
Executive Decision Capital Budget Monitoring April-June 2026/27

Overview Select Committee

Decision to be taken by: City Mayor

Decision to be taken on: 9th September 2026

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Adam Wuni
- Author contact details: adam.wuni@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1 The purpose of this report is to present the position of the capital programme for 2026/27 as at the end of June 2026.
- 1.2 This is the first capital monitoring report of the financial year. There will be two further quarterly reports followed by and an outturn report being presented to this committee.
- 1.3 As previously reported, projects are experiencing delays and face additional costs due to instability in the construction industry and continued inflationary pressures. Work programmes will manage this through their current budget by deferring planned work. When this is not possible it is reported in the monitoring report and decisions are taken as necessary.
- 1.4 It is anticipated construction industry uncertainty and cost pressures for materials such as asphalt, steel and concrete will continue to be an issue for the foreseeable future, due to the ongoing conflict in the Middle East. At the moment this is being managed within existing budgets, but the council will continue to monitor this.

2. Recommended actions/decision

- 2.1 The Executive is
 - Recommended to note the following:
 - Total spend of £17.3m for the year to date.
 - The progress in delivery of major projects, as shown at Appendix A.
 - The progress on spending against work programmes, as shown at Appendix B.
 - The provisions that remain unspent as shown at Appendix C.
 - The prudential indicators presented in Appendix F.

- Approve the following additions to the programme:
 - £333k for New House Build Council Housing, funded by Midland Net Zero Hub grant, see Appendix B, para 3.15

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 2026/27 Capital programme was initially approved by Council on 25 February 2026. It has subsequently been amended (including through the 2025/26 outturn report).

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 2026/27 capital programme budget and the spend as at the end of June, is shown below:

	2026/27 Budget £'000	2026/27 Spend £'000
Projects	145,061	5,913
Work Programmes	72,991	10,771
Provisions	2,454	0
Schemes Substantially Complete	2,787	606
Total Immediate Starts	223,293	17,290
Policy Provisions	15,187	0
Total Capital Programme	238,480	17,290

4.4 A summary of the total approved 2026/27 capital programme budget and the resources that are funding them is shown below:

	£000s					
	Projects	Work Programmes	Provisions	Substantially Complete	Policy Provisions	Total
HRA - Budget	2,712	15,734	835	505	750	20,536
GF - Budget	142,349	57,257	1,619	2,282	14,437	217,944
Total	145,061	72,991	2,454	2,787	15,187	238,480
Ringfenced - HRA	-	146	-	293	750	1,189
Unringfenced - HRA	2,712	15,588	835	212	-	19,347
Total HRA	2,712	15,734	835	505	750	20,536
Ringfenced - GF	28,009	6,387	-	1,554	10	35,960
Unringfenced - GF	114,340	50,870	1,619	728	14,427	181,984
Total GF	142,349	57,257	1,619	2,282	14,437	217,944

4.5 The following changes have occurred to the capital programme since Outturn 2025/26. These movements are reflected in the table at paragraph 4.3 above.

	Budget £000
Budget Movement since Outturn 2025/26	
<u>Spend for 2025/26</u>	(133,231)
<u>Budgets approved for 2026/27 programme (incl HRA)</u>	121,353
<u>Less HRA budgets brought forward into 2025/26</u>	(1,192)
<u>Decisions in the Outturn Monitoring Report</u>	
IT Investment	595
Corporate Estate	541
LLR Record Office	250
Net savings in 2025/26	(316)
Directors Decisions	
Oaklands Year 7 Expansion Pilot	250
Merrydale Infants School Based Nursery	150
High Street Heritage Action Zones	147
School Capital Maintenance (CCIP works)	147
Other	264
Net Movements	(11,042)

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
- Appendix F – Prudential Indicators

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 As part of the budget strategy set for 2026/27 the intention is to now use some of the planned £60m of asset sales to support the capital programme and reduce the revenue cost of borrowing. The Council has a significant programme to generate these capital receipts, of which £10m has already been achieved. During the first quarter of 2026/27, the Council has realised £189k of General Fund capital receipts. It is currently forecast that capital receipts in the region of £20m will be received during 2026/27, and further updates will be provided through future monitoring reports.

