

**REPORT TO: CITY GOVERNANCE COMMITTEE – 23 OCTOBER 2023**  
**REPORT ON: CAPITAL EXPENDITURE MONITORING 2023/24**  
**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**  
**REPORT NO: 285–2023**

**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 31 August 2023.

Appendix 1, which details the General Services position to the end of August 2023, shows a revised projected outturn for 2023/24 of £85.4m, a decrease of £1.754m since the last Capital Monitoring report was approved at City Governance Committee on 25th September 2023 (Report 245-2023, Article IV refers). The budget of £1.754m will be required in 2024/25 and funded from a combination of borrowing and grants and contributions.

Appendix 3, which details the Housing HRA position to the end of August 2023, shows a revised projected outturn for 2023/24 of £23.739m, a decrease of £5.185m since the last capital monitoring report was approved at City Governance Committee on 25th September 2023 (Report 245-2023, Article IV 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 2023/24 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 31 August is 22% of the Revised Budget 2023/24 compared to 14% for the same period last year.

The overall net reduction in the projected outturn for 2023/24 reflects project/programmes budgets being reprofiled. Key variations are as follows and details are provided in subsequent paragraphs.

Reductions in planned expenditure include:

- Vacant & Derelict Land Fund (£0.331m)
- Low Carbon Projects (£0.262m)
- Parks & Open Spaces (£0.410m)

### 5.2 2023/24 Expenditure Variations

Appendix 1, which details the position to the end of August 2023, shows a revised projected outturn for 2023/24 of £85.4m, a decrease of £1.754m since the Capital Monitoring report was approved at City Governance Committee on 25th September 2023 (Report 245-2023, Article IV refers).

The main reasons for the movement are detailed in points 5.2.1 to 5.2.3 below:

- 5.2.1 Vacant & Derelict Land Fund (Deliver Inclusive Economic Growth – Other Projects) – Reduction in projected expenditure of £0.331m in 2023/24. The scope of the programme of works required is currently being worked on. It is anticipated that these works will now be carried out in 2024/25. There will be a reduction in grants and contributions in 2023/24 and a corresponding increase in 2024/25.
- 5.2.2 Low Carbon Projects (Tackle Climate Change and Reach Net Zero Emissions by 2045 – Other Projects) - Reduction in projected expenditure of £0.262m in 2023/24. Potential projects are being reviewed for suitability and thereafter designing. It is anticipated that works will be carried out during 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.3 Parks & Open Spaces (Build Resilient and Empowered Communities) – Reduction in projected expenditure of £0.410m in 2023/24, in Enhancements and Improvements to various Parks and Playparks. The scope of the works required, at each park, is currently being identified. It is anticipated that once designed the works will be carried out during 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 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	(15.401)	48.758	48.758	-
General Capital Grant	13.150	(572)	12.578	12.578	-
Capital Grants & Contributions	12.146	6.990	18.799	18.799	-
Capital Receipts – Sale of Assets	3.000	(1.198)	1.802	1.802	-
Capital Financed from Current Revenue	1.401	(270)	1.131	1.131	-
Capital Fund	<u>2.436</u>	<u>(441)</u>	<u>1.995</u>	<u>1.995</u>	
	<u>96.292</u>	<u>(10.892)</u>	<u>85.400</u>	<u>85.400</u>	<u>-</u>

5.4.1 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)	85.400

#### 5.5 Projected Total Cost Variations

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

#### 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 Harris Academy Extension (Reduce Child Poverty and Inequalities in Income, Education and Health) - The majority of the works will be complete by December 2023 as planned, but due to the utility provider constraints the planned upgrade and switchover of the electrical substation required reprogramming of some works. This could not be accommodated within the current programme which has meant a portion of the works being rescheduled for school summer holiday period 2024. There will be no disruption to curriculum delivery due to the revised programming.

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 31 August 2023 is 14% of the Revised Budget 2023/24 compared to 12% for the same period last year.

