

# Report

Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>16 September 2020</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Capital Budget Monitoring 2020/2021 - Housing and Technical Resources (Housing Revenue Account)</b>
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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 2020 to 19 June 2020.

## **2. Recommendation(s)**

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

- (1) that the Housing and Technical Resources (HRA) capital programme of £97.303 million, and expenditure of £3.357 million be noted.

## **3. Background**

- 3.1. This is the first capital monitoring report presented to the Housing and Technical Resources Committee for the financial year 2020/21.
- 3.2. The budget reflects the approved programme for the year, as approved by South Lanarkshire Council on 26 February 2020.
- 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 2020/21 totals £97.303 million and is detailed along with the funding sources at Appendix A to this report.
- 5.2. The delivery of the HRA Capital Programme for 2020/21 has been affected by the lockdown due to COVID-19. Since the lockdown occurred, little progress has been made on the original planned HIP and New Build Programmes, with sites being temporarily closed down.
- 5.3. As lockdown eases, the HRA Capital Programme is being reviewed to provide a realistic estimate of anticipated spend levels for 2020/2021. The estimates will reflect the initial lockdown delay, along with the ongoing implications of the requirements of social distancing, as sites get back up and running. Details will be

reported through the agreed Recovery Board arrangements and thereafter to a future meeting of this Committee.

- 5.4. The actual spend to 19 June is £3.357m. In addition to the planned works, there will be higher costs incurred reflecting the overheads from Property Services which will require to be recovered. For HRA capital this is estimated at around £2.185m at present. This is included in actual spend of £3.357m.

**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 that there 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.

**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)**

**Daniel Lowe**

**Executive Director (Housing and Technical Resources)**

6 August 2020

**Link(s) to Council Values/Ambitions/Objectives**

- Accountable, Effective, Efficient and Transparent

**Previous References**

- Executive Committee, 12 August 2020
- Housing & Technical Committee, 17 June 2020

**List of Background Papers**

- Financial ledger to 19 June 2020

**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
<b>Anticipated Capital Expenditure 2020/21</b>		<b>97.303</b>
<b>Estimated Financing Position 2020/21</b>		
Capital Receipts – Land Sales	0.000	
Capital Financed From Current Revenue	19.448	
Prudential Borrowing	53.089	
Specific Grant – Scottish Government New Council Houses	22.846	
Specific Grant – Scottish Government Buy Backs	1.800	
Specific Grant – Scottish Government Mortgage to Rent	0.120	
Other Income	0.000	
		<b><u>97.303</u></b>
<b>Actual Expenditure to 19 June 2020</b>		<b>3.357</b>
<b>Actual Financing Position to 19 June 2020</b>		
Capital Receipts – Land Sales	0.000	
Capital Financed From Current Revenue	3.357	
Prudential Borrowing	0.000	
Specific Grant – Scottish Government New Council Houses	0.000	
Specific Grant – Scottish Government Buy Backs	0.000	
Specific Grant – Scottish Government Mortgage to Rent	0.000	
Other Income	0.000	
		<b><u>3.357</u></b>