4.8.2 Over the same period “Right to Buy” receipts from sales of council housing have amounted to £6.4m. The high number of sales continues. The Council is still working through the influx of applications which resulted from changes to the Right to Buy scheme in November 2024. Applications have since dropped by around 40% compared to historic levels, which is a smaller reduction than anticipated, although many applications will not result in a sale of the property. The Council saw high levels of completed sales in 2025/26 and this is continuing into 2026/27. The changes to scheme eligibility will likely reduce sales from 2027/28 onwards as the number of applications reduces further and people opt to discontinue the process when the reduced level of discount becomes apparent. Government announcements in April 2026 indicate further reforms, including extending the period before which a tenant becomes eligible as well as the discount rules which will further reduce applications and sales in the long-term.

4.9 Prudential Indicators

This report also presents prudential indicators, in accordance with the CIPFA code.

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

5.1 Financial implications

This report deals entirely with financial matters, the implications of which are contained within the report.

Signed: Claire Gavagan – Assistant Director of Finance

Dated: 5 August 2026

5.2 Legal implications

Monitoring of capital expenditure is required in order to comply with the provisions of the Local Government Act 2003.

In respect of specific work programmes identified within the report these will need to be in compliance with applicable legal requirements including, where relevant, procurement legislation, subsidy control regime and the Authority's internal contract procedure rules.

The report seeks approval of an additional £333k to the capital programme, which is funded by a Midland Net Zero Grant, this will need to be administered in accordance with those terms of the grant funding.

Legal implications arising from individual projects will continue to be considered as specific proposals are brought forward for approval.

Signed: Mannah Begum, Principal Solicitor, Commercial Legal Team

Dated: 4 August 2026

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. The purpose of this report is to present the position of the capital programme for 2026/27 as at the end of June 2026.

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: 4 August 2026

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.

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

Signed: Phil Ball

Dated: 5 August 2026

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:

- General Fund Capital Programme 2026/27 and HRA Budget (including Capital Programme) approved by Council on 25 February 2026.
- Capital Outturn 2025/26 presented at OSC on 8 July 2026.

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	2026/27 Spend £000	Forecast (Under) / Overspend £000
Corporate Resources	1,410	0	0
Adult Social Care	1,120	0	0
Planning, Development & Transportation	52,039	1,899	0
Tourism, Culture & Inward Investment	10,924	2,464	1,900
Neighbourhood & Environmental Services	7,419	216	0
Estates & Building Services	4,667	552	0
Housing General Fund	56,091	695	0
Children's Services	8,689	87	0
Housing Revenue Account	2,712	0	0
Total	145,061	5,913	1,900

