

Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	30 November 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget Monitoring 2023/2024 - Housing Capital Programme
----------	--

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 2023 to 6 October 2023.

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 6 October 2023 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. 2023/2024 Housing Capital Programme

4.1. 2023/2024 Budget

The revised Housing Capital Programme for 2023/2024 totals £67.443 million reflecting a change to the programme, a decrease of £2.153 million, which has been submitted to the Executive Committee on 22 November 2023 for approval.

4.2. This adjustment of £2.153 million reflects a delay in the development at Brackenhill Farm, Hamilton, where it was anticipated 50 units (£5.502m) would complete this financial year. The developer has advised of utility delays impacting progress and as such, construction has been delayed with the estimated site completion date now October 2024. As a result, £2.153 million of spend has been slipped into the 2024/2025 Capital Programme to better reflect the anticipated timing of spend.

4.3. Programmed funding for the year also totals £67.443 million. The budget, along with a detailed breakdown of the funding sources is included in Appendix A to this report.

4.4. Period 7 Position

Budget for the period is £23.016 million and spend to 6 October 2023 amounts to £23.513 million. This results in the Housing Programme being £0.497 million ahead of

programme. This is due to the number of buy backs, through the open market purchase scheme, which have been progressed earlier than anticipated.

4.5. As at 6 October 2023, £23.513 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. 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)

13 November 2023

Link(s) to Council Values/Priorities/Outcomes

- Accountable, effective, efficient and transparent

Previous References

- Executive Committee, 22 November 2023

List of Background Papers

- Capital Ledger prints to 6 October 2023

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

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2023/24
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2023 TO 6 OCTOBER 2023

	<u>2023/24</u> <u>Original</u> <u>Budget</u> £m	<u>2023/24</u> <u>Revised</u> <u>Budget</u> £m	<u>2023/24</u> <u>Budget to</u> <u>06/10/23</u> £m	<u>2023/24</u> <u>Actual to</u> <u>06/10/23</u> £m
Expenditure				
2023/24 Budget	63.916	67.443	23.016	23.513

	<u>2023/24</u> <u>Original</u> <u>Budget</u> £m	<u>2023/24</u> <u>Revised</u> <u>Budget</u> £m	<u>2023/24</u> <u>Actual to</u> <u>06/10/23</u> £m
Income			
Capital Receipts	0.000	1.683	1.901
Capital Receipts – Land Sales	0.000	0.000	0.016
Capital Funded from Current Revenue	27.162	27.162	15.149
Prudential Borrowing	17.302	23.166	0.000
Scottish Government Specific Grant:			
- New Build	16.632	10.048	6.316
- Open Market Purchase Scheme	2.700	5.264	0.000
- Mortgage to Rent	<u>0.120</u>	<u>0.120</u>	<u>0.131</u>
	<u>63.916</u>	<u>67.443</u>	<u>23.513</u>

HOUSING CAPITAL PROGRAMME 2023/2024

EXECUTIVE SUMMARY

PERIOD ENDED 6 OCTOBER 2023

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	-	5	9	12	13	16	20							
Projects on Programme	-	96	89	92	93	101	96							
Projects Behind Programme	-	7	7	4	5	4	6							
Projects Altered Brief/Programme	-	2	6	4	7	1	3							
Projects Still to Commence	-	25	27	27	28	24	23							
	-	135	138	139	146	146	148							
<u>Project Status</u>														
Design Feasibility	-	68	63	59	66	56	49							
Sketch Design	-	-	1	1	1	1	1							
Detailed Design	-	-	-	-	-	-	-							
Production Information	-	8	10	13	12	12	12							
Tendering	-	29	32	31	30	38	45							
On Site	-	25	23	23	24	23	21							
Complete	-	5	9	12	13	16	20							
	-	135	138	139	146	146	148							

Housing Capital Programme 2023/2024

Build Variance Explanations

<u>Project Name</u>	<u>Status</u>	<u>Variance Explanation</u>
Glebe Court, Lanark - Replacement of Communal Boiler & Heating Controls	Behind Programme	This project is behind programme as a result of a delay in issuing the tender.
Kirkton Place, East Mains, East Kilbride - External Fabric (Completion Project)	Behind Programme	This project is behind programme due to a delay in issuing the tender because of contract clauses requiring to be updated to reflect the revised framework.
Kilncroft Terrace, Douglas - External Fabric	Behind Programme	This project is behind programme due to the discovery of bats.
Various Properties - East Kilbride Area - Window & Door Replacement	Behind Programme	This project is behind programme due to a delay with the delivery of materials.
Headhouse Court Sheltered Housing - Internal Area Upgrade	Behind Programme	This project is behind programme due to issues with door manufacturing, which have subsequently caused delays with other trades.
Strutherhill Zone B - External Fabric Repairs	Behind Programme	This project is behind programme due to adverse weather conditions.

HRA Capital Expenditure Profile Graph 23/24

