

REPORT TO: CITY GOVERNANCE COMMITTEE – 21 AUGUST 2023

REPORT ON: CAPITAL EXPENDITURE MONITORING 2023/24

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 212–2023

1 PURPOSE OF REPORT

1.1 To appraise Elected Members of the latest position regarding the Council's Capital Plan 2023-28.

2 RECOMMENDATION

2.1 It is recommended that the Committee note the latest position regarding the Council's Capital Plan 2023-28.

3 FINANCIAL IMPLICATIONS

3.1 This report shows the latest projections for 2023/24 expenditure and total cost as at 30 June 2023.

Appendix 1, which details the General Services position to the end of June 2023, shows a revised projected outturn for 2023/24 of £97.823m, a decrease of £5.469m since the Capital Plan 2023-28 was approved at Policy and Resources Committee on 21st November 2022 (Report 309-2022, Article VIII refers).

Appendix 3, which details the Housing HRA position to the end of June 2023, shows a revised projected outturn for 2023/24 of £29.522m a decrease of £0.213m since the last the Capital Plan 2023-28 was approved at Policy and Resources Committee on 21st November 2022 (Report 309-2022, Article VIII refers).

An explanation of the major variances is shown in Section 5 and 6 of the report.

4 BACKGROUND

4.1 The Capital Plan 2023-28 was approved at Policy and Resources Committee on 21 November 2022 (Report 309-2022, Article VIII refers).

In addition to monitoring the in-year budget (i.e. 2023/24) the total projected cost of each project will be monitored against the cost when the tender acceptance was approved at Committee. Furthermore, the projected completion date for each project will be monitored against the completion date as anticipated when the tender report was approved. The capital programme is being monitored in conjunction with the Council's asset managers.

The Housing HRA Capital Programme 2023/24 was approved as part of the Capital Plan 2023-28 which was approved at Policy and Resources Committee on 21 November 2022 (Report 309-2022, Article VIII refers). In addition, the Housing HRA Capital Budget reflects information contained in Scottish Housing Quality Standard submission.

Officers within services continue to review the capital programme of works and prioritising those projects that can realistically be progressed during the current year. There is a risk of further slippage in the capital programme, as the Council reacts to the market conditions currently affecting the construction industry. Updated projections will be incorporated into future capital monitoring reports.

4.2 Local Authorities from 1 April 2004 are required, by Regulation, to comply with the Prudential Code under Part 7 of the Local Government Act 2003. The Capital Budget for 2023/24m is being monitored within the framework of the updated Prudential Code 2021.

4.3 The Capital Monitoring report provides detailed information on major projects and programmes contained within the Capital Budget and the impact of expenditure movements on future financial years.

5 GENERAL SERVICES CURRENT POSITION

- 5.1 Appendix 2 details the latest projected outturn for major projects and programmes, both for 2023/24 and for the whole project life-span. In addition, the Appendix monitors project timescales. In some instances, it is not possible to provide approved or projected total project costs and timescales due to the project being a block programme containing various smaller projects within it. In these cases, the total cost is assumed to be the budgeted figure plus previous year actuals. The projected completion date is assumed to be the end of the financial year.

Appendix 1 summarises the total gross expenditure for 2023/24 and how this expenditure is funded. The projected budgeted capital expenditure is 100% of the projected capital resources. Project cashflows, for phasing of budgets, are constantly being reviewed. Actual expenditure to 30 June is 8% of the Revised Budget 2023/24 compared to 5% for the same period last year.

The overall net reduction in the projected outturn for 2023/24 reflects planned additional expenditure offset mainly by programme slippage. Key variations are as follows and details are provided in subsequent paragraphs.

Additional planned expenditure includes:

- Projects carried forward from 2022/23 (£14.517m);
- Cycling Walking and Safer Streets (£0.943m);
- Low Carbon Transport (£0.565m);
- Broughty Ferry to Monifieth Active Travel Improvements (£3.874m).

Slippage and reductions in planned expenditure include:

- East End Community Campus (£5.714m);
- Hydrogen Low Carbon Transport Initiative (£3.000m);
- Baldovie Depot Redevelopment (£4.836m);
- Free School Meals Expansion (£0.368m);
- Vehicle Fleet and Infrastructure (£1.300m);
- DCA Lifecycle Plant Replacement Programme (£4.392m);
- Property Lifecycle Development Programme (£1.150m);
- Dundee Ice Arena (£0.480);
- Depot Rationalisation Programme (£2.392m);
- Parks & Open Spaces (£0.400m); and
- Demolition of Surplus Properties (£0.900m).

