

Report

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| Report to: | Housing and Technical Resources Committee |
| Date of Meeting: | 15 March 2023 |
| Report by: | Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources) |

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| Subject: | Capital Budget Monitoring 2022/2023 - Housing and Technical Resources - Housing Revenue Account (HRA) |
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide information on the progress of the capital programme for Housing and Technical Resources (HRA) for the period 1 April 2022 to 27 January 2023

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the revised Housing and Technical Resources (HRA) capital programme of £66.361 million and expenditure of £43.015 million, be noted.

3. Background

- 3.1. This is the fourth capital monitoring report presented to the Housing and Technical Resources Committee for the financial year 2022/2023.
- 3.2. The budget is based on the revised capital programme for the year, which was approved by the Executive Committee on 24 August 2022.
- 3.3. The report details the financial position for Housing and Technical Resources (HRA) on Appendix A.

4. Employee Implications

- 4.1. There are no employee implications contained within this report.

5. Financial Implications

- 5.1. The Housing Capital Programme for 2022/2023 totals £66.361 million and is detailed, along with the funding sources, at Appendix A to this report. Actual expenditure to 27 January is £43.015 million.
- 5.2. It is estimated that there will be an underspend of £4.1 million within the Housing Capital Programme by the financial year end. This is due to a number of factors, mainly, property services operatives being diverted to tackle the impact of bad weather in December which resulted in flooding damage to a number of Council properties. In addition, environmental surveys on external fabric projects have required work to be paused due to the suspected presence of bats which, in turn, has delayed owner consultations. There has also been reduced owner uptake for external works. The service has also experienced higher than normal volumes of no access for legislative works.

- 5.3. Work will continue in the coming weeks to monitor achievable spend. Funding for projects remaining underspent at the financial year end will be carried forward to allow the projects to be completed.

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 is mitigated through the detailed project management plans prepared and monitored for each project. The risk of overspend is managed through 4-weekly Investment Management meetings.
- 7.2. 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 on the supply chain for the foreseeable future. The impact will continue to be monitored through the 4-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.

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)

Stephen Gibson

Executive Director (Housing and Technical Resources)

15 February 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Executive Committee, 24 August 2022

List of Background Papers

- ◆ Financial ledger to 27 January 2023.

Contact for Further Information

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

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| | £m | £m |
|---|--------|----------------------|
| Anticipated Capital Expenditure 2022/23 | | 66.361 |
| Estimated Financing Position 2022/23 | | |
| Capital Receipts | 7.311 | |
| Capital Financed From Current Revenue | 26.050 | |
| Prudential Borrowing | 26.462 | |
| Specific Grant – Scottish Government New Council Houses | 4.048 | |
| Specific Grant – Scottish Government Buy Backs | 2.370 | |
| Specific Grant – Scottish Government Mortgage to Rent | 0.120 | |
| Other Income | 0.000 | |
| | | <u>66.361</u> |
| Actual Expenditure to 27 January 2023 | | 43.015 |
| Actual Financing Position to 27 January 2023 | | |
| Capital Receipts | 6.332 | |
| Capital Financed From Current Revenue | 26.050 | |
| Prudential Borrowing | 5.930 | |
| Specific Grant – Scottish Government New Council Houses | 4.648 | |
| Specific Grant – Scottish Government Buy Backs | 0.000 | |
| Specific Grant – Scottish Government Mortgage to Rent | 0.055 | |
| Other Income | 0.000 | |
| | | <u>43.015</u> |