- 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 to be on time, within budget, 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)	2026/27 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P3
CRS	Finance System Replacement	815	0	0	Apr-27	Apr-27	Green	Green
CRS	Laptop Purchase	595	0	0	Dec-26	Dec-26	New	Green
CDN (PDT)	Local Transport Schemes	22,309	1,065	0	Mar-24	Dec-27	Green	Green
CDN (PDT)	Local Authority Bus Grant	6,219	215	0	Mar-27	Mar-27	New	Green
CDN (PDT)	Waterside Strategic Regeneration Area	1,944	161	0	Mar-23	Mar-27	Green	Green
CDN (PDT)	Leicester Railway Station - Levelling up	13,786	120	0	Mar-24	TBC	Red	Red
CDN (PDT)	Leicester Urban Natural Flood Management	521	13	0	Mar-27	Mar-27	Green	Green
CDN (PDT)	Heritage Development Trust	117	4	0	Mar-25	Jun-27	Green	Green
CDN (PDT)	Restoring the Soar	361	21	0	Jul-26	Dec-26	Amber	Green
CDN (PDT)	Strategic Sites	5,755	164	0	Mar-28	Mar-28	Green	Green
CDN (PDT)	Connecting St Margarets	591	52	0	Mar-26	Jul-27	Amber	Green
CDN (PDT)	3 Darker Street Capital Works	136	84	0	Jun-26	Sep-26	Green	Amber
CDN (PDT)	Regeneration at Midland St/Southampton St	300	0	0	May-28	May-28	Green	Green
CDN (TCI)	Leicester Market Redevelopment	4,728	1,368	1,900	Dec-21	Mar-27	Amber	Amber
CDN (TCI)	12-20 Cank St Link	2,420	58	0	Jan-25	Mar-27	Amber	Green
CDN (TCI)	Leicester Museum and Art Gallery	2,823	1,038	0	Mar-22	Mar-27	Amber	Green
CDN (TCI)	King Richard III Café	551	0	0	Feb-27	Feb-27	Green	Green
CDN (TCI)	Workspace Fit-Out Project	152	0	0	Jun-26	Aug-26	Green	Blue
CDN (TCI)	LLR Record Office	250	0	0	Mar-28	Mar-28	New	Green
CDN (NES)	Library Self Access Rollout	410	0	0	Sep-24	Dec-26	Green	Green
CDN (NES)	Neighbourhood Services Transformation	2,000	0	0	Mar-27	Mar-28	Green	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	3,301	203	0	Mar-25	Jun-27	Green	Amber
CDN (NES)	Pest & Dogs Depot Relocations	48	1	0	Mar-25	Jun-26	Green	Blue
CDN (NES)	Leisure Centre Improvements	911	0	0	Dec-25	TBC	Purple	Purple
CDN (NES)	Green Libraries Project	84	12	0	Mar-25	Dec-26	Amber	Amber
CDN (NES)	Parks & Open Spaces Depot Transformation	165	0	0	Mar-27	Mar-27	New	Green
CDN (NES)	Depot Transformation	100	0	0	Mar-27	Mar-27	New	Green
CDN (NES)	Public Toilet Refurbishment	150	0	0	Mar-27	Mar-27	New	Green
CDN (NES)	3G Pitch Replacement	250	0	0	Oct-27	Oct-27	New	Green
Total		71,792	4,579	1,900				

Dept/ Division	Project	Remaining Budget (£000)	2026/27 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	214	2	0	Mar-22	Dec-26	Green	Green
CDN (EBS)	St Nicholas Wall	348	0	0	Sep-24	Oct-27	Amber	Green
CDN (EBS)	Boston Road	1,214	140	0	Jul-25	Sep-26	Green	Green
CDN (EBS)	Gilroes Cemetery	679	410	0	Sep-25	Jul-26	Green	Blue
CDN (EBS)	Energy Smart Initiatives	2,002	0	0	Jun-26	Dec-26	Amber	Green
CDN (EBS)	Rally House Demolition	210	0	0	Mar-28	Mar-28	New	Green
CDN (HGF)	86 Leycroft Road Depot	3,712	64	0	Dec-26	Jan-28	Amber	Green
CDN (HGF)	Temporary Accommodation Acquisitions	52,369	631	0	Apr-27	Mar-28	New	Amber
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	4,196	29	0	Jan-24	TBC	Purple	Purple
SCE (ECS)	S106 School Places (Slater/ Wolsey House)	840	2	0	Sep-26	Apr-27	Amber	Green
SCE (ECS)	Pindar Nursery	814	0	0	Mar-23	TBC	Purple	Purple
SCE (ECS)	Education System Re-tender	962	56	0	Mar-26	Mar-27	Green	Green
SCE (ECS)	Early Years - Two Year Olds	358	0	0	Mar-26	Mar-27	Green	Green
SCE (ECS)	Oaklands Year 7 Expansion Pilot	250	0	0	Dec-26	Dec-26	New	Green
SCE (ECS)	Play Association Capital Grants	1,119	0	0	Mar-29	Mar-29	New	Green
SCE (ECS)	Merrydale Infants School Based Nursery	150	0	0	Mar-27	Mar-27	New	Green
ASC	Specialist Supported Living Schemes	1,120	0	0	Jan-28	Jan-28	New	Green
Total (excluding HRA)		142,349	5,913	1,900				
CDN (HRA)	St Matthews Residential Property Concrete Works	1,737	0	0	Mar-24	Dec-27	Amber	Amber
CDN (HRA)	St Matthews Centre	500	0	0	May-29	May-29	New	Green
CDN (HRA)	St Peter's Boiler House	275	0	0	Oct-27	Oct-27	New	Green
CDN (HRA)	Supported Housing Refurbishment	200	0	0	Jun-27	Jun-27	New	Green
Total HRA		2,712	0	0				
Total (including HRA)		145,061	5,913	1,900				

