



Report

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| Report to: | Financial Resources Scrutiny Forum |
| Date of Meeting: | 10 February 2022 |
| Report by: | Executive Director (Finance and Corporate Resources) |

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|----------|--|
| 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 of progress on the Council's Housing Capital Programme for the period covering 1 April 2021 to 31 December 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 31 December 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. There have been no new approved adjustments to this programme.
- 4.2. Programmed funding for the year also totals £79.640 million. The funding sources are also detailed in Appendix A.
- 4.3. The impact of material shortages and price increases will continue to be monitored on a project-by-project basis.
- 4.4. **Period 10 Position:** Appendix A also shows the position on the Housing Programme as at 31 December 2021. Budget for the period is £52.174 million and spend to 31 December 2021 amounts to £51.845 million, £0.329 million behind programme.
- 4.5. As at 31 December 2021, actual funding of £51.845 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)

25 January 2022

Link(s) to Council Values/Ambitions/Objectives

- Accountable, Effective and Efficient and Transparent

Previous References

- Executive Committee, 22 September 2021

List of Background Papers

- Capital Ledger prints to 31 December 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)

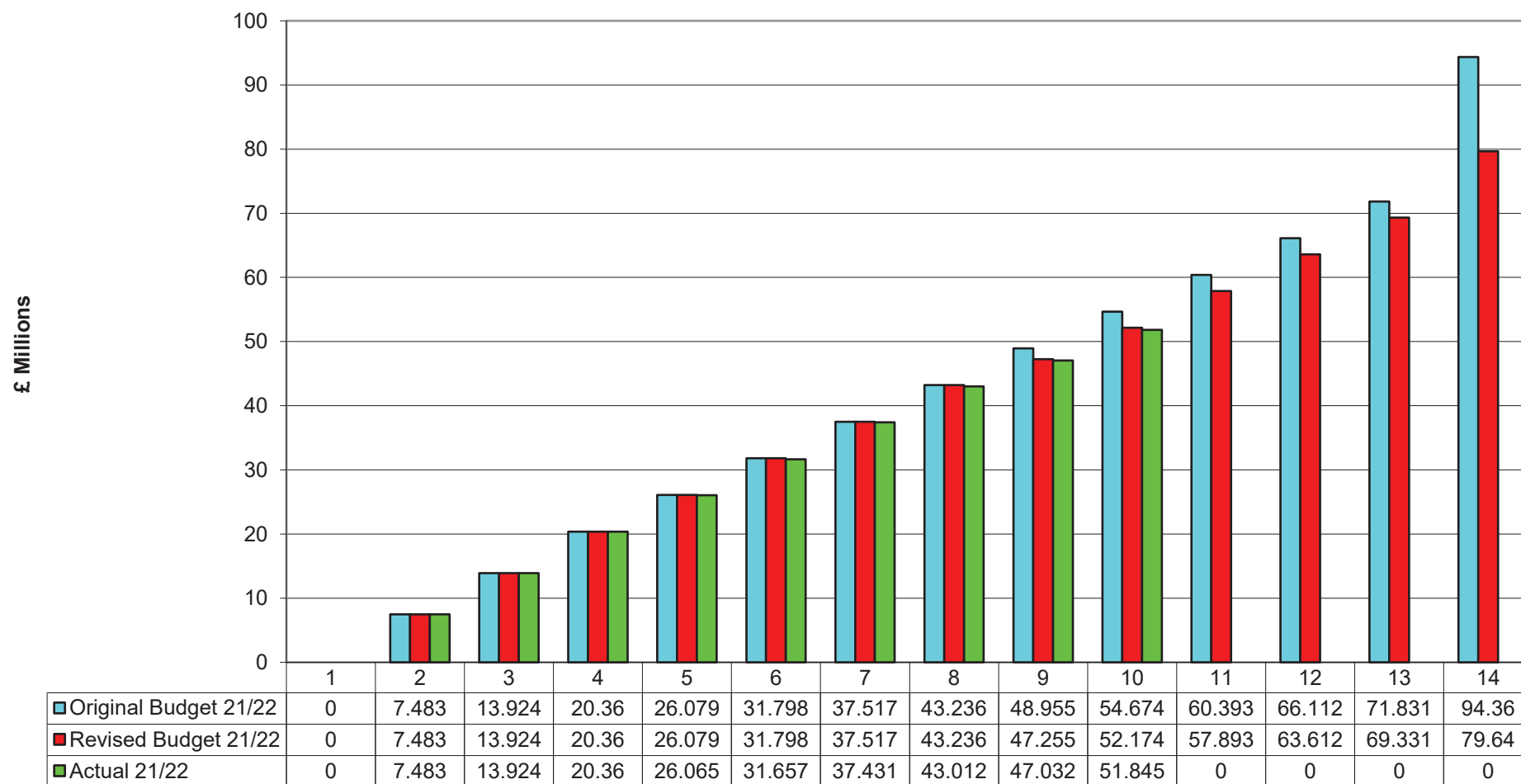
E-mail: jackie.taylor@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2021/22
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2021 TO 31 DECEMBER 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>31/12/21</u> <u>£m</u> | <u>2021/22</u> <u>Actual to</u> <u>31/12/21</u> <u>£m</u> |
|-------------------------------------|---|--|--|
| Expenditure | | | |
| 2021/2022 Budget | 79.640 | 52.174 | 51.845 |
| inc carry forward from 2020/21 | | | |
| | | | |
| Income | <u>2021/22</u> <u>Annual</u> <u>Budget</u> <u>£m</u> | | <u>2021/22</u> <u>Actual to</u> <u>31/12/21</u> <u>£m</u> |
| Capital Funded from Current Revenue | 19.637 | | 19.637 |
| Prudential Borrowing | 50.532 | | 29.607 |
| Scottish Government Specific Grant | | | |
| - New Build | 7.191 | | 2.601 |
| - Open Market Purchase Scheme | 2.160 | | 0.000 |
| - Mortgage to Rent | 0.120 | | 0.000 |
| | 79.640 | | 51.845 |

