



Report

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| Report to: | Financial Resources Scrutiny Forum |
| Date of Meeting: | 6 February 2020 |
| Report by: | Executive Director (Finance and Corporate Resources) |

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| Subject: | Capital Budget Monitoring 2019/2020 - Housing Capital Programme |
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update members of the Financial Resources Scrutiny Forum of progress on the Council's Housing Capital Programme for the period covering 1 April 2019 to 6 December 2019.

2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation:-

- (1) that the physical and financial progress of the Housing Capital Programme be noted.

3. Background

- 3.1. The Capital reports attached provide detail on the position as at 6 December 2019 from both a financial and physical perspective.
- 3.2. Appendix A shows the financial position of the Housing Capital Programme, with the physical progress detailed in Appendix B.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. 2019/20 Budget

The revised Housing Capital Programme for 2019/20 totals £61.835 million and is detailed along with the funding sources at Appendix A to this report. This was reported to the Executive Committee on 29 January 2020.

5.2. 2019/20 Outturn

In terms of the Housing Capital Programme, current estimates from Housing and Technical Resources suggest an outturn of £58.471 million. This is an underspend of £3.4 million and relates to the timing of spend, resulting in budget required in 2020/21 rather than in 2019/20.

5.3. Period 9 Position

Appendix A also shows the position on the Housing Programme as at 6 December 2020. Budget for the period is £28.296 million with spend of £28.218 million. This

represents expenditure of £0.078 million behind profile and reflects the timing of spend across a number of projects.

- 5.4. Programmed funding for the year totals £61.835 million. As at 6 December 2019, actual funding of £28.218 million has been received.

6. Climate Change, Sustainability and Environmental Implications

- 6.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

7. Other Implications

- 7.1. The main risk associated with the Council's Capital Programme is an overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project. The risk of overspend is managed through four weekly Investment management meetings.
- 7.2. There are no implications for sustainability in terms of the information contained in this report.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore no impact assessment is required.
- 8.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

29 January 2020

Link(s) to Council Values/Ambitions/Objectives

- Accountable, Effective and Efficient and Transparent

Previous References

- Executive Committee, 29 January 2020

List of Background Papers

- Capital Ledger prints to 6 December 2019

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Jackie Taylor, Head of Finance (Strategy)

Ext: 5637 (Tel: 01698 455637)

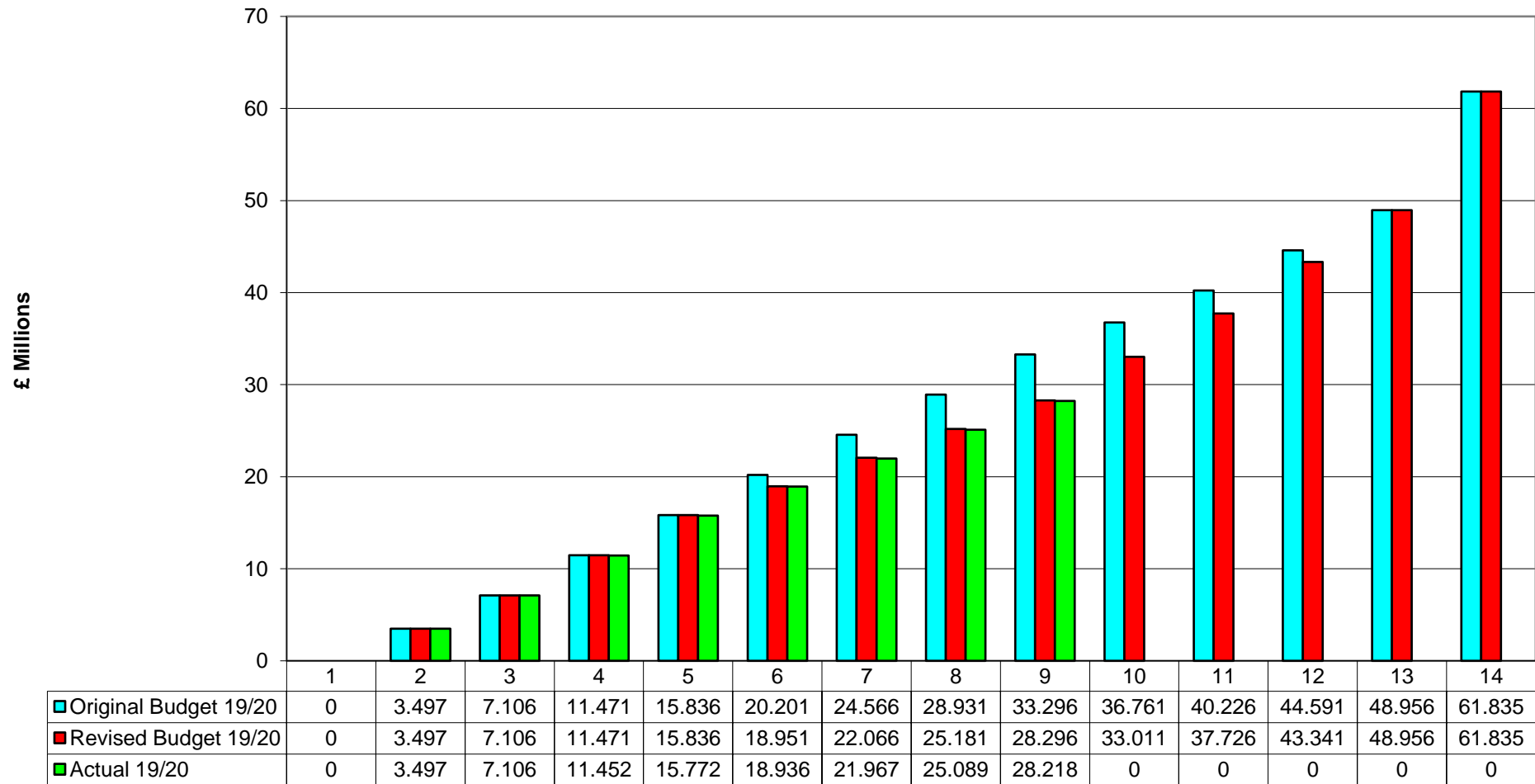
E-mail: jackie.taylor@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2019/20
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2019 TO 6 DECEMBER 2019