Capital Programme Project Monitoring 2026/27 P3

Corporate Resources

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Finance System Replacement	815	0	Apr-27	Apr-27	G
Laptop Purchase	595	0	Dec-26	Dec-26	G
Total	1,410	0			

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

Capital Programme Project Monitoring 2026/27 P3

Planning, Development & Transportation

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Local Transport Schemes	22,309	0	Mar-24	Dec-27	G
Local Authority Bus Grant	6,219	0	Mar-27	Mar-27	G
Waterside Strategic Regeneration Area	1,944	0	Mar-23	Mar-27	G
Leicester Railway Station - Levelling up	13,786	0	Mar-24	TBC	R
Leicester Urban Natural Flood Management	521	0	Mar-27	Mar-27	G
Heritage Development Trust	117	0	Mar-25	Jun-27	G
Restoring the Soar	361	0	Jul-26	Dec-26	G
Strategic Sites	5,755	0	Mar-28	Mar-28	G
Connecting St Margarets	591	0	Mar-26	Jul-27	G
3 Darker Street	136	0	Jun-26	Sep-26	A
Regeneration at Midland St/Southampton St	300	0	May-28	May-28	G
Total	52,039	0			

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

2.1. Leicester Railway Station – Levelling Up – Approval for the reallocation of funding was required prior to commencing the procurement exercise. This approval has now been secured, allowing procurement to launch in summer 2026. As this is a large and complex scheme, an updated completion date will be established once a contractor has been appointed.

2.2. 3 Darker Street – Additional works have been identified at this site. This work could not be detected during the initial assessment because dense self-set vegetation obscured the area. The required works will be delivered within the existing budget.

Capital Programme Project Monitoring 2026/27 P3

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
Leicester Market Redevelopment	4,728	1,900	Dec-21	Mar-27	A
12-20 Cank St Link	2,420	0	Jan-25	Mar-27	G
Leicester Museum and Art Gallery	2,823	0	Mar-22	Mar-27	G
King Richard III Café	551	0	Feb-27	Feb-27	G
Workspace Fit-Out Project	152	0	Jun-26	Aug-26	B
LLR Record Office	250	0	Mar-28	Mar-28	G
Total	10,924	1,900			

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

2.1. Leicester Market Redevelopment – As previously reported, further archaeological findings have resulted in an extended delivery programme and additional costs associated with the markets public realm scheme. As a result, the anticipated completion date has been delayed and an overspend of £1.9m has been forecast, for which additional funding has been requested in a separate decision report.

Capital Programme Project Monitoring 2026/27 P3

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	410	0	Sep-24	Dec-26	G
Neighbourhood Services Transformation	2,000	0	Mar-27	Mar-28	G
Multi Use Games Areas (MUGAs)	3,301	0	Mar-25	Jun-27	A
Pest & Dogs Depot Relocations	48	0	Mar-25	Jun-26	B
Leisure Centre Improvements	911	0	Dec-25	TBC	P
Green Libraries Project	84	0	Mar-25	Dec-26	A
Parks & Open Spaces Depot Transformation	165	0	Mar-27	Mar-27	G
Depot Transformation	100	0	Mar-27	Mar-27	G
Public Toilet Refurbishment	150	0	Mar-27	Mar-27	G
3G Pitch Replacement	250	0	Oct-27	Oct-27	G
Total	7,419	0			

