

Blaby District Council

Cabinet Executive

Date of Meeting	23 February 2026
Title of Report	Quarter 3 Capital Programme Review 2025/26 This is not a Key Decision and is on the Forward Plan
Lead Member	Cllr. Cheryl Cashmore - Finance, People and Transformation (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 second quarter of 2025/26.

2. Recommendation(s) to Cabinet Executive and Council

- 2.1 That the report is accepted.
- 2.2 That the latest Capital Programme for 2025/26, totalling £8,305,120, is approved.
- 2.3 That approval is given for the purchase of 6 plots for Temporary Accommodation as detailed in Appendix C.
- 2.4 That Council give delegated authority to the Executive Director (S151), in consultation with the Finance, People & Transformation Portfolio Holder, to finalise the details and enter contractual arrangements to purchase the 6 houses for temporary accommodation as detailed in Appendix C.

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 3rd quarter of the year.

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| 3.3 | To be in a position to take advantage of LAFH4 funding that is available and secure the plots to provide further temporary accommodation. |
| 3.4 | To enable the contractual arrangements to be entered into that align with the business case to purchase the temporary accommodation without delay. |

4. Matters to consider

4.1 Background

The original Capital Programme for 2025/26 was approved by Council on 25th February 2025 and totalled £1,422,512, including a borrowing requirement of £680,012.

The revised Capital Programme following the 2nd quarter of 2025/26 was approved in November 2025 and amounted to £7,627,666. The following table shows the latest Capital Programme which now amounts to £8,305,120. Appendix A gives a scheme-by-scheme breakdown of the planned expenditure for 2025/26.

	£
Approved Capital Programme 2025/26	7,627,666
<u>New Additions</u>	
1. Regeneration Property	2,258,970
2. Lease of Dallington House	736,000
3. Huncote Leisure Centre Roof Replacement	75,000
4. Section 106 backed Schemes	70,000
5. Food Waste Vehicles and Receptacles	60,000
6. GIS and LLPG System Upgrade	15,000
7. Open Space at Former Huncote BMX Track	6,684
<u>Reductions</u>	
8. Finance System Upgrade	(58,570)
9. Installation of PV Panels at Enderby Leisure Centre	(50,920)
10. Income Management System	
11. Proportion of Regeneration property project to be spent in 2026/27 (UKSPF4 Project)	(106,684)
	(2,252,970)
12. Proportion of UKSPF funds to be utilised in 2026/27 (Regeneration property approved November 2025)	(63,056)
Revised Capital Programme 2025/26	8,305,120

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

Additions

1. Regeneration Property – Approval is sort for the purchase of six properties at Glen Parva for temporary accommodation. These purchases are being funded by £807k of central government grant and £1,452k by borrowing. If approved, it is expected that £6k will be spent on the deposit of these properties in the current financial year. The remaining will be spent in 2026/27 on completion and exchange. Further information is included in Appendix C.
2. Lease of Dallington House – Approved by Council on 18th November 2025
3. Huncote Leisure Centre Roof Replacement – Following structural surveys it has come to light that a section of the roof to Huncote Leisure Centre is at the end of its life and in need of replacement. The costs of replacing the roof are expected to be between £33k and £75k, these will be confirmed once the procurement process has been undertaken. It's proposed £51k budget is transferred from the underspend on the installation of PV panels at Enderby Leisure Centre project to contribute to the cost.
4. Section 106 backed schemes – 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.
5. Food Waste Vehicles and Receptacles – Additional budget is required for modifications to the seven food waste vehicles; ensuring site and employee safety, and compliance with the County's disposal facility requirements. These modifications also include enhanced security to bring the vehicles up to the standard of the Councils current fleet of vehicles.
6. GIS and LLPG System Upgrade – Budget required to upgrade the current Geographic Information System (GIS) due to the system no longer being supported by its supplier and as such considered end of life. Migration of the current Local Land and Property Gazetteer (LLPG) software to a cloud-based solution is required to continue its functionality. It is a statutory requirement for the Council to have these systems in place to provide accurate property data.
7. Open Space at Former Huncote BMX Track – Additional demolition works were required at the larger BMX track. Existing budget has been transferred from the Income Management System project.