5.2 2023/24 Expenditure Variations

Appendix 1, which details the position to the end of June 2023, shows a revised projected outturn for 2023/24 of £97.823m, a decrease of £5.469m since the Capital Plan 2023-28 was approved at Policy and Resources Committee on 21st November 2022 (Report 309-2022, Article VIII refers). The main reasons for the movement are detailed in points 5.2.1 to 5.2.15 below:

- 5.2.1 Additional expenditure of £14.517m on various projects across the Capital Programme to take account of slippage within the 2022/23 Capital Programme since the Capital Plan 2023-28 was approved in November 2022 (Report 309-2022, Article VIII refers), and is required to be carried forward into 2023/24. This budgeted expenditure will be funded from a combination of borrowing and grants and contributions
- 5.2.2 School Estate Investment – East End Community Campus (Reduce Child Poverty and Inequalities in Incomes, Education and Health) - Reduction in projected expenditure of £5.714m in 2023/24 The budget has been rephased to reflect the latest contract cashflow projections. The revised phasing does not impact the delivery programme or completion date. The budget will be required in 2024/25 & 2025/26. There will be a reduction in borrowing in 2023/24 and a corresponding increase in future years.
- 5.2.3 Cycling, Walking, Safer Routes (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional Expenditure of £0.943m in 2023/24. The expenditure is funded by a grant from the Scottish Government. The purpose of the grant is to be used for undertaking a programme of works for local cycling, walking and safer routes. There will be no impact on the Council's level of borrowing.

- 5.2.4 Low Carbon Transport (Green Transport Hub & Spokes) (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional expenditure of £0.565m in 2023/24. The expenditure will be funded through the UK Government’s Levelling Up Fund. The funding will be used to undertake significant upgrades to the existing Bell St multi-storey car park to deliver an attractive and fit for purpose sustainable transport hub.
- 5.2.5 Low Carbon Transport Initiative – Hydrogen (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Reduction in projected expenditure of £3.0m in 2023/24. This expenditure is funded by a grant from Scottish Government. The original aim of the project was to develop and deploy hydrogen fuel cell buses in Dundee with supporting hydrogen infrastructure. Despite good progress towards financial close, significant changes in the commercial structure of the project have meant the project cannot progress in the planned structure and meet the key milestones attached to the JIVE2 funding. The project board approved closure of the project and the return of the funding to the original funders.
- 5.2.6 Baldovie Depot Redevelopment (Reduce Child Poverty and Inequalities in Incomes, Education & Design a Modern Council) – Reduction in projected expenditure of £4.836m in 2023/24. The work has been delayed due to existing site constraints due to flood risk assessment report, and the subsequent requirement to identify an alternative site. An alternative site has now been identified. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.7 Free School Meals Expansion (Reduce Child Poverty and Inequalities in Incomes, Education and Health) – Reduction in projected expenditure of £0.368m in 2023/24). The Council have delivered Universal free school meals to primary 1 to 5. There is still additional equipment and work to be carried out in 6 primaries during 2023/24 which supports the preparation of the expansion to P6 and P7. Budget will be required in future years to carry out significant works in two further primary school dining rooms to accommodate the expected increase in demand. The expenditure is funded by a grant from the Scottish Government for the implementation of school meal expansion for P1-P5 and preparation for expansion to P6 and P7.
- 5.2.8 Vehicle Fleet & Infrastructure (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) - Reduction in projected expenditure of £1.3m in 2023/24. This budget is fully committed for the delivery of the rolling programme of replacements of front-line Council service vehicles. At the moment, there is a lead time of at least 12-24 months on vehicles being built and delivered. Manufacturers are facing unprecedented circumstances such as supply chain disruptions and a worldwide shortage of semi conductor chips. This has caused long lead times across the industry. The budget will be required in 2024/25 when the vehicles will be delivered. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.9 DCA Lifecycle Plant Replacement Programme (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Reduction in projected expenditure of £4.392m in 2023/24. The rephasing of the budget reflects revised delivery timescales, which align with the DCA’s own development plans and minimise disruption. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.10 Property Lifecycle Development Programme (Design a Modern Council) – Reduction in projected expenditure of £1.125m in 2023/24. The scoping and development of the various projects has been impacted by the current economic climate and available resources. The budget will be required in 2024/25 when the projects will be progressed. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.11 Dundee Ice Arena (Design a Modern Council) – There is a reduction in projected expenditure of £0.480, in 2023/24. The reduction in budget reflects the phasing for the current programme of works and development of the future capital programme at the Ice Arena. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.

