

# Report

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Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>22 August 2018</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Capital Budget Monitoring 2018/2019 - Housing and Technical Resources (HRA)</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 to 22 June 2018

## 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 £53.664 million, and expenditure of £7.533 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 2018/2019. Further reports will follow throughout the year.
- 3.2. The budget reflects the original approved programme for the year (Council, 28 February 2018), exceptions approved during 2017/2018 and monies carried forward from 2017/2018. It also includes budget adjustments approved by the Executive Committee during 2018/2019 up to and including its meeting on 15 August 2018.
- 3.3. The report details the financial position for Housing and Technical Resources (HRA) on Appendix A.

## 4. Employee Implications

4.1. None.

## 5. Financial Implications

- 5.1. The original budget for the year of £44.935 million was approved by the Council on 28 February 2018.
- 5.2. On the 27 June 2018, the Executive Committee approved the following amendments to the overall Housing Capital Programme:-
  - ◆ a net carry forward of £5.860 million from 2017/2018;
  - ◆ the Council House New Build programme is continuing and the revised profile of expenditure projected for 2018/2019 will include an additional £2.269 million which will be funded by Scottish Government Grant of £2.269 million;

- ◆ £0.600 million be added to the Open Market Purchase property targets which will be funded by Scottish Government Grant £0.300 million and an additional £0.300 million being met from borrowing.

5.3. Taking into account the adjustments noted at sections 5.1 – 5.2. above, results in a revised 2018/2019 capital programme for Housing and Technical Resources (HRA) of £53.664 million.

5.4. Anticipated spend to 22 June 2018 was £7.533 million and £7.533 million has been spent (14.04% of full budget). This represents a breakeven position.

## **6. Other Implications**

6.1. 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.

6.2. There are no implications for sustainability in terms of the information contained in this report.

## **7. Equality Impact Assessment and Consultation Arrangements**

7.1. 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.

7.2. 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)**

18 July 2018

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

- ◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

- ◆ Council, 28 February 2018
- ◆ Executive Committee, 27 June 2018

### **List of Background Papers**

- ◆ Financial ledger to 22 June 2018

### **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 2018/19</b>		
		<b>53.664</b>
<b>Estimated Financing Position 2018/19</b>		
1. Capital Receipts – House Sales	0.000	
2. Capital Receipts – Land Sales	2.000	
3. Capital Financed From Current Revenue	23.730	
4. Prudential Borrowing	21.602	
5. Specific Grant – Scottish Government New Council Houses	4.963	
6. Specific Grant – Scottish Government Mortgage to Rent	0.120	
7. Specific Grant – Scottish Government Open Market Purchase Scheme	0.900	
8. Specific Grant – Scottish Natural Heritage	0.349	
		<b><u>53.664</u></b>
<b>Actual Expenditure to 22 June 2018</b>		<b>7.533</b>
<b>Actual Financing Position to 22 June 2018</b>		
1. Capital Receipts – House Sales	0.064	
2. Capital Receipts – Land Sales	0.023	
3. Capital Financed From Current Revenue	7.446	
4. Prudential Borrowing	0.000	
5. Specific Grant – Scottish Government New Council Houses	0.000	
6. Specific Grant – Scottish Government Mortgage to Rent	0.000	
7. Specific Grant – Scottish Government Open Market Purchase Scheme	0.000	
8. Specific Grant – Scottish Natural Heritage	0.000	
		<b><u>7.533</u></b>