6.2 Appendix 3, which details the Housing HRA position to the end of August 2023, shows a revised projected outturn for 2023/24 of £23.739m, a decrease of £5.185m since the last capital monitoring report was approved at City Governance Committee on 25th September 2023 (Report 245-2023, Article IV refers). The main reason for the movement is detailed in point 6.2.1 to 6.2.4 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 £1.965m in 2023/24. The reduction in projected expenditure is due to the reprogramming of cavity wall replacement projects. This will be reprogrammed for future years within the HRA Capital Plan.

6.2.2 Free from Serious Disrepair - Windows and Roofs - (Build Resilient and Empowered Communities) - The projected expenditure has increased by £1.002m in 2023/24. The increase in budget reflects the latest programme for the Windows and Roofs programmes in 2023/24.

6.2.3 Healthy, Safe and Secure, Electrical Upgrades – (Build Resilient and Empowered Communities) – The projected expenditure has decreased by £0.413m in 2023/24. This is due to the delay in starting the Electrical Rewire/Upgrade programme. A pilot project is being undertaken to determine the best route forward for the programme and a future tender or procurement sourcing strategy will be reported to committee.

6.2.4 Increased Supply of Council Housing (Build Resilient and Empowered Communities) – The projected expenditure has decreased by £3.748m in 2023/24. The programme has been updated to reflect the latest timescales and estimated programme. The decrease in projected expenditure is due to slippage within the programme for the Blackness Road and Whitfield new build developments. Balcairn Place new build development projected expenditure in 23/24 has been reduced to reflect the latest timescale of the project which is undergoing design and will be incorporated into future years. On-going volatile market conditions on pricing have influenced these delays. Open Market acquisitions projected expenditure has increased by £5.225m in 2023/24 which has been rephased to accommodate additional purchases in the current financial year.

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, Grants & Contributions –There is a projected reduction in capital grants of £1.945m in 2023/24. The reduction in projected grant funding relates to Scottish Government new build grants which have been updated in line with the latest phasing of the new build programmes. There will be a decrease in 2023/24 and a corresponding increase in future years.

6.4 The table below shows the latest position regarding the funding of the 2023/24 programme: -

	<b>Approved Budget £m</b>	<b>Adjustments £m</b>	<b>Revised Budget £m</b>	<b>Projected Outturn £m</b>	<b>Variance £m</b>
Borrowing	22.997	(2.864)	20.133	20.133	-
Capital Grants & Contributions	4.265	(1.945)	2.320	2.320	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	1.573	(1.187)	386	386	-
Receipts from Owners	<u>450</u>	<u>-</u>	<u>450</u>	<u>450</u>	<u>-</u>
	<u>29.735</u>	<u>(5.996)</u>	<u>23.739</u>	<u>23.739</u>	<u>-</u>

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

	<b>£m</b>
2019/20	23.565
2020/21	7.316
2021/22	12.338
2022/23	9.232
2023/24 (Projected)	23.739

## 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)

Increased Supply of Council Housing – Derby Street new build development has been updated to reflect the latest timescale estimates provided by the contractor. The programme is estimated to complete by 31 December 2023. Senior officers are engaged with the contractor to progress handover at the earliest opportunity and where possible before this date. Phased handovers of 52 units have been achieved to date.

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**

**12 OCTOBER 2023**

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**2023/24 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st AUGUST 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 31.8.2023 as a % of Revised Budget</u>
<b>GENERAL SERVICES</b>							
<b><u>Capital Expenditure</u></b>							
Reduce Child Poverty & Inequalities in Income, Education & Health	37,962	(5,542)	32,420	7,769	32,420	0	24%
Deliver Inclusive Economic Growth	15,300	(8,209)	7,091	(67)	7,091	0	-1%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	17,543	1,166	18,709	4,513	18,709	0	24%
Build Resilient and Empowered Communities	8,379	2,358	10,737	1,861	10,737	0	17%
Design a Modern Council	24,108	(7,665)	16,443	5,078	16,443	0	31%
<b>Capital Expenditure 2023/24</b>	<b>103,292</b>	<b>(17,892)</b>	<b>85,400</b>	<b>19,154</b>	<b>85,400</b>	<b>0</b>	<b>22%</b>
<b><u>Capital Resources</u></b>							
Expenditure Funded from Borrowing	64,159	(15,401)	48,758	10,398	48,758		
General Capital Grant	13,150	(572)	12,578	5,512	12,578		
Capital Grants & Contributions - corporate		337	337		337		
Capital Grants & Contributions - project specific	12,146	6,653	18,799	875	18,799		
Capital Receipts - Sale of Assets	3,000	(1,198)	1,802	50	1,802		
Capital Financed from Current Revenue	1,401	(270)	1,131	336	1,131		
Capital Fund	2,436	(441)	1,995	1,983	1,995		
<b>Capital Resources 2023/24</b>	<b>96,292</b>	<b>(10,892)</b>	<b>85,400</b>	<b>19,154</b>	<b>85,400</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>107%</b>		<b>100%</b>		<b>100%</b>		

## REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Project/Nature of Expenditure	Approved Budget	Total Adjusts	Revised Budget	Expenditure to	Projected Outturn	Note 1				
	2023/24 £000	£000	2023/24 £000	31/08/2023 £'000	2023/24 £000	Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
<b>MAJOR PROJECTS - Reduce Child Poverty and Inequalities</b>										
Harris Academy Extension	4,356	(620)	3,736	1,822	3,736	3,060	5,174	5,174	Dec-23	Aug-24
(Less External Funding)	(4,356)	620	(3,736)	(1,822)	(3,736)	(1,825)	(5,174)	(5,174)		
School Estate investment-East End Community Campus	32,580	(5,714)	26,866	5,705	26,866	8,716	100,800	100,800	Jul-25	Jul-25
<b>OTHER PROJECTS - Reduce Child Poverty and Inequalities</b>	1,026	792	1,818	242	1,818	16,811	18,959	18,810		
<b>Net Expenditure</b>	<b>33,606</b>	<b>(4,922)</b>	<b>28,684</b>	<b>5,947</b>	<b>28,684</b>	<b>26,762</b>	<b>119,759</b>	<b>119,610</b>		
<b>Receipts</b>	<b>(4,356)</b>	<b>620</b>	<b>(3,736)</b>	<b>(1,822)</b>	<b>(3,736)</b>	<b>(1,825)</b>	<b>(5,174)</b>	<b>(5,174)</b>		
<b>Gross Expenditure</b>	<b>37,962</b>	<b>(5,542)</b>	<b>32,420</b>	<b>7,769</b>	<b>32,420</b>	<b>28,587</b>	<b>124,933</b>	<b>124,784</b>		

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 31/08/2023 £'000	Projected Outturn 2023/24 £000
<b>MAJOR PROJECTS - Deliver Inclusive Economic Growth</b>					
Site 6 South Development - Offices	14,000	(7,566)	6,434	80	6,434
Demolition of Properties & Remediation Works	1,300	(900)	400	40	400
<b>OTHER PROJECTS - Deliver Inclusive Economic Growth</b>		257	257	(187)	257
<b>(Less External Funding)</b>		(10)	(10)		(10)
<b>Net Expenditure</b>	<b>15,300</b>	<b>(8,219)</b>	<b>7,081</b>	<b>(67)</b>	<b>7,081</b>
<b>Netted Off Receipts</b>		<b>(10)</b>	<b>(10)</b>		<b>(10)</b>
<b>Gross Expenditure</b>	<b>15,300</b>	<b>(8,209)</b>	<b>7,091</b>	<b>(67)</b>	<b>7,091</b>

## Note 1

Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,068	26,202	26,202	Feb-25	Feb-25
173	533	533	Mar-24	Mar-24
67,355	66,240	68,786		
(9,841)	(7,830)	(10,138)		
<b>58,755</b>	<b>85,145</b>	<b>85,383</b>		
<b>(9,841)</b>	<b>(7,830)</b>	<b>(10,138)</b>		
<b>68,596</b>	<b>92,975</b>	<b>95,521</b>		

