

ITEM No ...2.....

REPORT TO: CITY GOVERNANCE COMMITTEE – 23 SEPTEMBER 2024
REPORT ON: CAPITAL EXPENDITURE MONITORING 2024/25
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 239–2024

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 31st July 2024.

Appendix 1, which details the General Services position to the end of July 2024, shows a revised projected outturn for 2024/25 of £121.311m, a decrease of £0.260m since the last capital monitoring report was approved at City Governance Committee on 19th August 2024 (Report 207-2024, Article III 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 £0.260m will be required in 2025/26 and will be funded from borrowing.

Appendix 3, which details the Housing HRA position to the end of July 2024, shows a projected outturn for 2024/25 of £19.032m. There are no variations since the last capital monitoring report was approved at City Governance Committee on 19th August 2024 (Report 207-2024, Article III refers).

An explanation of the major variance is shown in Section 5 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.

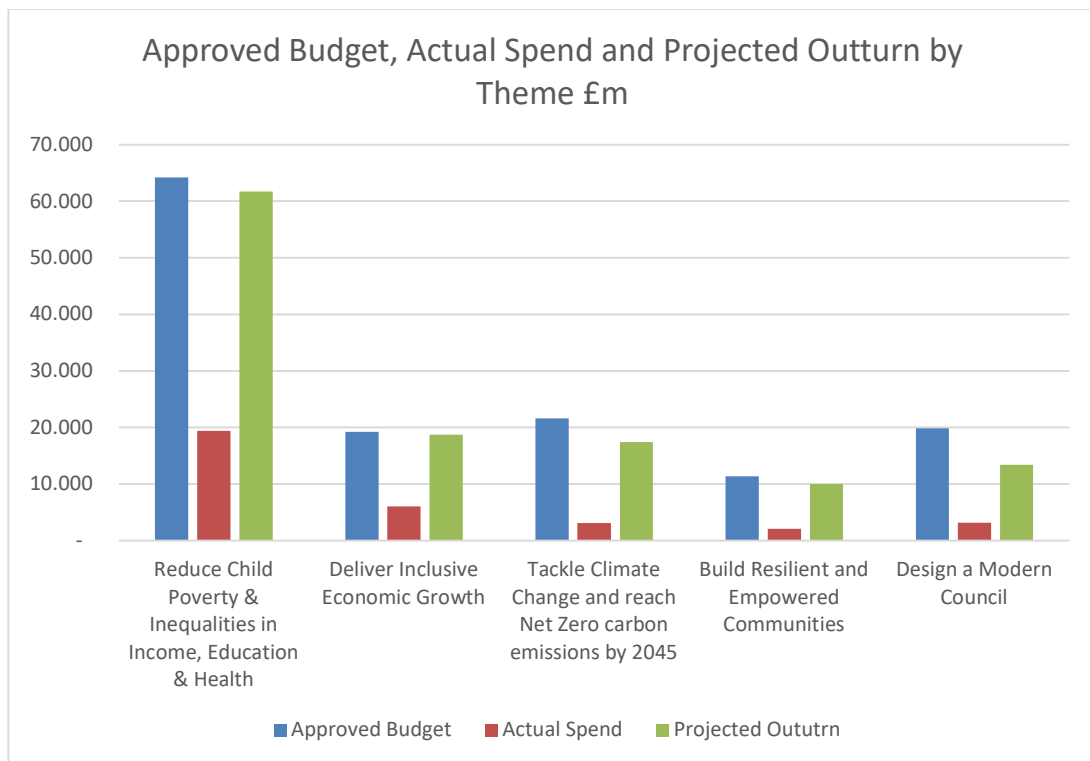
5 GENERAL SERVICES CURRENT POSITION

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 31 July is £33.704m, 28% of the Revised Budget 2024/25 compared to 14% for the same period last year.

The above actual spend figure excludes any Architectural Services fee recharges for 2024/25, as Officers within City Development are currently reviewing, and it is anticipated that they will be incorporated into future reports.

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.