HRA Capital Expenditure Profile Graph 21/22



HOUSING CAPITAL PROGRAMME 2021/22**EXECUTIVE SUMMARY****PERIOD ENDED 31 DECEMBER 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 | 11 | 13 | 16 | 18 | | | | |
| Projects on Programme | - | 114 | 127 | 123 | 122 | 129 | 130 | 126 | 121 | 117 | | | | |
| Projects Behind Programme | - | 6 | 6 | 2 | 6 | 2 | 2 | 3 | 6 | 6 | | | | |
| Projects Altered Brief/Programme | - | 6 | 5 | 6 | 4 | 13 | 3 | 9 | - | - | | | | |
| Projects Held | - | 38 | 26 | 32 | 31 | 24 | 29 | 25 | 34 | 36 | | | | |
| | - | 169 | 170 | 169 | 170 | 175 | 175 | 176 | 177 | 177 | | | | |
| <u>Project Status</u> | | | | | | | | | | | | | | |
| Design Feasibility | - | 58 | 63 | 58 | 59 | 64 | 61 | 60 | 59 | 58 | | | | |
| Sketch Design | - | - | - | - | - | - | 2 | 1 | - | - | | | | |
| Detailed Design | - | 1 | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | | | |
| Production Information | - | 14 | 12 | 11 | 8 | 8 | 7 | 9 | 8 | 8 | | | | |
| Tendering | - | 50 | 48 | 45 | 48 | 42 | 40 | 39 | 36 | 36 | | | | |
| On Site | - | 41 | 41 | 48 | 47 | 53 | 53 | 53 | 57 | 56 | | | | |
| Complete | - | 5 | 6 | 6 | 7 | 7 | 11 | 13 | 16 | 18 | | | | |
| | - | 169 | 170 | 169 | 170 | 175 | 175 | 176 | 177 | 177 | | | | |

Housing Capital Programme 2021/22

Build Variance Explanations

| <u>Project Name</u> | <u>Status</u> | <u>Variance Explanation</u> |
|--|----------------------|---|
| Bosfield Place Sheltered Housing Complex – Internal Area Upgrade | Behind Programme | Delays experienced due to resourcing issues. |
| Calderwood Multi-Storey Blocks | Behind Programme | Delays experienced with the procurement route, due to the specialist nature of the works. |
| 11 & 13 Sweethope Place, Bothwell | Behind Programme | Delays experienced due to resourcing issues. |
| St Joseph Primary Site, Blantyre – New Build Housing | Behind Programme | Contractor has revised the programme due to material and staffing supply issues associated with Covid-19. |
| Completion of HEEPS Phase 7 – External Wall Insulation | Behind Programme | Delays experienced due to supply chain issues with materials. |
| Shawlands Crescent, Larkhall & Springbank Park, EK, Travelling Person Sites – External Wall Insulation | Behind Programme | Project has been delayed due to electrical contractor's resourcing issues. |