period 12 2023/24, these movements are included in the table at 4.3 above:

	Budget £000
Decisions since P12 2023/24	
Phoenix Square Cladding	4,150
Affordable Housing - Acquisitions	1,928
Highways Maintenance	1,014
Leicester Museum and Art Gallery	844
Early Years Provision	558
Property and Operational Estate Capital Maintenance	(1,000)
Directors Decisions	
Climate Change Retail Scheme	135
Other	80
Net Movements	7,709

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

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

4.7 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.

4.8 Capital Receipts

4.8.1 At Period 3, the Council has realised £2.0m of General Fund capital receipts, of which £0.3m relates to receipts on the Waterside development. These receipts pay for spending on the development.

4.8.2 “Right to Buy” receipts from sales of council housing have amounted to £3.0m.

4.9 Prudential Indicators

This report also presents prudential indicators, included at Appendix F, in accordance with the CIPFA code.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report is solely concerned with financial issues.

Signed: Kirsty Cowell, Head of Finance, 37 2377

Dated: 31/07/2024

5.2 Legal implications

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

Signed: Kamal Adatia, Head of Law - City Barrister & Head of Standards

Dated: 31/07/2024

5.3 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 should benefit from the improved public good arising from the capital programme. At this time, there are no further equality implications as these will 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.

Signed: Equalities Officer, Surinder Singh, ext. 37 4148

Dated: 31/07/2024

5.4 Climate Emergency implications

Following the council's declaration of a climate emergency and ambition to reach net zero carbon emissions for the council and the city, the council has a key role to play in

addressing carbon emissions relating to the delivery of its services. This includes through its delivery of capital projects, as projects involving buildings and infrastructure often present significant opportunities for achieving carbon savings or climate adaptations and are an area where the council has a high level of control.

Notable projects in the current programme expected to achieve climate benefits / high standards of environmental performance include Pioneer Park, Pilot House, Climate Ready Retail scheme, Aikman Avenue District Heating project, District Heating Metering.

It is important that the climate implications and opportunities of all projects and programmes are considered on a project-by-project basis, both during the development phase and when decisions are made.

Signed: Duncan Bell, Change Manager (Climate Emergency) – Ext. 37 2249.

Dated: 02/08/2024

5.5 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.

6. Background information and other papers:

Capital Programme 2024/25 approved by Council on 21 February 2024.

Housing Revenue Account Budget (including Capital Programme) 2024/25 approved by Council on 21 February 2024.

Capital Outturn 2023/24 presented at Overview Select Committee on 31 July 2024.

7. Summary of appendices:

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

8. 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.

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

No.

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 in the remainder of this Appendix.

Department / Division	Remaining Budget £000	2024/25 Spend £000	Forecast Under/(over) Spend £000
Corporate Resources	688	0	0
Planning, Development & Transportation	45,938	6,820	0
Tourism, Culture & Inward Investment	33,620	3,040	0
Neighbourhood & Environmental Services	4,375	68	(142)
Estates & Building Services	14,805	2,496	0
Housing General Fund	1,024	0	0
Public Health	1,072	0	0
Adult Social Care	2,510	0	0
Children's Services	12,899	2,364	0
Housing Revenue Account	4,439	366	0
Total	121,370	15,154	(142)