Reduction in planned expenditure:

- Community Regeneration Fund/Climate Capital Fund – (£0.308m)

5.2 2024/25 Expenditure Variations

Appendix 1, which details the General Services position to the end of July 2024, shows a revised projected outturn for 2024/25 of £121.311m, a decrease of £0.260m since the last capital monitoring report was approved at City Governance Committee on 19th August 2024 (Report 207-2024, Article III refers). The main reason for the movement is detailed in point 5.2.1 below:

5.2.1 Community Regeneration Fund/Climate Capital Fund (Build Resilient & Empowered Communities – Other Projects) – Reduction in projected expenditure of £0.308m in 2024/25. The processes and procedures for the awarding of these monies will be considered at City Governance Committee in due course. Due to the timescales in finalising procedures and then inviting bids for the monies, and the subsequent public voting, the 2024/25 allocation will be carried forward into 2025/26 and added to the 2025/26 allocation. This budgeted expenditure will be funded from borrowing. There will be a reduction in borrowing 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	(6.999)	92.116	92.116	-
General Capital Grant	11.551	0.123	11.674	11.674	-
Capital Grants & Contributions	17.212	(2.117)	15.095	15.095	-
Capital Receipts – Sale of Assets	2.000	-	2.000	2.000	-
Capital Fund	<u>0.426</u>	<u>-</u>	<u>0.426</u>	<u>0.426</u>	
	<u>130.304</u>	<u>(8.993)</u>	<u>121.311</u>	<u>121.311</u>	<u>-</u>

5.3.1 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)	121.311

5.4 Projected Total Cost Variations

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

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.

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

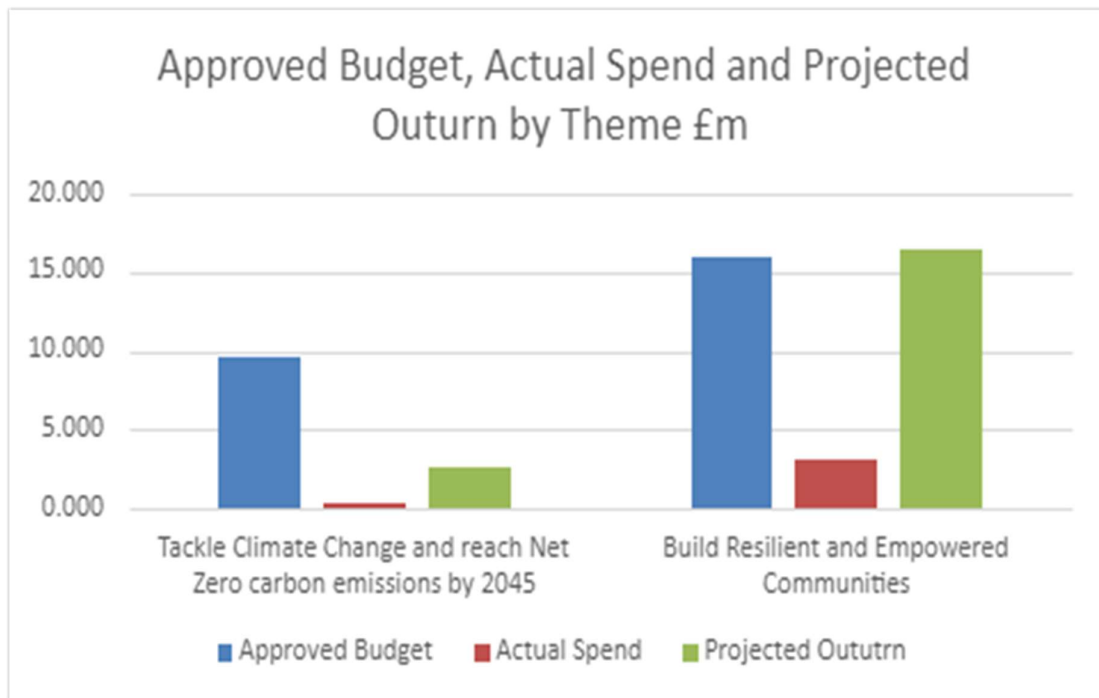
6.1 2024/25 Expenditure Variations

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 31st July 2024 is £3.420m, 18% of the Revised Budget 2024/25 compared to 11% for the same period last year.

