

Blaby District Council
Cabinet Executive

Date of Meeting	4 November 2024
Title of Report	Quarter 2 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	Finance Group 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 second 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 £8,435,559, 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 2nd quarter of the year.

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.

The revised Capital Programme following the 1st quarter of 2024/25 was approved in September 2024 and amounted to £8,449,878. The following table shows the latest Capital Programme which now amounts to £8,435,559. This includes £4,528,430 of unspent budget brought forward from 2023/24. Appendix A gives a scheme-by-scheme breakdown of the planned expenditure for 2024/25.

	£
Approved Capital Programme 2024/25	8,449,878
<u>New Additions</u>	
1. Fleet Vehicle Replacement Programme	178,328
<u>Reductions</u>	
2. Installation of PV Panels at Enderby Leisure Centre	(192,647)
Revised Capital Programme 2024/25	8,435,559

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

Additions

1. Funding has been received from Defra to retrofit and electrify an existing refuse collection vehicle and the additional cost, although externally funded needs to be added to the capital programme.
2. The grant funding associated with the Installation of solar panels at the Enderby Leisure Centre has not been pursued given the grant conditions were unfavourable to the Council. An amount still remains in the capital programme to develop a scheme without utilising the Sport England funding stream.

4.2 At the end of September 2024, the Council had spent £1,054,655 against its planned Capital Programme.

The reasons behind the main variances are as follows:

- Net Zero at the Depot - £1,175,587 planned spend not yet utilised: Planning permission has been granted and tendered costs have been received for the installation of solar panels at the depot. There are some

minor stakeholder queries that have been raised which are currently being investigated, these are not foreseen to delay the works which are forecast to complete by March 2025. Appropriate infrastructure solutions for the Electric Vehicle infrastructure at the Council's depot are currently being reviewed. Soft market testing will commence in early November which will be followed by a tender process.

- Fleet Vehicle Replacement Programme - £1,222,085 planned spend not yet utilised: The majority of budget is allocated for three new waste collection vehicles and the retrofitting of an existing refuse collection vehicle. Orders are to be placed for vehicles that are fuelled by diesel and HVO.
- IT Infrastructure Improvements - £941,772 planned spend not yet utilised: whilst the plans to move the IT to an in-house service are going well the expenditure to June 2024 has been limited. It is expected that the expenditure will increase during the second half of the year and the works are forecast to be completed by March 2025.
- Disabled Facilities Grants - £810,682 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: Although a suitable property had been identified a further survey gave concerns and substantial renovations were necessary. As a result an alternative property is being considered for purchase to provide accommodation under the resettlement scheme and funded partly through the Local Authority Housing Fund 2 (LAHF2) funding.
- Car Park, Bouskell Park, Blaby - £430,317 planned spend not yet utilised: A contractor has been appointed and is currently on site for the completion of the improvements to the car park. It is anticipated that the project will be completed by March 2025.
- Strategic Review: Land Rear Of Enderby Leisure Centre - £404,791 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.
- Strategic Asset Review - £250,000 planned spend not yet utilised: Consultants have been appointed to provide an options appraisal. The strategic review is forecast to complete this financial year.

- Installation of PV Panels at Enderby Leisure Centre - £192,753 planned spend not yet utilised: A review of the funding options is currently being undertaken.
- 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 by the end of November 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 agreement to enter into a lease with Green Circle to manage Fosse Meadows Green Circle will look 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.

4.3 Significant Issues

None

- 4.4 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.

5. Environmental impact

- 5.1 In preparing this report the author has considered the impact on the environment and there are no areas of concern. Officers delivering the projects within the Capital Programme are asked to consider environmental impacts in each case.

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

6.1 Details are set out in the preceding paragraphs

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

7.1

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

8. Other options considered

8.1 None.

9 Appendix

9.1 Appendix A – Capital Monitoring Statement to 30th September 2024

10. Background paper(s)

10.1 None.

11. Report author's contact details

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