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	Total	Revised Budget	Expenditure to	Projected Outturn	Note 1				
	2023/24 £000	Adjusts £000	2022/23 £000	31/08/2023 £'000	2022/23 £000	Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
<b>MAJOR PROJECTS - Tackle Climate Change and Reach Net Zero Emissions by 2045</b>										
Broughty Ferry to Monifieth Active Travel Improvements	4,047	5,979	10,026	3,566	10,026	8,995	9,067	18,031	Mar-24	Mar-24
(Less External Funding)	(4,047)	(5,229)	(9,276)	416	(9,276)	(5,013)	(9,067)	(17,281)	Mar-24	Mar-24
Cycling, Walking & Safer Routes		1,235	1,235	261	1,235	950	1,924	1,924	Mar-24	Mar-24
(Less External Funding)		(1,235)	(1,235)	(136)	(1,235)	(825)	(1,924)	(1,924)	Mar-24	Mar-24
DCA Lifecycle plant replacement programme	4,355	(4,255)	100	5	100	13	4,550	4,550	Tender not yet approved	
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	850	565	1,415	54	1,415	74	16,000	16,000	Main Tender not yet approved	
(Less External Funding)		(1,415)	(1,415)	20	(1,415)		(14,400)	(14,400)		
Vehicle Fleet & Infrastructure	2,398	(916)	1,482	835	1,482	1,009	2,660	2,660	Mar-24	Mar-24
(Less Sale of Vehicles & Equipment)		(16)	(16)	(8)	(16)	(8)	(16)	(16)	Mar-24	Mar-24
<b>OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045</b>	5,893	(1,442)	4,451	(208)	4,451	23,752	28,709	28,661		
(Less External Funding)	(3,000)	1,659	(1,341)	695	(1,341)	(1,685)	(2,877)	(2,877)		
<b>Net Expenditure</b>	<b>10,496</b>	<b>(5,070)</b>	<b>5,426</b>	<b>5,500</b>	<b>5,426</b>	<b>27,262</b>	<b>34,626</b>	<b>35,328</b>		
<b>Receipts</b>	<b>(7,047)</b>	<b>(6,236)</b>	<b>(13,283)</b>	<b>987</b>	<b>(13,283)</b>	<b>(7,531)</b>	<b>(28,284)</b>	<b>(36,498)</b>		
<b>Gross Expenditure</b>	<b>17,543</b>	<b>1,166</b>	<b>18,709</b>	<b>4,513</b>	<b>18,709</b>	<b>34,793</b>	<b>62,910</b>	<b>71,826</b>		

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 31/08/2023 £'000	Projected Outturn 2023/24 £000
<b>MAJOR PROJECTS - Build Resilient and Empowered Communities</b>					
Road Maintenance Partnership	3,460	0	3,460	932	3,460
Street Lighting Renewal	1,000	217	1,217	423	1,217
City Improvement/Investment Fund	500	1,138	1,638	11	1,638
(Less External Funding)	(500)	(638)	(1,138)		(1,138)
Parks & Open Spaces	2,026	(225)	1,801	92	1,801
(Less External Funding)	(243)	(17)	(260)	(20)	(260)
<b>OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities</b>	1,393	1,228	2,621	403	2,621
<b>(Less External Funding)</b>		(371)	(371)	(20)	(371)
<b>Net Expenditure</b>	<b>7,636</b>	<b>1,332</b>	<b>8,968</b>	<b>1,821</b>	<b>8,968</b>
<b>Receipts</b>	<b>(743)</b>	<b>(1,026)</b>	<b>(1,769)</b>	<b>(40)</b>	<b>(1,769)</b>
<b>Gross Expenditure</b>	<b>8,379</b>	<b>2,358</b>	<b>10,737</b>	<b>1,861</b>	<b>10,737</b>

Note 1

Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
932	3,460	3,460	Mar-24	Mar-24
423	1,217	1,217	Mar-24	Mar-24
90	1,217	1,217	Mar-24	Mar-24
(79)	(717)	(717)	Mar-24	Mar-24
2,946	4,658	4,658	Mar-24	Mar-24
(1,743)	(1,750)	(1,729)	Mar-24	Mar-24
18,420	21,473	20,126		
(1,685)	(2,417)	(2,417)		
<b>19,304</b>	<b>27,141</b>	<b>25,815</b>		
<b>(3,507)</b>	<b>(4,884)</b>	<b>(4,863)</b>		
<b>22,811</b>	<b>32,025</b>	<b>30,678</b>		