1.2 A list of the individual projects is shown in the table below. 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)	2024/25 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P3
CRS	Off-site Cloud Backup	388	0	0	Sep-24	Sep-24	Green	Green
CRS	Network Wi-Fi Replacement	300	0	0	Dec-24	Feb-25	Green	Amber
CDN (PDT)	Connecting Leicester	16,037	1,928	0	Mar-24	Dec-24	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	2,293	0	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	229	0	0	Aug-18	Dec-24	Green	Amber
CDN (PDT)	Leicester Railway Station - Levelling up	17,867	907	0	Mar-24	TBC	Amber	Amber
CDN (PDT)	Pioneer Park - Levelling Up	8,732	3,985	0	Dec-24	Sep-24	Green	Green
CDN (PDT)	St Paul's Church	400	0	0	Aug-25	Aug-25	Green	Green
CDN (PDT)	Land South of Phoenix	380	0	0	TBC	TBC	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	5,840	1,049	0	Mar-23	Jan-25	Amber	Amber
CDN (TCI)	Leicester Market Redevelopment	8,676	343	0	Dec-21	TBC	Purple	Purple
CDN (TCI)	12-20 Cank St Link	2,683	9	0	Jan-25	TBC	Purple	Purple
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	6,025	0	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	Pilot House - Levelling Up	10,181	1,639	0	Mar-24	Feb-25	Green	Green
CDN (TCI)	Climate Change Retail Scheme	80	0	0	Mar-25	Mar-25	N/A	Green
CDN (TCI)	Community Digital Grant	135	0	0	Mar-25	Mar-25	N/A	Green
CDN (NES)	Library Self Access Rollout	542	18	0	Sep-24	TBC	Purple	Amber
CDN (NES)	St Margaret's Pastures Skate Park	347	0	0	Jan-23	May-25	Green	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	2,962	44	0	Mar-25	Apr-26	Amber	Green
CDN (NES)	Spinney Hills Park - Levelling Up	162	6	(142)	Mar-24	Dec-24	Amber	Blue
CDN (NES)	African Caribbean Centre Maintenance	20	0	0	Jan-24	Jul-24	Green	Blue
CDN (NES)	Study Zones	94	0	0	Mar-24	Dec-24	Amber	Blue
CDN (NES)	Depot Relocation	200	0	0	Mar-25	Mar-25	N/A	Green
CDN (NES)	Pest & Dogs Depot Relocations	48	0	0	Mar-25	Mar-25	N/A	Green
CDN (NES)	Leisure Centre Improvements	1,072	0	0	Dec-25	Dec-25	N/A	Green
Total		85,693	9,928	(142)				

Dept/ Division	Project	Remaining Budget (£000)	2024/25 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P3
CDN (EBS)	Estate Shops	477	23	0	Mar-22	Dec-24	Amber	Green
CDN (EBS)	Changing Places - Disabled Facilities Toilets	192	0	0	Mar-24	Aug-24	Amber	Blue
CDN (EBS)	Malcolm Arcade Refurbishment	1,311	0	0	Nov-23	TBC	Purple	Purple
CDN (EBS)	Replacement Cladding Phoenix Square	10,684	2,473	0	Dec-24	Sep-25	Green	Green
CDN (EBS)	St Nicholas Wall	446	0	0	Sep-24	Mar-25	Amber	Green
CDN (EBS)	Aikman Avenue District Heating	195	0	0	Dec-23	TBC	Purple	Purple
CDN (EBS)	Boston Road	1,500	0	0	Jul-25	Jul-25	N/A	Green
CDN (HGF)	District Heating Metering	1,024	0	0	Jun-24	Jul-24	Green	Blue
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	TBC	Purple	Purple
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	7,711	1,708	0	Jan-24	Sep-25	Red	Red
SCE (ECS)	Pindar Nursery	833	0	0	Mar-23	TBC	Purple	Amber
SCE (ECS)	S106 Additional School Places	413	0	0	Sep-23	Aug-24	Green	Blue
SCE (ECS)	Children's Homes Refurbishments	406	191	0	Sep-23	Jul-24	Green	Blue
SCE (ECS)	Expansion of Children's Homes	1,192	0	0	May-23	Mar-25	Amber	Green
SCE (ECS)	Winstanley Contact Centre	263	169	0	Apr-24	Jun-24	Green	Blue
SCE (ECS)	Education System Re-tender	2,081	296	0	Mar-26	Mar-26	Green	Green
Total (excluding HRA)		115,859	14,788	(142)				
CDN (HRA)	Bridlespur Way Refurbishment	300	23	0	Mar-23	Dec-24	Amber	Green
CDN (HRA)	Dawn Centre Reconfiguration	1,461	2	0	May-23	Mar-25	Amber	Green
CDN (HRA)	St Matthews Concrete Works	1,500	0	0	Mar-24	Mar-25	Green	Amber
CDN (HRA)	District Heating Metering	1,178	341	0	Jan-24	Jun-24	Green	Blue
Total HRA		4,439	366	0				
Total (including HRA)		121,370	15,154	(142)				

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 2024/25 Period 3

Corporate Resources

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Off-site Cloud Backup	388	0	Sep 2024	Sep 2024	G
Network Wi-Fi Replacement	300	0	Dec 2024	Feb 2025	A
Total	688	0			

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

2.1. Network Wi-Fi Replacement – The forecast completion date for this project has changed as the team managing this were at the heart of the cyber incident and as such their resource capacity had to be diverted elsewhere.