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

2.1. Multi Use Games Areas (MUGAs) – Progress was on the programme was delayed as three sites required additional measures to increase and protect biodiversity before construction could begin

2.2. Leisure Centres Improvements – This scheme is paused while the leisure centre review is undertaken.

2.3. Green Libraries Project – The upgrade of building heating management systems has been completed successfully. However, additional IT security requirements were identified for remote access controls, requiring a revised solution to be developed. As a result, the completion date of the scheme is now December 2026.

Capital Programme Project Monitoring 2026/27 P3
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	214	0	Mar-22	Dec-26	G
St Nicholas Wall	348	0	Sep-24	Oct-27	G
Boston Road	1,214	0	Jul-25	Sep-26	G
Gilroes Cemetery	679	0	Sep-25	Jul-26	B
Energy Smart Initiatives	2,002	0	Jun-26	Dec-26	G
Rally House Demolition	210	0	Mar-28	Mar-28	G
Total	4,667	0			

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

Capital Programme Project Monitoring 2026/27 P3

Housing General Fund

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leycroft Road Depot	3,712	0	Dec-26	Jan-28	G
Temporary Accommodation Acquisitions	52,369	0	Apr-27	Mar-28	A
Total	56,081	0			

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

2.1 Temporary Accommodation Acquisitions – Delivery of this scheme has been affected by increased resource pressures across the Council. As a result, progress has been slower than originally anticipated and completion is now expected to take longer than planned.

Capital Programme Project Monitoring 2026/27 P3

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)	4,196	0	Jan-24	TBC	P
S106 School Places (Slater/ Wolsey House)	840	0	Sep-26	Apr-27	G
Pindar Nursery	814	0	Mar-23	TBC	P
Education System Re-tender	962	0	Mar-26	Mar-27	G
Early Years - Two Year Olds	358	0	Mar-26	Mar-27	G
Oaklands Year 7 Expansion Pilot	250	0	Dec-26	Dec-26	G
Play Association Capital Grants	1,119	0	Mar-29	Mar-29	G
Merrydale Infants School Based Nursery	150	0	Mar-27	Mar-27	G
Total	8,689	0			

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

2.1. Additional SEND Places (including Primary Pupil Referral Unit) – This scheme remains on hold whilst the total number of SEND places required in the city is confirmed alongside the context of national SEND reforms. In the meantime, temporary provision continues to be made available to meet the needs of children requiring additional support while the future of the scheme is under review.

2.2. Pindar Nursery – As previously reported, this scheme remains on hold whilst the requirements for the refurbished building is reviewed.

2.3.Play Association Capital Grants – Funding was provided within the 2026/27 capital programme to support adventure playgrounds across the city. As at the end of July 2026, £700k had been paid to Play Associations to support the delivery of planned improvements.

Capital Programme Project Monitoring 2026/27 P3

Adult Social Care

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Specialist Supported Living Schemes	1,120	0	Jan-28	Jan-28	G
Total	1,120	0			

Capital Programme Project Monitoring 2026/27 P3

Housing (HRA)

1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Matthews Residential Property Concrete Works	1,737	0	Mar-24	Dec-27	A
St Matthews Centre	500	0	May-29	May-29	G
St Peter's Boiler House	275	0	Oct-27	Oct-27	G
Supported Housing Refurbishment	200	0	Jun-27	Jun-27	G
Total	2,712	0			

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

2.1. St Matthews Residential Property Concrete Works – This project is progressing at a slower rate than originally planned due to the prioritisation of staffing resources to support other key works at the St Matthews Centre.

