

APPENDIX 3

Capital Budget – Revised budget and forecast main variances

Identified Variances

The significant variances on schemes at period 6 are:

Department	Reasons	£000
C&FS – School Accommodation 2015/16	Slippage forecast to 2016/17 arising from delays with finalising academy specifications for a new primary school in Birstall £0.35m, project delays as a result of awaiting outcome of CIF (Condition Improvement Fund) grant bid support at Stafford Leys Primary School in Leicester Forest East £0.1m and deferral of the provision of places in Earl Shilton £0.8m based on production of the latest requirements of pupil places.	-1,236
C&FS – School Accommodation 2015/16	Inclusion of Section 106 developer funding £0.80m and internal contribution of £0.18m instead of using School Accommodation Grant.	-984
C&FS – School Accommodation 2016/17	In response to the forecast slippage it has been agreed by the Corporate Schools Group under delegated powers given to the Director of Children & Family Services and the Director of Resources by the Cabinet to accelerate two schemes for a value of £1.2m from 2016/17; Countesthorpe, Greenfield Primary School and Barrow-on-Soar, Hall Orchard Primary School.	1,200
C&FS – Targeted Early Help Hubs	Programme started in 2014/15 and forecast to complete early in current year resulting in acceleration on the funding from 2016/17 programme.	332
A&C – Hinckley Library/The Limes DC scheme	The original programmed scheme to accommodate the Limes Day Centre within the Hinckley Library is no longer required.	-327
A&C – Extracare Loughborough Scheme	Indicative timelines have slipped due to delays in the purchase of the land. Slippage to be carried forward to 2016/17.	-79
A&C – Blaby Library reconfiguration of space	Slippage of project and it is likely to be replaced by a scheme at Hinckley.	-50
A&C – Mobile Libraries replacement	2 vehicles in the process of being ordered; original plan was to replace one vehicle. The extra spend will be met by acceleration from 2016/17.	50
E&T – Zouch Bridge Replacement	Delays with the land purchase means that the work is likely to commence in Spring 2016, the revised completion date is March 2017 rather than December 2016.	-1,676

Department	Reasons	£000
E&T – M1 Junction 22	Slippage due to a delay in receiving technical approval from Highways England.	-1,315
E&T – Street Lighting Column Replacement	Slippage due to; staff resourcing as the focus is on the LED programme and alignment of Column replacement with the LED replacement programme, subject to Dept. for Transport agreement, which came through on 15 th September .	-500
E&T – M1 New Bridge	Acceleration of scheme based on revised profile of spend and works.	2,011
E&T – Hinckley Scheme Phase 3	Advance design work for Phase 3 which was scheduled for 2016/17 has been brought forward to enable works to begin in 2016/17.	80
E&T – Waste Management	Business Case to be evaluated to ensure that the optimal solution is found, should the project go ahead it is unlikely that the expenditure will take place in this financial year.	-161
Chief Executives – Loughborough University Science and Enterprise Park	Discussions with Loughborough University over a business investment opportunity are progressing. However, proposals are still to go through both organisations' governance processes.	-1,050
Chief Executives – Rural Economic Grants	The County Council was successful in securing EU funding (DEFRA – Leader Project) targeted at supporting economic growth in rural areas in Leicestershire. It is expected that this funding will not be required during 2015/16.	-55
Chief Executives – Rural Broadband Scheme	Work by British Telecom on Phase1 has continued to progress ahead of planned timetable. Spend originally expected to occur in 16/17 will take place by the end of March 2016.	545
Corporate Resources – ICT Resilience: Data Centre Reprovisioning	Following the initial procurement exercise the schedule of works has been revised in light of information from the contractor. Works are expected to start on site in the new calendar year and as such slippage is forecast into 2016/17.	-1,131
Corporate Resources – Industrial Properties	The slippage relates to the expected timescales to design, tender and procure the works: biomass boiler system at Riverside Court and façade replacement at Loughborough Tech. Centre. This is a standing budget funded from the Industrial Estate revenue income and exact timescales for spend will vary dependant on the types of works undertaken each year.	-200
Corporate Resources – Demolition of Vacant Buildings	Works delayed due to specification and planning delays together with the seasonal nature of restoration/landscaping works.	-200
Corporate Resources – PAMS (previously	Implementation has been delayed as the contractor has been unable to deliver the development work to	-65

