

**APPENDIX 4****Capital Budget 2016/17 – forecast main variances****Children and Family Services**

A net acceleration of £2.1m is forecast compared with the updated budget.  
The main variances are:

	<b>£000</b>
<b>School Accommodation</b>	<b>-704</b>
Delays in planning process for Earl Shilton Townlands Primary School pending determination on whether planning authority was District or County Council £0.2m, reduced costs at Sileby Redland £0.4m and contingency for September 2016 bulge classes released as not needed £0.1m.	
<b>School Accommodation</b>	<b>1,370</b>
Acceleration of a new primary school in Birstall (Hallam Fields) as works being completed earlier than anticipated. This scheme was re-profiled earlier in 2016 where a prudent approach was taken, works are completing much quicker.	
<b>School Accommodation 10+</b>	<b>824</b>
Acceleration of Structural Changes 10+ scheme as works are being completed earlier than anticipated. This scheme was re-profiled earlier in 2016 where a prudent approach was adopted.	
<b>Wigston Area Special School</b>	<b>606</b>
Acceleration of Special School scheme plus £0.5m expenditure on Wigston Masterplan to reflect reprofiling of works between local authority and Academy Trust managed elements. This scheme was re-profiled earlier in 2016 where a prudent approach was adopted, works are completing much quicker. Approval will be sought to formally transfer £0.5m to the Wigston Masterplan project once supporting documentation to evidence the decision has been taken by the Corporate Schools Group.	
<b>Other variances</b>	<b>-16</b>
<b>TOTAL</b>	<b>2,080</b>

**Adults & Communities**

A net slippage of £0.4m is forecast compared with the updated budget.  
The main variances are:

	<b>£000</b>
<b>Changing Places / Toilets</b>	<b>-214</b>
One scheme is expected to be delivered - Hinckley Leisure Centre. Further schemes are being scoped for 2017/18.	
<b>Mobile Libraries</b>	<b>-196</b>

Two vehicles were purchased for £0.1m each rather than £0.2m each. Balance to be carried to fund planned purchase of vehicles in 2017/18.	
<b>Other variances</b>	<b>-35</b>
<b>TOTAL</b>	<b>-445</b>

### Public Health

The forecast expenditure is in line with the updated budget.

### Environment and Transportation - Transport

A net acceleration of £0.1m is forecast compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>A42 Junction 13</b>	<b>-1,796</b>
Slippage due to alignment of works with Highways England Maintenance scheme. As Highways England were carrying out other works on the A42 near the junction, delaying the commencement of works on the scheme until January (originally planned for late summer). Notification was received late. However, overall the scheme is still expected to spend in line with original estimates.	
<b>Lubbesthorpe Strategic Employment Site Access</b>	<b>-1,764</b>
£1.0m underspend and £0.8m slippage. This scheme was able to be divided into a number of specific elements. The works that are being undertaken will end up costing £1m less than the resources originally identified. The scheme is likely to finish in April 2017, a months delay will lead to some expenditure slipping into the new financial year.	
<b>Advanced Design/Strategic Economic Partnership</b>	<b>-1,700</b>
Slippage due to several schemes that are to be designed in the new financial year and match funding that is to be aligned with future schemes should the department be successful in obtaining external funding.	
<b>Fleet Renewal</b>	<b>-1,000</b>
Slippage due to extended lead time for some vehicles. Highway vehicles have unique specifications which can mean a number of months before delivery of the vehicles take place.	
<b>Flood Alleviation</b>	<b>-285</b>
Underspend due to cost savings and enhanced flood investigations being carried out resulting in the removal and de-scoping of some schemes.	
<b>Transport Asset Management - Surface Dressing</b>	<b>-73</b>
Slippage due to capacity issues in delivering the programme - one week of no dressing in April due to flooding issues.	
<b>LED Street Lighting</b>	<b>5,500</b>
Acceleration of spend due to revised profile of works and additional installation gangs that have been contracted.	