Capital Programme Project Monitoring 2024/25 Period 3

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	16,037	0	March 2024	Dec 2024	G
Waterside Strategic Regeneration Area	2,293	0	March 2023	June 2026	G
St George's Churchyard	229	0	Aug 2018	Dec 2024	A
Leicester Station Improvements – Levelling Up	17,867	0	March 2024	TBC	A
Pioneer Park – Levelling Up	8,732	0	Dec 2024	Sep 2024	G
St Paul's Church	400	0	Aug 2025	Aug 2025	G
Land South of Phoenix	380	0	TBC	TBC	G
Total	45,938	0			

2. **Projects Commentary** (for **all** projects rated Amber, Red or Purple; and others as required).

2.1. **St George's Churchyard** – There is a delay to this scheme's completion date due to additional communication required with the Church.

2.2. **Leicester Station Improvements – Levelling Up** – An updated completion date will be provided in the Autumn, after contractor engagement has started.

2.3. **Land South of Phoenix** – The work to release the leasehold on Southampton Street, for land assembly in the cultural quarter, will commence shortly with the completion date to be determined.

Capital Programme Project Monitoring 2024/25 Period 3

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	5,840	0	March 2023	Jan 2025	A
Leicester Market Redevelopment	8,676	0	Dec 2021	TBC	P
12-20 Cank St Link	2,683	0	Jan 2025	TBC	P
Leicester Museum and Art Gallery Phase 1	6,025	0	March 2022	June 2026	G
Pilot House – Levelling Up	10,181	0	March 2024	Feb 2025	G
Climate Change Retail Scheme	80	0	March 2025	March 2025	G
Community Digital Grant	135	0	March 2025	March 2025	G
Total	33,620	0			

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

2.1 Jewry Wall Museum Improvements – One of the current contractors on this scheme has recently gone into administration. Whilst work is underway to minimise the impact of this, there is a potential for this to affect project timescales and cost.

2.2 Leicester Market Redevelopment & 12-20 Cank St Link – These projects are currently on hold pending a decision on how to progress the schemes.

Capital Programme Project Monitoring 2024/25 Period 3

Neighbourhood and Environmental Services

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Self Access Rollout	542	0	Sep 2024	TBC	A
St Margaret's Pastures Skate Park	347	0	Jan 2023	May 2025	G
Multi Use Games Areas (MUGAs)	2,962	0	March 2025	Apr 2026	G
Spinney Hills Park - Levelling Up	162	(142)	March 2024	Dec 2024	B
African Caribbean Centre Maintenance	20	0	Jan 2024	July 2024	B
Study Zones	94	0	March 2024	Dec 2024	B
Depot Relocation	200	0	March 2025	March 2025	G
Pest & Dogs Depot Relocations	48	0	March 2025	March 2025	G
Leisure Centre Improvements	1,072	0	Dec 2025	Dec 2025	G
Total	5,447	(142)			

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

2.1 Library Self Access Rollout – A forecast completion date on this project will be provided once the Community Services and Library Needs Assessment is complete.

Capital Programme Project Monitoring 2024/25 Period 3

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	477	0	March 2022	Dec 2024	G
Changing Places - Disabled Facilities Toilets	192	0	March 2024	Aug 2024	B
Malcolm Arcade Refurbishment	1,311	0	Nov 2023	TBC	P
Replacement Cladding Phoenix Square	10,684	0	Dec 2024	Sep 2025	G
St Nicholas Wall	446	0	Sep 2024	March 2025	G
Aikman Avenue District Heating	195	0	Dec 2023	TBC	P
Boston Road	1,500	0	July 25	July 25	G
Total	14,805	0			

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

2.1 Malcolm Arcade Refurbishment – This project is currently being reviewed to determine the best use of available resources.

