

ITEM No ...3.....

REPORT TO: CITY GOVERNANCE COMMITTEE – 19 AUGUST 2024
REPORT ON: CAPITAL EXPENDITURE MONITORING 2024/25
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 207-2024

1 PURPOSE OF REPORT

1.1 To appraise Elected Members of the latest position regarding the Council's Capital Plan 2024-29.

2 RECOMMENDATION

2.1 It is recommended that the Committee note the latest position regarding the Council's Capital Plan 2024-29.

3 FINANCIAL IMPLICATIONS

3.1 This report shows the latest projections for 2024/25 expenditure and total cost as at 30th June 2024.

Appendix 1, which details the General Services position to the end of June 2024, shows a revised projected outturn for 2024/25 of £121.571m, a decrease of £14.733m since the Capital Plan 2024-29 was approved at City Governance Committee on 18th February 2024 (Report 18-2024, Article VII refers). The net movements that have contributed to this decrease are summarised in paragraph 5.1 of the report. The net movement in budget of £14.733m will be required in 2025/26 and future years and will be funded from a combination of borrowing and grants and contributions.

Appendix 3, which details the Housing HRA position to the end of June 2024, shows a revised projected outturn for 2024/25 of £19.032m a decrease of £6.672m since the Capital Plan 2024-29 was approved at City Governance Committee on 18th February 2024 (Report 18-2024, Article VII refers).

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

4 BACKGROUND

4.1 The Capital Plan 2024-29 was approved at City Governance Committee on 18 February 2024 (Report 18-2024, Article VII refers).

In addition to monitoring the in-year budget (i.e. 2024/25) 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 2024/25 was approved as part of the Capital Plan 2024-29 at the City Governance Committee on 18 February 2024 (Report 18-2024, Article VII refers). Details of the current position are set out in section 6 of the report and officers are presently reviewing the Housing Capital Plan and will bring back further recommendations once this review is complete.

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 2024/25 is being monitored within the framework of the updated Prudential Code 2021.

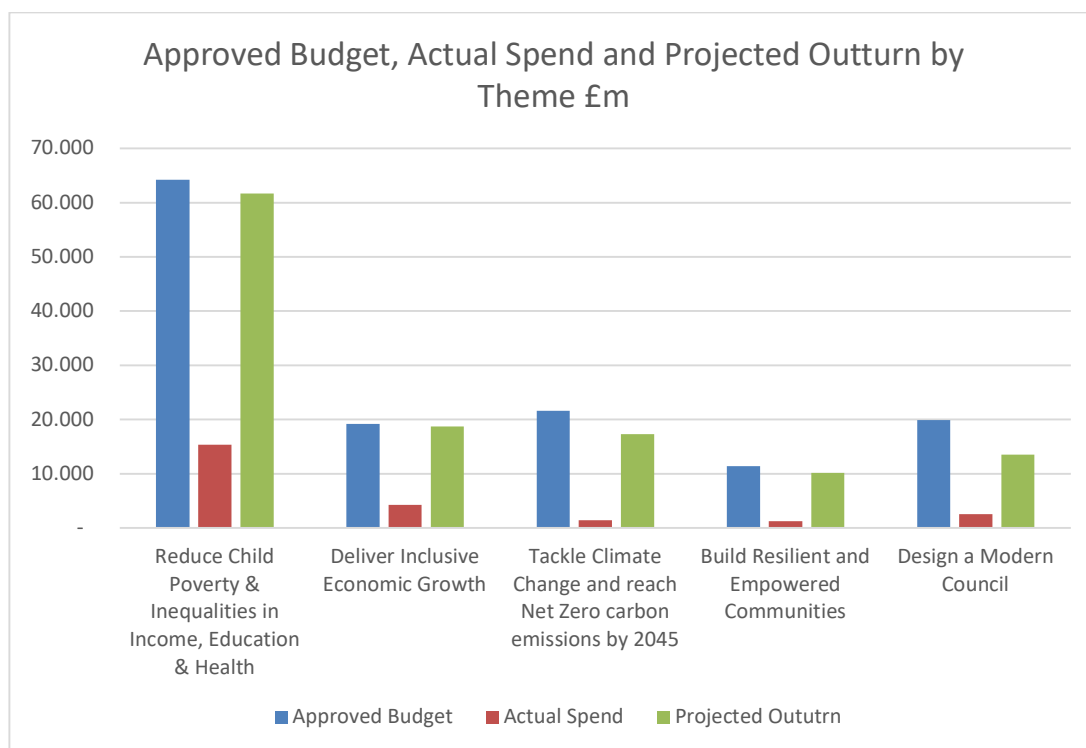
4.3 The Capital Monitoring report provides detailed information on major projects and programmes contained within the Capital Budget and the impact of expenditure movements on future financial years.

