

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	10 August 2022
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)

Subject:	Capital Budget Monitoring 2021/2022 - Housing and Technical Resources (excl Housing Revenue Account)
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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 (excl HRA) for the period 1 April 2021 to 31 March 2022.

2. Recommendation(s)

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

- (1) that the Housing and Technical Resources (excl HRA) capital programme of £6.801 million and expenditure for the year of £5.484 million, be noted.

3. Background

3.1. This is the final capital monitoring report presented to the Housing and Technical Resources Committee for the financial year 2021/2022.

3.2. As noted in the last report to this Committee (8 December 2021), the budget for Housing and Technical Resources for financial year 2021/2022, including carry forward, was £8.146 million.

3.3. Since that meeting, the Executive Committee (2 February 2022) has also agreed changes to the Housing and Technical Resources Capital Programme totalling a net decrease of £1.345 million. The details are shown in Appendix A. This takes the Housing and Technical Resources programme for 2021/2022 to £6.801 million.

3.4. The report details the financial position for Housing and Technical Resources in Appendix A.

4. 2021/2022 Capital Programme – Final Position

4.1. As detailed in Section 3.3, the revised capital programme for Housing and Technical Resources for 2021/2022 was £6.801 million. Total expenditure to 31 March 2022 was £5.484 million, a difference of £1.317 million on the programme of £6.801 million.

- 4.2. The programme underspend of £1.317 million is mainly due to the timing of project spend on a number of projects within multi-year programmes. The main projects which are responsible for the underspend are: Prioritised Urgent Investment (£0.249m), Lifecycle Replacement Schools (£0.246m), Community Facilities Fund (£0.100m), Civic Centre Fabric Upgrade (£0.317m) and Central Energy Efficiency Fund (£0.367m) along with other minor movements.
- 4.3. Any underspend on these projects, along with the funding, will carry forward into next financial year as required. An update on the 2022/2023 programme is detailed in a separate report to this Committee.
- 4.4. While sections 4.1 to 4.3 detail the position on the capital programme as set, Accounting Regulations mean that adjustments are required to report spend correctly as either capital or revenue for the purposes of publishing our Annual Accounts. This includes where spend is in relation to assets that are not owned by the Council and where the spend must be classed as revenue. There is no operational impact for projects from this adjustment, it is an accounting entry only.
- 4.5. £0.036 million of capital spend is required to be recorded as revenue spend. This transfer means that, for the purpose of publishing our Annual Accounts only, there is capital spend of £5.448 million.

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 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 4-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 an 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)

Daniel Lowe

Executive Director (Housing and Technical Resources)

20 July 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Housing and Technical Resources Committee, 8 December 2021
- ◆ Executive Committee, 2 February 2022

List of Background Papers

- ◆ Financial ledger to 31 March 2022

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Appendix A

South Lanarkshire Council Capital Expenditure 2021-2022 Housing and Technical Resources Programme (excl HRA) For Period 1 April 2021 – 31 March 2022

<u>Housing and Technical Resources (excl HRA)</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Anticipated Spend £000	Actual Expenditure £000
Office Accommodation	7,828	(455)	(1,480)	5,893	5,893	4,943
Private Housing Scheme of Assistance	0	0	0	0	0	0
Other Housing	559	349	0	908	908	541
TOTAL	8,387	(106)	(1,480)	6,801	6,801	5,484

Accounting Adjustments

Less Transfers to Revenue	(36)
Add Transfers to Capital	-
2021/22 Outturn Position (Accounting Basis Only)	5,448

For Information Only

Budget Adjustments approved by Executive Committee 2 February 2022:

Budget Adjustments

Prioritised Urgent Investment Fund	(£0.680m)
Prioritised Urgent Investment Fund – Law Football Pavilion Upgrade and drainage to Sports Pitches	(£0.015m)
Principal Offices – Fabric and Service Investment	(£0.650m)
Total Budget Adjustments	(£1.345m)