

# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>1 September 2022</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Capital Budget Monitoring 2022/2023 - Housing Capital Programme</b>
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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 15 July 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 15 July 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

A total Housing Capital Programme budget for 2022/23 was approved by Council in February 2022. This included funding carried forward from previous years and totalled a programme of £52.230 million.

- 4.2. The Final Outturn report for financial year 2021/2022 noted a carry forward of £11.434 million into future years. Further analysis of this budget confirmed that £6.820 million is required in 2022/2023, with the remainder being carried forward into future years.
- 4.3. In addition, the Executive Committee on 24 August 2022 agreed that the 2022/2023 Capital Programme be increased by a further £7.311 million to reflect the expenditure on new build homes at East Whitlawburn, which are being built on behalf of West Whitlawburn Housing Association.
- 4.4. As a result of these adjustments noted at sections 4.2 and 4.3, the revised programme for 2022/2023 is £66.361 million. 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.

#### **4.5. Period 4 Position**

Budget for the period is £11.339 million and spend to 15 July 2022 amounts to £11.339 million (as shown in Appendix A).

4.6. As at 15 July 2022, £11.339 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)**

16 August 2022

#### **Link(s) to Council Values/Ambitions/Outcomes**

- Accountable, effective, efficient and transparent

#### **Previous References**

- Council, 23 February 2022
- Executive Committee, 29 June 2022
- Executive Committee, 24 August 2022

#### **List of Background Papers**

- Capital Ledger prints to 15 July 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)

Ext: 5637 (Tel: 01698 455637)

E-mail: [jackie.taylor@southlanarkshire.gov.uk](mailto:jackie.taylor@southlanarkshire.gov.uk)

## Appendix A

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2022/23  
HOUSING PROGRAMME  
FOR PERIOD 1 APRIL 2022 TO 15 JULY 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>15/07/22</u> £m	<u>2022/23</u> <u>Actual to</u> <u>15/07/22</u> £m
<b>Expenditure</b>				
2021/22 Budget Incl. adjustment from 2020/21	52.230	66.361	11.339	11.339

	<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>15/07/22</u> £m
<b>INCOME</b>			
Capital Receipts	0.000	7.311	0.000
Capital Receipts – Land Sales	0.000	0.000	0.007
Capital Funded from Current Revenue	26.050	26.050	11.332
Prudential Borrowing	22.018	26.462	0.000
Scottish Government Specific Grant:			
- New Build	2.242	4.048	0.000
- Open Market Purchase Scheme	1.800	2.370	0.000
- Mortgage to Rent	0.120	0.120	0.000
	<b>52.230</b>	<b>66.361</b>	<b>11.339</b>

**HOUSING CAPITAL PROGRAMME 2022/23**

## **EXECUTIVE SUMMARY**

**PERIOD ENDED 15 JULY 2022**

### Expenditure Periods

[illegible]

## **Housing Capital Programme 2022/23**

### **Build Variance Explanations**

<b><u>Project Name</u></b>	<b><u>Status</u></b>	<b><u>Variance Explanation</u></b>
Kirkconnell Drive Rutherglen - External Fabric	Behind Programme	This project is behind programme as a result of resourcing issues experienced by the contractor.
Upgrade of Central Heating Systems - Council Wide Phase 3	Behind Programme	This project is behind programme as a result of supply chain issues in relation to boilers.
Upgrade of Central Heating Systems - Council Wide Phase 4	Behind Programme	This project is behind programme as a result of supply chain issues in relation to boilers.

## HRA Capital Expenditure Profile Graph 2022/23