- 5.2.12 Broughty Ferry to Monifieth Active Travel Improvements (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional expenditure of £3.874m in 2023/24. Additional funding has been secure from Sustrans to enable the various stages of the active travel improvements, to be completed.
- 5.2.13 Depot Rationalisation Programme (Design a Modern Council) – Reduction in projected expenditure of £2.392m in 2023/24. The reduction in budget reflects the latest timescales for the programme of depot rationalisation. The budget will be required in future years. There will be a reduction in borrowing in 2023/24 and a corresponding increase in future years.
- 5.2.14 Parks & Open Spaces (Build Resilient and Empowered Communities)- Reduction in projected expenditure of £0.400m in 2023/24 on Additional Improvements to Playparks and Play Equipment. A programme of improvements is being progressed, but prioritisation is given to spending the capital grant funded projects first, as no carry forward of grant is permitted. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.15 Demolition of Surplus Properties (Deliver Inclusive Economic Growth) – Reduction in projected expenditure of £0.900m in 2023/24. The Budget has been adjusted to reflect project delivery, aligned with Property Asset Management requirements. The budget will be required in future years. There will be a reduction in borrowing in 2023/24 and a corresponding increase in future years.
- 5.3 Projected capital expenditure as a percentage of projected capital resources is currently standing at 100%. Project cashflows, for phasing of budgets, are constantly being reviewed.
- 5.4 The table below shows the latest position regarding the capital resources for funding of the 2023/24 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	64.159	(3.605)	60.554	60.554	-
General Capital Grant	13.150	(572)	12.578	12.578	-
Capital Grants & Contributions	12.146	7.350	19.496	19.496	-
Capital Receipts – Sale of Assets	3.000	(1.198)	1.802	1.802	-
Capital Financed from Current Revenue	1.401	(3)	1.398	1.398	-
Capital Fund	<u>2.436</u>	<u>(441)</u>	<u>1.995</u>	<u>1.995</u>	-
	<u>96.292</u>	<u>1.531</u>	<u>97.823</u>	<u>97.823</u>	<u>-</u>

- 5.4.1 Capital receipts – Sale of Assets – Reduction in projected capital receipts of £1.198m in 2023/24. The figure has been reduced to reflect the volatility in the housing market, due to interest rates and rising costs, and current economic uncertainties. This is being managed in the current year by the slippage being reported this month (in para 5.2 above). The overall target for capital receipts is being reviewed, in light of the current economic climate, and any necessary revisions will be made when the Capital Plan is next reviewed, when either an alternative funding source identified or savings identified from within the current Capital Plan, to cover any overall shortfall, over the period of the Capital Plan.
- 5.4.2 General Capital Grant – Reduction in projected capital grant of £0.572m in 2023/24, compared to the allowance included in the Capital Plan. The General Capital Grant received from Scottish Government is reduced based on their award letter. The budget is being reviewed and alternative sources of funding are being identified and or budgets reviewed to ensure that overall there is sufficient funding to match projected expenditure in 2023/24. Going forward the figures included in the Capital Plan for General Capital Grant, will have to be reviewed in light of the projected reductions to the grant figure, as indicated by Scottish Government.

5.4.3 Over the last 5 years the actual outturns achieved have been: -

	£m
2019/20	50.172
2020/21	39.537
2021/22	45.038
2022/23	44.086
2023/24 (Projected)	97.823

5.5 Projected Total Cost Variations

5.5.1 School Estate Investment – East End Community Campus (Reduce Child Poverty and Inequalities in Incomes, Education and Health) - Additional expenditure of £13.986m. The increased cost reflects the tendered cost for delivering the new school, as agreed at Policy and Resources Committee on 27 March 2023 (Report 106-2023 – Article II refers). The additional expenditure is being funded from a combination of additional funding from Scottish Government, and revenue budget savings, from the merger of the schools (to finance the capital financing costs), and the Capital Contingency Budget.

5.5.2 Low Carbon Transport (Green Transport Hub & Spokes) (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional expenditure of £14.400m. The project is funded through the UK Governments Levelling Up Fund, of £14.400m, with a 10% match from the Councils Capital Plan. The project will undertake significant upgrades to the existing Bell Street multi storey car park to deliver an attractive and fit for purpose sustainable transport hub.

