

ITEM No ...3.....

REPORT TO: CITY GOVERNANCE COMMITTEE – 4 DECEMBER 2023
REPORT ON: CAPITAL EXPENDITURE MONITORING 2023/24
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 352–2023

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 October 2023.

Appendix 1, which details the General Services position to the end of October 2023, shows a revised projected outturn for 2023/24 of £77.967m, a decrease of £5.816m since the last Capital Monitoring report was approved at City Governance Committee on 20th November 2023 (Report 304-2023, Article III refers). The net movements that have contributed to this movement are summarised in paragraph 5.1 of the report. It is emphasised that this is not an underspend in so far that the net figure of £5.816m will still be required in 2024/25 and funded from borrowing and grants and contributions in that year.

Appendix 3, which details the Housing HRA position to the end of October 2023, shows a revised projected outturn for 2023/24 of £22.814m, a decrease of £1.336m since the last capital monitoring report was approved at City Governance Committee on 20th November 2023 (Report 304-2023, Article III 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 October is 41% of the Revised Budget 2023/24 compared to 28% 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:

- City Investment Fund – (£0.415m) – delays to agreeing projects being taken forward
- Coastal Protection Works – (£0.616m) – delays in agreeing projects to be progressed
- Flood Risk Management - (£0.488m) – scoping of projects ongoing
- Property Lifecycle Development Programme – Caird Hall Emergency Lighting and Fire Alarms – (£0.381m) – project now at tendering stage
- Property Lifecycle Development Programme – St John’s Modular Accommodation – (£1.115m) – project now at tendering stage
- Broughty Ferry to Monifieth Active Travel Improvements – (£0.570m) – rephasing of works
- Additional Improvements to Play parks and Play Equipment – (£0.280m) – projects at design stage
- Schools Connectivity – (£0.900m) - contractor now appointed so works will now progress over coming months

5.2 2023/24 Expenditure Variations

Appendix 1, which details the General Services position to the end of September 2023, shows a revised projected outturn for 2023/24 of £77.967m, a decrease of £5.816m since the last Capital Monitoring report was approved at City Governance Committee on 20th November 2023 (Report 304-2023, Article III refers). The main reasons for the movement are detailed in points 5.2.1 to 5.2.8 below:

5.2.1 City Improvement/Investment Fund (Build Resilient and Empowered Communities) - Reduction in projected expenditure of £0.415m in 2023/24 on City Investment Fund. This expenditure is funded by a Capital Grant from the Scottish Government. Plans are being progressed for a programme of infrastructure and public realm works in the Eastern Quarter area of the City Centre, as set out in the City Centre Investment Plan. A report will be considered by members in the new year. There will be a reduction in grants and contributions in 2023/24 and a corresponding increase in 2024/25.

5.2.2 Coastal Protection Works (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045 – Other Projects) - Reduction in projected expenditure of £0.616m in 2023/24 on Water Resilient Dundee project. This budget is planned to be used for joint Scottish Water projects in managing surface water in Dundee. Scottish Water have undertaken modelling of the surface water infrastructure and flow paths across Dundee. There has been a delay in Scottish Water providing a list of projects to take forward. Engineers are also in the process of commissioning a study, financed by Nature Scot, into the opportunities for city wide SUDS and Blue green infrastructure. This study is due to be complete April 2024. Works arising from this study will be taken forward under this budget. We expect to have projects identified for design and implementation during 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.

