

**Capital Budget 2021/22 – main variances****Children and Family Services**

Net slippage of £12.3m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Provision of Additional Primary Places</b>	<b>-8,418</b>
<p>1) Ashby School Places - slippage of £2.0m. Delays have been encountered both at Ivanhoe's end and LCC end. In addition to the age range change, Ivanhoe has recently joined an Academy Trust, which has brought with it changes in key stakeholders at the school. Additionally, staff shortages within LCC's Legal Services Team have resulted in delays to funding agreements being drawn up and signed.</p> <p>2) Coalville Places, Newbridge School - slippage of £1.8m Delays have been encountered both at Newbridge's end and LCC end resulting in delays to funding agreements being drawn up and signed.</p> <p>3) Rothley Phase 2 - Slippage of £1.5m. Issues with the site caused planning problems, with permission being repeatedly pushed back. The developer's planning application included both the new school building, plus outline permission for up to 80 additional dwellings. However, Charnwood Borough Council subsequently 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. The scheme has now received planning approval in principle and the Section 106 agreement has been signed.</p> <p>4) Lutterworth Primary - slippage of £0.9m. The scheme has been delayed due to higher than expected quotes being received by the school and a funding agreement being put in place. The agreement has now been completed and sent to the Academy Trust for signing. Upon signing the funding can begin to be passported to the school. The scheme is still forecast to deliver places in time for the 22/23 academic year.</p> <p>5). Anstey Martin School - acceleration of £0.8m. This S106 funded passported scheme forms part of the 22/23 programme.</p> <p>6) Melton, John Fernley - slippage of £0.7m. This S106 funded substantial project creates 8 new classrooms, science lab, food technology, expended library, offices and outdoor eating space. There have been numerous design changes requested, which along with procurement framework issues has resulted in delays.</p> <p>7) Castle Donington Community College - slippage of £0.6m. Issues with planning permission for the project has delayed the start date.</p> <p>8) Syston St Peters &amp; St Pauls - underspend of £0.3m. The final contract sum for the scheme was lower than expected.</p>	
<b>SEND Programme</b>	<b>-2,310</b>
<p>1) New/Expansion of Special School Places - slippage of £1.3m. Time spent on schemes that were ultimately deemed unfeasible has delayed progress in this area. The reduction of available funding has resulted in the School Place Planning Team needing to revisit plans and priorities regarding options to address imminent need for places. One scheme to expand one of the existing special schools has been agreed in principle. This is awaiting Regional Schools Commissioner consent - as this is unlikely to be granted until the June 2022 only minimal costs were incurred in 21/22.</p> <p>2) Communication &amp; Interaction Unit - £0.6m. Delays to the legal agreements being drawn up and signed. This resulted in a delay to the commencement of the scheme and hence the passporting of funding.</p> <p>3) SEMH School - slippage of £0.2m. The timeframe for these works is linked to the progress of the 'Shepshed Masterplan' - a complex scheme which creates additional primary places in Shepshed, and ultimately physical space for the creation of this SEMH school. Due to delays to the Masterplan, demolition works for this scheme have slipped until April as the DfE are not taking transfer until later in the year.</p>	
<b>Strategic Capital Maintenance</b>	<b>-655</b>
<p>Elements of works cannot be scheduled for term-time, and must be completed during school closures. The 21/22 allocation was not announced until the end of April, and was a significant increase on the expected level of grant. This delay resulted in issues securing contractors for the Summer half-term and closure periods. Additionally, in the Spring Term works that were not able to be completed during term-time had to be scheduled for the Easter break. Due to the timing of Easter this year (falling entirely in the next financial year).</p>	
<b>Assessment &amp; Resi Multi-functional Properties x 4</b>	<b>-589</b>
<p>The availability of suitable properties in the buoyant property market has caused further delays to this scheme. One property that LCC had had an offer accepted on fell through due to restrictive covenants in the deeds rendering it unsuitable for the required purpose.</p>	
<b>Safeguarding / Schools Access</b>	<b>-293</b>
<p>The slippage has been agreed to fund safeguarding/access schemes at Badgerbrook, Oadby Grange, Tythorn and Ravenhurst. Due to the nature of these works they were not commenced before 31/03/22.</p>	
<b>Other variances</b>	<b>-26</b>