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 31/08/2023 £'000	Projected Outturn 2023/24 £000
<b>MAJOR PROJECTS/PROGRAMMES - Design a Modern Council</b>					
Baldovie Depot Redevelopment	5,052	(4,852)	200	4	200
Depot Rationalisation Programme	2,500	(2,000)	500	44	500
Dundee Ice Arena Plant & Upgrade	1,200	(223)	977	272	977
Olympia Refurbishment Works	3,332	(441)	2,891	1,983	2,891
Property Lifecycle Development Programme	7,608	(937)	6,671	1,612	6,671
Purchase Computer Equipment	1,758	79	1,837	302	1,837
(Less External Funding)		(1)	(1)		(1)
Schools Connectivity	1,200	(10)	1,190	7	1,190
<b>OTHER PROJECTS/PROGRAMMES - Design a Modern Council</b>	1,458	719	2,177	854	2,177
<b>Net Expenditure</b>	<b>24,108</b>	<b>(7,666)</b>	<b>16,442</b>	<b>5,078</b>	<b>16,442</b>
<b>Netted Off Receipts</b>		(1)	(1)		(1)
<b>Gross Expenditure</b>	<b>24,108</b>	<b>(7,665)</b>	<b>16,443</b>	<b>5,078</b>	<b>16,443</b>

Note 1

Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
168	5,200	5,200		Tender not yet approved
215	3,063	3,063		Tender not yet approved
415	9,100	9,100		Main Tender not yet approved
5,255	6,163	6,163	Oct-23	Oct-23
4,644	9,703	9,703	Mar-24	Mar-24
1,862	3,397	3,397	Mar-24	Mar-24
(648)	(650)	(649)	Mar-23	Mar-23
17	1,200	1,200		
41,360	41,921	45,640		
<b>53,288</b>	<b>79,097</b>	<b>82,817</b>		
<b>(648)</b>	<b>(650)</b>	<b>(649)</b>		
<b>53,936</b>	<b>79,747</b>	<b>83,466</b>		

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 31/08/2023	Projected Outturn 2023/24 £000
Energy Efficient	8,586	(3,536)	5,050	237	5,050
<b>Net Expenditure</b>	<b>8,586</b>	<b>(3,536)</b>	<b>5,050</b>	<b>237</b>	<b>5,050</b>
<b>Receipts</b>					
<b>Gross Expenditure</b>	<b>8,586</b>	<b>(3,536)</b>	<b>5,050</b>	<b>237</b>	<b>5,050</b>

Note 1

Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,820	6,633	6,133	Mar-24	Mar-24
<b>1,820</b>	<b>6,633</b>	<b>6,133</b>		
<b>1,820</b>	<b>6,633</b>	<b>6,133</b>		

## 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 31/08/2023	Projected Outturn 2023/24 £000
Free from Serious Disrepair	4,550	542	5,092	1,413	5,092
Modern Facilities & Services	500	(50)	450		450
Healthy, Safe and Secure	2,550	(387)	2,163	766	2,163
Miscellaneous	1,777	107	1,884	346	1,884
Increased Supply of Council Housing	11,562	(2,681)	8,881	599	8,881
(Less External Funding)	(4,265)	1,945	(2,320)		(2,320)
Demolitions	10	9	19	2	19
Sheltered Lounge Upgrades	200		200	57	200
<b>Net Expenditure</b>	<b>16,884</b>	<b>(515)</b>	<b>16,369</b>	<b>3,183</b>	<b>16,369</b>
<b>Receipts</b>	<b>(4,265)</b>	<b>1,945</b>	<b>(2,320)</b>		<b>(2,320)</b>
<b>Gross Expenditure</b>	<b>21,149</b>	<b>(2,460)</b>	<b>18,689</b>	<b>3,183</b>	<b>18,689</b>