5.6 Completion Date Variations (this compares the estimated completion date as per the tender acceptance report to the actual completion date)

5.6.1 Dundee on Street Residential Charging Points Scheme (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045 – Other Projects). The project was originally due to be completed by end of March 2023, but a delay in sourcing the components and equipment relating to the project has caused the delay. The estimated completion date is now anticipated to be the end of September 2023.

Officers are constantly reviewing the capital programme to ascertain the impact of global supply chain issues on the timescales for delivering projects. Officers will report any further revisions to estimated completion dates in future capital monitoring reports.

6 **HOUSING HRA - CURRENT POSITION**

6.1 2023/24 Expenditure Variations

Appendix 2 details the latest projected outturn for each project, both for 2023/24 and for the whole project life-span. In addition, the Appendix monitors project timescales. In some instances, it is not possible to provide approved or projected total project costs and timescales due to the project being a block programme containing various smaller projects within it. In these cases, the total cost is assumed to be the budgeted figure plus previous year actuals. The projected completion date is assumed to be the end of the financial year.

Appendix 3 summarises the total gross expenditure for 2023/24 and how this expenditure is funded. The projected budgeted capital expenditure is 100% of the projected capital resources. Project cashflows, for phasing of budgets, are constantly being reviewed. Actual expenditure to 30 June 2023 is 6% of the Revised Budget 2023/24 compared to 3% for the same period last year.

6.2 Appendix 3, which details the Housing HRA position to the end of June 2023, shows a revised projected outturn for 2023/24 of £29.522m a decrease of £0.213m since the last the Capital Plan 2023-28 was approved at Policy and Resources Committee on 21st November 2022 (Report 309-2022, Article VIII refers). The main reasons for the movement are detailed in points 6.2.1 to 6.2.2 below:

- 6.2.1 Energy Efficiency - External Insulation and Cavity Fill (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) - The projected expenditure has decreased by £1.573m in 2023/24. The reduction in budget reflects the latest timescales for the programme. The budget will be required in future years. There will be a reduction in borrowing in 2023/24 and a corresponding increase in future years
- 6.2.2 Increased Supply of Council Housing (Build Resilient and Empowered Communities) – The projected expenditure has increased by £1.066m in 2023/24. The increase in expenditure is mainly due to predicted cost increases on the Blackness Road Project due to increased build costs since the COVID19 pandemic.
- 6.3 Projected capital expenditure as a percentage of projected capital resources is currently standing at 100%. Project cashflows, for phasing of budgets, are constantly being reviewed.
- 6.3.1 Capital receipts – Sale of Assets – Reduction in projected capital receipts of £1.187m for land sales estimated to conclude in 2023/24. The figure has been reduced to reflect the volatility in the housing market, due to interest rates and rising costs, and current economic uncertainties. The overall target for capital receipts is being reviewed in light of the current economic climate and any necessary revisions will be made when the Capital Plan is next reviewed.
- 6.4 The table below shows the latest position regarding the funding of the 2023/24 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	22.997	974	23.971	23.971	-
Capital Grants & Contributions	4.265	-	4.265	4.265	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	1.573	(1.187)	386	386	-
Receipts from Owners	450	-	450	450	-
	<u>29.735</u>	<u>(213)</u>	<u>29.522</u>	<u>29.522</u>	<u>-</u>

- 6.4.1 Over the last 5 years the actual outturns achieved have been: -

	£m
2019/20	23.565
2020/21	7.316
2021/22	12.338
2022/23	9.232
2023/24 (Projected)	29.522

6.5 Projected Total Cost Variations

There are no total cost variations to report since the previous capital monitoring report went to committee.

6.6 Completion Date Variations (this compares the estimated completion date as per the tender acceptance report to the actual completion date)

There are no completion date variations to report since the previous capital monitoring report went to committee.

All Housing Capital Projects are continually reviewed across the partnership. Any variations to estimated costs and completion dates will be reported in future capital monitoring reports throughout the year.

7 **RISK ASSESSMENT**

7.1 There are a number of risks which may have an impact on the Capital Expenditure programme. The main areas of risk are identified in Appendix 4 to this report, along with the impact, consequences and controls in place to mitigate the risk together with the mechanisms in place to help mitigate these risks.