<b>TOTAL</b>	<b>-12,291</b>
--------------	----------------

### Adults & Communities

Net slippage £0.2m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Hamilton Court/Smith Crescent - NWL Development</b>	<b>-240</b>
Cabinet agreed that a short breaks facility was no longer required on this site therefore no further development is expected in 2021/22.	
<b>SCIP Loughborough - Ashby Court - Refurbishment</b>	<b>245</b>
Overspend to be funded from the 2022/23 SCIP allocation, half of this is covered from underspend on other SCIP schemes. This was due to added inflationary costs and increase in provision for wheelchair accessibility, additional fire safety and electrical works, these were approved.	
<b>SCIP Anstey - Hollow Road Flats</b>	<b>-87</b>
Underspend as scheme completed and anticipated additional costs did not materialise.	
<b>SCIP Specialist Dementia Facility - Coalville</b>	<b>-60</b>
Slippage on this scheme due to estimated construction costs post pandemic being higher than initially budgeted. It is expected that the scheme will be reviewed and a re-assessment of the costs from external surveyors will be sought.	
<b>Other variances</b>	<b>-29</b>
<b>TOTAL</b>	<b>-171</b>

### Environment and Transport

Net slippage of £20.3m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>A511 Major Road Network (MRN)</b>	<b>540</b>
Acceleration on programme relating to design work to quantify the costs of the project and additional work relating to planning to ensure revised timeline is achieved.	
<b>Melton Mowbray Distributor Road - North and East Sections</b>	<b>-6,375</b>
Slippage due to contractors reducing planned work on the advanced work package to minimise the financial risk to LCC of completing work before Full Business Case is agreed with DFT.	
<b>Hinckley Hub (Hawley Road) - NPIF</b>	<b>-3,200</b>
Slippage due to delays relating to Covid 19 restriction and then waiting to commence the works after the Christmas period to minimise traffic flow concerns. The evaluation of tenders taking longer than anticipated meaning a delay in signing the construction contract.	
<b>Melton Distributor Road - Southern Section</b>	<b>-1,872</b>
Slippage due to the signing of the legal agreements terms for funding from Homes England took longer than expected and thus the work was been delayed until the agreement was signed. The agreement has now been signed.	
<b>Kibworth Site Redevelopment</b>	<b>-1,415</b>
Slippage due to more work originally expected in 2021/22 than completed. Now the programme has a more detailed plan of works it is confirmed that more work will complete in 2022/23.	
<b>Safety Schemes</b>	<b>-1,395</b>
Slippage due to impacts from Covid 19 stalling the programme, delays caused by a reprioritising works and due to resourcing and redesigning. Also Parish's have been slower than expected to claim grants offered by LCC.	
<b>M1 Junction 23 / A512 Scheme</b>	<b>-1,072</b>
Slippage due to delays on site relating to landscaping and maintenance works.	
<b>Vehicle replacement programme</b>	<b>-1,020</b>
Slippage of programme due to lead in time for purchase of vehicles and ongoing work for business case for green vehicles.	
<b>TAM - Capital Maintenance Schemes</b>	<b>-973</b>

Slippage of £0.8m due to design fees on major projects being less than anticipated and the risks relating to works on footways schemes. In addition, there has been additional unexpected design work on a footway scheme which has delayed the start of the programme. Underspend of £0.2m due to over accruals from prior year, estimations were completed for final settlements but the costs were less than expected.	
<b>Waste Transfer Station Development</b>	<b>-570</b>
Slippage due to snagging issues requiring rectification which will slip into next year and delivery of some equipment being delayed.	
<b>Recycling House Waste Sites - General Improvements</b>	<b>-648</b>
Slippage due to the lead in time to secure mobile plant being longer than previously anticipated.	
<b>TAM - Restorative maintenance</b>	<b>-457</b>
Slippage due to resourcing issues with the Roadmender gangs and Footway patching works which have been delayed and will now occur in 2022/23.	
<b>TAM - Network Performance &amp; Reliability</b>	<b>-311</b>
Slippage due to delays in procuring traffic counter renewals the procurement will now occur 2022/23, also there was a change in condition surveys.	
<b>TAM - Traffic Signal Renewal</b>	<b>-275</b>
Slippage due to additional funding from the DfT provided during 2021/22 to be spent by March 2023, schemes currently being investigated	
<b>TAM - Street Lighting</b>	<b>-271</b>
Slippage due to resources being diverted to other works which resulted in a delay to the Street lighting column replacement programme and Fosse park street lighting renewal programmes.	
<b>Advanced Design / Match Funding</b>	<b>-263</b>
Slippage due to delays in procurement of services on Cycling and Walking Strategy and public consultation not commencing until next financial year, a lack of funding availability to progress works on the Desford Crossroad project. Also delays on the design guide programme.	
<b>Ashby Canal Scheme</b>	<b>-181</b>
Slippage due to delays with funding agreements and some spend relating to reed bed.	
<b>Other variances</b>	<b>-523</b>
<b>TOTAL</b>	<b>-20,281</b>

