

## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	6 November 2023
<b>Title of Report</b>	<b>Quarter 2 Capital Programme Review 2023/24</b> This is not a Key Decision and is on the Forward Plan
<b>Lead Member</b>	<b>Cllr. Maggie Wright - Finance, People &amp; Performance (Deputy Leader)</b>
<b>Report Author</b>	Accountancy Services Manager
<b>Corporate Priority</b>	Medium Term Financial Strategy (MTFS)

#### 1. What is this report about?

- 1.1 This report provides Members an update on expenditure against the Capital Programme for the second quarter of 2023/24.

#### 2. Recommendation(s) to Cabinet Executive and Council

- 2.1 That the report is accepted.
- 2.2 That the latest Capital Programme for 2023/24, totalling £10,450,009, is accepted.

#### 3. Reason for Decisions Recommended

- 3.1 To ensure that the Council has adequate resources in place to meet its capital expenditure commitments.
- 3.2 To reflect additions or other changes to the Capital Programme that have occurred in the 2<sup>nd</sup> quarter of the year.

#### 4. Matters to consider

##### 4.1 Background

The original Capital Programme for 2022/23 was approved by Council on 22<sup>nd</sup> February 2023 and amounted to £3,618,500, including a borrowing requirement of £2,295,500.

The revised Capital Programme following the 1<sup>st</sup> quarter of 2023/24 was approved in September 2023 and amounted to £9,187,982.

The following table shows the latest Capital Programme which now amounts to £10,254,009, (including S106 projects. This includes £5,349,204 of unspent budget brought forward from 2022/23. Appendix A gives a scheme-by-scheme breakdown of the planned expenditure for 2023/24.

	£
Approved Capital Programme 2023/24	9,187,982
<u>New Additions</u>	
1. Trenching works at Huncote Leisure Centre	93,000
2. Depot Site; Solar Panels and Electric Vehicle Charging Infrastructure	326,000
3. Review of Strategic Assets	780,000
	10,386,982
4. Add S106 Contributions allocated to projects in 2023/24	63,027
<b>Revised Capital Programme 2023/24</b>	<b>10,450,009</b>

The reasons behind the additions and reductions highlighted in the table above are as follows:

#### Additions

1. The Huncote Major Incident Reserve was increased to £600,000 by approval at Council in April 2022. Trenching works are now being undertaken as a preventative measure to enable the land fill gas to be released safely and prevent any build-up of gas beneath the Leisure Centre. As at the end of September these works were to be covered by the reserve held but further expenditure has been deemed necessary and is the subject of a further report brought to Council on 25<sup>th</sup> October 2023.
2. Approval was given at Council on 26th September 2023 for the Solar Panel and Electric Vehicle Charging Infrastructure project at the Depot to commence, with £130,000 being brought forward in the Capital Programme and an additional £196,000 added to the project following a feasibility study being undertaken.
3. Review of Strategic Assets – as approved by Council at its meeting on 26<sup>th</sup> September.
4. Section 106 monies received are only released and added to the Capital Programme as and when suitable schemes are identified by the Planning Obligations Monitoring Group, following receipt of bids from Parish Councils or other community groups.

## 4.2 Performance to date

At the end of September 2023, the Council had spent £1,712,800 against its planned Capital Programme.

The reasons behind the main variances are as follows:

- Strategic Property Investment – planned spend £2,500,000: reported to Council on 25<sup>th</sup> October 2023.
- Fleet Vehicle Replacement Programme - £1,293,482 planned spend not yet utilised: Five refuse collection vehicles were delivered during September. At the time of writing the report, the invoices had been received and were being processed for payment. This will account for most of the planned expenditure in 2023/24.
- Disabled Facilities Grants - £942,615 planned spend not yet utilised: The DFG allocation has been increased by central government over recent years. There are more complex cases coming through as a knock-on effect of the pandemic and residents' health complications resulting in cases taking longer to complete. There are more preventative measures being implemented by the Trusted Assessors which are cheaper than traditional DFG's and there are several pilots currently in place which will provide data on future spend including things like hospital to home adaptations, green measures with the DFG and hoarding, self-neglect, and assistive technology. There are not big waiting lists, so it is considered that the pilot work will lead the way in opening new streams to support more residents. Work continues to be carried out by Foundations to support legislative changes which will make it easier to introduce more preventative work.
- Solar Panels and Air Source Heat Pump for Depot - £456,000 planned spend: Council approval was given in September, following a review of the project and a feasibility study being undertaken. The heat pumps are not expected to be installed; therefore, the project budget has been revised, and reallocated to the Electric Vehicle Infrastructure project.
- Electric Vehicle Infrastructure for Depot - £720,000 planned spend: Following a feasibility study being undertaken, the project was revised, and approval was given at Council for an additional £130,000 to be brought forward from future years in the 5 Year Capital Programme, and an additional £196,000 added to the project budget. The project is due to commence shortly.
- Section 106-backed schemes - £321,429 planned spend not yet utilised. The first tranche of funding at Henson Park, Whetstone has been sent and the second tranche will be sent upon completion, which is estimated for November 2023 (£38,290). Installation in Northfield Park, Blaby is due to complete in November (£112,494), and installation of water standpipes in Countesthorpe in October (£20,220). The remaining projects (circa

£147,881) are pending (Dorothy Avenue, Glen Parva, Victory Park in Cosby, Thorpe Meadows, Whistle Way, Jubilee Park, Recreation Ground Sapcote, Shakespeare Park in Braunstone, Glen Parva Memorial Gardens, Castle Acres).

- Income Management System - £220,000 planned spend: existing contract expires 31<sup>st</sup> March 2024. The budget is based on the indicative cost of implementing an entirely new system. Procurement options are currently being explored.
- Car Park, Bouskell Park, Blaby - £200,000 budget not yet utilised: No spend to date currently pending the outcome of the Parks and Open Spaces Strategy. The Strategy is expected to be finalised in January 2024.
- Extension of Enderby Leisure Centre Car Park - £190,000 planned spend: Planning application was considered by Planning Committee on 7<sup>th</sup> September. Works are expected to start at the end of October with an aim to complete by the end of December. The project is expected to be delivered within budget.
- Walk & Ride, Blaby - £140,000 planned spend: As was detailed in the 1<sup>st</sup> quarter report in September. The completion of the project is expected to slip to July 2024 due to the detailed design work in relation to the wider scheme taking longer than expected. The scheme, which includes a new walking and cycle route between Lubbethorpe and the City, is being run by Leicester City Council and this is a contribution towards the overall cost. Whilst the cost of the overall scheme is running over budget, this is at the risk of the City Council and Blaby's share of the cost still sits at £100,000. A contingency sum of £40,000 is included within our capital programme but is not expected to be required.
- HR & Payroll System - £125,426 budget not yet utilised: the first stage of the implementation of the new cloud-hosted system is well underway with expected completion by the end of October. The budget included provision for backfilling of posts where officers are working on the implementation, and additional project management support if required. This will only be called upon where necessary to complete the implementation.
- Blaby Toilets (including assisted toilets) - £72,450 planned spend not yet utilised: The project has now completed, and the toilets have reopened. A final invoice is due to be received, the project was completed within budget.
- ICT Security upgrades - £107,000 planned spend: firewall replacement was scheduled to take place over the weekend of 28<sup>th</sup> and 29<sup>th</sup> October.

## **5. What will it cost and are there opportunities for savings?**

5.1 Details are set out in the preceding paragraphs.

## 6.1

## 7. Other options considered

## 8. Environmental impact

## 9. Other significant issues

## 10. Appendix

## 11. Background paper(s)

## 12. Report author's contact details

**Report author's contact details**  
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