8 **POLICY IMPLICATIONS**

8.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

9 **CONSULTATION**

9.1 The Council Leadership Team have been consulted and are in agreement with the content of this report.

10 **BACKGROUND PAPERS**

10.1 None.

ROBERT EMMOTT
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

10 AUGUST 2023

This page is intentionally left blank

2023/24 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 30th JUNE 2023

Appendix 1

	<u>Approved Capital Budget 2023/24 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2023/24 £000</u>	<u>Actual Spend 2023/24 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 30.6.2023 as a % of Revised Budget</u>
GENERAL SERVICES							
<u>Capital Expenditure</u>							
Reduce Child Poverty & Inequalities in Income, Education & Health	37,962	(5,342)	32,620	3,654	32,620	0	11%
Deliver Inclusive Economic Growth	15,300	99	15,399	(119)	15,399	0	-1%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	17,543	2,694	20,237	1,599	20,237	0	8%
Build Resilient and Empowered Communities	8,379	3,780	12,159	713	12,159	0	6%
Design a Modern Council	24,108	(6,700)	17,408	1,625	17,408	0	9%
Capital Expenditure 2023/24	103,292	(5,469)	97,823	7,472	97,823	0	8%
<u>Capital Resources</u>							
Expenditure Funded from Borrowing	64,159	(3,605)	60,554	3,238	60,554		
General Capital Grant	13,150	(572)	12,578	4,231	12,578		
Capital Grants & Contributions - corporate		337	337		337		
Capital Grants & Contributions - project specific	12,146	7,013	19,159	(1,233)	19,159		
Capital Receipts - Sale of Assets	3,000	(1,198)	1,802	50	1,802		
Capital Financed from Current Revenue	1,401	(3)	1,398	123	1,398		
Capital Fund	2,436	(441)	1,995	1,063	1,995		
Capital Resources 2023/24	96,292	1,531	97,823	7,472	97,823		
Capital Expenditure as % of Capital Resources	107%		100%		100%		

REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Appendix 2

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 30/06/2023 £'000	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
MAJOR PROJECTS - Reduce Child Poverty and Inequalities						
Harris Academy Extension	4,356	(420)	3,936	774	3,936	2,012
(Less External Funding)	(4,356)	420	(3,936)	(774)	(3,936)	(777)
School Estate investment-East End Community Campus	32,580	(5,714)	26,866	2,669	26,866	5,680
OTHER PROJECTS - Reduce Child Poverty and Inequalities	1,026	792	1,818	211	1,818	16,780
Net Expenditure	33,606	(4,922)	28,684	2,880	28,684	23,695
Receipts	(4,356)	420	(3,936)	(774)	(3,936)	(777)
Gross Expenditure	37,962	(5,342)	32,620	3,654	32,620	24,472

Note 1

Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/Actual Completion Date
5,174	5,174	Dec-23	Dec-23
(5,174)	(5,174)		
100,800	100,800	Jul-25	Jul-25
18,959	18,810		
119,759	119,610		
(5,174)	(5,174)		
124,933	124,784		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

Appendix 2

DELIVER INCLUSIVE ECONOMIC GROWTH

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 30/06/2023 £'000	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
MAJOR PROJECTS - Deliver Inclusive Economic Growth						
Site 6 South Development - Offices	14,000	20	14,020	61	14,020	1,049
Demolition of Properties & Remediation Works	1,300	(900)	400	7	400	140
OTHER PROJECTS - Deliver Inclusive Economic Growth		979	979	(187)	979	67,355
(Less External Funding)		(341)	(341)		(341)	(9,841)
Net Expenditure	15,300	(242)	15,058	(119)	15,058	58,703
Netted Off Receipts		(341)	(341)		(341)	(9,841)
Gross Expenditure	15,300	99	15,399	(119)	15,399	68,544

Note 1

Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
26,202	26,202	Feb-25	Feb-25
533	533	Mar-24	Mar-24
66,240	68,786		
(7,830)	(10,138)		
85,145	85,383		
(7,830)	(10,138)		
92,975	95,521		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