Reductions

8. Finance System Upgrade – Initially the project was budgeted as capital. Following completion of the procurement exercise and agreement of terms, the ongoing cost element is revenue as opposed to Capital. Initial implementation fees remain as Capital.
 9. Installation of PV Panels at Enderby Leisure Centre – Refer to point 3, PV panels have now been installed and project complete.
 10. Income Management System – The system is now operational however we are awaiting the final invoice, the forecast savings of £100k on the project are to be released. £6.7k has been transferred to offset additional expenditure as set out in point 7.
 11. As per note 1. The majority of expenditure for the 6 plots is expected to be utilised in December 2026 on completion and exchange.
 12. The UKSPF funds were approved by Council to be utilised for a Homelessness project via an exempt report in November 2025. The deposit is due to be paid in the current financial year on signing of the contract. The remaining UKSPF funds will be used in 2026/27.
- 4.2 At the end of December 2025, the Council had spent £2,819,343 against its planned Capital Programme.

Appendix B of this report shows the forecast timeline to completion of projects and schemes in the Council's current capital programme along with, the forecast capital spends, savings and slippages into the next financial year. As can be seen various projects are expected to continue into the 2026/27 financial year so these will show as a variance against the project budget. It is quite usual that not all capital is spent within year and that projects span into the next financial year.

At the end of the financial year any outstanding budget for these projects will be carried over into 2026/27 to enable the project to continue as planned. Timing of expenditure is also dependent on individual contract terms.

The reasons behind the main variances are as follows:

- Strategic Regeneration Property Investment - £2,941,026 planned spend not yet utilised: Due to the high demand of homelessness accommodation in the District the Council is investigating a larger portfolio of property purchases of which approval was granted in the report to Council on 18th November 2025. This report seeks the approval of an additional £2.259m towards the purchase of six properties which are expected to complete by December 2026.
- Food Waste Vehicles and Receptacles - £817,785 planned spend not yet utilised: Two of the food waste vehicles have been delivered and the

remaining five are forecast to be delivered by September 2026 due to high demand. In the short-term for the service to launch by the end of March 2026, five food waste vehicles will be leased. Food waste receptacles are being received in stages and are being delivered during February 2026 to residents.

- Net Zero at the Depot - £759,249 planned spend not yet utilised: The contractor began groundworks to accommodate the electric vehicle infrastructure at the depot in December 2025, with the project forecast to complete by the end of March 2026. The Council's application for central government grant funding towards the project was unsuccessful and therefore the project is being fully funded by the Council.
- Lease of Dallington House - £736,000 planned spend not yet utilised: Planning approval for use of temporary accommodation has been granted in January 2026 for the lease of the 13 self-contained units at Enderby. First occupants will accommodate the property in February 2026.
- Disabled Facilities Grants - £457,758 planned spend not yet utilised: 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 where needs can be complex resulting in cases taking longer to complete. Lightbulb is currently going through a service review and streamlining ways of working which will increase the number of DFG's completed throughout the year.
- Fleet Vehicle Replacement Programme - £361,307 planned spend not yet utilised: Three new refuse collection vehicles have been received this year. Remaining orders are to be placed once the electric vehicle infrastructure project is complete.
- Strategic Review: Land Rear of Enderby Leisure Centre - £316,270 planned spend not yet utilised: 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.
- EV Charging Hub at Enderby Leisure Centre - £180,000 planned spend not yet utilised: Design works for 12 electric vehicle charging points is complete and planning application has been submitted. Timeframes are currently being revised but it's anticipated that works will begin before March 2026.
- IT Infrastructure Improvements - £174,667 planned spend not yet utilised: The IT transition completed on 1st July 2025. The final costs are being chased and will be expensed to the project before year end when savings will be realised.

- Walk & Ride, Blaby - £140,000 planned spend not yet utilised: The new walk and cycle route in the district will be complete by March 2026. Leicester City Council are leading this project along with Leicestershire County Council. The budget allocated in the capital programme is contingency for any unforeseen costs to Blaby District Council. Once the project is complete any savings will be determined and returned to the Council.
- Section 106 backed schemes - £137,360 planned spend not yet utilised: The Planning Obligation Monitoring Group approved a large S106 project at Countesthorpe Academy in December 2025, it is forecast that this will be spent in April 2026.
- Replacement of gym equipment at Enderby Leisure Centre - £125,292 planned spend not yet utilised: The new gym equipment was delivered at Enderby Leisure Centre in January 2026. Invoices will be received during the next quarter.

4.3 Significant Issues

In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities 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.

No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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
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8. Other options considered

8.1 None.

9. Appendix

9.1 Appendix A – Capital Monitoring Statement to 31st December 2025

9.2 Appendix B – Capital Forecasting Statement to 31st December 2025

Appendix C – Proposal for Temporary Accommodation

10. Background paper(s)

10.1 None.

11. Report author's contact details

Richard Hawkins	Business Accountant (Capital)
Richard.hawkins@blaby.gov.uk	0116 272 7623