

Capital Budget 2020/21 – forecast main variances**Children and Family Services**

Net slippage of £11.4m is forecast compared with the updated budget. The main variances are:

	£000
Provision of Additional Places	-7,951
<p>1). Shepshed School Places - Slippage of £2.7m as it is a complex scheme involving several parties and sub-projects including the refurbishment of the former Hind Leys and Shepshed High School buildings to create a single high school building and a separate primary provision. Timescale has slipped for a variety of reasons; restrictions due to COVID hampered site visits, meetings and the progression of the feasibility study. In depth surveys uncovered condition works and required further investigations. Current issues are with planning whereby Highways require traffic information and a new survey which cannot be done until all the pupils can return to school. 2). Fleckney Primary School - Slippage of £1.5m as a Multi Academy Trust that already has a number of primary schools in the area has applied to the DfE to open a primary Free School in the area. If the DfE approve this it could affect what is needed at Fleckney. Therefore further works have been paused awaiting the DfE's decision. 3). Ashby Secondary Places - Slippage of £1.2m. Delay to scheme due to Secondary schools in the Ashby area are currently implementing age range change - the last area of Leicestershire to do so. This transition time adds a further level of complexity over where and when additional secondary places are required. 4). Rothley Primary School - Slippage of £1.0m as Charnwood Borough Council (CBC) has refused the planning application, citing issues with the settlement boundary, the lack of demonstration of a housing need, and being contrary to the Charnwood Local Plan amongst the various reasons for refusal. This will further impact the delivery timeline of this scheme. The County Council has given the developers until February 2021 to work with CBC to try to reach a suitable solution 5). The 20/21 programme included £1.1m of S106 developer contributions for the creation of secondary places in the Coalville area. It was initially agreed that this would be used towards a new building at Newbridge High School part of the Apollo Multi-Academy Trust. However Apollo decided to enter into a lease with the developer, instead of purchasing the building outright. S106 contributions cannot be used to fund lease payments.</p>	
SEND Programme	-1,352
<p>1). Short Stay South - Slippage of £0.7m the existing short stay provision was split into a North and South provision at two separate locations in the county. A number of sites are under consideration, but it is envisaged that no further expenditure will be incurred this year. 2). Hinckley Area SEMH Unit - Slippage of £0.3m. A number of potential sites have been explored for this unit. Further discussions are now underway with Heathfields academy. 3). Hinckley Parks SEMH Unit - Slippage of £0.2m. After a number of Covid related delays, the scheme is now out to tender. 4). The Cedars SEMH Unit - Slippage of £0.2m. Due to the high costs of this scheme other quotations are being sought to meet the allocated budget. The proposed location is ideal to meet the required need for SEMH places in the area.</p>	
Strategic Capital Maintenance	-1,081
<p>In the summer the government announced a further funding of £1.08m. This funding will be used towards much-needed capital maintenance works to existing buildings on the Iveshead site at Shepshed. However the timeline of works is very much dependent on the timeline of the 'Shepshed Masterplan', which itself has slipped significantly from 20/21 to 21/22.</p>	
Assessment & Residential Multi-functional properties (SCIP)	-900
<p>Delays in finding and/or acquiring suitable properties for conversion has resulted in slippage to the original plan. The recently compiled 2021-25 MTFS recognises the expected revised profiling of the plan across the MTFS period.</p>	
Other variances	-118
TOTAL	-11,402

Adults & Communities

Net acceleration of £0.4m is forecast.

	£000
Brookfields Supported Living Scheme (refurbishment)	188

Additional costs incurred relating to 1) internal works to meet the physical needs of a specific service user and 2) external works undertaken to facilitate the independent living environment in a safe and secure way.	
SCIP - Loughborough, Ashby Court - Refurbishment	170
Additional costs to complete the scheme funded from the balance of the SCIP allocation programme in 2021/22 (£1.6m).	
Other variances	-7
TOTAL	351

Environment and Transport

Net slippage of £10.1m is forecast compared with the updated budget. The main variances are:

	£000
RHWS - General Improvements	177
Acceleration due to a redesign of which sites will need general improvements and when. It was identified that some of the works could be done this year.	
Transport Asset Management - Highways Maintenance Schemes	-2,589
Slippage due to challenge fund being provided mid-year and whilst all efforts were made to complete these schemes before the year end it is now likely completion will not be until early 2021/22 in addition due to traffic concerns at the East Midlands Airport from the effects of Brexit a programme near this area had to be postponed and some slippage relating to less work design work being completed for major schemes this year but schemes are still progressing and this will be needed in the future.	
A511 / A50 Major Road Network	-1,665
Slippage is due to a number of activities which were expected earlier this year, having to be delayed due to Covid. This delayed being able to get access for surveys etc, which in turn delayed the entire planning process. This had knock on effects with getting the contractors on board for programme.	
County Council Vehicle Replacement Programme	-1,408
Slippage due to a process being reviewed with consultants under Fleet Management Review project, therefore the only plans this year is to replace essential vehicles.	
Advanced Design	-726
Slippage due to reprioritisation of works and when monies will be spent this has meant some money is now not be required this year but will be needed in future years.	
Waste Transfer Station Development	-626
Slippage due to construction not starting until 2021/22 so that detailed pre construction works can be completed in 2020/21, therefore the spend profile has been revised in line with the commencement of the construction works.	
Kibworth Site Redevelopment	-485
Slippage due to construction not due to start until 2021/22 so that detailed pre construction works can be completed in 2020/21, therefore the spend profile has been revised in line with the commencement of the construction works.	
Hinckley Hub (Hawley Road)	-481
Slippage due to delays, due to Covid 19 restriction, with completing trial holes which are needed to be undertaken before construction work and finalising land purchase. In addition there was a delay in obtaining the licence to access third party land to complete the trial holes and also due to disputes on potential contaminated materials and liability that has delayed the land purchase.	
M1 Junction 20A - Advanced Design	-464
Slippage relates to the works with District Council taking longer than anticipated .	
Melton Mowbray Distributor Road - North and East Section	-362
Slippage due to design works not progressing as quickly as anticipated and survey works being slowed due to weather conditions.	
A46 Anstey Lane	-324
Works completed in July 2020. Slippage due to remedial works that will need completing over the next 12 months.	