5 GENERAL SERVICES CURRENT POSITION

5.1 Appendix 2 details the latest projected outturn for major projects and programmes, both for 2024/25 and for the whole project life-span. In addition, the Appendix monitors project timescales, with approved completion dates taken from tender approval reports. 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. In addition, Procurement Strategy reports are being approved at committee which gives the Executive Directors delegated authority to award a contract to the successful bidder, without having to come back to committee, thus the approved total cost and timescales are not readily available for monitoring (previously taken from approved committee tender report). In these cases, reliance is on Service Officers updating the monitoring spreadsheet.

Appendix 1 summarises the total gross expenditure for 2024/25 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 20% of the Revised Budget 2024/25 compared to 7% for the same period last year.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2024/25, broken down by Council Theme



The overall net decrease in the projected outturn for 2024/25 reflects project/programmes budgets being reprofiled. Key variations are as follows and details are provided in subsequent paragraphs.

Increases in planned expenditure include:

- Projects carried forward from 2023/24 - £2.788m
- Active Travel Infrastructure Fund (formerly known as Cycling Walking & Safer Routes) - £0.432m

Reductions in planned expenditure include:

- Vehicle Fleet Infrastructure - (£1.600m)
- Sustainable Transport and Infrastructure – (£0.300m)
- City Improvement/Investment Fund – (£1.092m)
- Depot Rationalisation Programme - (£1.652m)
- Capitalisation of Borrowing Costs - (£0.280m)
- Parks & Open Spaces - (£0.488m)
- Flood Risk Management - (£0.599m)
- Property Lifecycle Development Programme - (£0.710m)
- Site 6 – South Side – Office Development - (£0.320m)
- School Estate Investment – East End Community Campus - (£1.150m)
- Baldovie Depot Redevelopment - (£2.091m)
- Demolition of Surplus Properties - (£0.312m)
- Vacant & Derelict Land Fund - (£0.331m)
- Low Carbon Transport (Green Transport Hub & Spokes-Bell St – (£2.607m)

5.2 2024/25 Expenditure Variations

Appendix 1, which details the General Services position to the end of June 2024, shows a revised projected outturn for 2024/25 of £121.571m, a decrease of £14.733m since the Capital Plan 2024-29 was approved at City Governance Committee on 18th February 2024 (Report 18-2024, Article VII refers). The main reason for the movement is detailed in points 5.2.1 to 5.2.16 below:

- 5.2.1 Additional expenditure of £2.788m on various projects across the Capital Programme to take account of slippage within the 2023/24 Capital Programme since the Capital Plan 2024-29 was approved in February 2024 (Report 18-2024, Article VII refers), and is required to be carried forward into 2024/25. This budgeted expenditure will be funded from a combination of borrowing and grants and contributions.
- 5.2.2 Tier 1 Active Travel Infrastructure Fund (formerly known as Cycling Walking & Safer Routes) (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional expenditure of £0.432m in 2024/25. 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.
- 5.2.3 Vehicle Fleet & Infrastructure (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Reduction in projected expenditure of £1.6m in 2024/25. This budget is required to be carried forward due to long lead in times. At present, there is a lead in time of at least 12-18 months on vehicles being built and delivered. Manufacturers are facing unprecedented circumstances such as supply chain disruptions and a worldwide shortage of parts. Officers are in regular contact with manufacture and sales teams for updates. The budget will be required in 2025/26. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 2025/26.
- 5.2.4 Sustainable Transport and Infrastructure (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045 – Other Projects) – Reduction in projected expenditure of £0.300m in 2024/25. The budget will be required in 2025/26 as match funding requirement to externally funded infrastructure projects. The budget has been rephased to reflect when the infrastructure programme development. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 2025/26.
- 5.2.5 City Improvement/Investment Fund (Build Resilient & Empowered Communities) - Reduction in projected expenditure of £1.092m in 2024/25. In January 2024, the Fair Work, Economic Growth and Infrastructure Committee delegated the Executive Director of City Development to develop a masterplan for the Eastern Quarter of the city centre and to support a programme of investment in this area. This masterplan is currently being prepared and will identify capital projects for implementation in the short-term to support regeneration of this key part of the city centre. The budget will be required in 2025/26. In addition, the £0.500m Placed Based Investment capital grant from the Scottish Government has been removed as the Scottish Government has advised that that no new projects are currently being funded in 2024/25. There will be a decrease in borrowing and grants and contributions in 2024/25 and an increase in 2025/26 for the element funded from borrowing.

