

REPORT TO: CITY GOVERNANCE COMMITTEE – 19 FEBRUARY 2024

REPORT ON: CAPITAL EXPENDITURE MONITORING 2023/24

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 38–2024

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 December 2023.

Appendix 1, which details the General Services position to the end of December 2023, shows a revised projected outturn for 2023/24 of £74.152m, a decrease of £3.655m since the last Capital Monitoring report was approved at City Governance Committee on 8th January 2024 (Report 1-2024, Article III refers). The net movements that have contributed to this movement are summarised in paragraph 5.1 of the report. The net figure of £3.655m will still be required in 2024/25 and 2025/26 and funded from borrowing and grants and contributions in that year.

Appendix 3, which details the Housing HRA position to the end of December 2023, shows a revised projected outturn for 2023/24 of £18.563m, a decrease of £0.480m since the last capital monitoring report was approved at City Governance Committee on 8th January 2024 (Report 1-2024, 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 December is 64% of the Revised Budget 2023/24 compared to 56% 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.

Increases in planned expenditure include:

- Broughty Ferry to Monifieth Active Travel Improvements - £0.520m

Reductions in planned expenditure include:

- Harris Academy Extension – (£0.350m)
- East End Community Campus – (£2.063m)
- Desktop Management Software – (£0.600m)

5.2 2023/24 Expenditure Variations

Appendix 1, which details the General Services position to the end of December 2023, shows a revised projected outturn for 2023/24 of £74.152m, a decrease of £3.655m since the last Capital Monitoring report was approved at City Governance Committee on 8th January 2024 (Report 1-2024, Article III refers). The main reasons for the movement are detailed in points 5.2.1 to 5.2.4 below:

- 5.2.1 Harris Academy Extension (Reduce Child Poverty and Inequalities in Incomes, Education and Health) – Reduction in projected expenditure of £0.350m in 2023/24. The projected underspend on this project is due to not all project contingencies being required for unforeseen works and alterations within the extension and refurbishment. The project is funded by a capital grant from Perth & Kinross Council. There will be a reduction in capital grants & contributions in 2023/24.
- 5.2.2 School Estate Investment – East End Community Campus (Reduce Child Poverty and Inequalities in Incomes, Education and Health) - Reduction in projected expenditure of £2.063m in 2023/24. The budget has been reprofiled to reflect the latest project cashflow from the contractor based on the current sequencing of works contained in the construction programme. The budget will be required in 2024/25. There will be a reduction in borrowing in 2023/24 and a corresponding increase in 2024/25.
- 5.2.3 Broughty Ferry to Monifieth Active Travel Improvements (Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045) – Additional Projected expenditure of £0.520m in 2023/24. The increase in projected expenditure reflects the latest phasing for the programme of works for the various projects that are being undertaken from this budget. There will be a reduction in the 2024/25 budget. The overall cost of the project remains unchanged. There will be an increase in grants & contributions in 2023/24 and a corresponding decrease in 2024/25.
- 5.2.4 Desktop Management Software (Design a Modern Council) – Reduction in projected expenditure of £0.600m in 2023/24. The project is progressing but expenditure will now not be incurred until 2024/25, when the budget will be required. 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	(28.035)	36.124	36.124	-
General Capital Grant	13.150	1.772	14.922	14.922	-
Capital Grants & Contributions	12.146	6.786	18.932	18.932	-
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>(22.140)</u>	<u>74.152</u>	<u>74.152</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)	74.152

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 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 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 31st December 2024 is 33% of the Revised Budget 2023/24 compared to 48% for the same period last year.

6.2 Appendix 3, which details the Housing HRA position to the end of December 2023, shows a revised projected outturn for 2023/24 of £18.563m, a decrease of £0.480m since the last capital monitoring report was approved at City Governance Committee on 4th December 2023 (Report 1-2024, Article III refers). The main reason for the movement is detailed in point 6.2.1 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 £0.488m in 2023/24. The reduction in expenditure is due to the revised programme for the External Insulation programmes at Linlathen and Fleming Gardens. The survey and design work are underway however the majority of spend is projected for 24/25 therefore the programme has been updated along with the projected expenditure.