2.2 Aikman Avenue District Heating – There are complexities around this scheme due to resolving an ongoing contractual dispute with the district heating provider. The design and programme of works are to be agreed with the contractor, after which a forecast completion date will be known.

Capital Programme Project Monitoring 2024/25 Period 3

Housing (GF)

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
District Heating Metering	1,024	0	June 2024	Jul 2024	B
Total	1,024	0			

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

Capital Programme Project Monitoring 2024/25 Period 3

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	TBC	P
Total	2,510	0			

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

2.1 Extra Care – Two Schemes – As previously reported, this project is currently paused at the procurement stage whilst seeking advice on the council's ability to proceed to the next stage. A decision is sought to return funding back to policy provision within this report. Options are being explored, and a recommendation will come forward in due course.

Capital Programme Project Monitoring 2024/25 Period 3

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)	7,711	0	Jan 2024	Sep 2025	R
Pindar Nursery	833	0	March 2023	TBC	A
S106 Additional School Places	413	0	Sep 2023	Aug 2024	B
Children's Homes Refurbishments	406	0	Sep 2023	July 2024	B
Expansion of Children's Homes	1,192	0	May 2023	March 2025	G
Winstanley Contact Centre	263	0	April 2024	June 2024	B
Education System Re-tender	2,081	0	March 2026	March 2026	G
Total	12,899	0			

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

2.1 Additional SEND Places – The approved scheme includes works at Ellesmere, Leicester Partnership School and the Armadale Centre (Nether Hall School). The result of feasibility studies has meant that changes to the original schemes are required. The revised schemes will require additional funding compared to the original estimates and this funding is available from the uncommitted element of the ring-fenced High Needs Capital grant allocations. The scope of the schemes will be adjusted to ensure that costs align to the available funding and approval will be sought when all the details and options are known.

2.2 Pindar Nursery – Work on this has been delayed in advance of the outcome of the children’s centre review.

Capital Programme Project Monitoring 2024/25 Period 3

Housing (HRA)

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Bridlespur Way Refurbishment	300	0	March 2023	Dec 2024	G
Dawn Centre Reconfiguration	1,461	0	May 2023	March 2025	G
St Matthews Concrete Works	1,500	0	March 2024	March 2025	A
District Heating Metering	1,178	0	Jan 2024	June 2024	B
Total	4,439	0			

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

2.1 St Matthews Concrete works –The current project consists of 2 blocks, upon which surveys are currently underway. The specification of works will require more detailed work than was anticipated, including destructive surveys, extending the completion date to March 2025.

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 to spend in 24/25 £000	2024/25 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	2,420	35	0	0
Planning, Development & Transportation	12,522	956	2,130	0
Tourism, Culture & Inward Investment	968	66	0	0
Neighbourhood & Environmental Services	790	41	0	0
Estates & Building Services	6,695	408	340	0
Housing General Fund	13,295	795	121	0
Children's Services	15,237	331	3,278	0
Total (excluding HRA)	51,927	2,632	5,869	0
Housing Revenue Account	36,809	10,232	297	150
Total (including HRA)	88,736	12,864	6,166	150

