

**Capital Budget 2022/23 – main variances****Children and Family Services**

Net slippage of £12.4m. The main variances were:

	<b>£000</b>
<b>Provision of Additional School Places</b>	<b>-7,315</b>
<p>1) Barrow Humphreys Perkins - acceleration of £1.0m. This is a S.106 funded passported scheme included in 2023/24 as timing was not known. The works started earlier than anticipated to build a new two-storey 13 classroom block to replace several dilapidated temporary buildings.</p> <p>2) Schemes to be defined - slippage of £3.1m. Some agreements with schools were signed prior to the current economic situation. Gaps between indexation and inflation rates are likely to continue to impact the delivery of schemes within budgets. For this reason this unallocated budget will be held as an inflation contingency into 23/24.</p> <p>3) Melton, John Fernley - slippage of £1.4m. Resourcing issues in Legal pushed back this project timeline even further and works did not commence on site until December 2022. Practical Completion is now expected for August 2023.</p> <p>4) Castle Donington Secondary School - slippage of £1.3m. This is a passported scheme. There were originally delays in getting legal agreements drawn up and signed. The school needs to send copies of invoices in order to enable payment to be made. They have been chased numerous times but the evidence has not been submitted.</p> <p>5) Old Dalby primary school - slippage of £1.2m. Initial feasibility undertaken. Value engineering has been undertaken to bring down costs. Practical completion is now forecast for the Autumn Term.</p> <p>6) Barrow Hall Orchard School - slippage of £0.8m Delays in the creation and signing of the legal agreement for this passported scheme resulted in both delivery delays and increased costs. The final payments to the school will now be made in 23/24.</p>	
<b>SEND Programme</b>	<b>-3,284</b>
<p>(i) Foxfield's Special School - £0.8m Detailed design and surveys were undertaken to determine exact requirements. Amendments were required as the school will be taking the initial intake of students originally planned to be placed in September at the new Bowman Academy, which has now been delayed. The first payment to Foxfields for this passported scheme is now scheduled for April.</p> <p>(ii) Forest Way School - £0.7m slippage as the findings of an environmental impact assessment has resulted in a full environmental study needing to be undertaken. Certain parts of this could not be by undertaken until late March for ecological reasons.</p> <p>(iii) Ashmount School - £0.6m slippage due to poor weather conditions in January resulted in bricklaying delays, which in turn pushed back the delivery of the scheme. Additional works were also needed to be undertaken to re-route services within, rather than outside of the school boundary.</p> <p>(iv) Bowman Academy - £0.5m slippage due to issues with the DfE appointing contractors. Although the demolition of the old building has taken place, there are a number of other 'abnormal' costs that LCC may be liable for such as drainage and uprated power supply. The DfE have commissioned further site surveys in relation to this.</p>	
<b>Children's Social Care Investment Plan</b>	<b>-781</b>
<p>Match funding bids submitted to the DfE was confirmed successful recently. The delay in being advised of this outcome meant that no significant expenditure took place. Property Services are exploring the market for suitable sites.</p>	
<b>Strategic Capital Maintenance</b>	<b>-711</b>
<p>Slippage due to the intrusive nature of this remedial work it cannot take place during term time. The spend for the works during easter break fell into the new financial year.</p>	
<b>Schools Access / Security</b>	<b>-321</b>
<p>Slippage due to a number of schemes to be completed outside of school term time. One scheme delayed as asbestos was discovered which required removal before works could commence.</p>	
<b>Other variances</b>	<b>0</b>
<b>TOTAL</b>	<b>-12,412</b>

**Adults & Communities**

Net slippage of £0.3m and £0.3m underspend. The main variances were:

	<b>£000</b>
<b>SCIP - Additional Schemes to be confirmed</b>	<b>-305</b>
The SCIP schemes budget - slippage into 2023/24. Delays due to identifying suitable property also the time taken to ensure that schemes were properly reviewed and ready to progress.	
<b>SCIP Specialist Dementia Facility (SDF) - Coalville</b>	<b>-143</b>
The Coalville Specialist Dementia Facility is no longer going ahead - underspend of £133k.	
<b>Other variances</b>	<b>-112</b>
<b>TOTAL</b>	<b>-560</b>

**Environment and Transport**

Net slippage of £7.6m. The main variances were:

