

Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	8 December 2022
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 4 November 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 4 November 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. **Period 8 Position:** Budget for the period is £30.739 million and spend to 4 November 2022 amounts to £30.783 million (as shown in Appendix A), a slight overspend of £0.044 million.
- 4.4. As at 4 November 2022, £30.783 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)

22 November 2022

Link(s) to Council Values/Priorities/Outcomes

- Accountable, effective, efficient and transparent

Previous References

- Executive Committee, 24 August 2022
- Executive Committee, 30 November 2022

List of Background Papers

- Capital Ledger prints to 4 November 2022

Contact for Further Information

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

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SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2022/23
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2022 TO 4 NOVEMBER 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>04/11/22</u> £m	<u>2022/23</u> <u>Actual to</u> <u>04/11/22</u> £m
Expenditure				
2022/23 Budget Incl. adjustment from 2021/22	52.230	66.361	30.739	30.783
	<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>04/11/22</u> £m
INCOME				
Capital Receipts	0.000	7.311		4.613
Capital Funded from Current Revenue	26.050	26.050		22.534
Prudential Borrowing	22.018	26.462		0.000
Scottish Government Specific Grant:				
- New Build	2.242	4.048		3.581
- Open Market Purchase Scheme	1.800	2.370		0.000
- Mortgage to Rent	0.120	0.120		0.055
	52.230	66.361		30.783

HOUSING CAPITAL PROGRAMME 2022/23**EXECUTIVE SUMMARY****PERIOD ENDED 4 NOVEMBER 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						
Projects on Programme	-	113	109	105	102	102	103	93						
Projects Behind Programme	-	3	7	3	6	1	0	3						
Projects Altered Brief/Programme	-	4	4	6	-	7	6	3						
Projects Still to Progress	-	30	33	36	38	31	29	32						
	-	152	159	159	159	158	159	159						
<u>Project Status</u>														
Design Feasibility	-	67	71	68	66	59	57	54						
Sketch Design	-	1	1	1	1	1	1	-						
Detailed Design	-	1	3	4	3	3	2	3						
Production Information	-	6	6	6	7	9	8	9						
Tendering	-	30	26	26	26	26	29	28						
On Site	-	45	46	45	43	43	41	37						
Complete	-	2	6	9	13	17	21	28						
	-	152	159	159	159	158	159	159						

Housing Capital Programme 2022/23

Build Variance Explanations

<u>Project Name</u>	<u>Status</u>	<u>Variance Explanation</u>
Dunlop, Lister & Fraser River Town, East Kilbride – Emergency Lighting	Behind Programme	The tender process for this project has been delayed whilst clarification on legal issues is being sought.
Park Crescent, Sheltered Housing Complex, Strathaven – Environmental Improvement	Behind Programme	This project is behind as a result of the tender preparation period being extended to allow the design to be clarified and finalised.
Conservation Area (Clydesdale) – Timber Window & Door Replacement	Behind Programme	This project is behind as a result of the contractor changing details resulting in a delay in processing the order.

HRA Capital Expenditure Profile Graph 22/23