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	(7.646)	15.351	15.351	-
Capital Grants & Contributions	4.265	(2.392)	1.873	1.873	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	1.573	(1.134)	439	439	-
Receipts from Owners	<u>450</u>	<u>-</u>	<u>450</u>	<u>450</u>	<u>-</u>
	<u>29.735</u>	<u>(11.172)</u>	<u>18.563</u>	<u>18.563</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)	18.563

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

08 FEBRUARY 2024

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2023/24 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st DECEMBER 2023
Appendix 1

	<u>Approved Capital Budget 2023/24 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2023/24 £000</u>	<u>Actual Spend 2023/24 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.12.2023 as a % of Revised Budget</u>
GENERAL SERVICES							
<u>Capital Expenditure</u>							
Reduce Child Poverty & Inequalities in Income, Education & Health	37,962	(8,331)	29,631	19,309	29,631	0	65%
Deliver Inclusive Economic Growth	15,300	(9,169)	6,131	2,209	6,131	0	36%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	17,543	(659)	16,884	12,142	16,884	0	72%
Build Resilient and Empowered Communities	8,379	450	8,829	4,893	8,829	0	55%
Design a Modern Council	24,108	(11,431)	12,677	9,017	12,677	0	71%
Capital Expenditure 2023/24	103,292	(29,140)	74,152	47,570	74,152	0	64%
<u>Capital Resources</u>							
Expenditure Funded from Borrowing	64,159	(28,035)	36,124	22,114	36,124		
General Capital Grant	13,150	1,772	14,922	12,180	14,922		
Capital Grants & Contributions - corporate		337	337	337	337		
Capital Grants & Contributions - project specific	12,146	6,449	18,595	8,864	18,595		
Capital Receipts - Sale of Assets	3,000	(1,952)	1,048	1,009	1,048		
Capital Financed from Current Revenue	1,401	(270)	1,131	1,071	1,131		
Capital Fund	2,436	(441)	1,995	1,995	1,995		
Capital Resources 2023/24	96,292	(22,140)	74,152	47,570	74,152		
Capital Expenditure as % of Capital Resources	107%		100%		100%		

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Appendix 2

REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 31/12/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS - Reduce Child Poverty and Inequalities					
Harris Academy Extension	4,356	(970)	3,386	3,370	3,386
(Less External Funding)	(4,356)	970	(3,386)	(3,347)	(3,386)
School Estate Investment-East End Community Campus	32,580	(6,880)	25,700	15,674	25,700
OTHER PROJECTS - Reduce Child Poverty and Inequalities	1,026	(481)	545	265	545
Net Expenditure	33,606	(7,361)	26,245	15,962	26,245
Receipts	(4,356)	970	(3,386)	(3,347)	(3,386)
Gross Expenditure	37,962	(8,331)	29,631	19,309	29,631

Note 1				
Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
4,608	5,174	4,824	Dec-23	Aug-24
(3,350)	(5,174)	(4,824)		
18,686	100,800	100,800	Jul-25	Jul-25
16,834	18,959	18,800		
36,778	119,759	119,600		
(3,350)	(5,174)	(4,824)		
40,128	124,933	124,424		

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 31/12/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS - Deliver Inclusive Economic Growth					
Site 6 South Development - Offices	14,000	(8,406)	5,594	2,135	5,594
Demolition of Properties & Remediation Works	1,300	(900)	400	112	400
OTHER PROJECTS - Deliver Inclusive Economic Growth		137	137	(38)	137
(Less External Funding)		(30)	(30)	(10)	(30)
Net Expenditure	15,300	(9,199)	6,101	2,199	6,101
Netted Off Receipts		(30)	(30)	(10)	(30)
Gross Expenditure	15,300	(9,169)	6,131	2,209	6,131

Note 1				
Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
3,123	26,202	26,202	Feb-25	Mar-25
239	533	533	Mar-24	Mar-24
67,504	66,240	68,733		
(9,851)	(7,830)	(10,138)		
61,015	85,145	85,330		
(9,851)	(7,830)	(10,138)		
70,866	92,975	95,468		