**Chief Executives**

Net slippage of £1.0m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Rural Broadband Scheme - Phase 3</b>	<b>-1,003</b>
There was a reduction in the scope of the project following change requests by Openreach (BT). The balance of funding (funded from the Broadband earmarked reserve) will be carried forward to 2022/23 pending the future impact of the change requests on the programme.	
<b>TOTAL</b>	<b>-1,003</b>

**Corporate Resources**

Net slippage of £1.4m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Workplace Strategy - End User Device (PC, laptop)</b>	<b>815</b>
Acceleration of £0.7m due to revision of business case and a more ambitious plan due to Covid-19. Overspend of £0.1m relating to 50 high powered laptops which had been expected to form part of a programme in the future, however, these were required earlier than anticipated.	
<b>Climate Change - Public Sector Decarbonisation Scheme</b>	<b>98</b>
Overspend due to compensation event for the thermal store for County Hall due to services under the concrete slab, there is also oil contamination.	
<b>Climate Change - Score + (Schools Energy Efficiency Scheme)</b>	<b>-593</b>
Slippage has been due to consideration of the operating / finance lease and also whether it is viable for LCC to undertake the works. This is under review.	
<b>Watermead Country Park New Footbridge</b>	<b>-366</b>
Slippage due to play equipment at park not being transferred to LCC ownership by 31 March 2022.	
<b>Ways of Working - Office Infrastructure</b>	<b>-360</b>
Slippage due to delays in implementation of the future office model pilot.	
<b>Climate Change - Energy Strategy Schemes</b>	<b>-352</b>
Slippage due to the County Hall inverter tender process taking longer than anticipated, delays relating to the planning permission and reworking costing estimates. Also due to a lack of staffing resource meaning feasibility options will not be completed until next year and thus delaying starting works on the Capital programme into 22/23.	
<b>County Hall Lift Replacement Scheme</b>	<b>-160</b>
Slippage due to a review of procurement routes, no suitable option has been identified and so to ensure appropriate use of funds the project will commence next financial year once a new framework is in place. This is the most suitable option to ensure due diligence by both procurement and Legal ensuring contracts will be evaluated for compliance.	
<b>Climate Change - Electric Vehicle Car Charge Points</b>	<b>-150</b>
Slippage due to a lack of staffing resource delaying the ongoing works with E & T.	
<b>ICT - CSC Telephony Replacement</b>	<b>-91</b>
Slippage due to procurement exercise identifying that the bulk of the spend relates to the A365 contract which is due to be spent in 22/23.	
<b>Romulus Court - IT Environmental monitoring</b>	<b>-85</b>
Slippage due to a review of procurement routes no suitable option has been identified and so to ensure appropriate use of funds the project will commence next financial year once a new framework is in place. This is the most suitable option to ensure due diligence by both procurement and Legal ensuring contracts will be evaluated for compliance.	
<b>Other variances</b>	<b>-198</b>
<b>TOTAL</b>	<b>-1,442</b>

**Corporate Programme**

Net slippage of £1.3m compared with the updated budget. The main variances are:

	<b>£000</b>
--	-------------

<b>CAIF - Airfield Business Park - Phase 3-4</b>	<b>75</b>
Completion of Airfield Farm phase 2, acceleration from future years asset acquisitions funding.	
<b>CAIF - Lutterworth East - Planning and Pre-Highway construction Works</b>	<b>-744</b>
Slippage due to delay in obtaining planning permission. Also project being on hold and waiting to proceed which will require a project cost review.	
<b>CAIF - Industrial Properties Estate - General Improvements</b>	<b>-275</b>
Slippage as projects not come forward due to lower than expected lease turnover, resulting in fewer refurbishment/upgrade projects.	
<b>CAIF - M69 J2 Strategic Development Site</b>	<b>-165</b>
Slippage as a result of workstreams relating to the project slowing down and delays associated with the emerging local plan.	
<b>CAIF - Leaders Farm Office Projects</b>	<b>-138</b>
Planning application being prepared.	
<b>Other variances</b>	<b>-9</b>
<b>TOTAL</b>	<b>-1,256</b>

This page is intentionally left blank