- 5.2.3 Flood Risk Management (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045 – Other Projects) – Reduction in projected expenditure of £0.488m in 2023/24. The budget was reserved for match funding on Flood Protection projects. The Scottish Government announced in August 2023 that the Dundee projects will not be funded in this cycle. Large scale interventions are reliant on land take to create water storage in other local authorities. As such engineers are investigating if funding can be secured to allow initial design works to be undertaken to start this process of identification and discussions. Engineers are also working through the feasibility of designing and implementing smaller interventions that can improve flood resilience. In the aftermath of Storm Babet, an exercise is underway to assess where best to spend this budget to maximise its potential in mitigating flooding issues across Dundee. This process will delay any works until 2024/25. There will be reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.4 Property Lifecycle Development Programme (Design a Modern Council) – Reduction in projected expenditure of £0.381m in 2023/24 on Lifecycle Improvements. This budget will be used to upgrade the emergency lighting and fire alarms in the Caird Hall. The project design took longer than anticipated. A suitable route to market is now being established. The budget will be required in 2024/25. There will be reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.5 Property Lifecycle Development Programme (Design a Modern Council) – Reduction in projected expenditure of £1.115m in 2023/24 on the provision of Modular Accommodation at St Johns High School. The project development took longer than anticipated. A suitable route to market is now being established. The budget will be required in 2024/25. There will be reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.6 Broughty Ferry to Monifieth Active Travel Improvements (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Reduction in projected expenditure of £0.570m in 2023/24. The budget has been rephased to reflect the timescales, from contractors, for carrying out the various phases of this project, and as a result of traffic management constraints by the highways authorities, the works are now due to complete during 2024/25. This expenditure is funded from a grant from Sustrans. There will be a reduction in grants and contribution in 2023/24 and a corresponding increase in 2024/25.
- 5.2.7 Parks & Open Spaces (Build Resilient and Empowered Communities) – Reduction in projected expenditure of £0.280m in 2023/24 on Additional Improvements to Playparks and Play Equipment. The works at Pitarlie, Ballindean and Castle Green Play Areas are currently in design, and it is anticipated that 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.
- 5.2.8 Schools Connectivity (Design a Modern Council) – Reduction in projected expenditure of £0.900m in 2023/24. The contractor has recently been appointed and works will commence soon on the programme of works to install new high-speed fibre internet connectivity to all schools. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.3 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	(21.951)	42.208	42.208	-
General Capital Grant	13.150	(572)	12.578	12.578	-
Capital Grants & Contributions	12.146	6.861	19.007	19.007	-
Capital Receipts – Sale of Assets	3.000	(1.952)	1.048	1.048	-
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>(18.325)</u>	<u>77.967</u>	<u>77.967</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)	77.967

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 Broughty Ferry to Monifieth Active Travel Improvements (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Revision of completion date from 31st March 2024 to second half of 2024/25 due to revisions in timescales from the contractors for the various phases of the works, along with traffic management constraints by the highways authorities. This revision to the anticipated completion date does not affect the overall cost of the project.

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 October 2023 is 20% of the Revised Budget 2023/24 compared to 21% for the same period last year.

6.2 Appendix 3, which details the Housing HRA position to the end of October 2023, shows a revised projected outturn for 2023/24 of £22.814m, a decrease of £1.336m since the last capital monitoring report was approved at City Governance Committee on 20th November 2023 (Report 304-2023, Article III refers). The main reason for the movement is detailed in point 6.2.3 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 £1.385m in 2023/24. The reduction in expenditure is due to the revised programme for the External Insulation programmes at Glenprosen and Lawton and Linlathen Phase 1 developments. The survey and design work is underway however the majority of spend is projected for 24/25 and so the programme has been amended along with the projected expenditure.
- 6.2.2 Miscellaneous, MSD Pump replacement – (Build Resilient and Empowered Communities) – The projected expenditure has decreased by £0.300m in 2023/24. The reduction in expenditure is mainly due to the Multi Storey Replacement Pumps programme being updated to reflect the latest estimated timescales of the project. The programme is currently out for pricing and will be brought to committee in due course for tender acceptance approval. It is projected that the works will start within 23/24 and continue into financial year 24/25.
- 6.2.3 Healthy, Safe and Secure, Multi Storey Development Improvements– (Build Resilient and Empowered Communities) – The projected expenditure has increased by £0.300m in 2023/24. This is due to the installation of waste recycling facilities and its infrastructure programme being updated to reflect the latest timescales from the contractors. The overall cost of the project, remains unchanged.
- 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.
- 6.4 The table below shows the latest position regarding the funding of the 2023/24 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	22.997	(3.789)	19.208	19.208	-
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>(6.921)</u>	<u>22.814</u>	<u>22.814</u>	<u>-</u>

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

	£m
2019/20	23.565
2020/21	7.316
2021/22	12.338
2022/23	9.232
2023/24 (Projected)	22.814

