



Report

Report to: **Financial Resources Scrutiny Forum**
 Date of Meeting: **11 November 2021**
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Capital Budget Monitoring 2021/2022 - 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 2021 to 10 September 2021.

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 10 September 2021 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. Housing Capital Programme 2021/2022

4.1. **2021/22 Budget:** The revised Housing Capital Programme for the year was £79.640 million, as approved by the Executive Committee on 22 September 2021.

4.2. Programmed funding for the year also totals £79.640 million. The funding sources are also detailed in Appendix A.

4.3. The timescales for some projects within the Housing Investment Programme (HIP) have changed and the financial programme has been amended to reflect these changes. The impact of material shortages and price increases will continue to be monitored on a project by project basis.

4.4. **Period 6 Position:** Appendix A also shows the position on the Housing Programme as at 10 September 2021. Budget for the period is £31.798 million and spend to 10 September 2021 amounts to £31.657 million, an underspend of £0.141 million.

4.5. As at 10 September 2021, actual funding of £31.657 million 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.
- 8.2. The Coronavirus (COVID-19) Pandemic has led to materials shortages, longer lead times and steep price increases and this will continue to impact the supply chain for the foreseeable future. The impact of this will 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)

26 October 2021

Link(s) to Council Values/Ambitions/Objectives

- Accountable, Effective and Efficient and Transparent

Previous References

- Executive Committee, 22 September 2021
- Executive Committee, 3 November 2021

List of Background Papers

- Capital Ledger prints to 10 September 2021

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)

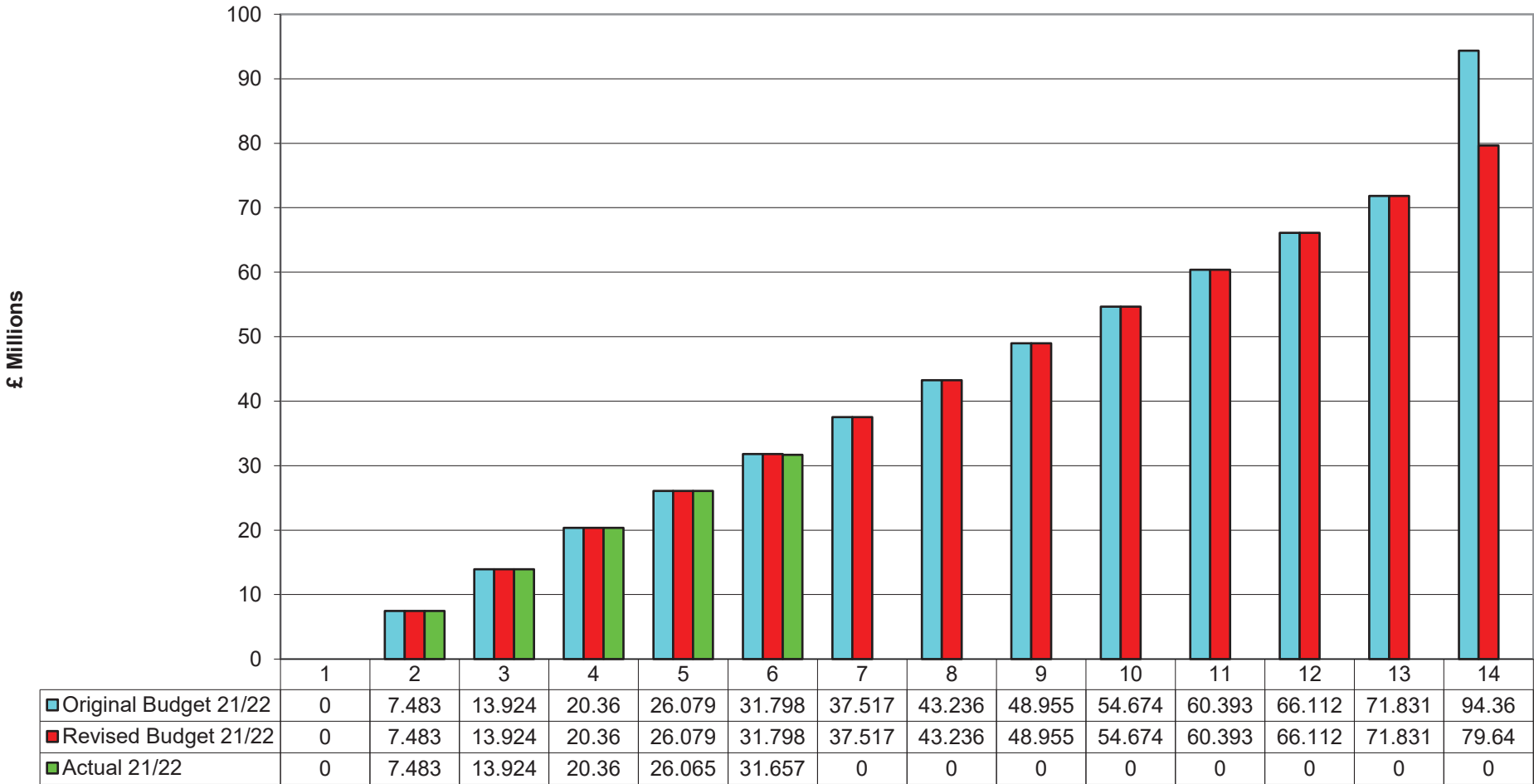
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SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2021/22
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2021 TO 10 SEPTEMBER 2021

Appendix A

	<u>2021/22</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2021/22</u> <u>Budget to</u> <u>10/09/21</u> <u>£m</u>	<u>2021/22</u> <u>Actual to</u> <u>10/09/21</u> <u>£m</u>
Expenditure			
2021/2022 Budget inc carry forward from 2020/21	79.640	31.798	31.657
Income	<u>2021/22</u> <u>Annual</u> <u>Budget</u> <u>£m</u>		<u>2021/22</u> <u>Actual to</u> <u>10/09/21</u> <u>£m</u>
Capital Funded from Current Revenue	19.637		19.637
Prudential Borrowing	50.532		10.332
Scottish Government Specific Grant			
- New Build	7.191		1.688
- Open Market Purchase Scheme	2.160		0.000
- Mortgage to Rent	0.120		0.000
	79.640		31.657

HRA Capital Expenditure Profile Graph 21/22



HOUSING CAPITAL PROGRAMME 2021/22**EXECUTIVE SUMMARY****PERIOD ENDED 10 SEPTEMBER 2021****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	6	6	7	7								
Projects on Programme	-	114	127	123	122	129								
Projects Behind Programme	-	6	6	2	6	2								
Projects Altered Brief/Programme	-	6	5	6	4	13								
Projects Held	-	38	26	32	31	24								
	-	169	170	169	170	175								
<u>Project Status</u>														
Design Feasibility	-	58	63	58	59	64								
Sketch Design	-	-	-	-	-	-								
Detailed Design	-	1	-	1	1	1								
Production Information	-	14	12	11	8	8								
Tendering	-	50	48	45	48	42								
On Site	-	41	41	48	47	53								
Complete	-	5	6	6	7	7								
	-	169	170	169	170	175								

Housing Capital Programme 2021/22

Build Variance Explanations

<u>Project Name</u>	<u>Status</u>	<u>Variance Explanation</u>
Alberta Park Sheltered Housing Complex – Internal Area Upgrade	Behind Programme	Delays experienced due to queries regarding the tender exercise.
Various Properties SLC – Installation of Air Source Heat Pump	Behind Programme	Delays experienced due to supply chain issues.