



Report

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

Subject:	Capital Budget Monitoring 2021/2022 - 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 on the final outturn position of the Council's Housing Capital Programme for the period covering 1 April 2021 to 31 March 2022.

2. Recommendation(s)

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

- (1) that the final outturn position on the 2021/2022 Housing Capital Programme be noted.

3. Background

- 3.1. The Capital reports attached provide detail on the position as at 31 March 2022 from a financial perspective.
- 3.2. Appendix A shows the financial position of the Housing Capital Programme, which was reported to the Executive Committee on 29 June 2022. Any physical progress update for projects carried forward into financial year 2022/2023 will be picked up as part of the new year monitoring report.

4. Housing Capital Programme Final Outturn Position 2021/2022

- 4.1. The revised Housing Capital Programme for 2021/2022 totalled £79.640 million. This revised programme was approved by Executive Committee on 22 September 2021.
- 4.2. Appendix A shows actual expenditure of £73.181 million which is £6.459 million less than the budget of £79.640 million. The delivery of the Housing Capital Programme for 2021/2022 has been affected by the pandemic. Part of this underspend relates to the New Housing Supply Programme, and this was solely due to the volume of buy backs, which was lower than targeted levels due to current market conditions. The remainder of the underspend relates to our ongoing investment in stock, which has been affected by the Covid-19 restrictions.
- 4.3. Housing and Technical Resources have also received additional one-off income totalling £6.166 million in relation to Renewable Heating Initiative / Feed in Tariffs, land sales, developer contributions and Scottish Government Grants. This will be added to the overall funding available for the Housing Programme.

- 4.4. Taking into account the year-end underspend position of £6.459 million (section 4.2) and the additional income of £6.166 million (section 4.3), means a carry forward of £12.625 million. Further analysis of this budget confirmed that £6.820 million is required in 2022/2023, with the remainder being carried forward into future years.
- 4.5. The budgeted programme for 2022/2023 is £52.230 million. In addition to the carry forward of £6.820 million noted at section 4.4, the Capital Programme for 2022/2023 has been increased by a further £7.311 million to reflect additional expenditure on new build homes at East Whitlawburn. This results in a revised budget for the year of £66.361 million and this is discussed further in the new year monitoring report.
- 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 included 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. 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.
- 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

- Executive Committee, 22 September 2021
- Executive Committee, 29 June 2022

List of Background Papers

- Capital Ledger prints to 31 March 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 2021/22
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2021 TO 31 MARCH 2022

Appendix A

	<u>2021/22</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2021/22</u> <u>Actual to</u> <u>31/03/22</u> <u>£m</u>
EXPENDITURE		
2021/22 Budget including carry forward from 2020/21	79.640	73.181
		<u>2021/22</u> <u>Actual to</u> <u>31/03/22</u> <u>£m</u>
INCOME		
Land Sales		1.536
Capital Funded from Current Revenue		19.637
Prudential Borrowing		39.942
Scottish Government Specific Grant:		
– New Council Houses		5.385
– Land Purchases		0.850
– Open Market Purchase Scheme		1.995
– Mortgage to Rent		0.056
Miscellaneous Income		3.780
TOTAL FUNDING		73.181

HRA Capital Expenditure Profile Graph 21/22