- 5.2.6 Depot Rationalisation Programme (Design a Modern Council) - Reduction in projected expenditure of £1.652m in 2024/25. 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 decrease in borrowing in 2024/25 and a corresponding increase in future years.
- 5.2.7 Capitalisation of Borrowing Costs (Design a Modern Council – Other Projects) - Reduction in projected expenditure of £0.280m in 2024/25. The Council have not revised its accounting policy in this area to date. This will continue to be reviewed and further updates provided to members as deemed necessary. The budget will be required in future years. There will be a decrease in borrowing in 2024/25 and a corresponding increase in future years.
- 5.2.8 Parks & Open Spaces (Build Resilient and Empowered Communities) - Reduction in projected expenditure of £0.488m in 2024/25, in the main, on Additional Improvements to Playparks and Play Equipment. The works are currently being designed and the works will be carried out during the second half of 2024/25 and spring /summer 2025/26. The budget will be required in 2025/26. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 2025/26.
- 5.2.9 Flood Risk Management (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045 – Other Projects – Reduction in projected expenditure of £0.599m in 2024/25. The budget was reserved for match funding on Flood Protection projects. Large scale interventions are reliant on land take to create water storage in other local authorities which requires a significant process of identification and discussions. Engineers are also working through the feasibility of designing and implementing smaller interventions that can improve flood resilience. Flood protection projects are currently being developed to protect known flood risk areas. Design and river modelling works will delay any larger construction works until 2025/26. There will be reduction in borrowing in 2024/25 and a corresponding increase in 2025/26.
- 5.2.10 Property Lifecycle Development Programme (Design a Modern Council) – Reduction in projected expenditure of £0.710m in 2024/25. 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 2025/26 when the projects will be progressed. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 2025/26.
- 5.2.11 Site 6 South Side – Office Development (Deliver Inclusive Economic Growth) - Reduction in projected expenditure of £0.320m in 2024/25. The budget has been revised to reflect the latest cashflow from the contractor for carrying out the programme of works. The budget will be required in 2025/26. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 25/26.
- 5.2.12 School Estate Investment – East End Community Campus (Reduce Child Poverty and Inequalities in Income, Education and Health) - Reduction in projected expenditure of £1.150m in 2024/25. The budget has been revised to reflect the latest cashflow from the contractor for carrying out the programme of works. The budget will be required in 2025/26. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 25/26. The estimated completion date, for the campus, remains unchanged.
- 5.2.13 Baldovie Depot Redevelopment (Design a Modern Council) - Reduction in projected expenditure of £2.091m in 2024/25. The land acquisition, planning process and legal sale are progressing to a revised programme. After this has been concluded there is necessary procurement timelines to follow, which leads to an estimated construction start for spring 2025. The budget will be required in 2025/26. There will be a decrease in borrowing in 2024/25 and a corresponding increase in 25/26.
- 5.2.14 Demolition of Surplus Properties (Deliver Inclusive Economic Growth – Other Projects) - Reduction in projected expenditure of £0.312m in 2024/25. 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 2024/25 and a corresponding increase in future years.
- 5.2.15 Vacant & Derelict Land Fund (Deliver Inclusive Economic Growth – Other Projects) – Reduction in projected expenditure of £0.331m in 2024/25. 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 2025/26. There will be a reduction in grants and contributions in 2024/25 and a corresponding increase in 2025/26.

5.2.16 Low Carbon Transport (Green Transport Hub & Spokes-Bell St) (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Reduction in projected expenditure of £2.607m in 2024/25. The budget has been rephased to reflect the latest programme of works from the contractor. The project is funded from the UK Government’s Levelling Up Fund and borrowing. The budget will be required in 2025/26. There will be a reduction in borrowing and grants and contributions in 2024/25 and a corresponding increase in 2025/26.

5.3 The table below shows the latest position regarding the capital resources for funding of the 2024/25 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	99.115	(6.691)	92.424	92.424	-
General Capital Grant	11.551	0.123	11.674	11.674	-
Capital Grants & Contributions	17.212	(2.165)	15.047	15.047	-
Capital Receipts – Sale of Assets	2.000	-	2.000	2.000	-
Capital Fund	<u>0.426</u>	-	<u>0.426</u>	<u>0.426</u>	-
	<u>130.304</u>	<u>(8.733)</u>	<u>121.571</u>	<u>121.571</u>	<u>-</u>

5.3.1 Capital Grants & Contributions – the projected figure of £15.047m includes £1.769m from SUSTRANS funding for Broughty Ferry to Monifieth Active Travel Improvements (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045). The funding for 2024/25 has yet to be confirmed by SUSTRANS as funding now requires formal Ministerial approval. Should this formal approval not been given, then alternative sources of funding will require to be identified or the scope of these works may require to be reviewed.