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2024/25 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	2,420	35	0	0
Transport Improvement Works	CDN (PDT)	4,638	397	0	0
Bus Engine Retrofitting	CDN (PDT)	376	0	0	0
Air Quality Action Plan	CDN (PDT)	33	33	0	0
Highways Maintenance	CDN (PDT)	5,045	215	0	0
Flood Strategy	CDN (PDT)	300	49	0	0
Festive Decorations	CDN (PDT)	50	0	0	0
Local Environmental Works	CDN (PDT)	400	97	0	0
Legible Leicester	CDN (PDT)	31	0	0	0
Potential Strategic Development Sites Assessment	CDN (PDT)	568	153	0	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	196	0	130	0
Front Wall Enveloping	CDN (PDT)	394	0	0	0
Transforming Cities Work Programmes	CDN (PDT)	339	0	0	0
Conservation Building Grants	CDN (PDT)	107	12	0	0
Street Nameplates City Branding Programme	CDN (PDT)	45	0	0	0
Heritage Interpretation Panels	CDN (TCI)	221	0	0	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	747	66	0	0
Parks Plant and Equipment	CDN (NES)	368	38	0	0
Parks and Open Spaces	CDN (NES)	188	0	0	0
Franklyn Fields Public Open Space	CDN (NES)	234	3	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	6,411	408	340	0
Green Homes	CDN (EBS)	142	0	0	0
Depots Refurbishment	CDN (EBS)	142	0	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,061	235	0	0
Repayable Home Repair Loans	CDN (HGF)	121	0	121	0
Vehicle Fleet Replacement Programme	CDN (HGF)	10,271	544	0	0
Housing Acquisitions - SAP	CDN (HGF)	842	16	0	0
School Capital Maintenance	SCE (ECS)	14,944	331	3,278	0
Foster Care Capital Contribution Scheme	SCE (ECS)	293	0	0	0
Total (excluding HRA)		51,927	2,632	3,869	0
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,800	175	0	0
Council Housing - Boiler Replacements	CDN (HRA)	2,500	399	0	0
Council Housing - Rewiring	CDN (HRA)	1,610	0	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,200	201	0	0
Council Housing - Insulation Works	CDN (HRA)	50	3	0	150
Council Housing - External Property Works	CDN (HRA)	1,008	177	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	822	42	0	0
Community & Environmental Works	CDN (HRA)	1,689	88	297	0
Affordable Housing - Acquisitions	CDN (HRA)	22,667	8,258	0	0
Affordable Housing - RPs & Others	CDN (HRA)	0	0	0	0
Public Realm Works	CDN (HRA)	1,338	196	0	0
Feasibility Study for Sheltered Housing	CDN (HRA)	112	0	0	0
New House Build Council Housing	CDN (HRA)	1,013	693	0	0
Total HRA		36,809	10,232	297	150
Total (including HRA)		88,736	12,864	4,166	150

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 **Architectural & Feature Lighting** – There is slippage on this scheme due to low uptake of the grant in previous financial years due to the economic climate. However, there are several projects in the pipeline for delivery and work is continuing with third parties to progress these.
- 3.3 **Property and Operational Estate Capital Maintenance** – There is slippage on this scheme due to internal resourcing delays in relation to the Haymarket Shopping Centre façade. The aim is to be in contract before the end of the calendar year with works being complete in Q1 of the 2025/2026 financial year.
- 3.4 **Repayable Home Repair Loans** – As previously reported, resources have been focused on the delivery of Disabled Facilities Grants resulting in the scheme slipping into the next financial year.
- 3.5 **School Capital Maintenance** – The forecasted slippage is due to unforeseen additional works required at two schools. Re-piping works is required which is not able to be complete over the summer holidays. Also, there are contingencies that were not used that have been carried forward to this financial year.
- 3.6 **Council Housing – Insulation Works** – There is currently a £150k overspend forecast due to increased demand for top ups of loft insulation. Revenue underspends have been identified to finance this work.
- 3.7 **Council Housing Communal and Environmental Works (including District Heating)** – The technical team that support the delivery of the district heating capital improvements had previously been redirected to support the installation of heat meters. Work has now resumed on district heating metering but due to the resourcing delay, slippage of £297k is forecasted into 2025/26.

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 Normally provisions are there if needed. The sums below are for the 2024/25 financial year.

Provision	Dept/ Division	Approved £000	2024/25 Spend £000	Remaining Budget £000
Early Years - Two Year Olds	SCE (ECS)	593	0	593
Total		593	0	593