6.5 Projected Total Cost Variations

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

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

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

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

7 **RISK ASSESSMENT**

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

8 **POLICY IMPLICATIONS**

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

9 **CONSULTATION**

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

10 **BACKGROUND PAPERS**

10.1 None.

ROBERT EMMOTT
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

23 NOVEMBER 2023

2023/24 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st OCTOBER 2023

Appendix 1

	<u>Approved</u> <u>Capital</u> <u>Budget</u> <u>2023/24</u> <u>£000</u>	<u>Total</u> <u>Budget</u> <u>Adjustments</u> <u>£000</u>	<u>Revised</u> <u>Capital</u> <u>Budget</u> <u>2023/24</u> <u>£000</u>	<u>Actual</u> <u>Spend</u> <u>2023/24</u> <u>£000</u>	<u>Projected</u> <u>Outturn</u> <u>2023/24</u> <u>£000</u>	<u>Variance</u> <u>£000</u>	<u>Actual Spend</u> <u>to 31.10.2023</u> <u>as a % of</u> <u>Revised</u> <u>Budget</u>
GENERAL SERVICES							
<u>Capital Expenditure</u>							
Reduce Child Poverty & Inequalities in Income, Education & Health	37,962	(5,800)	32,162	13,225	32,162	0	41%
Deliver Inclusive Economic Growth	15,300	(9,169)	6,131	260	6,131	0	4%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	17,543	(1,232)	16,311	7,697	16,311	0	47%
Build Resilient and Empowered Communities	8,379	1,077	9,456	3,349	9,456	0	35%
Design a Modern Council	24,108	(10,201)	13,907	7,652	13,907	0	55%
Capital Expenditure 2023/24	103,292	(25,325)	77,967	32,183	77,967	0	41%
<u>Capital Resources</u>							
Expenditure Funded from Borrowing	64,159	(21,951)	42,208	16,908	42,208		
General Capital Grant	13,150	(572)	12,578	7,716	12,578		
Capital Grants & Contributions - corporate		337	337		337		
Capital Grants & Contributions - project specific	12,146	6,524	18,670	4,729	18,670		
Capital Receipts - Sale of Assets	3,000	(1,952)	1,048	50	1,048		
Capital Financed from Current Revenue	1,401	(270)	1,131	785	1,131		
Capital Fund	2,436	(441)	1,995	1,995	1,995		
Capital Resources 2023/24	96,292	(18,325)	77,967	32,183	77,967		
Capital Expenditure as % of Capital Resources	107%		100%		100%		

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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	31/10/2023 £'000	2023/24 £000	Actual Project Cost to 31/10/2023 £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	4,356	(620)	3,736	3,347	3,736	4,585	5,174	5,174	Dec-23	Aug-24
(Less External Funding)	(4,356)	620	(3,736)	(2,819)	(3,736)	(2,822)	(5,174)	(5,174)		
School Estate investment-East End Community Campus	32,580	(4,817)	27,763	9,619	27,763	12,631	100,800	100,800	Jul-25	Jul-25
OTHER PROJECTS - Reduce Child Poverty and Inequalities	1,026	(363)	663	259	663	16,828	18,959	18,800		
Net Expenditure	33,606	(5,180)	28,426	10,406	28,426	31,222	119,759	119,600		
Receipts	(4,356)	620	(3,736)	(2,819)	(3,736)	(2,822)	(5,174)	(5,174)		
Gross Expenditure	37,962	(5,800)	32,162	13,225	32,162	34,044	124,933	124,774		

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 31/10/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS - Deliver Inclusive Economic Growth					
Site 6 South Development - Offices	14,000	(8,406)	5,594	386	5,594
Demolition of Properties & Remediation Works	1,300	(900)	400	61	400
OTHER PROJECTS - Deliver Inclusive Economic Growth		137	137	(187)	137
(Less External Funding)		(30)	(30)		(30)
Net Expenditure	15,300	(9,199)	6,101	260	6,101
Netted Off Receipts		(30)	(30)		(30)
Gross Expenditure	15,300	(9,169)	6,131	260	6,131

Note 1

Actual Project Cost to 31/10/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,374	26,202	26,202	Feb-25	Mar-25
191	533	533	Mar-24	Mar-24
67,355	66,240	68,746		
(9,841)	(7,830)	(10,138)		
59,079	85,145	85,343		
(9,841)	(7,830)	(10,138)		
68,920	92,975	95,481		