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

	£m
2020/21	39.537
2021/22	45.038
2022/23	44.086
2023/24	73.454
2024/25 (Projected)	121.571

5.4 Projected Total Cost Variations

There are no total cost variations to report since the previous capital monitoring report went to committee as this is the first Capital Monitoring report for 2024/25.

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

5.5.1 There are no completion date variations to report since the previous capital monitoring report went to committee as this is the first Capital Monitoring report for 2024/25.

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.

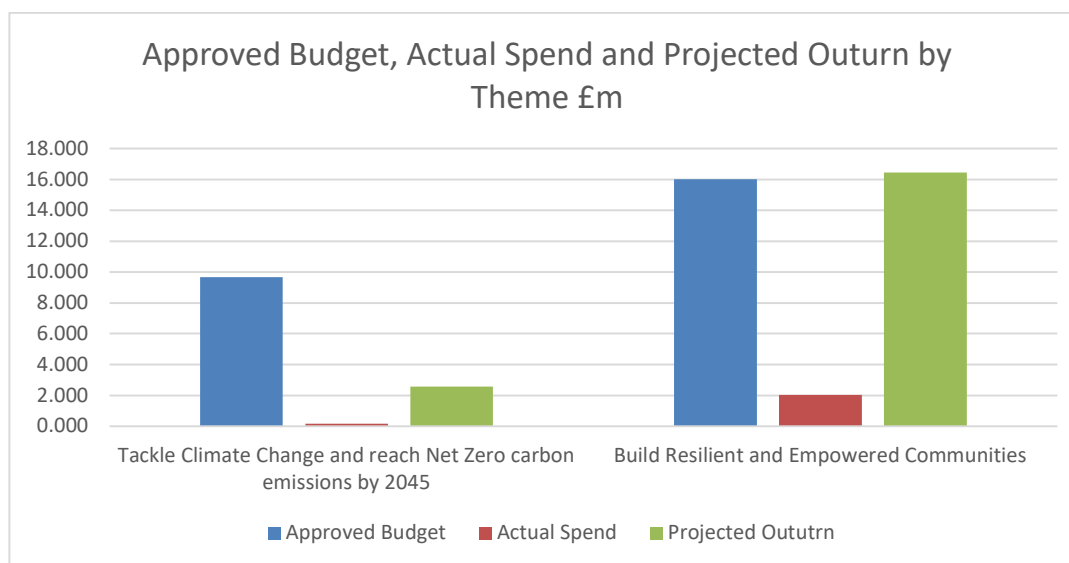
6 HOUSING HRA - CURRENT POSITION

6.1 2024/25 Expenditure Variations

Appendix 2 details the latest projected outturn for each project, both for 2024/25 and for the whole project lifespan. 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. In addition, Procurement Strategy reports are being approved at committee which gives the Executive Directors delegated authority to award a contract to the successful bidder, without having to come back to committee, thus the approved total cost and timescales are not readily available for monitoring (previously taken from approved committee tender report). In these cases, reliance is on Service Officers updating the monitoring spreadsheet.

Appendix 3 summarises the total gross expenditure for 2024/25 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 2024 is 12% of the Revised Budget 2024/25 compared to 6% for the same period last year.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2024/25, broken down by Council Theme.



6.2 Appendix 3, which details the Housing HRA position to the end of June 2024, shows a revised projected outturn for 2024/25 of £19.032m a decrease of £6.672m since the Capital Plan 2024-29 was approved at City Governance Committee on 18th February 2024 (Report 18-2024, Article VII refers). The main reason for the movement is detailed in points 6.2.1 to 6.2.8 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 £7.100m in 2024/25. Protracted contract negotiations with the appointed supplier delayed the site start of the Fleming Gardens and Glenprosen/Lawton EWI projects. The supplier has since withdrawn from the market, and those projects will now be tendered competitively. Sourcing strategies will be presented to the September Neighbourhood Regeneration, Housing and Estate Management committee. A sourcing strategy for the Linlathen retrofit project was approved on 13th May 2024 at the Neighbourhood Regeneration, Housing and Estate Management committee (Report 128-2024, Article III refers) and is progressing towards tender but will not start on-site until Q3 2024/25. The Aberdour Place / Abernethy Road/Montgomerie Crescent retrofit project is progressing towards tender but will not start on-site until Q4 2024/25.