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

Note 1

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 31/12/2023 £'000	Projected Outturn 2023/24 £000	Actual Project Cost to 31/12/2023 £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	5,866	9,913	8,372	9,913	13,801	9,067	18,031	Aug-24	Mar-25
(Less External Funding)	(4,047)	(5,866)	(9,913)	(4,880)	(9,913)	(10,309)	(9,067)	(17,281)	Mar-24	Mar-25
Cycling, Walking & Safer Routes		1,235	1,235	627	1,235	1,316	1,924	1,924	Mar-24	Mar-24
(Less External Funding)		(1,235)	(1,235)	(627)	(1,235)	(1,316)	(1,924)	(1,924)	Mar-24	Mar-24
DCA Lifecycle plant replacement programme	4,355	(4,255)	100	27	100	35	4,550	4,550	Tender not yet approved	
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	850	480	1,330	504	1,330	524	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	(1,093)	1,305	1,198	1,305	2,375	2,483	2,483	Mar-24	Mar-24
(Less Sale of Vehicles & Equipment)		(69)	(69)	(35)	(69)	(35)	(69)	(69)	Mar-24	Mar-24
OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045	5,893	(2,892)	3,001	1,414	3,001	24,279	27,314	27,273		
(Less External Funding)	(3,000)	1,598	(1,402)	408	(1,402)	(1,972)	(2,877)	(2,877)		
Net Expenditure	10,496	(7,561)	2,935	7,028	2,935	28,718	33,001	33,710		
Receipts	(7,047)	(6,902)	(13,949)	(5,114)	(13,949)	(13,612)	(28,337)	(36,551)		
Gross Expenditure	17,543	(659)	16,884	12,142	16,884	42,330	61,338	70,261		

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 31/12/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS - Build Resilient and Empowered Communities					
Road Maintenance Partnership	3,460		3,460	2,350	3,460
Street Lighting Renewal	1,000	100	1,100	727	1,100
City Improvement/Investment Fund	500	23	523	344	523
(Less External Funding)	(500)	(23)	(523)	(344)	(523)
Parks & Open Spaces	2,026	(622)	1,404	429	1,404
(Less External Funding)	(243)	68	(175)	(20)	(175)
OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities	1,393	949	2,342	1,043	2,342
(Less External Funding)		(531)	(531)	(29)	(531)
Net Expenditure	7,636	(36)	7,600	4,500	7,600
Receipts	(743)	(486)	(1,229)	(393)	(1,229)
Gross Expenditure	8,379	450	8,829	4,893	8,829

Note 1				
Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
2,350	3,460	3,460	Mar-24	Mar-24
727	1,100	1,100	Mar-24	Mar-24
423	1,217	1,217	Mar-24	Mar-24
(423)	(717)	(717)	Mar-24	Mar-24
3,283	4,261	4,261	Mar-24	Mar-24
(1,743)	(1,750)	(1,729)	Mar-24	Mar-24
19,034	21,642	20,295		
(1,687)	(2,860)	(2,860)		
21,964	26,353	25,027		
(3,853)	(5,327)	(5,306)		
25,817	31,680	30,333		

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

DESIGN A MODERN COUNCIL

Appendix 2

Project/Nature of Expenditure	Approved Budget 2023/24 £000	Total Adjusts £000	Revised Budget 2023/24 £000	Expenditure to 31/12/2023 £'000	Projected Outturn 2023/24 £000
MAJOR PROJECTS/PROGRAMMES - Design a Modern Council					
Baldovie Depot Redevelopment	5,052	(5,021)	31	11	31
Depot Rationalisation Programme	2,500	(2,250)	250	140	250
Dundee Ice Arena Plant & Upgrade	1,200	(300)	900	820	900
Olympia Refurbishment Works	3,332	(340)	2,992	2,732	2,992
Property Lifecycle Development Programme	7,608	(2,984)	4,624	3,387	4,624
Purchase Computer Equipment	1,758	(321)	1,437	952	1,437
(Less External Funding)		(1)	(1)		(1)
Schools Connectivity	1,200	(910)	290	10	290
OTHER PROJECTS/PROGRAMMES - Design a Modern Council	1,458	695	2,153	949	2,153
Net Expenditure	24,108	(11,432)	12,676	9,017	12,676
Netted Off Receipts		(1)	(1)		(1)
Gross Expenditure	24,108	(11,431)	12,677	9,017	12,677

Note 1

Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
200	5,200	5,200	Tender not yet approved	
311	3,063	3,063	Tender not yet approved	
963	9,100	9,100	Main Tender not yet approved	
6,004	6,163	6,163	Oct-23	Oct-23
6,437	7,674	7,674	Mar-24	Mar-24
2,302	2,997	2,997	Mar-24	Mar-24
(648)	(650)	(649)	Mar-23	Mar-23
20	2,600	2,600		
41,455	42,031	45,731		
57,044	78,178	81,879		
(648)	(650)	(649)		
57,692	78,828	82,528		

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

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 31/12/2023	Projected Outturn 2023/24 £000
Energy Efficient	8,586	(7,130)	1,456	532	1,456
Net Expenditure	8,586	(7,130)	1,456	532	1,456
Receipts					
Gross Expenditure	8,586	(7,130)	1,456	532	1,456