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	Note 1				
	2023/24 £000	Adjusts £000	2022/23 £000	31/10/2023 £'000	Outturn 2022/23 £000	Actual Project Cost to 31/10/2023 £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	4,047	5,346	9,393	5,844	9,393	11,273	9,067	18,031	Mar-24	Mar-25
(Less External Funding)	(4,047)	(5,346)	(9,393)	(2,117)	(9,393)	(7,546)	(9,067)	(17,281)	Mar-24	Mar-24
Cycling, Walking & Safer Routes		1,235	1,235	362	1,235	1,051	1,924	1,924	Mar-24	Mar-24
(Less External Funding)		(1,235)	(1,235)	(237)	(1,235)	(926)	(1,924)	(1,924)	Mar-24	Mar-24
DCA Lifecycle plant replacement programme	4,355	(4,255)	100	20	100	28	4,550	4,550	Tender not yet approved	
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	850	480	1,330	159	1,330	179	16,000	16,000	Main Tender not yet approved	
(Less External Funding)		(1,330)	(1,330)	20	(1,330)	20	(14,400)	(14,400)		
Vehicle Fleet & Infrastructure	2,398	(1,136)	1,262	969	1,262	1,009	2,440	2,440	Mar-24	Mar-24
(Less Sale of Vehicles & Equipment)		(26)	(26)	(22)	(26)	(22)	(26)	(26)	Mar-24	Mar-24
OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045	5,893	(2,902)	2,991	343	2,991	24,303	28,221	28,175		
(Less External Funding)	(3,000)	1,599	(1,401)	511	(1,401)	(1,869)	(2,877)	(2,877)		
Net Expenditure	10,496	(7,570)	2,926	5,852	2,926	27,500	33,908	34,612		
Receipts	(7,047)	(6,338)	(13,385)	(1,845)	(13,385)	(10,343)	(28,294)	(36,508)		
Gross Expenditure	17,543	(1,232)	16,311	7,697	16,311	37,843	62,202	71,120		

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 31/10/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS - Build Resilient and Empowered Communities					
Road Maintenance Partnership	3,460	0	3,460	1,973	3,460
Street Lighting Renewal	1,000	217	1,217	558	1,217
City Improvement/Investment Fund	500	223	723	23	723
(Less External Funding)	(500)	(223)	(723)	(23)	(723)
Parks & Open Spaces	2,026	(505)	1,521	128	1,521
(Less External Funding)	(243)	(17)	(260)	(20)	(260)
OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities	1,393	1,142	2,535	667	2,535
(Less External Funding)		(535)	(535)	(22)	(535)
Net Expenditure	7,636	302	7,938	3,284	7,938
Receipts	(743)	(775)	(1,518)	(65)	(1,518)
Gross Expenditure	8,379	1,077	9,456	3,349	9,456

Note 1

Actual Project Cost to 31/10/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,973	3,460	3,460	Mar-24	Mar-24
558	1,217	1,217	Mar-24	Mar-24
102	1,217	1,217	Mar-24	Mar-24
(102)	(717)	(717)	Mar-24	Mar-24
2,984	4,378	4,378	Mar-25	Mar-25
(1,743)	(1,750)	(1,729)	Mar-24	Mar-24
18,684	21,666	20,319		
(1,687)	(2,860)	(2,860)		
20,769	26,611	25,285		
(3,532)	(5,327)	(5,306)		
24,301	31,938	30,591		

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	Total	Revised Budget	Expenditure to	Projected Outturn	Note 1				
	2023/24 £000	Adjusts £000	2023/24 £000	31/10/2023 £'000	2023/24 £000	Actual Project Cost to 31/10/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
MAJOR PROJECTS/PROGRAMMES - Design a Modern Council										
Baldovie Depot Redevelopment	5,052	(4,852)	200	7	200	196	5,200	5,200	Tender not yet approved	
Depot Rationalisation Programme	2,500	(2,050)	450	123	450	294	3,063	3,063	Tender not yet approved	
Dundee Ice Arena Plant & Upgrade	1,200	(223)	977	397	977	540	9,100	9,100	Main Tender not yet approved	
Olympia Refurbishment Works	3,332	(340)	2,992	2,584	2,992	5,856	6,163	6,163	Oct-23	Oct-23
Property Lifecycle Development Programme	7,608	(2,734)	4,874	3,011	4,874	6,080	7,943	7,943	Mar-25	Mar-25
Purchase Computer Equipment	1,758	79	1,837	584	1,837	1,934	3,397	3,397	Mar-24	Mar-24
(Less External Funding)		(1)	(1)		(1)	(648)	(650)	(649)	Mar-23	Mar-23
Schools Connectivity	1,200	(910)	290	8	290	18	1,200	1,200	Mar-25	Mar-25
OTHER PROJECTS/PROGRAMMES - Design a Modern Council	1,458	829	2,287	934	2,287	41,440	42,031	45,750		
Net Expenditure	24,108	(10,202)	13,906	7,652	13,906	55,710	77,447	81,167		
Netted Off Receipts		(1)	(1)		(1)	(648)	(650)	(649)		
Gross Expenditure	24,108	(10,201)	13,907	7,652	13,907	56,358	78,097	81,816		