- 6.2.2 Increased Supply of Council Housing (Build Resilient and Empowered Communities) – The projected expenditure has decreased by £4.312m in 2024/25. Following the reduction in the Affordable Housing Supply Programme of 26%, the Strategic Housing Investment Programme is now over-subscribed for the remainder of 2024/25, therefore no further new-build projects or new-build acquisitions may be progressed this financial year.
- 6.2.3 Free from Serious Disrepair - Roofs - (Build Resilient and Empowered Communities) - The projected expenditure has increased by £1.400m in 2024/25. The programme of urgent roof replacement is proposed to increase to tackle all the roofs that need attention under this workstream. The programme of flat, felt, and membrane roof replacement is proposed to increase to use all the available resources at Construction Services.
- 6.2.4 Free from Serious Disrepair - Windows - (Build Resilient and Empowered Communities) - The projected expenditure has increased by £0.450m in 2024/25. The projection has increased to allow appointing a sub-contractor, managed by Construction Services, to increase the fitting capacity. Over time, Construction Services will recruit to fully take over this workstream. The actual achievable spend will depend on how quickly the sub-contractor can be appointed with the spend for 2025/26 targeted at £7.500m.
- 6.2.5 The Integrated Management System - (Build Resilient and Empowered Communities) - The projected expenditure has increased by £0.500m in 2024/25. The installation of the Integrated Management System has missed several milestones due to supplier issues; therefore, those milestone payments were not made in 2023/24 as previously anticipated. It is anticipated the expenditure will be incurred in 2024/25.
- 6.2.6 Environmental Improvements - (Build Resilient and Empowered Communities) - The projected expenditure has increased by £0.750m in 2024/25. This project has been added to the 2024/25 Capital Plan. The project has been in development and the projected expenditure has been updated to reflect the latest timescales of the project.
- 6.2.7 Improvement Plan - (Build Resilient and Empowered Communities) – The projected expenditure has increased by £0.900m. Staff Costs of £0.500m and £0.400m of property costs are to be recharged to the HRA Capital Budget as agreed at the Neighbourhood Regeneration, Housing and Estate Management committee on 19th May 2024 (Report 139-2024, Article II refers).
- 6.2.8 Modern Facilities and Services - (Build Resilient and Empowered Communities) – The projected expenditure has increased by £0.500m. The Kitchen and Bathroom upgrade programme will be brought forward from a 2026 start to a 2024/25 start. Electric Showers and flooring will be included for the first time.
- 6.3 The table below shows the latest position regarding the funding of the 2024/25 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	22.864	(6.158)	16.706	16.706	-
Capital Grants & Contributions	1.209	(514)	695	695	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	731	-	731	731	-
Receipts from Owners	450	-	450	450	-
	<u>25.704</u>	<u>(6.672)</u>	<u>19.032</u>	<u>19.032</u>	<u>-</u>

- 6.3.1 Capital Grants & Contributions –There is a projected decrease in capital grants of £0.514m in 2024/25. The decrease in projected grant funding relates to Scottish Government new build grants which have been updated to reflect the latest estimates of external funding available in 2024/25.

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

	£m
2020/21	7.316
2021/22	12.338
2022/23	9.232
2023/24	12.175
2024/25 (Projected)	19.032

6.4 Projected Total Cost Variations

There are no total cost variations to report since the previous capital monitoring report went to committee as this is the first Capital Monitoring report for 2024/25.

6.5 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 as this is the first Capital Monitoring report for 2024/25.

As indicated above, officers are presently reviewing the Housing Capital Plan for 2024/25 and will report back to Committee with any recommended changes.