The above actual spend figure excludes any Architectural Services fee recharges for 2024/25, as Officers within City Development are currently reviewing, and it is anticipated that they will be incorporated into future reports.

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 July 2024, shows a projected outturn for 2024/25 of £19.032m. There are no variations since the last capital monitoring report was approved at City Governance Committee on 19th August 2024 (Report 207-2024, Article III refers).

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	<u>450</u>	<u>-</u>	<u>450</u>	<u>450</u>	<u>-</u>
	<u>25.704</u>	<u>(6.672)</u>	<u>19.032</u>	<u>19.032</u>	<u>-</u>

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.

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 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
2024**

12 SEPTEMBER

2024/25 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st JULY 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 31.07.24 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	19,434	61,726	0	31%
Deliver Inclusive Economic Growth	19,232	(490)	18,742	6,019	18,742	0	32%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	21,584	(4,174)	17,410	3,075	17,410	0	18%
Build Resilient and Empowered Communities	11,402	(1,408)	9,994	2,069	9,994	0	21%
Design a Modern Council	19,869	(6,430)	13,439	3,107	13,439	0	23%
Capital Expenditure 2024/25	136,304	(14,993)	121,311	33,704	121,311	0	28%
<u>Capital Resources</u>							
Expenditure Funded from Borrowing	99,115	(6,999)	92,116	26,580	92,116		
General Capital Grant	11,551	123	11,674	4,230	11,674		
Capital Grants & Contributions - project specific	17,212	(2,117)	15,095	1,505	15,095		
Capital Receipts - Sale of Assets	2,000		2,000	963	2,000		
Capital Fund	426		426	426	426		
Capital Resources 2024/25	130,304	(8,993)	121,311	33,704	121,311		
Capital Expenditure as % of Capital Resources	105%		100%		100%		

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REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Project/Nature of Expenditure	Approved Budget	Total	Revised Budget	Expenditure to	Projected Outturn	Note 1				
	2024/25 £000	Adjusts £000	2024/25 £000	31/7/24 £'000	2024/25 £000	Actual Project Cost to 31/7/24 £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	19,434	61,100	49,553	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	19,434	61,531	53,112	105,371	105,292		
Receipts	(200)	5	(195)		(195)	(4,629)	(5,174)	(4,824)		
Gross Expenditure	64,217	(2,491)	61,726	19,434	61,726	57,741	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 31/7/24 £'000	Projected Outturn 2024/25 £000	Actual Project Cost to 31/7/24 £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	5,987	18,458	12,411	26,202	26,202	Feb-25	Apr-25
OTHER PROJECTS - Deliver Inclusive Economic Growth	612	(328)	284	32	284	1,945	2,652	2,568		
(Less External Funding)	(351)	321	(30)		(30)	(64)	(425)	(425)		
Net Expenditure	18,881	(169)	18,712	6,019	18,712	14,292	28,429	28,345		
Netted Off Receipts	(351)	321	(30)		(30)	(64)	(425)	(425)		
Gross Expenditure	19,232	(490)	18,742	6,019	18,742	14,356	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	Revised Budget	Expenditure to	Projected Outturn	Note 1				
	2024/25 £000	Adjusts £000	2024/25 £000	31/7/24 £'000	2024/25 £000	Actual Project Cost to 31/7/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual 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	336	2,519	15,795	9,067	18,031	Sep-24	Sep-24
(Less External Funding)	(1,830)	61	(1,769)	30	(1,769)	(15,429)	(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	156	1,005	1,026	1,875	1,875	Mar-25	Mar-25
(Less External Funding)	(652)	(353)	(1,005)	(156)	(1,005)	(156)	(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	1,261	10,045	2,129	16,000	16,000	Main Tender not yet approved	
(Less External Funding)	(11,870)	1,825	(10,045)	(1,261)	(10,045)	(2,109)	(14,400)	(14,400)		
Vehicle Fleet & Infrastructure	2,828	(1,517)	1,311	1,047	1,311	2,172	2,436	2,436	Mar-25	Mar-25
(Less Sale of Vehicles & Equipment)		(48)	(48)	(23)	(48)	(213)	(238)	(238)	Mar-25	Mar-25
OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045	2,854	(574)	2,280	275	2,280	21,239	24,199	24,259		
(Less External Funding)		(592)	(592)	(48)	(592)	(2,135)	(2,674)	(2,676)		
Net Expenditure	7,232	(3,281)	3,951	1,617	3,951	22,385	30,743	31,660		
Receipts	(14,352)	893	(13,459)	(1,458)	(13,459)	(20,042)	(27,384)	(35,491)		
Gross Expenditure	21,584	(4,174)	17,410	3,075	17,410	42,427	58,127	67,151		

