

Capital Budget 2018/19 – forecast main variances**Children and Family Services**

Net underspend of £5.0m is forecast compared with the updated budget. The main variances are:

	£000
Provision of Additional Primary Places	-4,668
Contingency set aside for issues arising from September admissions not needed and underspend from 2017/18 was not required. One scheme identified for acceleration but 2018/19 spend will be minimal.	
10+ Provision	-295
Slippage as scheme passported to academy and linked to DfE funding, completion expected to be September 2019.	
TOTAL	-4,963

Adults & Communities

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

	£000
Mobile Library Vehicles	-245
The purchase of a vehicle to allow for rotation of vehicles during maintenance periods has slipped into 19/20. The remaining funding will be slipped into next year for the delivery of the new vehicle.	
Changing Places / Toilets	-159
At this stage there are 2 schemes expected to be delivered in 18/19 for £55k, with the remaining funding unspent and carried forward to 19/20 while further applications are sought.	
Other variances	-30
TOTAL	-434

Public Health

The forecast expenditure is in line with the original capital programme.

Environment and Transport

Net slippage of £8.7m is forecast compared with the updated budget. The main variances are:

<u>Environment and Transport - Transportation</u>	£000
Transport Asset Management - Maintenance	1,408
Acceleration of budget due to reassessment of recharging of staff time to capital schemes to ensure all costs are appropriately reflected in outturn forecasts. In addition there has been damage to the highways from the heat in the summer months. Additional works have been identified to be completed this year.	
Melton Mowbray Eastern Distributor Road	1,042
Acceleration of budget due to additional AECOM design work anticipated this year rather than next.	
County Council Vehicle Programme	1,027
Acceleration of spend from future years' allocations due to evaluation of the fleet leading to some assets being identified as no longer being economical/safe to continue repairing and running as well as additional vehicle requirements.	
Advanced Design	368

Acceleration due to additional works advanced on the microsimulation project which will enable the project to finish earlier and the tool available for use. Additional emerging priorities work which will be accelerated and a review of the budgets is underway, additional works identified for the HIF bidding process.	
A50 Overbridge Markfield	371
Problems encountered with exposed bridge deck which required extensive repair at each of the three joints. This unanticipated delay in the works has led to a compensation event with the contractor.	
Strategic Economic Plan (SEP) - M1 Junction 23	-4,226
Slippage of budget due to delay in negotiating with land owners and finalising financial payment agreement with developers. After reviewing the scheme with the newly appointed contractor more appropriate timescales have been identified which has meant the project has been delayed.	
SEP - Anstey Lane A46	-3,427
Slippage of budget due to identifying appropriate contractors to complete the work through the MSF3 framework which has now been issued. Delays to the tree clearance, expected utility works and some early contractor mobilisation costs will now be moved into next year.	
Zouch Bridge Replacement	-2,522
Slippage of budget due to a public enquiry which took place in August 2018. Orders confirmed by DfT on 28th January 2019. Therefore the spend is now not anticipated to be until 2019/20. Planned start Spring 2020.	
National Productivity Investment Fund (NPIF) - Hinckley Hub	-1,058
Original profile was from the original NPIF bid but spend profile has now been updated to reflect actual delivery programme. Any slippage this year will be spent in 2019/20.	
Safety Schemes	-352
Slippage as the identified safety schemes cost less than expected and now further work can be commissioned but due to timeframes this will now not complete until 2019/20. In addition there is £50K for the safety camera car programme to be spent 2019/20.	
Croft Office Blocks Improvements	-335
Works at the workshop have slipped, primarily due to changes in key personnel to progress the project.	
Melton Depot - Replacement	-250
Planning permission for the site at Sysonby Farm is due to be submitted imminently but there are unlikely to be significant works on site this financial year.	
Transport Asset Management - Flood Alleviation	-247
Slippage of budget due to further site investigations identifying further surveying and design works to be completed. To minimise disruptions and work with greater efficiency some work has been postponed until	
National Productivity Investment Fund (NPIF) - Snibston Cycle Link	-241
slippage due to the figures were from the original bid but spend profile has now been updated to reflect the actual delivery programme	
Traffic Counter Renewals and Surveys	-155
The refresh of this scheme is now scheduled for 2019/20 to ensure appropriate equipment and best available prices are achieved.	
Environment and Transport - Waste Management	
Recycling Household Waste Sites - General Improvements	127
Acceleration due to additional costs to repair the Loughborough pushwall, Waste transfer station and New compaction equipment is required at the RHWS.	
Other variances	-182
TOTAL	-8,652

Chief Executives

Net slippage of £2.6m is forecast compared with the updated budget. The main variances are:

	£000
Rural Broadband Scheme - Phase 3	-2,590

There is slippage as delays have resulted from a longer than expected Open Market Review stage of the procurement, due to additional information being requested from a potential supplier to support their response. This was necessary to ensure the procurement met the requirements of the Broadband Programme Authority (BDUK). The contract is now expected to be awarded in May 2019.