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

08 AUGUST 2024

2024/25 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 30th JUNE 2024

Appendix 1

	<u>Approved Capital Budget 2024/25 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2024/25 £000</u>	<u>Actual Spend 2024/25 £000</u>	<u>Projected Outturn 2024/25 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 30.06.24 as a % of Revised Budget</u>
GENERAL SERVICES							
<u>Capital Expenditure</u>							
Reduce Child Poverty & Inequalities in Income, Education & Health	64,217	(2,491)	61,726	15,309	61,726	0	25%
Deliver Inclusive Economic Growth	19,232	(490)	18,742	4,236	18,742	0	23%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	21,584	(4,222)	17,362	1,419	17,362	0	8%
Build Resilient and Empowered Communities	11,402	(1,231)	10,171	1,267	10,171	0	12%
Design a Modern Council	19,869	(6,299)	13,570	2,554	13,570	0	19%
Capital Expenditure 2024/25	136,304	(14,733)	121,571	24,785	121,571	0	20%
<u>Capital Resources</u>							
Expenditure Funded from Borrowing	99,115	(6,691)	92,424	21,785	92,424		
General Capital Grant	11,551	123	11,674	3,172	11,674		
Capital Grants & Contributions - project specific	17,212	(2,165)	15,047	(1,508)	15,047		
Capital Receipts - Sale of Assets	2,000		2,000	910	2,000		
Capital Fund	426		426	426	426		
Capital Resources 2024/25	130,304	(8,733)	121,571	24,785	121,571		
Capital Expenditure as % of Capital Resources	105%		100%		100%		

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REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Note 1

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 30/6/24 £'000	Projected Outturn 2024/25 £000	Actual Project Cost to 30/6/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
MAJOR PROJECTS - Reduce Child Poverty and Inequalities										
Harris Academy Extension	200	(5)	195		195	4,629	5,174	4,824	Dec-23	Aug-24
(Less External Funding)	(200)	5	(195)		(195)	(4,629)	(5,174)	(4,824)		
School Estate Investment-East End Community Campus	63,657	(2,557)	61,100	15,309	61,100	45,428	100,800	100,800	Jul-25	Jul-25
OTHER PROJECTS - Reduce Child Poverty and Inequalities	360	71	431		431	3,559	4,571	4,492		
Net Expenditure	64,017	(2,486)	61,531	15,309	61,531	48,987	105,371	105,292		
Receipts	(200)	5	(195)		(195)	(4,629)	(5,174)	(4,824)		
Gross Expenditure	64,217	(2,491)	61,726	15,309	61,726	53,616	110,545	110,116		

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 2024-29

DELIVER INCLUSIVE ECONOMIC GROWTH

Note 1

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 30/6/24 £'000	Projected Outturn 2024/25 £000	Actual Project Cost to 30/6/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
MAJOR PROJECTS - Deliver Inclusive Economic Growth										
Site 6 South Development - Offices	18,620	(162)	18,458	4,255	18,458	10,679	26,202	26,202	Feb-25	Apr-25
OTHER PROJECTS - Deliver Inclusive Economic Growth	612	(328)	284	(19)	284	1,894	2,652	2,568		
(Less External Funding)	(351)	321	(30)		(30)	(64)	(425)	(425)		
Net Expenditure	18,881	(169)	18,712	4,236	18,712	12,509	28,429	28,345		
Netted Off Receipts	(351)	321	(30)		(30)	(64)	(425)	(425)		
Gross Expenditure	19,232	(490)	18,742	4,236	18,742	12,573	28,854	28,770		

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 2024-29

TACKLE CLIMATE CHANGE AND REACH NET ZERO CARBON EMISSIONS BY 2045

Project/Nature of Expenditure	Approved Budget	Total Adjusts	Revised Budget	Expenditure to	Projected	Note 1				
	2024/25			2024/25	30/6/24	Outturn	Actual Project Cost to	Current Approved	Projected Total	Approved Completion
	£000	£000	£000	£'000	£000	30/6/24	Project Cost	Cost	Date	Completion Date
MAJOR PROJECTS - Tackle Climate Change and Reach Net Zero Emissions by 2045										
Broughty Ferry to Monifieth Active Travel Improvements	2,580	(61)	2,519	241	2,519	15,700	9,067	18,031	Sep-24	Sep-24
(Less External Funding)	(1,830)	61	(1,769)	1,414	(1,769)	(14,045)	(9,067)	(17,172)	Sep-24	Sep-24
Tier 1 Active Travel Infrastructure Fund (formerly known as Cycling, Walking & Safer Routes)	652	353	1,005	132	1,005	1,002	1,875	1,875	Mar-25	Mar-25
(Less External Funding)	(652)	(353)	(1,005)	88	(1,005)	88	(1,005)	(1,005)	Mar-25	Mar-25
DCA Lifecycle plant replacement programme	500	(250)	250		250	66	4,550	4,550	Tender not yet approved	
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	12,170	(2,125)	10,045	891	10,045	1,759	16,000	16,000	Main Tender not yet approved	
(Less External Funding)	(11,870)	1,825	(10,045)		(10,045)	(848)	(14,400)	(14,400)		
Vehicle Fleet & Infrastructure	2,828	(1,565)	1,263	3	1,263	1,128	2,388	2,388	Mar-25	Mar-25
(Less Sale of Vehicles & Equipment)				(2)		(192)	(190)	(190)	Mar-25	Mar-25
OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045	2,854	(574)	2,280	152	2,280	21,090	23,952	23,847		
(Less External Funding)		(592)	(592)	(48)	(592)	(2,135)	(2,548)	(2,424)		
Net Expenditure	7,232	(3,281)	3,951	2,871	3,951	23,613	30,622	31,500		
Receipts	(14,352)	941	(13,411)	1,452	(13,411)	(17,132)	(27,210)	(35,191)		
Gross Expenditure	21,584	(4,222)	17,362	1,419	17,362	40,745	57,832	66,691		