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 26/27 £000	2026/27 Spend £000	Slippage £000	Over/(under) Spend £000
City Development & Neighbourhoods	1,772	2	891	0
Planning, Development & Transportation	10,630	951	476	(30)
Tourism, Culture & Inward Investment	1,130	6	60	0
Neighbourhood & Environmental Services	2,706	72	0	0
Estates & Building Services	11,390	202	2,121	0
Housing General Fund	11,746	2,310	500	0
Children's Services	17,334	9	7,713	0
Corporate Resource Services	360	0	0	0
Adults	189	32	0	0
Total (excluding HRA)	57,257	3,584	11,761	(30)
Housing Revenue Account	15,734	7,187	550	300
Total (including HRA)	72,991	10,771	12,311	270

2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2026/27 Spend £000	Slippage £000	Over/ (under) Spend £000
Feasibility Studies	CDN	1,772	2	891	0
Transport Improvement Works	CDN (PDT)	2,066	460	0	0
Bus Engine Retrofitting	CDN (PDT)	376	0	376	0
Highways Maintenance	CDN (PDT)	6,512	173	0	0
Flood Strategy	CDN (PDT)	265	171	0	0
Festival Decorations	CDN (PDT)	30	1	0	0
Local Environmental Works	CDN (PDT)	431	112	0	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	30	0	0	(30)
Front Wall Enveloping	CDN (PDT)	554	16	100	0
Secure Cycle Parking (TCF Funded)	CDN (PDT)	282	0	0	0
Historic Building Grant Fund	CDN (PDT)	84	18	0	0
Heritage Interpretation Panels	CDN (TCI)	324	0	60	0
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	279	6	0	0
Community Asset Transfer	CDN (TCI)	152	0	0	0
Theatre Maintenance	CDN (TCI)	225	0	0	0
LCB Maintenance	CDN (TCI)	150	0	0	0
Grounds Maintenance Equipment	CDN (NES)	184	20	0	0
Evington Park Depot Staff Welfare Facilities	CDN (NES)	16	3	0	0
Street Cleaning Equipment	CDN (NES)	445	0	0	0
Public Toilet Automatic Locking	CDN (NES)	176	0	0	0
Pride In Place Impact Fund	CDN (NES)	1,500	49	0	0
Environmental Crime / Parks & Open Spaces CCTV Enforcement Action	CDN (NES)	185	0	0	0
Replacement Tree Planting	CDN (NES)	200	0	0	0
Corporate Estate	CDN (EBS)	4,588	165	550	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	5,732	37	1,011	0
IT Investment	CDN (EBS)	1,000	0	560	0
SuDS in Schools	CDN (EBS)	70	0	0	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,453	287	0	0
Vehicle Fleet Replacement Programme	CDN (HGF)	9,293	2,023	500	0
School Capital Maintenance	SCE (ECS)	16,620	0	7,640	0
Foster Care Capital Contribution Scheme	SCE (ECS)	495	0	73	0
High Needs Assistive Technology	SCE (ECS)	60	9	0	0
Best Start Family Hubs	SCE (ECS)	119	0	0	0
Education Feasibility	SCE (ECS)	40	0	0	0
Pride In Place Programme	CRS	360	0	0	0
Extra Care Feasibility	ASC	189	32	0	0
Total (excluding HRA)		57,257	3,584	11,761	(30)

Work Programme	Dept/ Division	Approved £000	2026/27 Spend £000	Slippage £000	Over/ (under) Spend £000
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,186	356	0	0
Council Housing - Boiler Replacements	CDN (HRA)	1,845	353	0	0
Council Housing - Rewiring	CDN (HRA)	1,602	265	0	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	489	85	0	200
Council Housing - Insulation Works	CDN (HRA)	100	31	0	100
Council Housing - External Property Works	CDN (HRA)	1,846	610	250	0
Council Housing - Fire and Safety Works	CDN (HRA)	361	206	0	0
Council Housing - Community & Environmental Works	CDN (HRA)	1,777	59	200	0
Council Housing - Water Heater and Tank Replacements	CDN (HRA)	400	0	100	0
Affordable Housing - Acquisitions	CDN (HRA)	3,247	3,247	0	0
Public Realm Works	CDN (HRA)	24	72	0	0
New House Build Council Housing	CDN (HRA)	1,857	1,857	0	0
Total HRA		15,734	7,187	550	300
Total (including HRA)		72,991	10,771	12,311	270

