

Agenda Item	9
Report No	RES/39/21

THE HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 24th November 2021

Report Title: Corporate Resources Capital Monitoring – Quarter 2 2021/22

Report By: Executive Chief Officer- Resources and Finance

1. Purpose/Executive Summary

- 1.1 This report provides Members with the position for the corporate resources elements of the capital programme for the second quarter of the 2021/22 financial year.
- 1.2 Net spend on capital projects in the period to 30 September 2021 totalled £2.387m.
- 1.3 Based on present expenditure trends a balanced position for the year end is forecast.

2. Recommendations

- 2.1 Members are asked to:
 - i. Consider the financial position as at 30 September 2021 and note the estimated year end forecast.

3. Implications

- 3.1 Resource - Resource implications are discussed in the report.
- 3.2 Risk - Risk implications to the budget position, and budget assumptions, will be kept under regular review and any risks identified reported to future Committees.

- 3.3 Legal - The contents of this report and the annual accounts aim to satisfy the requirement of Sections 6 and 7 of the CIPFA Financial Management Code- 'Monitoring financial performance' and 'External financial reporting'.
- 3.4 There are no specific equality, climate change/Carbon Clever, rural or Gaelic implications arising as a direct result of this report.

4. Capital Programme 2021/22

- 4.1 **Appendix 1** provides a summary of the reprofiled current year budgets and spend and income for the period to 30 September 2021. The reprofiled budget was approved at Highland Council in January 2021, and after adjusting for the 2020/21 carried forward position the net budget is £1.836m. The net actual figures provided reflect the net project expenditure, i.e. project costs incurred less project-specific income received.
- 4.2 After 6 months of the financial year the net expenditure on the core programme is £1.588m representing 86.5% of the 2021/22 programmed figure. The estimated outturn position shows a net expenditure of £1.836m which reflects a balanced position for the year end.
- 4.3 Spend to date on self-funding projects totals £0.799m. The projects are described as self-funding as the revenue savings generated by the projects will more than offset the loans charges associated with the financing of the capital expenditure.
- 4.4 Progress on capital projects is as reported in the notes column on **Appendix 1**.

Designation: Executive Chief Officer- Finance and Resources

Date: 3rd November 2021

Author: Mike Mitchell, Services Finance Manager

Background Papers:

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2021 TO 30TH SEPTEMBER 2021

SERVICE: CORPORATE RESOURCES

Project Description	Actual Net Year to Date £000	2021/22 Reprofiled Budget	2021/22 Actual Expenditure	2021/22 Actual Income	2021/22 Estimated Outturn	2021/22 Acceleration / (Slippage)	2021/22 Overspend / (Underspend)	COMMENTS
		£000	£000	£000	£000	£000	£000	
ICT Transformation	1,020	1,258	1,020	0	1,258	0	0	Roll-out of replacement programme ongoing. Full spend expected.
Inverness City Gateways	195	66	195	0	66	0	0	Monitored at Inverness City Committee. Income to be recovered to reduce outturn to budget.
Destination Development	(34)	0	0	(34)	0	0	0	
Capital Discretionary Fund	407	512	407	0	512	0	0	£250k paid to Elsie Normington Foundation; £157k for roof repairs to Nevis Centre, Fort William.
CORE PROGRAMME- OVERALL TOTAL	1,588	1,836	1,622	(34)	1,836	0	0	

SELF FUNDING PROJECTS

Solar PV	34	The Solar PV project is self funding with future energy cost savings offsetting any associated loans charges.
Whin Park Hydro	765	The Whin Park Hydro project is self funding with future energy cost savings offsetting any associated loans charges