Note 1

Actual Project Cost to 31/08/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
2,773	6,465	6,465	Mar-24	Mar-24
	450	450	Mar-24	Mar-24
2,895	4,406	4,406	Mar-24	Mar-24
1,663	3,202	3,202	Mar-24	Mar-24
17,599	25,881	25,881	Mar-21	Dec-23
(7,867)	(7,098)	(7,867)		
2	19	19	Mar-24	Mar-24
57	200	200	Mar-24	Mar-24
<b>17,122</b>	<b>33,525</b>	<b>32,756</b>		
<b>(7,867)</b>	<b>(7,098)</b>	<b>(7,867)</b>		
<b>24,989</b>	<b>40,623</b>	<b>40,623</b>		

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

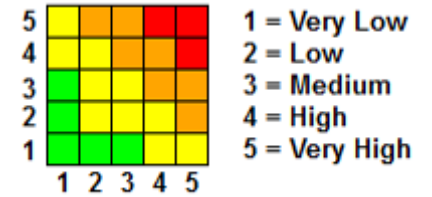
**DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING 31 AUGUST 2023**

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 31 Aug 2023 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.8.2023 as a % of Revised Budget</u>
<b><u>Capital Expenditure 2023/24</u></b>							
<b><u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u></b>							
Energy Efficiency	8,586	(3,536)	5,050	237	5,050	-	5%
<b><u>Build Resilient and Empowered Communities</u></b>							
Free from Serious Disrepair	4,550	542	5,092	1413	5,092	-	28%
Modern Facilities and Services	500	(50)	450		450	-	0%
Healthy, Safe & Secure	2,550	(387)	2,163	766	2,163	-	35%
Miscellaneous	1,777	107	1,884	346	1,884	-	18%
Increase Supply of Council Housing	11,562	(2,681)	8,881	599	8,881	-	7%
Demolitions	10	9	19	2	19	-	11%
Sheltered Lounge Upgrades	200		200	57	200	-	29%
<b>Capital Expenditure 2023/24</b>	<b>29,735</b>	<b>(5,996)</b>	<b>23,739</b>	<b>3,420</b>	<b>23,739</b>	-	14%
<b><u>Capital Resources 2023/24</u></b>							
<b>Expenditure Funded from Borrowing</b>	22,997	<b>(2,864)</b>	20,133	3,413	20,133	-	
<b>Capital Receipts, Grants &amp; Contributions - project specific</b>							
Scottish Government Grants	4,265	<b>(1,945)</b>	2,320		<b>2,320</b>	-	
<b>Capital Funded from Current Revenue</b>							
Council Tax discount reductions used to fund affordable housing	450		450		<b>450</b>	-	
<b>Capital Receipts, Grants &amp; Contributions</b>							
Receipts from Owners	450		450	(3)	<b>450</b>	-	
<b>Capital Receipts:-</b>							
Sale of Assets - Land	1,573	<b>(1,187)</b>	386	10	<b>386</b>	-	
	<b>29,735</b>	<b>(5,996)</b>	<b>23,739</b>	<b>3,420</b>	<b>23,739</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		


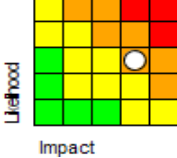
APPENDIX 4

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

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"> <li>Capital monitoring processes ensure overspends are highlighted as soon as known and corrective action taken.</li> </ul>	
<p>3.Estimated Completion date for the Project</p>	<ul style="list-style-type: none"> <li>Extreme weather conditions can delay progress</li> <li>Unforeseen issues can arise once project starts e.g. ground conditions</li> <li>Under performance in the materials supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Delay in the asset becoming operational.</li> <li>Negative press coverage for Council</li> <li>Service delivery impacted due to delays in completing works.</li> </ul>	<ul style="list-style-type: none"> <li>Potential additional revenue costs as asset not operational and ready to be used,</li> <li>Delay In achieving revenue savings from the project.</li> <li>Knock on effect of not being able to progress subsequent projects, as staff engaged on delivery of current project.</li> <li>Potential additional capital costs where equipment has been hired.</li> <li>Potential claim from contractors for extension of time.</li> </ul>		<ul style="list-style-type: none"> <li>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.</li> </ul>	



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

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.	