	<b>£000</b>
<b>A511 Major Road Network</b>	<b>1,141</b>
Acceleration due to increased work on completing the Full Business case to secure the Major Road Network Funding.	
<b>(HCM) Preventative maintenance</b>	<b>329</b>
Acceleration due to overspend in year caused by network deterioration and increase in surface dressing pre-planning needed.	
<b>Melton Distributor Rd - Southern Section</b>	<b>-1,510</b>
Delays to scheme progress as a result of evaluation of costings exercise. Scheme to be reprofiled.	
<b>(HCM) Maintenance schemes</b>	<b>-1,011</b>
Slippage to allow for the completion of drainage works before maintenance scheme works on the roads commences and less design works being completed.	
<b>Advanced Design</b>	<b>-990</b>
Slippage due to fewer funding biddings were available than anticipated delaying preparations works. In addition some programmes have been reprofiled.	
<b>Hinckley Hub ( Hawley Road) - National Productivity Investment Fund</b>	<b>-947</b>
Delay due to DfT LTN 1/20 guidance review has resulted in works being paused and reprogrammed for construction during 23/24 and 24/25.	
<b>M1 Junction 23 / A512</b>	<b>-926</b>
Slippage due to 1) Landscaping as contractor was not procured in time for planting season 2) Street lighting on National Highways slip roads ongoing liaison regarding replacement costs	
<b>(HCM) Street Lighting</b>	<b>-469</b>
Slippage due to resourcing for works and the availability to work on the network at Fosse Park.	
<b>Vehicle replacement programme</b>	<b>-446</b>
Slippage due to delays expected in deliveries. Vehicles were ordered but not all received by the end of the financial year.	
<b>(HCM) Bridge Maintenance</b>	<b>-387</b>
Slippage due to resourcing, wild life protection and flooding issues.	
<b>Safety Schemes</b>	<b>-323</b>
Slippage due to procurement, new contract delays in the VAS programme, delays in surveys relating to average speed cameras and less design works on schemes were completed in year.	

<b>(HCM) Network performance &amp; Reliability</b>	<b>-259</b>
Slippage due to evaluating results from a trial to ensure best value for works is procured. The completion of the evaluation and subsequent procurement is expected in 23/24.	
<b>(HCM) Restorative Maintenance</b>	<b>-244</b>
Slippage due to actual costs of delivering the programme being less than forecast – in response, the service area is reviewing the process for forecasting costs and the impact of in year inflation with external contractors.	
<b>(HCM) Highways Flood alleviation</b>	<b>-230</b>
Slippage of schemes as further design works required and therefore the delivery of these projects have been delayed.	
<b>Property Flood Risk Alleviation</b>	<b>-217</b>
Slippage due to the delivery of works on a further 4 flood risk management schemes.	
<b>Recycling House Waste Sites - General improvements</b>	<b>-175</b>
Slippage due to delays caused by additional investigations required.	
<b>Externally Funded Schemes</b>	<b>-144</b>
Slippage due to survey costs and design works less than anticipated.	
<b>Waste Transfer Station Development</b>	<b>-143</b>
Slippage due to snagging issues on site being resolved slower than anticipated.	
<b>Ashby Canal</b>	<b>-136</b>
Some of the costs relating to the Canal Association transfer will not be incurred until 2023/24. The majority of the estimated spend was related to land purchase assumptions, which remain uncertain.	
<b>Melton Distributor Rd - North and East Sections</b>	<b>-115</b>
Slippage due to less work being completed by utility companies than previously expected.	
<b>Cycleways</b>	<b>-105</b>
Funding is now proposed to be slipped and used to support the Local Cycling and Walking Infrastructure Plan	
<b>Other variances</b>	<b>-293</b>
<b>TOTAL</b>	<b>-7,600</b>

### **Chief Executives**

A net slippage of £1.0m compared with the updated budget. The main variances were:

	<b>£000</b>
<b>Rural Broadband Scheme - Phase 3</b>	<b>-974</b>
Impact of BT change requests which reduced the overall number of properties needing to be connected (fibre already there or delivery by another provider/method). This has resulted in a net reduction of the total cost. Although c50% of the underspend is likely to require repayment to BDUK who provided grant funding to the scheme. This will be determined in 2023/24. Funding will be set aside in the capital financing reserve to meet the cost.	
<b>Other variances</b>	<b>-5</b>
<b>TOTAL</b>	<b>-979</b>