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

Appendix 2

BUILD RESILIENT AND EMPOWERED COMMUNITIES

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/7/24 £'000	Projected Outturn 2024/25 £000
MAJOR PROJECTS - Build Resilient and Empowered Communities					
Road Maintenance Partnership	3,460	(94)	3,366	1,116	3,366
Street Lighting Renewal	1,117	(1)	1,116	266	1,116
City Improvement/Investment Fund	1,365	(1,183)	182	28	182
(Less External Funding)	(1,115)	1,115	0	0	0
Parks & Open Spaces	2,408	(267)	2,141	174	2,141
(Less External Funding)	(365)		(365)		(365)
OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities	3,052	137	3,189	485	3,189
(Less External Funding)	(829)	(216)	(1,045)	(47)	(1,045)
Net Expenditure	9,093	(509)	8,584	2,022	8,584
Receipts	(2,309)	899	(1,410)	(47)	(1,410)
Gross Expenditure	11,402	(1,408)	9,994	2,069	9,994

Note 1				
Actual Project Cost to 31/7/24 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/Actual Completion Date
1,116	3,366	3,366	Mar-25	Mar-25
266	1,116	1,116	Mar-25	Mar-25
2	2,717	2,717	Mar-25	Mar-25
(693)	(693)	(693)	Mar-25	Mar-25
1,210	3,190	3,190	Mar-25	Mar-25
(275)	(640)	(640)	Mar-25	Mar-25
6,304	9,209	8,237		
(849)	(1,473)	(1,473)		
7,081	16,792	15,820		
(1,817)	(2,806)	(2,806)		
8,898	19,598	18,626		

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 31/7/24 £'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	82	197
Property Lifecycle Development Programme	6,285	(211)	6,074	73	6,074
Purchase Computer Equipment	1,258	43	1,301	699	1,301
(Less External Funding)		(1)	(1)		(1)
Desktop Management Software	1,500	(1,235)	265		265
Schools Connectivity	1,100	474	1,574	1,432	1,574
OTHER PROJECTS/PROGRAMMES - Design a Modern Council	3,986	(1,808)	2,178	798	2,178
Net Expenditure	19,869	(6,431)	13,438	3,107	13,438
Netted Off Receipts		(1)	(1)		(1)
Gross Expenditure	19,869	(6,430)	13,439	3,107	13,439

Note 1

Actual Project Cost to 31/7/24 £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
6,149	6,163	6,264	Oct-23	Dec-23
3,204	9,205	9,205	Mar-25	Mar-25
3,445	4,047	4,047	Mar-25	Mar-25
(648)	(650)	(648)	Mar-23	Mar-23
1,458	2,600	2,600		
4,390	6,461	8,406		
19,608	45,189	47,237		
(648)	(650)	(648)		
20,256	45,839	47,885		

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 31/07/2024	Projected Outturn 2024/25 £000
Energy Efficient	9,683	(7,100)	2,583	281	2,583
Net Expenditure	9,683	(7,100)	2,583	281	2,583
Receipts					
Gross Expenditure	9,683	(7,100)	2,583	281	2,583