Department	Reasons	£000
PMIS)	the agreed timescales. Phase 1 is now planned for January 2016.	
Corporate Programme – Corporate Asset Investment Fund	As part of the Fund a land purchase has been agreed for "Airfield Farm" to develop industrial and office space in Market Harborough resulting in acceleration on future year programmed allocations. The fund totals £16m over 2014 to 2019.	1,809
Corporate Programme – County Hall Master Plan	Expenditure on the County Hall Master Plan is expected to be ahead of schedule with the scheme forecast to complete by March 2016, resulting in acceleration of £1.3m from 2016/17. Works include £0.5m on providing an Out of Hours facility for County Hall and Virtual Desktop Infrastructure to enable mobile and flexible working.	1,342
Corporate Programme – Energy Strategy on Corporate Buildings	This is a three year programme of energy efficiency invest to save projects across the LCC estate. There are three types of project; energy performance contracts (majors), minor works energy projects and energy funding contributions to other schemes. The major works programme incurred delays due to the late implementation of the biomass boiler at County Hall (faults found on installation and it had to be returned to the manufacturer for repair). The effect of these delays has had an incremental impact on the overall programme; resulting in slippage of £0.5m to 2016/17. The 3 year programme is expected to be completed by the end of 2016/17 as originally planned. The revenue benefits of the programme towards the MTFS are not expected to be affected.	-335
Corporate Resources – Quorn Bridge	During removal the bridges stability decreased dramatically and parts of the bridge abutments fell into the river. The forecast reflects increased cost of repairing the bridge and reinstating the structure.	123

Capital Programme 2015/16 – Changes in Funding

Department	Reasons	£000
Outturn Adjustments	2014/15 Outturn adjustment: <ul style="list-style-type: none"> • C&FS - £2.612m • A&C – £0.703m • E&T Transportation - £5.312m • E&T Waste Management - £0.357m • Chief Execs - £0.120m • Corporate Resources - £1.074m • Corporate Programme - £1.594m 	11,772
Sub Total		11,772
C&FS	School Accommodation – Section 106 developer funding and contribution from schools	483
C&FS	Adoption Home Extension – revenue contribution	31
A&C	Donington Le Heath Manor House Improvements – A&C earmarked fund and revenue contribution	62
E&T - Transportation	Traffic Signals Update – revenue contribution	60
E&T - Transportation	Leicester and Leicestershire Integrated Transport Model (LLITM) – earmarked funds	250
E&T - Transportation	Major Scheme Preparation/Feasibility – earmarked funds	150
E&T - Transportation	Ashby Canal – Section 106 developer funding	45
E&T - Transportation	Flood Alleviation maintenance – revenue contribution	500
Corporate Resources	Ibstock, Station Road (land), culvert and new access road - earmarked capital receipts	994
Corporate Resources	Transferred from Corporate Programme – relates to County Hall Master Plan	200
Corporate Resources	Quorn Bridge repairs – Capital receipt	67
Corporate Resources	Disposal costs – Capital receipt	100
Corporate Programme	Transferred to Corporate Resources – relates to County Hall Master Plan	-200
Corporate Programme	County Hall Master Plan 1 – revenue contribution	45
Sub Total		2,787
Additional Funding	Agreed by Cabinet 11-Sep-2015	
E&T - Transportation	Replace aged/leased vehicles	500
E&T – Waste Mgt.	RHWS Improvements	100
E&T - Transportation	Highways Maintenance	2,000
E&T - Transportation	Advanced design/modelling	2,000
Corporate Resources	Property - Replace aged/leased vehicles	100
Corporate Resources	County Farms and Industrial Properties	53
Corporate Resources	Country Parks – maintenance/improvement	400
Corporate Programme	Energy efficiency, Score +	300
Sub Total		5,453
Overall Total		20,012