<b>M1 Junction 22</b>	<b>950</b>
Overspend of £1.0m. Gross additional costs of £1.8m forecast due to Traffic Management constraints working on the strategic road network. As this scheme involved working on the trunk road network, there were additional restrictions on daytime working. This was exacerbated by Government consultations and initiatives around reducing congestion during road works all of which led to the need for additional night working and additional costs. There are additional section 106 developer contributions relating to the Coalville Growth Strategy, for which the M1 J22 is crucial that have been included of £0.8m resulting in a net £1m overspend.	
<b>Loughborough Town Centre and Earl Shilton Bypass</b>	<b>150</b>
Land compensation payments which were not budgeted for, after completion of schemes.	
<b>Transport Asset Management - Footways</b>	<b>60</b>
Additional footway treatment - Slurry Seal added to the programme.	
<b>Melton Depot Relocation</b>	<b>50</b>
Acceleration on scheme as fees spent in current financial year in exploring alternatives for Melton Depot.	
<b>Other variances</b>	<b>0</b>
<b>TOTAL</b>	<b>92</b>

### **Environment and Transportation - Waste Management**

Slippage of £1.1m is forecast compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>Coalville Transfer Station</b>	<b>-739</b>
The business case for Coalville Transfer Station is no longer viable and the funding will be returned back to the Environment & Waste reserve to finance future health & safety and improvement works at RHWS.	
<b>Recycling &amp; Household Waste Sites - Improvements</b>	<b>-210</b>
Slippage due to lack of staff resources available to identify, evaluate and implement plans. Linked in part to the transition arrangements arising from the departmental restructure.	
<b>Recycling &amp; Household Waste Sites - Drainage</b>	<b>-142</b>
Slippage due to revised profile of works which are subject to agreement with the Environment Agency. Drainage works across 3 sites are likely to be carried out across 3 financial years.	
<b>Other variances</b>	<b>0</b>
<b>TOTAL</b>	<b>-1,091</b>

**Chief Executives**

The forecast expenditure is in line with the updated budget.

**Corporate Resources**

A net slippage of £0.8m is forecast compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>Corporate ICT</b>	<b>-485</b>
Slippage of £0.4m on the Unified Telephony replacement phase 2 project due to technical issues and now expected in 17/18, and agreed underspend of £0.1m on project.	
<b>Replacement of Playing Field - Melton KE VII site</b>	<b>-300</b>
The project was due to re-commence on 13th February, unable to get on to site due to water logging. The next window of opportunity is around Easter. This will mean that the majority of capital spend will need to slip to next financial year.	
<b>Industrial Properties</b>	<b>-100</b>
Slippage due to timeliness of delivery of projects - i.e. design, procurement, delivery - at the moment unable to physically deliver in this financial year due to other commitments, premises availability and lead times for the various elements.	
<b>County Farms Estate</b>	<b>150</b>
Acceleration on farm improvements which will enable an increase in rental income in future years.	
<b>Other variances</b>	<b>-15</b>
<b>TOTAL</b>	<b>-750</b>

**Corporate Programme**

A net slippage of £4.3m is forecast compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>Coalville Workspace</b>	<b>-3,025</b>
Revised timescales means that most of the money will be spent in 2017/18. The timescales have been revised due to delays in obtaining planning consent and to align with receipt of funding from Growth Deal 2 and the sale of Workspace 17 site.	
<b>Loughborough University Science Enterprise Park</b>	<b>-1,155</b>
Loughborough University is reviewing the project resulting in need to revise profile of spend.	
<b>Rural Workspace</b>	<b>-710</b>
Delays have occurred in achieving planning permission resulting in project timetable and spend will be in 2017/18. Leaders Farm Office project replaces initial proposal. Includes infrastructure for whole site.	
<b>Countesthorpe, The Drive - Nursery reprovision</b>	<b>-500</b>