**Corporate Resources**

Slippage of £2.3m is forecast compared with the updated budget. The main variances were:

	<b>£000</b>
<b>LCC Public Sector Decarbonisation Scheme (PSDS)</b>	<b>329</b>
Overspend due to essential roof repairs prior to installing solar panels at Embankment House and additional costs to the thermal store at County Hall. The additional costs will be funded from the balance of funding for PSDS schemes in 2023/24.	
<b>Workplace Strategy - Office Infrastructure</b>	<b>-1,067</b>
Reprofiled based on pilot scheme and timescales for implementation approved at project board.	
<b>Workplace Strategy - End User Device (PC, laptop)</b>	<b>-269</b>
Slippage due to a reprogramme of works as agreed with Ways of Working (WoW) Programme board. This programme is now expected to run to 26/27 & 27/28 agreed with WoW.	
<b>Watermead Country Park New Footbridge</b>	<b>-251</b>
Funding held to part fund proposed new project with Leicester City Council.	
<b>Ways of Working - Property</b>	<b>-167</b>
Slippage due to delays in office moves caused by reprofiling of programme.	
<b>Electric Vehicle Car Charge Points</b>	<b>-143</b>
Slippage due to internal resourcing pressures. Aiming to coordinate procurement and placement of EV's with other EV projects in E & T.	
<b>Property - Energy Strategy</b>	<b>-142</b>
The County Hall Inverter project to replace faulty solar inverters and changing the system to Solar Edge, delayed to start on site in April 2023. Brookfield Adults SCIP property Solar Project delayed due to asbestos discovered on site.	
<b>Minimum Energy Efficiency Standards</b>	<b>-138</b>
Slippage due to a decision awaited on the future of Glebe House any work carried out will now be 23/24. In addition there may be additional work identified by EPC certificates at other buildings and this work will be carried out in 23/24.	
<b>ICT - CSC Telephony System Replacement</b>	<b>-91</b>
Slippage due to additional contact centre licences expected 23/24.	
<b>Romulus Court - IT Environmental monitoring</b>	<b>-85</b>
Slippage due to waiting for planning permission.	
<b>Snibston E V Chargers &amp; Solar Car Port</b>	<b>-75</b>
Slippage due to a delay in planning permission which required additional work and are now resolved. In addition the project is still awaiting final designs and costs including additional drainage. The business case will be assessed to ensure it remains viable before proceeding with the project.	
<b>Other variances</b>	<b>-216</b>
<b>TOTAL</b>	<b>-2,315</b>

**Corporate Programme**

Slippage of £5.7m is forecast compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Pooled Infrastructure Funds</b>	<b>8,780</b>
Initially forecast in 2023/24 but invested in 2022/23.	
<b>Oakham, Panniers Way - Industrial Units acquisition</b>	<b>-5,780</b>
Council did not proceed with the purchase - confirmed by the IILP Board. Funding to be returned to the overall balance held for new IILP acquisitions/ investments	
<b>Quorn Solar Farm</b>	<b>-3,550</b>
Delays in completing archaeological surveys on the proposed site. These have now been received and the design is due to be completed shortly, subject to approval by the IILP Board.	

<b>Lutterworth Leaders Farm - Drive Thru Restaurants</b>	<b>-2,606</b>
Scheme will be reprofiled due to planning delays, approved in March 2023 and finalising S.106 details.	
<b>East of Lutterworth SDA (Planning and Preparatory works)</b>	<b>-1,108</b>
Scheme will be reprofiled due to further delays caused by a judicial review.	
<b>M69 Junction 2 - SDA</b>	<b>-663</b>
Slippage because of continued delays in the local plan process resulting in the ongoing consultancy work being done over an extended period.	
<b>Industrial Properties Estate - General Improvements</b>	<b>-456</b>
Delays bringing forward Capital refurbishment projects due to lack of industrial unit turnover. Energy performance improvements not required at the level expected.	
<b>County Farms Estate - General Improvements</b>	<b>-156</b>
Delays with bringing forward procurement of capital projects due to resourcing of the process.	
<b>Other variances</b>	<b>-200</b>
<b>TOTAL</b>	<b>-5,739</b>

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