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 2024-29

BUILD RESILIENT AND EMPOWERED COMMUNITIES

Project/Nature of Expenditure	Approved	Total Adjusts	Revised	Expenditure	Projected	Note 1				
	Budget 2024/25 £000		Budget 2024/25 £000	to 30/6/24 £'000	Outturn 2024/25 £000	Actual Project Cost to 30/6/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
MAJOR PROJECTS - Build Resilient and Empowered Communities										
Road Maintenance Partnership	3,460	(94)	3,366	759	3,366	759	3,366	3,366	Mar-25	Mar-25
Street Lighting Renewal	1,117	(1)	1,116	181	1,116	181	1,116	1,116	Mar-25	Mar-25
City Improvement/Investment Fund	1,365	(1,183)	182		182		2,717	2,717	Mar-25	Mar-25
(Less External Funding)	(1,115)	1,115	0	0	0	(693)	(693)	(693)	Mar-25	Mar-25
Parks & Open Spaces	2,408	(267)	2,141	163	2,141	1,205	3,190	3,190	Mar-25	Mar-25
(Less External Funding)	(365)		(365)		(365)	(275)	(640)	(640)	Mar-25	Mar-25
OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities	3,052	314	3,366	164	3,366	5,750	9,153	8,181		
(Less External Funding)	(829)	(216)	(1,045)	56	(1,045)	(746)	(1,473)	(1,473)		
Net Expenditure	9,093	(332)	8,761	1,323	8,761	6,181	16,736	15,764		
Receipts	(2,309)	899	(1,410)	56	(1,410)	(1,714)	(2,806)	(2,806)		
Gross Expenditure	11,402	(1,231)	10,171	1,267	10,171	7,895	19,542	18,570		

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 2024-29

DESIGN A MODERN COUNCIL

Appendix 2

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 30/6/24 £'000	Projected Outturn 2024/25 £000
MAJOR PROJECTS/PROGRAMMES - Design a Modern Council					
Baldovie Depot Redevelopment	3,071	(2,071)	1,000	33	1,000
Depot Rationalisation Programme	2,092	(1,592)	500	6	500
Dundee Ice Arena Plant & Upgrade	577	(227)	350	(16)	350
Olympia Refurbishment Works		197	197	79	197
<u>Property Lifecycle Development Programme</u>	6,285	(211)	6,074	70	6,074
Purchase Computer Equipment	1,258	43	1,301	355	1,301
(Less External Funding)		(1)	(1)		(1)
Desktop Management Software	1,500	(1,104)	396		396
Schools Connectivity	1,100	474	1,574	1,232	1,574
OTHER PROJECTS/PROGRAMMES - Design a Modern Council	3,986	(1,808)	2,178	795	2,178
Net Expenditure	19,869	(6,300)	13,569	2,554	13,569
Netted Off Receipts		(1)	(1)		(1)
Gross Expenditure	19,869	(6,299)	13,570	2,554	13,570

Note 1

Actual Project Cost to 30/6/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
208	5,200	5,200	Tender not yet approved	
367	3,063	3,063	Tender not yet approved	
1,035	9,100	9,100	Main Tender not yet approved	
6,146	6,163	6,264	Oct-23	Dec-23
3,191	9,195	9,195	Mar-25	Mar-25
3,101	4,047	4,047	Mar-25	Mar-25
(648)	(650)	(648)	Mar-23	Mar-23
1,258	2,600	2,600		
4,387	6,461	7,415		
19,045	45,179	46,236		
(648)	(650)	(648)		
19,693	45,829	46,884		

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 2024-29

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

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 30/06/2024	Projected Outturn 2024/25 £000
Energy Efficient	9,683	(7,100)	2,583	163	2,583
Net Expenditure	9,683	(7,100)	2,583	163	2,583
Receipts					
Gross Expenditure	9,683	(7,100)	2,583	163	2,583