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 31/10/2023	Projected Outturn 2023/24 £000
Energy Efficient	8,586	(4,971)	3,615	311	3,615
Net Expenditure	8,586	(4,971)	3,615	311	3,615
Receipts					
Gross Expenditure	8,586	(4,971)	3,615	311	3,615

Note 1

Actual Project Cost to 31/10/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,894	5,198	4,748	Mar-24	Mar-24
1,894	5,198	4,748		
1,894	5,198	4,748		

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 31/10/2023	Projected Outturn 2023/24 £000
Free from Serious Disrepair	4,550	655	5,205	1,727	5,205
Modern Facilities & Services	500	(250)	250		250
Healthy, Safe and Secure	2,550	419	2,969	1,094	2,969
Miscellaneous	1,777	(181)	1,596	580	1,596
Increased Supply of Council Housing	11,562	(2,626)	8,936	633	8,936
(Less External Funding)	(4,265)	1,945	(2,320)		(2,320)
Demolitions	10	23	33	2	33
Sheltered Lounge Upgrades	200	10	210	108	210
Net Expenditure	16,884	(5)	16,879	4,144	16,879
Receipts	(4,265)	1,945	(2,320)		(2,320)
Gross Expenditure	21,149	(1,950)	19,199	4,144	19,199

Note 1

Actual Project Cost to 31/10/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
3,075	6,578	6,578	Mar-24	Mar-24
	250	250	Mar-24	Mar-24
3,142	5,212	5,212	Mar-24	Mar-24
1,895	2,914	2,914	Mar-24	Mar-24
17,633	25,936	25,936	Mar-21	Dec-23
(7,867)	(7,098)	(7,867)		
2	33	33	Mar-24	Mar-24
108	210	210	Mar-24	Mar-24
17,988	34,035	33,266		
(7,867)	(7,098)	(7,867)		
25,855	41,133	41,133		

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 OCTOBER 2023

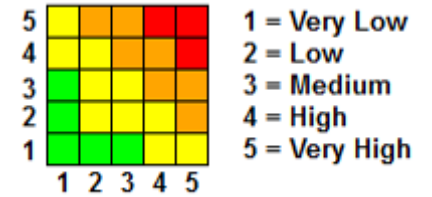
Appendix 3

	<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 Oct 2023 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.10.2023 as a % of Revised Budget</u>
<u>Capital Expenditure 2023/24</u>							
<u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u>							
Energy Efficiency	8,586	(4,971)	3,615	311	3,615	-	9%
<u>Build Resilient and Empowered Communities</u>							
Free from Serious Disrepair	4,550	655	5,205	1727	5,205	-	33%
Modern Facilities and Services	500	(250)	250		250	-	0%
Healthy, Safe & Secure	2,550	419	2,969	1,094	2,969	-	37%
Miscellaneous	1,777	(181)	1,596	580	1,596	-	36%
Increase Supply of Council Housing	11,562	(2,626)	8,936	633	8,936	-	7%
Demolitions	10	23	33	2	33	-	6%
Sheltered Lounge Upgrades	200	10	210	108	210	-	51%
Capital Expenditure 2023/24	29,735	(6,921)	22,814	4,455	22,814	-	20%
<u>Capital Resources 2023/24</u>							
Expenditure Funded from Borrowing	22,997	(3,789)	19,208	4,440	19,208	-	
Capital Receipts, Grants & Contributions - project specific							
Scottish Government Grants	4,265	(1,945)	2,320		2,320	-	
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	(5)	450	-	
Capital Receipts:-							
Sale of Assets - Land	1,573	(1,187)	386	20	386	-	
	29,735	(6,921)	22,814	4,455	22,814		
Capital Expenditure as % of Capital Resources	100%		100%		100%		

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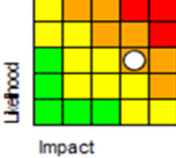

APPENDIX 4

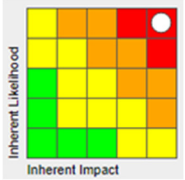
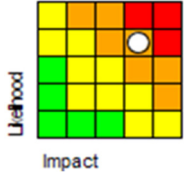
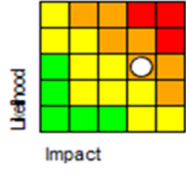
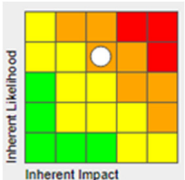
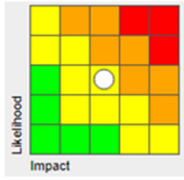

Pentana Risk Matrix



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

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

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