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** – Slippage against the feasibility studies budget is anticipated while schemes are being reviewed and re-prioritised to reflect current priorities. As a result, some studies will progress later than originally planned, with expenditure being incurred into future financial years.
- 3.3 **Bus Engine Retrofitting** – Delivery of this programme is currently on hold pending a ministerial decision regarding the reallocation of grant funding to alternative delivery objectives.
- 3.4 **Architectural & Feature Lighting** – This scheme is now complete, and the remaining budget will be taken as a saving which can be used towards future capital programmes.
- 3.5 **Front Wall Enveloping** – The Welford Road scheme is currently on site and is expected to be delivered this financial year. Progress on the Loughborough Road scheme has been slower than anticipated due to lower resident uptake, resulting in £100k of expenditure likely to be slipped into the next financial year.
- 3.6 **Corporate Estate** – The Corporate Estate maintenance programme is forecast to spend £4m in 2026/27 and the remaining £550k will be spent in 2027/28 reflecting the anticipated phasing of works and to ensure the programme remains deliverable.
- 3.7 **Property & Operational Estate Capital Maintenance Programme** – The delay in this programme is due to the need to carefully schedule works around ongoing building use, which requires a longer planning and coordination period to minimise disruption. Additional slippage is due to requirements being reviewed for local government re-organisation.
- 3.8 **IT Investment** - The IT investment programme is forecast to spend £440k for 2026/27 and the remaining £560k will be spent in 2027/28, reflecting the anticipated phasing of works.
- 3.9 **Vehicle Fleet Replacement Programme** – The Vehicle Replacement Programme is progressing, however the timing of some vehicle orders has been revised and is now expected to fall later than originally anticipated. Consequently, a proportion of the budget is expected to be carried forward into the following financial year.

- 3.10 **School Capital Maintenance (Children's Capital Improvement Programme works) –**
The reported slippage of £7.6m comprises £5.1m relating to lower-priority schemes that have been identified as suitable for reprogramming following a review of programme priorities, £1.3m for restoration works associated with temporary modular buildings, and £1.2m arising from the re-procurement of a contractor for a major scheme and delays to decarbonisation projects, including solar panel installations, due to enhanced technical requirements and longer lead-in times.
- 3.11 **Council Housing – Disabled Adaptations & Improvements** - Demand for adaptations continues to be high, with a forecast overspend of £200k arising from a commitment to limit the wait for adaptations to be completed. As these figures are currently forecast and could change, we will seek a decision once we have a more definitive position.
- 3.12 **Council Housing – Insulation Works** – Work on insulation is largely demand-led, with significant growth arising as a consequence of Awaab's Law. The need to respond within prescribed timescales will lead to a forecast overspend of £100k this year. As these figures are currently forecast and could change, we will seek a decision once we have a more definitive position.
- 3.13 **Council Housing - Community & Environmental Works** – A report has been commissioned to consider options to make the Aikman Avenue boiler house more reliable. Capital maintenance spend is being paused while options are considered, resulting in slippage of £200k.
- 3.14 **Council Housing – Water Heater and Tanks Replacements** – This is a newly introduced programme for replacements. Given the time needed to procure the works, £100k is expected to slip into 2027/28.
- 3.15 **New Build Council Housing** – This report recommends the addition of £333k for this scheme which will be funded by a Midland Net Zero Hub grant.