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

1.1 As at P3 in the 2024/25 financial year, 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	2024/25 Spend £000	Over/(Under) Spend £000
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	14	2	0
High Streets Heritage Action Zones	CDN (PDT)	108	108	0
Land South of Midland Street	CDN (PDT)	21	0	0
Electric Bus Investment	CDN (PDT)	8	0	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (TCI)	44	32	0
Gresham Business Workspace	CDN (TCI)	9	0	0
De Montfort Hall	CDN (TCI)	444	104	0
Ugandan Asians – 50 Year Anniversary Commemoration	CDN (TCI)	154	0	0
Abbey Park Precinct Wall	CDN (NES)	12	14	2
Haymarket House, Car Parks & Lifts	CDN (EBS)	107	3	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	48	0	0
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	(88)
Aylestone Leisure Centre PV Panels	CDN (EBS)	284	0	(284)
Haymarket Theatre - Internal Completion Works	CDN (EBS)	106	7	0
Phoenix Arts Car Park	CDN (EBS)	46	1	0
Heathers Industrial Estate	CDN (EBS)	16	0	0
Additional Primary School Places	SCE (ECS)	58	23	0
Expansion of Oaklands Special School	SCE (ECS)	879	23	0
Overdale Infant and Juniors School Expansion	SCE (ECS)	382	0	0
Tiny Forests in Leicester Schools	SCE (ECS)	3	0	0
Family Hubs	SCE (ECS)	3	0	0
Leisure Centre Air Handling Units	PH	31	0	0
Total		2,865	317	(370)

POLICY PROVISIONS**1. Summary**

1.1. As at P3 in the 2024/25 financial year, 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	2,192
CDN (TCII)	Tourism & Culture	10
CDN (TCII)	Highways, Transport & Infrastructure	200
CDN (NES)	Library Investment	1,000
CDN (EBS)	Growing Spaces	301
CDN (Various)	Match Funding	3,000
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	4,673
SCE (ASC)	Extra Care Schemes	3,426
Other	Black Lives Matter	435
All	Programme Contingency	4,500
Total (excluding HRA)		22,016
CDN (HRA)	Other HRA Schemes	750
Total HRA		750
Total (including HRA)		22,766

1.2. Releases from policy provisions since the 2023/24 P12 report (reflected in the tables above) are listed below:

- £380k Strategic Acquisitions release to Land South of Phoenix
- £1,500k Corporate Estate release to Boston Road
- £3,621k Leicester Museum and Art Gallery release to Leicester Museum and Art Gallery

Prudential Indicators

Summary

Under the requirements of the Prudential Code for Capital Finance in Local Authorities, the full Council sets prudential indicators for the authority at the beginning of each year as part of the Treasury Management Strategy and Capital Strategy. This appendix reports on compliance during the year.

1. Debt and the Authorised Limit and Operational Boundary

The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	2024/25 Authorised Limit £m**	2024/25 Operational Boundary £m**	Debt at 30/06/24 £m	Complied?
Borrowing	320	250	174	yes
PFI and Finance Leases	175	145	86*	yes
Total debt	495	395	260	

* provisional subject to 2023/24 accounts audit

2. Maturity Structure of Borrowing

This indicator is set to control the Authority’s exposure to refinancing risk (i.e. not having to repay too much and then borrow again at the same time). The upper and lower limits on the maturity of all borrowing were:

	Upper Limit £m	Lower Limit £m	30/06/24 Actual £m	Complied?
Under 12 months	50	nil	20	yes
12 months and within 24 months	80	nil	nil	yes
24 months and within 5 years	140	nil	nil	yes
5 years and within 10 years	140	nil	nil	yes

2. Short-term Treasury Management Investments

The Council has an overall limit for investments. We invest mainly in money markets and with other Local Authorities for short-term investments as we are able to call the money back for any immediate spending needs. We complied with the limit.

4. Long-term Treasury Management Investments

The Council has a limit of £50m for long-term investments. The total sum of such investments held by the Council as of 30 June 2024 was £5.5m* which we hold in property funds, the limit was therefore complied with. It should be noted that £1.046m was returned to the City Council in June 2024 from the first instalment of the closure of the Lothbury fund. There have been a further two monthly instalments, received in July and August, bringing the total repayments to £1.409m

*after the first instalment from the Lothbury fund

5. Gross Debt and the Capital Finance Requirement (CFR)

The underlying need to borrow for capital purposes is called the Capital Financing Requirement (CFR).

Statutory guidance is that debt should remain below the capital finance requirement, except in the short term. The authority has complied and expects to continue to comply with this requirement.

6. Liability Benchmark

The Liability Benchmark forecasts the underlying need to borrow for capital purposes over the next 50 years, to make sure it remains within the CFR. Our forecasts suggest we will comply with this requirement.