

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

Net underspend of £5.9m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Provision of Additional Primary Places</b>	<b>-4,883</b>
Contingency set aside for potential issues arising from September admissions not needed and underspend from 2017/18 was not required. One scheme identified for acceleration but 2018/19 spend was minimal.	
<b>SEND Programme</b>	<b>-362</b>
Planning considerations, followed by a process seeking formal ratification in response to the High Needs Development Plan has meant re-profiling spend commitments and resulted in slippage.	
<b>10+ Provision</b>	<b>-300</b>
Slippage as scheme passported to academy and linked to DfE funding, completion expected to be September 2019.	
<b>School Condition Maintenance</b>	<b>-207</b>
Unallocated element not required, a late Easter break resulting in schemes slipping into 19/20 and some schemes delayed to the summer holidays due to size of scheme.	
<b>Other variances</b>	<b>-133</b>
<b>TOTAL</b>	<b>-5,885</b>

**Adults & Communities**

Net slippage of £0.6m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Mobile Library Vehicles</b>	<b>-247</b>
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.	
<b>Smart Libraries</b>	<b>-169</b>
The scheme is nearly all completed, there is some residual property expenditure on building alteration works associated with Smart Library installation, therefore the remaining funding has slipped into 19/20. There is potential for an underspend on this scheme, the final position will be known in early 19/20.	
<b>Changing Places / Toilets</b>	<b>-159</b>
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.	
<b>Other variances</b>	<b>6</b>
<b>TOTAL</b>	<b>-569</b>

**Public Health**

The expenditure is in line with the original capital programme.

**Environment and Transport**

Net slippage of £12.7m compared with the updated budget. The main variances are:

<b><u>Environment and Transport - Transportation</u></b>	<b>£000</b>
<b>Advanced Design</b>	<b>1,092</b>
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. These have been offset against slippage in the Coalville Growth Area Strategy which is subject to a Major Roads Network bid. There was an unanticipated increase in costs for work being completed on the Housing Infrastructure Fund Project. Investigations are ongoing to see if any sources of funds can be found to offset the increase.	
<b>County Council Vehicle Programme</b>	<b>688</b>
Acceleration of spend from future years' allocations after evaluating the fleet and some assets were identified that it was no longer economical/safe to continue repairing and running and some additional vehicle requirements have been identified from this evaluation.	
<b>Transport Asset Management - Maintenance</b>	<b>544</b>
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.	
<b>Melton Mowbray Eastern Distributor Road</b>	<b>542</b>
Acceleration of budget due to additional AECOM design work anticipated this year rather than next.	
<b>Strategic Economic Plan (SEP) - M1 Junction 23</b>	<b>-4,145</b>
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.	
<b>SEP - Anstey Lane A46</b>	<b>-4,061</b>
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 continued to slip.	
<b>Zouch Bridge Replacement</b>	<b>-2,526</b>
Slippage of budget due to a public enquiry which took place in August 2018. Orders confirmed by DfT on 28th January 2019. Spend is now not anticipated to be until 2019/20. Planned start Spring 2020. The latest estimates of costs have increased significantly since the original budget was set. Work is underway to review the costs and propose options to fund the increased estimates. A separate report is on the agenda for this meeting of Cabinet to provide an update.	
<b>National Productivity Investment Fund (NPIF) - Hinckley Hub</b>	<b>-1,331</b>
Original profile was from the original NPIF bid but spend profile has now been updated to reflect actual delivery programme. Delays in land acquisition has led to slippage to 2019/20.	
<b>Leicester North West Major Scheme</b>	<b>-653</b>
Slippage due to delivery partner using other funding source first and LCC contribution is now anticipated 19/20.	
<b>SEP - Hinckley Area Approach</b>	<b>-653</b>
Slippage due to delays in assessing the full costs for works on Lancaster Road.	
<b>Safety Schemes</b>	<b>-441</b>

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.

<b>Transport Asset Management - Flood Alleviation</b>	<b>-417</b>
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Slippage of budget due to further site investigations identifying further surveying, design works to be completed and after some provisional works some schemes did not reflect a high risk status and have therefore been cancelled/deferred.

<b>Croft Office Blocks Improvements</b>	<b>-405</b>
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Works at the workshop have slipped, primarily due to changes in key personnel to progress the project.

<b>Melton Depot - Replacement</b>	<b>-301</b>
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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.