TACKLE CLIMATE CHANGE AND REACH NET ZERO CARBON EMISSIONS BY 2045

Appendix 2

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2022/23 £000	Expenditure to 30/06/2023 £'000	Projected Outturn 2022/23 £000	Actual Project Cost to 30/06/2023 £000
MAJOR PROJECTS - Tackle Climate Change and Reach Net Zero Emissions by 2045						
Broughty Ferry to Monifieth Active Travel Improvements	4,047	5,979	10,026	1,128	10,026	6,557
(Less External Funding)	(4,047)	(5,229)	(9,276)	1,333	(9,276)	(4,096)
Cycling, Walking & Safer Routes		1,235	1,235	16	1,235	705
(Less External Funding)		(1,235)	(1,235)	17	(1,235)	(672)
DCA Lifecycle plant replacement programme	4,355	(4,205)	150		150	8
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	850	565	1,415	16	1,415	36
(Less External Funding)		(1,415)	(1,415)	20	(1,415)	
Vehicle Fleet & Infrastructure	2,398	(914)	1,484	794	1,484	994
(Less Sale of Vehicles & Equipment)				(9)		(9)
OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045	5,893	34	5,927	(355)	5,927	23,738
(Less External Funding)	(3,000)	1,662	(1,338)	663	(1,338)	(1,717)
Net Expenditure	10,496	(3,523)	6,973	3,623	6,973	25,544
Receipts	(7,047)	(6,217)	(13,264)	2,024	(13,264)	(6,494)
Gross Expenditure	17,543	2,694	20,237	1,599	20,237	32,038

Note 1

Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
9,067	18,031	Mar-24	Mar-24
(9,067)	(17,281)	Mar-24	Mar-24
1,924	1,924	Mar-24	Mar-24
(1,924)	(1,924)	Mar-24	Mar-24
4,550	4,550	Tender not yet approved	
850	850	Tender not yet approved	
2,662	2,662	Mar-24	Mar-24
		Mar-24	Mar-24
29,822	28,377		
(2,672)	(1,902)		
35,212	35,287		
(13,663)	(21,107)		
48,875	56,394		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

BUILD RESILIENT AND EMPOWERED COMMUNITIES

Appendix 2

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 30/06/2023 £'000	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
MAJOR PROJECTS - Build Resilient and Empowered Communities						
Road Maintenance Partnership	3,460	0	3,460	384	3,460	384
Street Lighting Renewal	1,000	217	1,217	174	1,217	174
City Improvement/Investment Fund	500	1,138	1,638	11	1,638	90
(Less External Funding)	(500)	(638)	(1,138)		(1,138)	(79)
Parks & Open Spaces	2,026	185	2,211	69	2,211	3,277
(Less External Funding)	(243)	(17)	(260)	(17)	(260)	(1,740)
OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities	1,393	2,240	3,633	75	3,633	17,981
(Less External Funding)		(219)	(219)		(219)	(1,665)
Net Expenditure	7,636	2,906	10,542	696	10,542	18,422
Receipts	(743)	(874)	(1,617)	(17)	(1,617)	(3,484)
Gross Expenditure	8,379	3,780	12,159	713	12,159	21,906

Note 1

Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/Actual Completion Date
3,460	3,460	Mar-24	Mar-24
1,217	1,217	Mar-24	Mar-24
1,217	1,217	Mar-24	Mar-24
(717)	(717)	Mar-24	Mar-24
5,422	5,422	Mar-24	Mar-24
(1,750)	(1,729)	Mar-24	Mar-24
22,518	21,166		
(1,885)	(1,885)		
29,482	28,151		
(4,352)	(4,331)		
33,834	32,482		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

DESIGN A MODERN COUNCIL

Appendix 2

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 30/06/2023 £'000	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
MAJOR PROJECTS/PROGRAMMES - Design a Modern Council						
Baldovie Depot Redevelopment	5,052	(4,852)	200	4	200	189
Depot Rationalisation Programme	2,500	(2,000)	500	3	500	174
Dundee Ice Arena Plant & Upgrade	1,200	(223)	977	120	977	263
Olympia Refurbishment Works	3,332	(441)	2,891	1,063	2,891	4,335
Property Lifecycle Development Programme	7,608	(937)	6,671	215	6,671	3,409
Purchase Computer Equipment	1,758	79	1,837	155	1,837	1,715
(Less External Funding)		(1)	(1)		(1)	(648)
Schools Connectivity	1,200	(10)	1,190		1,190	10
OTHER PROJECTS/PROGRAMMES - Design a Modern Council	1,458	1,684	3,142	65	3,142	40,611
Net Expenditure	24,108	(6,701)	17,407	1,625	17,407	50,058
Netted Off Receipts		(1)	(1)		(1)	(648)
Gross Expenditure	24,108	(6,700)	17,408	1,625	17,408	50,706

