

Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	9 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget Monitoring 2022/2023 - 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 2022 to 29 December 2022.

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 29 December 2022 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. 2022/2023 Housing Capital Programme

- 4.1. **2022/2023 Budget:** The revised Housing Capital Programme for the year is £66.361 million reflecting changes to the programme approved by the Executive Committee on 24 August 2022. There have been no further changes to the budget since this meeting.
- 4.2. Programmed funding for the year also totals £66.361 million. The budget, along with a detailed breakdown of the funding sources is included in Appendix A to this report.
- 4.3. **2022/23 Outturn:** Current estimates from Housing and Technical Resources suggest an outturn of £66.361 million. However, it should be noted there is potential for an underspend within the Housing Capital Programme due to the extreme weather experienced in December 2022, which caused flooding damage to a number of Council properties. As a result, operatives from Property Services have been diverted away from capital investment to tackle urgent repairs.
- 4.4. **Period 10 Position:** Budget for the period is £40.639 million and spend to 29 December 2022 amounts to £40.525 million (as shown in Appendix A), an underspend of £0.114 million.
- 4.5. As at 29 December 2022, £40.525 million of funding had been received.

5. Employee Implications

- 5.1. There are no employee implications as a result of this report.

6. Financial Implications

- 6.1. The financial implications are detailed in section 4 of this report.

7. Climate Change, Sustainability and Environmental Implications

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

8. Other Implications

- 8.1. The main risk associated with the Council's Capital Programme is an overspend. There are detailed project management plans prepared and the risk of overspend on each project is monitored through four weekly investment management meetings.
- 8.2. The Council continues to experience material shortages, longer lead times and extraordinary inflationary price increases and it is anticipated that this will continue to impact the supply chain for the foreseeable future. The impact of this will continue to be monitored through the four weekly investment management meetings. Further updates will be reported in the coming months with any significant increases in contract values being brought to members' attention.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. 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.
- 9.2. 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)

23 January 2023

Link(s) to Council Values/Priorities/Outcomes

- Accountable, effective, efficient and transparent

Previous References

- Executive Committee, 24 August 2022
- Executive Committee, 1 February 2023

List of Background Papers

- Capital Ledger prints to 29 December 2022

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)

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Appendix A

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2022/23
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2022 TO 29 DECEMBER 2022

	<u>2022/23</u> <u>Original</u> <u>Budget</u> £m	<u>2022/23</u> <u>Revised</u> <u>Budget</u> £m	<u>2022/23</u> <u>Budget to</u> <u>29/12/22</u> £m	<u>2022/23</u> <u>Actual to</u> <u>29/12/22</u> £m
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Expenditure

2022/23 Budget	52.230	66.361	40.639	40.525
Incl. adjustment from 2021/22				

	<u>2022/23</u> <u>Original</u> <u>Budget</u> £m	<u>2022/23</u> <u>Revised</u> <u>Budget</u> £m	<u>2022/23</u> <u>Actual to</u> <u>29/12/22</u> £m
INCOME			
Capital Receipts	0.000	7.311	6.314
Capital Receipts - Land Sales	0.000	0.000	0.018
Capital Funded from Current Revenue	26.050	26.050	26.050
Prudential Borrowing	22.018	26.462	3.440
Scottish Government Specific Grant:			
- New Build	2.242	4.048	4.648
- Open Market Purchase Scheme	1.800	2.370	0.000
- Mortgage to Rent	0.120	0.120	0.055
	52.230	66.361	40.525

HOUSING CAPITAL PROGRAMME 2022/23**EXECUTIVE SUMMARY****PERIOD ENDED 29 DECEMBER 2022****Expenditure Periods**

	<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	-	2	6	9	13	17	21	28	31	31				
Projects on Programme	-	113	109	105	102	102	103	93	94	94				
Projects Behind Programme	-	3	7	3	6	1	0	3	-	-				
Projects Altered Brief/Programme	-	4	4	6	-	7	6	3	6	6				
Projects Still to Progress	-	30	33	36	38	31	29	32	30	30				
	-	152	159	159	159	158	159	159	161	161				
<u>Project Status</u>														
Design Feasibility	-	67	71	68	66	59	57	54	55	55				
Sketch Design	-	1	1	1	1	1	1	-	-	-				
Detailed Design	-	1	3	4	3	3	2	3	3	3				
Production Information	-	6	6	6	7	9	8	9	8	8				
Tendering	-	30	26	26	26	26	29	28	27	27				
On Site	-	45	46	45	43	43	41	37	37	37				
Complete	-	2	6	9	13	17	21	28	31	31				
	-	152	159	159	159	158	159	159	161	161				

HRA Capital Expenditure Profile Graph 22/23