Appendix A

| | <u>2019/20</u> <u>Annual</u> <u>Budget</u> <u>£m</u> | <u>2019/20</u> <u>Budget to</u> <u>06/12/19</u> <u>£m</u> | <u>2019/20</u> <u>Actual to</u> <u>06/12/19</u> <u>£m</u> |
|---|---|--|--|
| EXPENDITURE | | | |
| 2019/20 Budget incl carry forward from 2018/19 | 61.835 | 28.296 | 28.218 |
| | | | |
| | <u>2019/20</u> <u>Annual</u> <u>Budget</u> <u>£m</u> | | <u>2019/20</u> <u>Actual to</u> <u>06/12/19</u> <u>£m</u> |
| INCOME | | | |
| Capital Receipts – Land Sales | 0.000 | | 0.027 |
| Capital Funded from Current Revenue | 20.589 | | 20.589 |
| Prudential Borrowing | 28.715 | | 2.888 |
| Scottish Government Specific Grant | | | |
| - New Build | 10.611 | | 3.457 |
| - Open Market Purchase Scheme | 1.800 | | 0.930 |
| - Mortgage to Rent | 0.120 | | 0.327 |
| TOTAL FUNDING | 61.835 | | 28.218 |

HRA Capital Expenditure Profile Graph 19/20



HOUSING CAPITAL PROGRAMME 2019/20**EXECUTIVE SUMMARY****PERIOD ENDED 6 DECEMBER 2019**

| | <u>Expenditure Periods</u> | | | | | | | | | | | | | |
|----------------------------------|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | <u>7</u> | <u>8</u> | <u>9</u> | <u>10</u> | <u>11</u> | <u>12</u> | <u>13</u> | <u>14</u> |
| <u>Programme Status</u> | | | | | | | | | | | | | | |
| Projects Complete | - | 4 | 6 | 13 | 15 | 16 | 18 | 19 | 22 | | | | | |
| Projects on Programme | - | 122 | 123 | 119 | 118 | 117 | 105 | 107 | 107 | | | | | |
| Projects Behind Programme | - | - | - | - | - | 3 | 7 | 4 | 4 | | | | | |
| Projects Altered Brief/Programme | - | 2 | - | - | 2 | - | 4 | 3 | 3 | | | | | |
| Projects Held | - | 8 | 9 | 9 | 9 | 10 | 14 | 18 | 19 | | | | | |
| | - | 136 | 138 | 141 | 144 | 146 | 148 | 151 | 155 | | | | | |
| <u>Project Status</u> | | | | | | | | | | | | | | |
| Design Feasibility | - | 64 | 60 | 52 | 49 | 41 | 42 | 41 | 44 | | | | | |
| Sketch Design | - | 2 | 3 | 3 | 3 | 2 | 2 | 1 | - | | | | | |
| Detailed Design | - | - | - | 2 | 3 | 4 | 3 | 4 | 3 | | | | | |
| Production Information | - | 16 | 16 | 16 | 19 | 19 | 13 | 11 | 9 | | | | | |
| Tendering | - | 16 | 20 | 29 | 28 | 36 | 40 | 44 | 47 | | | | | |
| On Site | - | 34 | 33 | 26 | 27 | 28 | 30 | 31 | 30 | | | | | |
| Complete | - | 4 | 6 | 13 | 15 | 16 | 18 | 19 | 22 | | | | | |
| | - | 136 | 138 | 141 | 144 | 146 | 148 | 151 | 155 | | | | | |

Housing Capital Programme 2019/20

Build Variance Explanations

| <u>Project Name</u> | <u>Status</u> | <u>Variance Explanation</u> |
|---|----------------------|---|
| Various Houses and Blocks (Carluke) - Newlands Terrace & Hozier Street, Carluke | Behind Programme | Changes to tender timescales have delayed site start. |
| Drying Area Upgrade - Smyllum, Lanark | Behind Programme | Changes to design/tender have delayed site start. |
| Pine Crescent Sheltered Housing Complex - Warden Call Replacement | Behind Programme | Project timescales affected by delays in supply of Health and Safety information. |
| Kirkriggs Gardens Sheltered Housing - Warden Call Replacement | Behind Programme | Project timescales affected by delays in supply of Health and Safety information. |