

**APPENDIX F****Capital Budget – Main Variances**

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
C&FS – School Accommodation Programme	Slippage of £961k is to be carried forward to 2015/16 due to a new framework for contract management. Brownlow Primary School saving of £215k due to school utilising other joint funding prior to calling on LCC monies. Savings on some schemes and additional S106 funding used in this year's programme.	-1,054
C&FS – School Accommodation Programme contingency	Underspends from 2013/14 have not been spent due to a delayed start on some projects, cost efficiency savings and changes in demand for places. Programme will be carried forward to 2016/17 to fund capital issues arising from schools entering into sponsored Academy arrangements.	-660
C&FS - Longslade Community College, Birstall - Strategic Capital Maintenance / School Accommodation	Funding for a wider capital investment linked to the campus development including provision for a new Primary School. The project has commenced but slippage is required due to the need to synchronise the work with direct government grants achieved via the Priority Schools Building Programme.	-499
C&FS – Early Help Hubs Programme	There is slippage of £489k as a result of cost estimates exceeding the original budget approval and a delay in commissioning the works. The scheme is now expected to be completed in 2016/17.	-489
C&FS - School Meals Programme	Additional new grant funding of £339k received from DfE in February 2015 for work at 5 Primary Schools, which is to be spent by August 2015.	-339
A&C – Transforming Care Grant	The grant funding is for adaptations to housing to support transfer of people from inpatient to community-based settings. This will be slipped into 15/16 as the purchase process and the exchanging of contracts has taken longer than planned. The purchase of properties by external providers is expected to be completed end of May 2015.	-392
A&C – Hinckley Library/The limes scheme	The service is currently exploring alternative delivery models for The Limes.	-360
E&T – Area Office Accommodation (Depots Review)	Overspend as a result of the increase in scope of works and bringing forward works which would make it more cost effective in the long term, to do while on site rather than delaying. Also works relating to health and safety and environmental concerns, contributing to the overspend.	243
E&T – Major Schemes	Part 1 claims relating to land compensation payments at Earl Shilton bypass (reduction in value of properties).	279

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
E&T – Hinckley Schemes	Advanced design fees related to zones 2 and 3, funded from acceleration of 2015/16 programme.	386
E&T – Oadby & Wigston Town Centres	Overspend due to cost overruns and strict grant conditions which meant that not all costs were permitted to be recovered from the grant.	264
E&T – Major Schemes	Outstanding works to complete the A50/A46 junction improvement.	118
E&T Transportation - Bridges	Slippage on M1 Bridge, Lubbethorpe. There were difficulties in finalising the funding agreements between the Homes and Community Agency, the land owner and the developers which lead to the slippage. All parties signed on 19 <sup>th</sup> Feb and contractors are now on site.	-5,857
E&T – Major Schemes	Underspend on Loughborough Town Centre due to lower overall scheme costs from savings on the contract.	-1,100
E&T – Highways Maintenance	Additional carriageway patching works to support the long term prevention for the road network (pot holes).	1,112
E&T – ITS Block, Safety	Countesthorpe scheme (£90k) slippage due to works being tied into developer proposal and redrafting of the S106 agreement. Oadby Gartree scheme (£75k) slippage due to redesign following consultation.	-279
E&T – ITS Block	Underspend due to cost efficiencies across the programme. £45k slippage for signing and lining in Coalville delayed till June 2015 as a result of being tied into developer work.	-186
E&T Transportation- Integrated Transport Schemes – Active & Sustainable Travel	Underspend on various schemes due to cost efficiencies and attempting to tie into developer works. £43k has slipped into 2015/16 for zebra crossing schemes.	-192
E&T – Waste Management	Slippage on the Coalville transfer station while awaiting planning permission to be granted and a review of the business case.	-356
Chief Executives – Rural Capital Scheme	Year 3 of the programme (2014/15) not run as LCC is supporting other (similar) grant schemes with Leicester City Council and LLEP, that are funded via the Regional Growth Fund.	-146
Chief Executives – Shire & Better Places Capital Grant Scheme	Central Government funding was received and used therefore some of the Better Places funding was not required. New schemes have taken longer than anticipated to build momentum.	-74
Corporate Resources – Demolition of Vacant Buildings	Melton KEVII; £300k slippage on construction of replacement playing field to enable sale: Slippage due to work which must be undertaken during appropriate conditions as well as delayed planning permission for the project.	-500