Slippage pending a review of the scheme and options.	
<b>County Hall Maintenance</b>	<b>-300</b>
Work now started on replacement of windows in Rutland building, but bulk of work (and corresponding budget) likely to slip into 2017/18. The first phase of the work is expected to be completed by year end.	
<b>Loughborough, Pennine House Area Office</b>	<b>-242</b>
The first phase of the work is due to take place prior to March 2017. Option decided is a refurbishment rather than move.	
<b>Energy Strategy</b>	<b>609</b>
Acceleration of programme on a variety of small scale energy efficiency measures including boilers, heating controls and LED lighting upgrades.	
<b>Harborough Accelerator Zone - Airfield Farm</b>	<b>634</b>
Acceleration from future years Asset Fund, due to increased cost of purchase to be funded from additional capital receipts, to be received in 2 or 3 years, and included in the new MTFS.	
<b>North Kilworth - Walton Holt Farm</b>	<b>263</b>
Acceleration from future years Asset Fund due to increased costs. Agreed purchase fee higher than originally expected due to the attractiveness of the site and the number of other bidders.	
<b>Ibstock Farm, Station Road</b>	<b>104</b>
Increased costs due to accommodation costs of build through operational farm and higher costs than the original feasibility.	
<b>Other variances</b>	<b>47</b>
<b>TOTAL</b>	<b>-4,275</b>

### **Capital Programme - Changes in Funding**

Outturn Adjustments - 2015/16	<b>£000</b>
Children & Family Services	5,463
Adults & Communities	676
Public Health	-8
E&T - Transportation	-81
E&T - Waste Management	473
Chief Executives	730
Corporate Resources	799
Corporate Programme	2,114
E&T - slippage carried forward to 2017/18 (Zouch Bridge)	-1,709
	<b>8,457</b>
2016/17 Adjustments	
<u>Children and Family Services</u>	
School Accommodation – various Section 106 developer contributions to schemes.	398
Capital Maintenance Grant adjusted to reflect final allocation from DfE based on LA schools	-255

DfE Basic Need Capital Grant carried forward to 2017/18: Following a detailed review of the deliverability of schemes within the programme: Reprogramming to 2017/18, £8.7m - Barwell Area, Primary Places - £1.0m - Earl Shilton, Townlands Primary School - £1.3m - Mkt Harb.Farndon Fields Primary School - £0.3m - Ibstock Junior School - £0.2m - Birstall, Hallam Fields Primary School -£1.4m - Wigston Area Special School - £1.5m - Structural Changes (10 + Retention) - £3.0m Reprogramming to 2016/17 (acceleration) £0.7m: - Sileby, Highgate - £0.5m - Thurnby, St. Lukes - £0.2m	-8,045
School Accommodation – contribution from school	76
School Accommodation – transfer from Energy Strategy budget	24
School Accommodation – section 106 and contribution from school	12
<u>Environment and Transportation - Transport</u>	
Fleet Renewal (revenue funding c/fwd from 2015/16 – Cabinet 17th June 2016)	1,000
M1 J22 - section 106 developer contribution	800
Maintenance (revenue funding c/fwd from 2015/16 – Cabinet 17 <sup>th</sup> June 2016)	747
Road Safety (revenue funding c/fwd from 2015/16 – Cabinet 17th June 2016)	200
Pothole Grant funding 2016/17 – DfT	717
<u>Chief Executives</u>	
Broadband Phase 2 – Government Grant funding	238
Data Quality and Business Intelligence Technology Infrastructure – revenue contribution	100
Loughborough University Science Enterprise Park (LUSEP) transferred to Corporate Programme	-1,275
Data Quality and Business Intelligence Technology Infrastructure – transferred from Corporate Resources	125
<u>Corporate Resources</u>	
Data Quality and Business Intelligence Technology Infrastructure – transferred to Chief Executives	-125
Central Print equipment – revenue contribution	143
Demolition of Vacant Buildings (King Edward VII, Melton) – funded from general capital receipts	132
Intranet Replacement – removed from budget as spend is revenue in nature	-160
ICT Resilience: Data Centre Reprovisioning funding transferred from Corporate Programme	1,245

<u>Corporate Programme</u>	
ICT Resilience: Data Centre Reprovisioning funding transferred to Corporate Resources as part of County Hall Master Plan / Energy Strategy	-1,245
Loughborough University Science Enterprise Park (LUSEP) transferred from Chief Executives	1,275
Energy Strategy – transfer of funds to C&FS Hinckley Parks Primary School	-24
<b>Sub Total</b>	<b>-3,897</b>
<b>Overall Total</b>	<b>4,560</b>

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