Note 1

Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
5,225	5,225	Tender not yet approved	
3,063	3,063	Tender not yet approved	
9,100	9,100	Feb-24	Feb-24
6,163	6,163	Oct-23	Oct-23
9,865	9,865	Mar-24	Mar-24
3,397	3,397	Mar-24	Mar-24
(650)	(649)	Mar-23	Mar-23
1,200	1,200		
41,961	44,303		
79,324	81,667		
(650)	(649)		
79,974	82,316		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

TACKLE CLIMATE CHANGE AND REACH NET ZERO EMISSIONS BY 2045 - HOUSING REVENUE ACCOUNT ELEMENT

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2022/23 £000	Expenditure to 30/06/2023	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
Energy Efficient	8,586	(1,573)	7,013	47	7,013	1,630
Net Expenditure	8,586	(1,573)	7,013	47	7,013	1,630
Receipts						
Gross Expenditure	8,586	(1,573)	7,013	47	7,013	1,630

Note 1			
Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
8,596	8,096	Mar-24	Mar-24
8,596	8,096		
8,596	8,096		

BUILD RESILIENT AND EMPOWERED COMMUNITIES - HOUSING REVENUE ACCOUNT ELEMENT

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 30/06/2023	Projected Outturn 2023/24 £000	Actual Project Cost to 30/06/2023 £000
Free from Serious Disrepair	4,550	(123)	4,427	231	4,427	1,589
Modern Facilities & Services	500	(50)	450	24	450	24
Healthy, Safe and Secure	2,550	196	2,746	535	2,746	2,759
Miscellaneous	1,777	262	2,039	200	2,039	1,518
Increased Supply of Council Housing	11,562	1,066	12,628	609	12,628	17,609
(Less External Funding)	(4,265)		(4,265)		(4,265)	(7,867)
Demolitions	10	9	19	2	19	2
Sheltered Lounge Upgrades	200		200	3	200	3
Net Expenditure	16,884	1,360	18,244	1,604	18,244	15,637
Receipts	(4,265)		(4,265)		(4,265)	(7,867)
Gross Expenditure	21,149	1,360	22,509	1,604	22,509	23,504

Note 1			
Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
5,800	5,800	Mar-24	Mar-24
450	450	Mar-24	Mar-24
4,989	4,989	Mar-24	Mar-24
3,357	3,357	Mar-24	Mar-24
29,628	29,628	Mar-21	TBC
(7,098)	(7,867)		
19	19	Mar-24	Mar-24
200	200	Mar-24	Mar-24
37,345	36,576		
(7,098)	(7,867)		
44,443	44,443		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2023-28

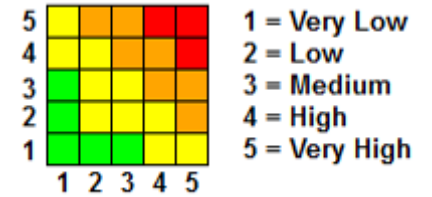
DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING 30 JUNE 2023

Appendix 3

	<u>Approved Capital Budget 2023/24 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2023/24 £000</u>	<u>Actual Spend to 30 Jun 2023 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 30.6.2023 as a % of Revised Budget</u>
<u>Capital Expenditure 2023/24</u>							
<u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u>							
Energy Efficiency	8,586	(1,573)	7,013	47	7,013	-	1%
<u>Build Resilient and Empowered Communities</u>							
Free from Serious Disrepair	4,550	(123)	4,427	231	4,427	-	5%
Modern Facilities and Services	500	(50)	450	24	450	-	5%
Healthy, Safe & Secure	2,550	196	2,746	535	2,746	-	19%
Miscellaneous	1,777	262	2,039	200	2,039	-	10%
Increase Supply of Council Housing	11,562	1,066	12,628	609	12,628	-	5%
Demolitions	10	9	19	2	19	-	11%
Sheltered Lounge Upgrades	200		200	3	200	-	2%
Capital Expenditure 2023/24	29,735	(213)	29,522	1,651	29,522	-	6%
<u>Capital Resources 2023/24</u>							
Expenditure Funded from Borrowing	22,997	974	23,971	1,654	23,971	-	
Capital Receipts, Grants & Contributions - project specific							
Scottish Government Grants	4,265		4,265		4,265	-	
Capital Funded from Current Revenue							
Council Tax discount reductions used to fund affordable housing	450		450		450	-	
Capital Receipts, Grants & Contributions							
Receipts from Owners	450		450	(3)	450	-	
Capital Receipts:-							
Sale of Assets - Land	1,573	(1,187)	386		386	-	
Capital Expenditure as % of Capital Resources	100%		100%		100%		