Note 1

Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
2,115	10,432	10,381	Mar-25	Mar-25
2,115	10,432	10,381		
2,115	10,432	10,381		

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 31/12/2023	Projected Outturn 2023/24 £000
Free from Serious Disrepair	4,550	588	5,138	2,413	5,138
Modern Facilities & Services	500	(250)	250		250
Healthy, Safe and Secure	2,550	391	2,941	1,638	2,941
Miscellaneous	1,777	(362)	1,415	750	1,415
Increased Supply of Council Housing	11,562	(4,432)	7,130	693	7,130
(Less External Funding)	(4,265)	2,392	(1,873)		(1,873)
Demolitions	10	23	33	25	33
Sheltered Lounge Upgrades	200		200	131	200
Net Expenditure	16,884	(1,650)	15,234	5,650	15,234
Receipts	(4,265)	2,392	(1,873)		(1,873)
Gross Expenditure	21,149	(4,042)	17,107	5,650	17,107

Note 1

Actual Project Cost to 31/12/2023 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
3,737	6,491	6,491	May-24	Jul-24
	490	250	Mar-24	Mar-24
6,121	7,696	7,696	Mar-24	Mar-24
2,065	2,733	2,733	Mar-24	Mar-24
17,693	24,130	24,130	Mar-21	Jan-24
(7,867)	(7,098)	(7,867)		
25	33	33	Mar-24	Mar-24
131	200	200	Mar-24	Mar-24
21,906	34,676	33,667		
(7,867)	(7,098)	(7,867)		
29,773	41,774	41,534		

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 DECEMBER 2023

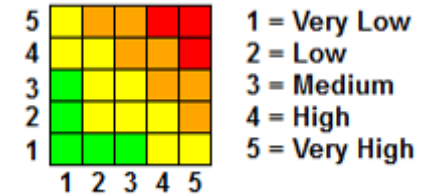
Appendix 3

	<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 Dec 2023 £000</u>	<u>Projected Outturn 2023/24 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.12.2023 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	(7,130)	1,456	532	1,456	-	37%
<u>Build Resilient and Empowered Communities</u>							
Free from Serious Disrepair	4,550	588	5,138	2413	5,138	-	47%
Modern Facilities and Services	500	(250)	250		250	-	0%
Healthy, Safe & Secure	2,550	391	2,941	1,638	2,941	-	56%
Miscellaneous	1,777	(362)	1,415	750	1,415	-	53%
Increase Supply of Council Housing	11,562	(4,432)	7,130	693	7,130	-	10%
Demolitions	10	23	33	25	33	-	76%
Community Care - Sheltered Lounge Upgrades	200		200	131	200	-	66%
Capital Expenditure 2023/24	29,735	(11,172)	18,563	6,182	18,563	-	33%
<u>Capital Resources 2023/24</u>							
Expenditure Funded from Borrowing	22,997	(7,646)	15,351	5,900	15,351	-	
Capital Receipts, Grants & Contributions - project specific							
Scottish Government Grants	4,265	(2,392)	1,873	234	1,873	-	
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	(1,134)	439	53	439	-	
	29,735	(11,172)	18,563	6,182	18,563		
Capital Expenditure as % of Capital Resources	100%		100%		100%		

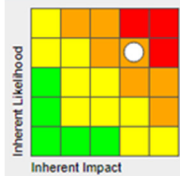
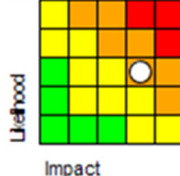

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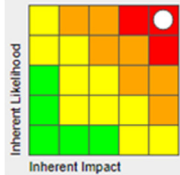
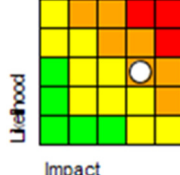
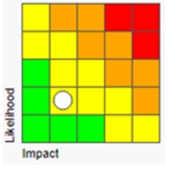
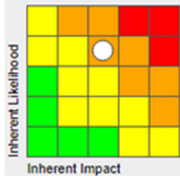
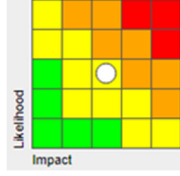
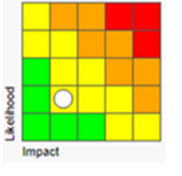
APPENDIX 4

Pentana Risk Matrix



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)
			additional costs by reallocation of resources from other projects		<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 overspenders are highlighted as soon as known and corrective action taken. 		
3.Estimated Completion date for the Project	<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.		