Note 1				
Actual Project Cost to 30/06/2024 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
298	2,718	2,718	Mar-25	Mar-25
298	2,718	2,718		
298	2,718	2,718		

BUILD RESILIENT AND EMPOWERED COMMUNITIES - HOUSING REVENUE ACCOUNT ELEMENT

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 30/06/2024	Projected Outturn 2024/25 £000
Free from Serious Disrepair	4,550	1,850	6,400	228	6,400
Modern Facilities & Services	1,000	500	1,500		1,500
Healthy, Safe and Secure	2,710	804	3,514	172	3,514
Miscellaneous	1,437	686	2,123	191	2,123
Increased Supply of Council Housing	6,114	(4,312)	1,802	1,432	1,802
(Less External Funding)	(1,209)	514	(695)		(695)
Demolitions	10		10	6	10
Sheltered Lounge Upgrades	200		200	7	200
Improvement Plan		900	900		900
Net Expenditure	14,812	942	15,754	2,036	15,754
Receipts	(1,209)	514	(695)		(695)
Gross Expenditure	16,021	428	16,449	2,036	16,449

Note 1				
Actual Project Cost to 30/06/2024 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,546	7,184	7,634	Mar-25	Mar-25
17	1,050	1,517	Mar-25	Mar-25
6,775	9,298	9,298	Mar-25	Mar-25
1,242	3,174	3,174	Mar-25	Mar-25
2,831	3,201	3,201	Mar-25	Mar-25
	(1,824)	(1,824)	Mar-25	Mar-25
31	35	35	Mar-25	Mar-25
24	200	217	Mar-25	Mar-25
	900	900	Mar-25	Mar-25
12,466	23,218	24,152		
	(1,824)	(1,824)	45,747	45,747
12,466	25,042	25,976	(45,747)	(45,747)

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 2024-29

DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING 30 JUNE 2024

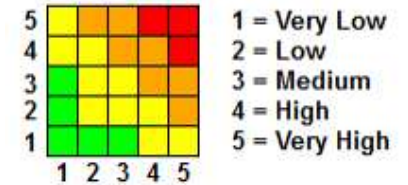
Appendix 3

	<u>Approved Capital Budget 2024/25 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2024/25 £000</u>	<u>Actual Spend to 30 Jun 2024 £000</u>	<u>Projected Outturn 2024/25 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 30.6.2024 as a % of Revised Budget</u>
<u>Capital Expenditure 2024/25</u>							
<u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u>							
Energy Efficiency	9,683	(7,100)	2,583	163	2,583	-	6%
<u>Build Resilient and Empowered Communities</u>							
Free from Serious Disrepair	4,550	1,850	6,400	228	6,400	-	4%
Modern Facilities and Services	1,000	500	1,500		1,500	-	0%
Healthy, Safe & Secure	2,710	804	3,514	172	3,514	-	5%
Miscellaneous	1,437	686	2,123	191	2,123	-	9%
Increase Supply of Council Housing	6,114	(4,312)	1,802	1,432	1,802	-	79%
Demolitions	10		10	6	10	-	60%
Sheltered Lounge Upgrades	200		200	7	200	-	4%
Improvement Plan		900	900		900	-	0%
Capital Expenditure 2024/25	25,704	(6,672)	19,032	2,199	19,032	-	12%
<u>Capital Resources 2023/24</u>							
Expenditure Funded from Borrowing	22,864	(6,158)	16,706	2,199	16,706	-	
Capital Receipts, Grants & Contributions - project specific							
Scottish Government Grants	1,209	(514)	695		695	-	
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		450	-	
Capital Receipts:-							
Sale of Assets - Land	731		731		731	-	
	25,704	(6,672)	19,032	2,199	19,032		
Capital Expenditure as % of Capital Resources	100%		100%		100%		

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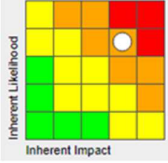
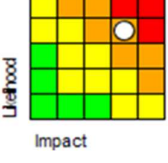
APPENDIX 4

Pentana Risk Matrix



Risk Report
Report Type: Capital Monitoring 2024/25
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"> The invasion of Ukraine Labour shortages pushing up labour costs. Economic uncertainty due to political factors 	<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, inflation and uncertainties in the economy due to political climate means housing developers are delaying purchasing sites for development, in anticipation that interest rates and rate of inflation will come down 	<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)
	<ul style="list-style-type: none"><li data-bbox="359 289 611 506">Businesses are delaying applying for business loans for expanding etc in anticipation that interest rates will come down further.				receiving receipts can be matched against the expenditure slippage.	