Note 1				
Actual Project Cost to 31/07/2024 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
416	2,718	2,718	Mar-25	Mar-25
416	2,718	2,718		
416	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 31/07/2024	Projected Outturn 2024/25 £000
Free from Serious Disrepair	4,550	1,850	6,400	955	6,400
Modern Facilities & Services	1,000	500	1,500		1,500
Healthy, Safe and Secure	2,710	804	3,514	238	3,514
Miscellaneous	1,437	686	2,123	480	2,123
Increased Supply of Council Housing	6,114	(4,312)	1,802	1,435	1,802
(Less External Funding)	(1,209)	514	(695)		(695)
Demolitions	10		10	6	10
Sheltered Lounge Upgrades	200		200	25	200
Improvement Plan		900	900		900
Net Expenditure	14,812	942	15,754	3,139	15,754
Receipts	(1,209)	514	(695)		(695)
Gross Expenditure	16,021	428	16,449	3,139	16,449

Note 1				
Actual Project Cost to 31/07/2024 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
2,273	7,184	7,634	Mar-25	Mar-25
17	1,050	1,517	Mar-25	Mar-25
6,785	9,298	9,298	Mar-25	Mar-25
1,531	3,174	3,174	Mar-25	Mar-25
2,834	3,201	3,201	Mar-25	Mar-25
	(1,824)	(1,824)	Mar-25	Mar-25
31	35	35	Mar-25	Mar-25
42	200	217	Mar-25	Mar-25
	900	900	Mar-25	Mar-25
13,513	23,218	24,152		
	(1,824)	(1,824)	45,747	45,747
13,513	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 31 JULY 2024

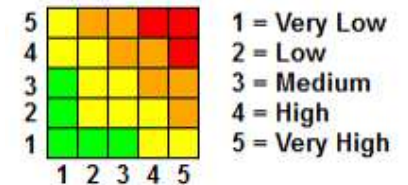
Appendix 3

	<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 31 Jul 2024 £000</u>	<u>Projected Outturn 2024/25 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.7.2024 as a % of Revised Budget</u>
Capital Expenditure 2024/25							
Tackle Climate Change and reach Net Zero carbon emissions by 2045							
Energy Efficiency	9,683	(7,100)	2,583	281	2,583	-	11%
Build Resilient and Empowered Communities							
Free from Serious Disrepair	4,550	1,850	6,400	955	6,400	-	15%
Modern Facilities and Services	1,000	500	1,500		1,500	-	0%
Healthy, Safe & Secure	2,710	804	3,514	238	3,514	-	7%
Miscellaneous	1,437	686	2,123	480	2,123	-	23%
Increase Supply of Council Housing	6,114	(4,312)	1,802	1,435	1,802	-	80%
Demolitions	10		10	6	10	-	60%
Sheltered Lounge Upgrades	200		200	25	200	-	13%
Improvement Plan		900	900		900	-	0%
Capital Expenditure 2024/25	25,704	(6,672)	19,032	3,420	19,032	-	18%
Capital Resources 2024/25							
Expenditure Funded from Borrowing	22,864	(6,158)	16,706	3,420	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	-	
Capital Expenditure as % of Capital Resources	100%		100%		100%		

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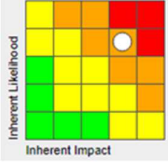
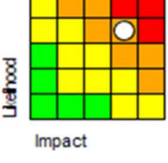
APPENDIX 4

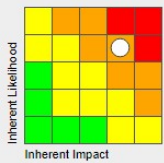
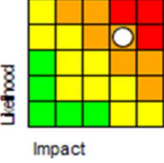
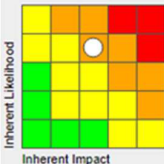
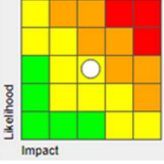
Pentana Risk Matrix



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 	<p>Inherent Likelihood</p> <p>Inherent Impact</p>	<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. 	<p>Likelihood</p> <p>Impact</p>
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 	<p>Inherent Likelihood</p> <p>Inherent Impact</p>	<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 	<p>Likelihood</p> <p>Impact</p>

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"> 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.	