

Blaby District Council

Cabinet Executive

Date of Meeting	16 September 2024
Title of Report	Quarter 1 Capital Programme Review 2024/25 This is not a Key Decision and is on the Forward Plan
Lead Member	Cllr. Maggie Wright - Finance, People & Performance (Deputy Leader)
Report Author	Accountancy Services Manager
Strategic Themes	All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

1. What is this report about?

- 1.1 This report provides Members an update on expenditure against the Capital Programme for the first quarter of 2024/25.

2. Recommendation(s) to Cabinet Executive and Council

- 2.1 That the report is accepted.
- 2.2 That the latest Capital Programme for 2024/25, totalling £8,362,558, 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 since it was approved by Council on 27th February 2024, including the carry forward of unspent budget from 2023/24.

4. Matters to consider

- 4.1 Background

The original Capital Programme for 2024/25 was approved by Council on 27th February 2024 and amounted to £3,826,900, including a borrowing requirement of £1,665,938.

After allowing for unspent budget carried forward from 2023/24 and other movements, the Capital Programme now stands at £8,362,558. The movements between the original value and the latest value are shown in the following table, whilst Appendix A gives a scheme-by-scheme breakdown of the planned expenditure for 2024/25.

	£
Original Capital Programme – approved February 2024	3,826,900
<u>New Additions</u>	
1. Incomplete schemes brought forward from 2023/24	4,528,430
2. Section 106 contributions added to projects in 2024/25	7,228
3. Revenues & Benefits - Document Management & MyView*	28,595
<u>Reductions</u>	
4. Replacement CRM/Granicus solutions*	(13,595)
5. Income Management System*	(15,000)
Revised Capital Programme 2024/25	8,362,558

*Illustrates a transfer of budget from one scheme to another.

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

Additions

1. Reflects schemes that were not finalised at 31st March 2024 and budget provision, along with associated resources, was carried over into the new financial year to allow for them to be completed. This includes £1,176k provision for the installation of electric vehicle infrastructure at the Council Depot, with works due to commence as plans are finalised. The brought forward budget provision also includes £662k for strategic property investment which is subject to the identification of appropriate opportunities.
2. 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.
3. The budget transfer is to enable the implementation of the new Revenues & Benefits document management system and set up of Citizens Access solution to enable resident's self-service access to the Council's service available to them.

4. See above – transfer of budget to Revenues & Benefits - Document Management & MyView
5. See above – transfer of budget to Revenues & Benefits - Document Management & MyView

4.2 At the end of June 2024, the Council had spent £673,306 against its planned Capital Programme.

The reasons behind the main variances are as follows:

- Net Zero at the Depot - £1,176,000 planned spend not yet utilised: Appropriate infrastructure solutions for the Electric Vehicle infrastructure at the Council's depot are currently being reviewed. It's anticipated that by the end of October design works and plans will be complete and the tender process can commence. The installation of solar panels at the depot has experienced a delay due to consultation being undertaken with Network Rail on an issue with the proposed erection of scaffolding being within the boundary of the railway line running alongside the depot. Following the consultation the issue has since been resolved resulting in a minor amendment to the works being undertaken. Currently the project has gone out to tender and a planning application submitted.
- Fleet Vehicle Replacement Programme - £1,100,223 planned spend not yet utilised: The majority of budget is allocated for four new waste collection vehicles. Once the plans for the electric vehicle infrastructure has been finalised, a decision is to be made whether electric alternatives to these vehicles are a viable option.
- IT Infrastructure Improvements - £985,466 planned spend not yet utilised: the proposed works to move the Council's IT infrastructure in house is currently in its infancy. The works are forecast to be completed by March 2025.
- Disabled Facilities Grants - £967,479 planned spend not yet utilised: The DFG allocation has been increased by central government over recent years. Lightbulb have seen a permanent rise in the complexity of cases coming through due to an increase in residents' health complications. We have also experienced an increase in child cases in which the needs can be more complex resulting in cases taking longer to complete. Lightbulb is currently going through a service review and streamlining ways of working which is expected to increase the number of DFG's completed throughout the year.
- Strategic Regeneration Property Investment - £661,767 planned spend not yet utilised: A suitable property has been identified to provide accommodation under the resettlement scheme and funded partly through the Local Authority Housing Fund 2 (LAHF2) funding . The acquisition of this property is currently in progress. It is expected that

there will be some minor refurbishment works associated in which exact costs are to be determined.

- Car Park, Bouskell Park, Blaby - £440,000 planned spend not yet utilised: A tender process is currently being undertaken for the car park improvement works. It is anticipated that the project will be completed by March 2025.
- Strategic Review: Land Rear Of Enderby Leisure Centre - £428,710 planned spend not yet utilised: Public engagement has now concluded on the proposed scheme. Consultants are engaging with the Council's Local Plan team; providing information for the site to be assessed for inclusion in the new Local Plan.
- Installation of PV Panels at Enderby Leisure Centre - £385,400 planned spend not yet utilised: A review of the funding options is currently being undertaken.
- Strategic Asset Review - £250,000 planned spend not yet utilised: Currently going through the procurement process to appoint consultants to provide an options appraisal as per Council report of 26th Sept 2023. The strategic review is forecast to complete this financial year.
- Income Management System – £186,625 planned spend not yet utilised: The new system is currently in its testing phase and is expected to go live in October 2024.
- Replacement CRM/Granicus solutions - £186,405 planned spend not yet utilised: The procurement of a new CRM solution is currently on hold and will be revisited once the Council's IT infrastructure project is complete. It is planned to move the project budget to the Capital Programme for 2025/26.
- Walk & Ride, Blaby - £140,000 planned spend not yet utilised: Substantial parts of the new walk and cycle route between Lubbesthorpe and the City are complete but there is currently a delay at the Meridian roundabout due to required amendments to the existing highways by Leicester County Council. It's expected these works are to complete in the new year.
- Resurfacing of Main & Overflow Car Parks, Fosse Meadows - £130,000 planned spend not yet utilised: Following the recent lease agreement with Green Circle to manage Fosse Meadows we are seeking to access external funding opportunities to progress with the project.
- HR & Payroll System - £100,000 planned spend not yet utilised: The first stage of the implementation of the new cloud-hosted system is complete and plans for the second phase are being drawn up. 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.

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

5.1 Details are set out in the preceding paragraphs

6. What are the risks and how can they be reduced?

6.1

Current Risk	Actions to reduce the risks
Net expenditure may exceed the approved budget due to a shortfall in income or overspending.	Ongoing budget monitoring to highlight variances at an early stage.
Rising inflation costs may cause project costs to exceed the approved budgets.	Regular monitoring of the project costs by the project managers together with support from Finance to address any concerns at an early stage. Any price rise that cannot be accommodated within normal tolerances will be reported back to Council before proceeding with the planned works. The overall affordability of the Capital Programme will be considered in terms of its impact on the Revenue Budget and projects will be deferred or removed from the programme as necessary

7. Other options considered

7.1 None.

8. Environmental impact

8.1 In preparing this report the author has considered the impact on the environment and there are no areas of concern.

9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10. Appendix

10.1 Appendix A – Capital Monitoring Statement to 30th June 2024

11. Background paper(s)

11.1 None.

12. Report author's contact details

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