PROVISIONS**1. Summary**

1.1 As stated in the cover report, provisions are sums of money set aside in case they are needed.

1.2 The sums below are for the 2026/27 financial year.

Provision	Dept/ Division	Approved £000	2026/27 Spend £000	Remaining Budget £000
Aikman Avenue District Heating	CDN (EBS)	195	0	195
Aikman Avenue District Heating	CDN (HRA)	455	0	455
St Paul's Church	CDN (PDT)	400	0	400
District Heating Metering	CDN (HGF)	1,024	0	1,024
District Heating Metering	CDN (HRA)	380	0	380
Total		2,454	0	2,454

1.3 Since the previous monitoring report, there have been no transfers out of provisions.

PROJECTS SUBSTANTIALLY COMPLETE**1. Summary**

- 1.1 As at the end of the quarter one in 2026/27, the following schemes were nearing completion. The budgets are largely the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

Project	Dept/ Division	Approved £000	2026/27 Spend £000	Over/(Under) Spend £000
Pioneer Park - Levelling Up	CDN (PDT)	380	80	0
Land South of Phoenix	CDN (PDT)	80	2	0
LCC Bus Improvements	CDN (PDT)	496	496	0
High Streets Heritage Action Zones	CDN (PDT)	147	14	0
Pilot House - Levelling Up	CDN (TCI)	25	0	0
Jewry Wall Museum Improvements	CDN (TCI)	133	3	0
Saffron Lane Athletics Stadium S106 Improvements	CDN (NES)	32	0	0
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	0
The Curve Remedial Works	CDN (EBS)	40	0	0
Replacement Cladding Phoenix Square	CDN (EBS)	520	9	0
S106 Additional School Places	SCE (ECS)	253	0	0
Expansion of Children's Homes	SCE (ECS)	50	0	0
St Johns/Glebelands Bulge Capacity	SCE (ECS)	37	0	0
Dawn Centre Reconfiguration	CDN (HRA)	506	2	0
Total		2,787	606	0

POLICY PROVISIONS**1. Summary**

1.1. As at the end of 2026/27, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

Department/ Division	Policy Provision	Amount £000
CDN (TCII)	Tourism & Culture	10
CDN (EBS)	Growing Spaces	301
CDN (Various)	Match Funding	3,000
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	1,813
SCE (ASC)	Extra Care Schemes	5,686
Other	Black Lives Matter	435
All	Programme Contingency	2,800
Total (excluding HRA)		14,437
CDN (HRA)	Other HRA Schemes	750
Total HRA		750
Total (including HRA)		15,187

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.

	2026/27 Authorised Limit £m*	2026/27 Operational Boundary £m*	Debt at 30/06/26 £m	Complied?
Borrowing	650	550	241	Yes
PFI and Finance Leases	500	450	79	Yes
Total debt	1,150	1,000	320	

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	30/06/2026 Actual £m	Complied?
Under 12 months	50	Nil	22	Yes
12 months and within 24 months	100	Nil	52	Yes
24 months and within 5 years	150	Nil	22	Yes
5 years and within 10 years	200	Nil	10	Yes
10 years and within 25 years	250	Nil	19	Yes
25 years and over	350	Nil	116	Yes

3. Short-term Treasury Management Investments

The Council is allowed to utilise a broad range of investment instruments but in practice things are kept straight forward concentrating on other Local Authorities & similar bodies, UK Registered Banks and Money Market Funds (MMF). As of 30 June 2026, the council held £112m in short-term investments (maturing within 12 months) including £92m in MMFs which allow the Council instant access for liquidity purposes.

4. Long-term Treasury Management Investments

The Council has a limit of £50m for long-term pooled investments. The total sum of such investments held by the Council as of 30th June 2026 was £5m, invested in property funds. The limit was therefore complied with.

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. Currently debt is £320m and the capital finance requirement as at 31st March 2026 is £657m.

As reported in the Three-Year Capital Programme 2026/27 report, the authority will fund £90m of previously approved capital expenditure from reserves instead of borrowing, and therefore reduce the ongoing revenue borrowing costs incurred.

The Director of Finance will continue to use their delegation as per the budget strategy 2026/27, to make the most prudent capital financing decisions to support the approach of reducing future borrowing costs to support the budget strategy.

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.