<b>National Productivity Investment Fund (NPIF) - Snibston Cycle Link</b>	<b>-283</b>
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Slippage due to the figures were from the original bid but spend profile has now been updated to reflect the actual delivery programme.

<b>Other Commitments b/f - Design Fees</b>	<b>-260</b>
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Slippage due to lower than anticipated design fees on projects but with bigger projects in the future MTFS these costs are expected to start to increase.

<b>Traffic Counter Renewals and Surveys</b>	<b>-156</b>
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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**

<b>Recycling Household Waste Sites - General Improvements</b>	<b>65</b>
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Acceleration due to additional costs to repair the Loughborough pushwall, Waste transfer station and New compaction equipment is required at the RHWS.

<b>Other variances</b>	<b>42</b>
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<b>TOTAL</b>	<b>-12,659</b>
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#### **Chief Executives**

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

	<b>£000</b>
<b>Rural Broadband Scheme - Phase 3</b>	<b>-2,590</b>
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.	
<b>TOTAL</b>	<b>-2,590</b>

#### **Corporate Resources**

Net slippage of £2.5m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Snibston Country Park Future Strategy</b>	<b>-1,084</b>

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.	
<b>Oracle Systems Replacement / 'Fit for the Future'</b>	<b>-886</b>
A review of costs and classification of these has identified that the majority of costs associated with this programme are of a revenue nature. The balance slipped is the expected capital requirement needed for 2019/20	
<b>County Hall Maintenance Major Works</b>	<b>-105</b>
The completion of the High Voltage Rings Mains work has been delayed to reduce the impact on the car parking situation, with slippage of £55k required. The balance of £50k is not required and has been released as an underspend.	
<b>CSC Telephony System Replacement</b>	<b>-96</b>
The programme has now slipped into 2019/20. ICT Services have been identifying the service requirements and the number of service users. These figures are being refined and will be tested in the market.	
<b>Unified Communications / Skype</b>	<b>-88</b>
Unified Communications / Skype project has now been completed and closed. The project was delivered for less than the revised budget following the departure of the Project Manager. The rest of the project was delivered using internal resources, resulting in a project underspend.	
<b>Windows 10 &amp; Office 2016</b>	<b>-83</b>
Delivery of the Windows 10 rollout programme is progressing and is on target to complete in July 2019. This element of underspend in year will slip into the new financial year and be used to fund additional resources to ensure delivery of the programme within the programme deadlines.	
<b>Replacement Insurance System</b>	<b>-75</b>
The in-house Insurance function have procured and are implementing a new claims / underwriting management system, which will enable the service to modernise and benefit from further efficiencies. Implementation of the new system was delayed while project specifications were finalised.	
<b>Beacon Hill Café and Education Centre</b>	<b>-51</b>
The potential to add a Café to one of the Authority's thriving Country Parks is considered to be a key component of the Country Park Strategy. Work has now started on site and the facility is expected to be complete Summer 2019.	
<b>Other variances</b>	<b>16</b>
<b>TOTAL</b>	<b>-2,452</b>

### Corporate Programme

Net slippage of £2.2m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Corporate Asset Investment Fund (CAIF) - East of Lutterworth Strategic Development</b>	<b>3,648</b>
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.	
<b>Corporate Asset Investment Fund (CAIF) - Citroen Garage Leicester</b>	<b>3,142</b>
Acceleration of scheme as purchase was completed mid December 2018.	
<b>CAIF - Loughborough University Science &amp; Enterprise Park (LUSEP)</b>	<b>-4,460</b>
Slippage due to delays with legal agreements and consents. Contracts have been exchanged and works commenced on site in February 2019.	

<b>CAIF - Airfield Business Park</b>	<b>-2,286</b>
Slippage due to delay in the open tender procurement process, works commenced on site in February 2019.	
<b>Energy Strategy</b>	<b>-937</b>
Slippage due to management and process change.	
<b>CAIF - Coalville Workspace Project</b>	<b>-521</b>
Resolution of tenant issues delayed the build programme.	
<b>CAIF - Leaders Farm: Site Infrastructure</b>	<b>-506</b>
Works to the road will be completed in the next year.	
<b>CAIF - Industrial Properties Estate: General Improvements</b>	<b>-228</b>
Vulcan Court roof will now be undertaken in 2019/20.	
<b>Other variances</b>	<b>-48</b>
<b>TOTAL</b>	<b>-2,196</b>

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