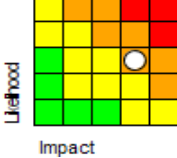
APPENDIX 4

Pentana Risk Matrix



Risk Report
Report Type: Capital Monitoring 2023/24
Report Author: Executive Director of Corporate Services

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
1.General Price inflation may be greater than contingencies already built into figures in capital monitoring/plan.	<ul style="list-style-type: none"> Lasting effect of Brexit The war in Ukraine Labour shortages pushing up labour costs. 	<ul style="list-style-type: none"> Increased financial cost of projects. Potential Overspends as allowance in Capital Plan is insufficient to cover increased cost. 	<ul style="list-style-type: none"> Changes to the scope of projects to accommodate additional costs. Delays to project progressing due to rescoping of project. Changes to Capital Plan to accommodate the additional costs by reallocation of resources from other projects 		<ul style="list-style-type: none"> Robust Capital Monitoring processes in place to enable any potential issues to be highlighted as soon as they arise, and any necessary action taken. 	
2.Additional Costs once Project has started and works on-going	<ul style="list-style-type: none"> Unforeseen circumstances such as ground conditions leading to delay and /or additional cost. Under performance in the materials supply chain. 	<ul style="list-style-type: none"> Increased financial cost of projects. Potential Overspends as allowance in Capital Plan is insufficient to cover increased cost. 	<ul style="list-style-type: none"> The estimated completion of the project is delayed Changes to the scope of the ongoing project, if possible, to accommodate the increased costs. Changes to Capital Plan to accommodate the 		<ul style="list-style-type: none"> Robust monitoring of the project by professional Project Managers means potential issues are highlighted and remedial action taken to resolve as soon as possible. Specific Risk registers exist for major capital 	

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
			<p>additional costs by reallocation of resources from other projects</p>		<p>projects contained within the capital monitoring, and they are continually reviewed as the project progresses, and corrective action taken where necessary.</p> <ul style="list-style-type: none"> Capital monitoring processes ensure overspends are highlighted as soon as known and corrective action taken. 	
<p>3.Estimated Completion date for the Project</p>	<ul style="list-style-type: none"> Extreme weather conditions can delay progress Unforeseen issues can arise once project starts e.g. ground conditions Under performance in the materials supply chain. 	<ul style="list-style-type: none"> Delay in the asset becoming operational. Negative press coverage for Council Service delivery impacted due to delays in completing works. 	<ul style="list-style-type: none"> Potential additional revenue costs as asset not operational and ready to be used, Delay In achieving revenue savings from the project. Knock on effect of not being able to progress subsequent projects, as staff engaged on delivery of current project. Potential additional capital costs where equipment has been hired. Potential claim from contractors for extension of time. 		<ul style="list-style-type: none"> Robust monitoring of the project by professional Project Managers means when potential delays to the project are highlighted and remedial action taken to resolve as soon as possible to minimise any delays to the completion date. 	

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
4.Capital Receipts from Sale of Assets not achieved	<ul style="list-style-type: none"> Uncertain market conditions, e.g. level of interest rates and inflation, means housing developers are not purchasing sites for development. Abnormals can reduce the value of the site being marketed. Brownfield sites have higher level of abnormals due to contamination etc. Uncertain economic/world means businesses are not expanding 	<ul style="list-style-type: none"> Less funding available to fund current capital programme 	<ul style="list-style-type: none"> Alternate capital resources identified to compensate for the shortfall, if possible. Capital programme is reprioritised to take account of the funding shortfall 		<ul style="list-style-type: none"> Robust monitoring of the projected capital receipts by officers from City Development and Support services, means any shortfalls are identified and remedial action taken. 	
5.Delays in Capital Receipts being Received	<ul style="list-style-type: none"> Uncertain market conditions, e.g. level of interest rates and inflation, means housing developers are delaying purchasing sites for development, in anticipation that interest rates and rate of inflation will come down Businesses are delaying applying for business loans for expanding etc 	<ul style="list-style-type: none"> Less funding available to fund current capital programme in the short term 	<ul style="list-style-type: none"> Capital programme is slipped to take account of the delays in receiving the capital receipts 		<ul style="list-style-type: none"> Robust monitoring of the projected capital receipts by officers from City Development and Support services, means any short-term delays are identified and remedial action taken. The capital expenditure programme naturally slips due to external factors, so any delays in 	

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
	in anticipation that interest rates will come down				receiving receipts can be matched against the expenditure slippage.	