Zouch Bridge Replacement	-291
Slippage due to revaluation of the best outcomes for the programme and best value for money options which will lead to a tender process.	
Safety Schemes	-285
Slippage due to Covid 19 restrictions stopping work.	
Transport Asset Management - Flood Alleviation	-233
Slippage due to revaluation of a large programme which may need additional works such as a pumping station but options are still being explored.	
Melton Mowbray Distributor Road - Southern Section	-150
Slippage due to original agreement deadline being extended from December 2020 to March 2021.	
Other minor variances	-228
TOTAL	-10,140

Chief Executives

Net slippage of £0.3m is forecast compared with the updated budget. The main variances are:

	£000
Rural Broadband Scheme - Phase 3	-357
There has been a 4 month delay in the programme, mainly due to the impact of Covid-19. The contractor is now progressing with the delivery of the contract milestones, some of which will be delivered in 2021/22.	
Other variances	11
TOTAL	-346

Corporate Resources

Net slippage of £6.9m is forecast compared with the updated budget. The main variances are:

	£000
Snibston & Country Park Future Strategy - Land remedial works and covenant	-2,642
There has been a speculative interest in acquiring this site and the decision has been made to remarket the site for sale on the open market. The view is to retain a portion for Adults SCIP Project. With this in mind, the decision to slip the remedial budget has been made, until further clarity is given on the likely terms of sale.	
Melton, Sysonby Farm Development - site preparation and infrastructure works	-1,500
Decision on whether to proceed with Homes England funding was made on 26th January 2021 having consulted with SCG regarding land receipt offers received. Approval was given not to proceed with the Homes England Grant Funding which was imposing a requirement to accept a reduced offer rather than the higher value offer received which is now intended to be accepted. Developer to complete enabling works at their cost.	
Workplace Strategy	-627
Works at Pennine House and the Library at Loughborough slipped to 21/22 subject to board approval of contract.	
Watermead Park Footbridge and Cycleway	-496
Complications in reaching agreement with the land owner. Joint scheme with the County Council and City Council - both parties have agreed to slip the project to 21/22 while options are being reviewed.	
Energy & Water Strategy	-452
Project put on hold while waiting for outcome regarding Government funding before using County Council money. Also planned works put on hold to await outcome from Ways of Working and changes to estate due to Covid site closure.	
Score + (Schools Energy Efficiency Scheme)	-315
Slippage due to Covid delays in schools unable to visit and approve contracts.	
Replacement ITSM toolset and User Portal (Marval replacement project)	-240

Slippage as a result of ICT's Covid response and hence having to shift focus and resource onto other projects and workloads. Current Marval contract is due to expire in June 2021 and there is currently some work being done to determine both tactical and long-term options. On completion it will be able to better inform the use of these funds.	
Electric Vehicle Car Charge Points	-145
Slippage as unable to complete suveys on site closures due to Covid, also awaiting planning permission for solar car ports.	
County Hall Lift Replacement Scheme	-110
Project has slipped as it is not a strategic priority in the present environment. Project will be realigned along with other County Hall projects relating to recovery and workplace strategies.	
Corporate ICT Programme	-100
Project has slipped as works have been re-scoped and will take place in 2021/22.	
CSC Telephony System Replacement	-91
Slipped scheme into 21/22 to support a move to Cloud based as part of potential move to Teams System.	
Other variances	-142
TOTAL	-6,860

Corporate Programme

Net slippage of £6.0m is forecast compared with the updated budget. The main variances are:

	£000
CAIF - Lutterworth East SDA	528
Part of overspend relates to the continued need to seek consultancy advice necessary to secure planning permission and complete S106. The balance relates to increased SDLT liability on major acquisitions and the inability to reclaim VAT on contributions to vendors' fees. The additional costs will be requested from the contingency approved by the Cabinet for the scheme.	
CAIF - Loughborough University Science & Enterprise Park (LUSEP)	291
Forecast overspend relates to additional costs incurred by the contractor due to Covid-19 working guidelines. Site completed and handed over to tenant in November.	
Future Developments	-6,500
Slippage as schemes not suitably advanced to likely to require funding in the current year.	
CAIF - Airfield Business Park Phase 1/2	-361
CCS framework tender completed which resulted in only two contractors tendering significantly in excess of the budget and a further procurement exercise will need to take place.	
Other variances	40
TOTAL	-6,002

Capital Programme - Changes in Funding

2020/21 Budget Adjustments

<u>Children & Family Services</u>	
Strategic Capital Maintenance - as per DfT grant funding announcement	1,081
Provision of Places - removed from programme as S.106 funding will not be brought in.	-753
Provision of Additional School Places - from Section 106 developer contributions	74
SEND Initiatives - from Section 106 developer contributions	74
<u>Environment and Transport</u>	
Emergency Active Travel Fund - capital grant from DfT	285
Externally Funded Schemes - from Section 106 developer contributions	440
Safety Schemes - funded from revenue contribution	77
Transport Asset Management - minor adjustments	-22
Safety Schemes - removal as not receiving funding from partners	-100
IT Renewals - scheme reduced as funding will not be brought in	-107
Total	1,049



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