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
Corporate Resources – Corporate ICT Capital Programme	Delays have been experienced on the Firewall, Virtual Desktop Infrastructure (VDI) and Exchange Migration projects. A procurement of replacement firewall hardware took place in 2014/15 but it was not possible to award a contract. The technical specification has subsequently been revised and the procurement is being restarted. Development of detailed specifications for the VDI project, and hence the procurement process, was delayed in order to take into account fully the needs of the County Hall Masterplan project. The procurement is now well underway.	-338
Corporate Resources – Online Services Project	Slippage of £258k - whilst phase 1 of the new LCC website will be implemented as planned by 1st April 2015, there is further work needed on integration with other systems.	-258
Corporate Resources – PAMS (previously PMIS)	The project is split into 2 phases of Go live. The first phase is due to go live later than planned in September 2015 due to delivery issues from the supplier. The 2 <sup>nd</sup> phase is due to go live in February 2016.	-176
Corporate Resources – Data Quality/Pseudonymisation Software	Slippage into 2015/16 – awaiting clarification of business requirements from the Data and Business Intelligence Transformation Enabler.	-120
Corporate Resources – EDRMS Replacement	A decision has been taken to continue with Wisdom for the foreseeable future so the majority of the funding originally allocated will no longer be needed.	-130
Corporate Programme – Corporate Asset Investment Fund (AIF)	The nature of the AIF remit means expenditure will occur when suitable property/assets are available for investment/purchase.	-740
Corporate Programme – Property Energy Strategy	Overall, the energy invest to save programme is progressing in line with strategic priorities. Two principle causes for slippage are: (i) Delayed implementation of part of the County Hall biomass heating system, System test failure in mid-March has led to two months delay. (ii) Capital contributions towards specific projects within the wider capital programme to deliver increased energy efficiency have been delayed in line with slippage elsewhere on these schemes.	-585

## **Capital Programme – Changes in Funding**

Major changes in funding of the capital programme 2014/15:

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
Outturn Adjustments	2013/14 Outturn adjustment: <ul style="list-style-type: none"> <li>• C&amp;FS - £0.40m</li> <li>• A&amp;C – £0.22m</li> <li>• E&amp;T Waste Management - £0.08m</li> <li>• Corporate Resources - £0.45m</li> <li>• Chief Execs - £0.39m</li> </ul>	1,538
C&FS	School Meals Grant – additional grant funding	339
C&FS	School Accommodation – section 106 contributions	181
C&FS	Birstall, Longslade All Weather Pitch scheme removed as it will now not go ahead.	-185
A&C	Transforming Care Grant - Dept. of Health	392
A&C	Extracare Blaby Scheme – contribution from reserve	305
E&T - Transportation	Pothole Grant funding from Department for Transport	2,639
E&T - Transportation	Area Office accommodation – Capital receipts	464
E&T - Transportation	Street Lights/Traffic signs – section 106 contributions.	344
E&T - Transportation	Ashby Canal – Section 106 contributions.	256
E&T - Transportation	Real Time Bus Stop Info. – revenue contribution	250
E&T - Transportation	Area Office Accommodation – section 106 contributions.	247
E&T – Transportation	Various schemes - Additional income	236
E&T - Transportation	Externally funded schemes – section 106 contributions.	227
E&T - Transportation	Bridge Maintenance – Section 106 contributions.	174
E&T - Transportation	Active & Sustainable Travel – section 106 contributions.	166
E&T - Transportation	M1 Bridge Growth, Lubbethorpe – External funding	165
E&T - Transportation	Footways – section 106 contributions.	158
E&T - Transportation	Pinch Point/Park & Ride – section 106 contributions.	136
E&T - Transportation	Mowers – LHO renewals earmarked fund	113
Chief Executives	Rural Broadband Scheme – DCLG/ERDF funding	643
Chief Executives	Loughborough Science Park – Economic Development. Earmarked fund	125
Chief Executives	Kegworth Community Centre – external and revenue contributions	118
Corporate Resources	County Farms Estate lease acquisition to enable future potential sale - funded from capital receipts.	585
<b>Total</b>		<b>9,616</b>