Other variances	-2
TOTAL	-2,592

Corporate Resources

Net slippage of £2.3m is forecast compared with the updated budget. The main variances are:

	£000
Snibston Country Park Future Strategy	-1,130
As a result of the delay in being granted planning permission and the subsequent need to review plans to reflect planning conditions and changes to the scheme. Work is planned to start in early 2019, necessitating slippage of the capital budget into 2019/20.	
Oracle Systems Replacement / 'Fit for the Future'	-880
Review of costs and classification of these has identified that the majority of costs associated with this programme are of a revenue nature. Forecast has been adjusted to reflect expected capital spend in 2018/19, with the 2019/20 requirement being slipped.	
CSC Telephony System Replacement	-100
ICT Services identifying service requirements for the telephony solution and how many users will be involved. Currently seeking to refine these figures before going out to the market for quotes. Programme now likely to slip into 2019/20.	
Beacon Hill Café and Education Centre	-58
The potential to add a Café to one of the Authority's thriving Country Parks is still considered to be a key component of the Country Park Strategy. Following a review of the business case for venture, work has now started on site and the facility is expected to be complete Summer 2019.	
Other variances	-98
TOTAL	-2,266

Corporate Programme

Net slippage of £3.6m is forecast compared with the updated budget. The main variances are:

	£000
Corporate Asset Investment Fund (CAIF) - East of Lutterworth Strategic Development	3,371
Acceleration of scheme based on anticipated timing of land purchases. The negotiations for this purchase have been very complex. It had been anticipated that the vendors would sign off the deal before now but this is now expected to fall into early next financial year.	
Corporate Asset Investment Fund (CAIF) - Citroen Garage Leicester	3,150
Acceleration of scheme as purchase was completed mid December 2018.	
CAIF - Loughborough University Science & Enterprise Park (LUSEP)	-5,771
Slippage due to delay in exchanging contracts with the University, the proposed tenant access and planning issues. Works have now commenced on site in February 2019. This is an extremely complex deal involving many stakeholders.	
CAIF - Airfield Business Park	-2,391
Slippage due to delay in the open tender procurement process, works commenced on site in February 2019.	
Energy Strategy	-792
Slippage due to management and process change.	
CAIF - Leaders Farm: Site Infrastructure	-508
Works to the road will be completed in the next year.	
CAIF - Coalville Workspace Project	-438
Resolution of tenant issues delayed the build programme.	
CAIF - Industrial Properties Estate: General Improvements	-150
Vulcan Court roof will now be undertaken in 2019/20.	
Other variances	-24
TOTAL	-3,553

Capital Programme - Changes in Funding

Outturn Adjustments - 2017/18	£000
Children & Family Services	5,800
Adults & Communities	388
Environment & Transport	-297
Chief Executives	1,027
Corporate Resources	866
Corporate Programme	-7,338
	446

2018/19 Budget Adjustments

<u>Children and Family Services</u>	
Healthy Pupils New Capital Grant - New Announcement	202
School Condition Grant - Confirmation of 2018/19 allocation (difference)	8
<u>Adults & Communities</u>	
Supported Living Scheme Great Glen (purchase of building) - funding approved Cabinet 6-Jul-18 from Future Developments (additional Adult Social Care Precept).	1,000
Mountsorrel Transforming Care - scheme removed which was subject to NHS bid	-440
Hinckley, The Trees - scheme removed, will now take place in 2019/20	-390
Danemill Annex £84k and Libraries £25k - revenue funding contribution	109
Carlton Drive - capital contributions unapplied (funding received advance of need).	16
Danemill Annex - contribution from Energy Strategy Capital Programme.	108
<u>Environment and Transport</u>	
DfT Roads Maintenance Funding - new Grant, Autumn Budget 2018	6,303
Highways Maintenance Restorative Patching - funding approved Cabinet 22 May 2018 (part of £5.0m) from Future Developments Fund	2,700
Transport Asset Management - DfT Flood Resilience Fund - New Grant allocation	608
Highways Capital - Capital Financing Earmarked Fund	1,160
Vehicle Programme and Safety Scheme - Capital Financing Earmarked Fund	782
DfT Pothole Fund and Incentive Fund Grant - Adjustment per grant announcement	-299
A50 Markfield Overbridge -capital contributions unapplied	302
Advance Design SEP - LLITM earmarked fund	208
Sapcote Fleet Depot - capital contributions unapplied	191
Markfield, Shaw Lane - £0.2m Section106 Developer and £0.7m capital contributions unapplied	933
Externally funded schemes - Section 106 Developer contributions	1,709
Speed Camera Replacement - Leicester, Leicestershire, Rutland Road Safety Partnership (LRRSP) contribution	913
M1 Bridge to Growth - £0.2m capital contributions unapplied and £0.6m developer contribution	751
West Lane Scheme - funded by developer	440
A42 Junction 13 - capital contributions unapplied	383
Birstall P&R Cycleways - capital contributions unapplied	85
Reduction corporate funding for highways maintenance, substitute new grant	-2,700
Reduction corporate funding for highways maintenance, substitute new grant	-3,603
Advance Design £30k and Capital Plant £24k - funded from Major Projects and Plant earmarked funds	54
<u>Chief Executives</u>	
Rural Broadband Phase 2 - funded from Broadband earmarked fund	95
<u>Corporate Resources</u>	
Fit for the Future - funded from Future Developments Fund (part of £5m allocated)	1,310
CSC Telephony System Replacement - Transformation earmarked fund	70
Insurance System Replacement - Insurance earmarked fund	90
<u>Corporate Programme</u>	
Energy Strategy - contribution to Danemill Annex	-108
Sub Total	12,990

Overall Total	13,436
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