

Agenda Item	5b
Report No	RES/19/23

THE HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 6 September 2023

Report Title: Corporate Capital Monitoring report for 2022/23 Near Final and Quarter 1 2023/24

Report By: Head of Corporate Finance

1. Purpose/Executive Summary

- 1.1 This report provides Members with the near final corporate capital monitoring statement for the 2022/23 financial year and the corporate capital monitoring statement for the first quarter of the 2023/24 financial year to 30 June 2023, which presents a summary of the actual spend, together with a forecast 2023/24 year end outturn position.
- 1.2 Net spend on capital projects in 2022/23 totalled £106.821m for the General Fund against a net budget figure of £157.394m, thus reflecting a net underspend of £50.573m. Net spend on capital projects for the Housing Revenue Account (HRA) in 2022/23 totalled £57.979m against a net budget figure of £54.236m, thus reflecting a net overspend of £3.743m. This report also highlights how 2022/23 capital expenditure was funded.
- 1.3 Net spend on capital projects to the end of Q1 2023/24 totalled £13.923m for the General Fund against a net annual budget figure of £120.977m. Net spend on capital projects for the Housing Revenue Account (HRA) totalled £9.218m against a net annual budget figure of £69.473m.
- 1.4 The forecast net outturn for the General Fund for 2023/24 totals £122.853m and this would give rise to a forecast net overspend against budget of £1.876m. The forecast net outturn for the HRA for 2023/24 totals £61.900m and this would give rise to a forecast net underspend against budget of £7.573m.
- 1.5 The report also highlights how the planned capital expenditure for 2023/24 will be funded, with borrowing being a major source across both the General Fund and HRA.
- 1.6 This report also updates Members of the monitoring position of the Council's major projects in the General Fund Capital Programme.

1.7 Members are reminded that the Council's current General Fund Capital Programme was approved in December 2021, with a revised one-year Capital Programme for 2023/24 approved in March 2023. A full review of this Capital Programme is ongoing.

2. Recommendations

2.1 Members are asked to:

- i. Note the near final outturn for the 2022-23 financial year.
- ii. Note the net spend for Q1 2023/24, the forecast year end outturn and the funding profile.
- iii. Note the updated position of approved major capital projects.

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 project-specific risks identified reported to future Committees. The affordability of the Capital Programme as a whole is subject to variations in construction industry inflation and changes in interest rates.

3.3 Health and Safety – an important aspect of continued capital investment relates to managing health and safety risk. The requirement to safely maintain and enhance Council assets, essential to the delivery of frontline services, remains an increasing challenge to the Council as a number of assets reach the end of their useful economic life.

3.4 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'.

3.5 There are no specific equality, Climate Change/Carbon Clever, rural or Gaelic implications arising as a direct result of this report.

4. General Fund Capital Monitoring 2022/23 Near Final

4.1 **Appendix 1** provides a summary of the capital programme near final spend and income position for financial year 2022/23. The figures remain near final pending completion of the external statutory audit which is currently ongoing. The figures provided reflect the net project expenditure, i.e. project costs incurred less project-specific income received. The net budget for 2022/23 was £157.394m.

4.2 Overall there has been a net expenditure of £106.821m which reflects project expenditure of £155.141m and project-specific income of £48.320m. This gives rise to an underspend against budget of £50.573m. The underspend can be attributed to challenging market conditions, in particular rising prices and a limited availability of contractors, consultants and materials due to a high volume of work across the construction industry.

5. General Fund Capital Monitoring Q1 2023/24

- 5.1 **Appendix 4** provides a summary of the capital programme budgets, spend and income for Q1 of financial year 2023/24, along with the forecast outturn position to the end of the financial year. The actual figures provided reflect the net project expenditure, i.e. project costs incurred less project-specific income received. The net budget for 2023/24 is £120.977m. This includes a net budget of £117.701m approved by Council in March 2023 plus additional government grant funding received for 2023/24 and unspent grant funding carried forward from 2022/23.
- 5.2 Overall there has been a net expenditure of £13.923m for Q1, which reflects 12% of the annual budget.
- 5.3 The forecast outturn position to the end of 2023/24 projects a net expenditure of £122.853m which would result in a forecast overspend against budget of £1.876m. The forecast overspend can be attributed to challenging market conditions, in particular various cost pressures linked to inflation. The forecast outturn may be subject to change given it is still relatively early in the financial year and pending decisions taken as part of the Capital Programme Review. The estimated outturn will continue to be monitored closely and updates reported to future Committees.
- 5.4 Individual project spend forms the basis of the capital reports to Strategic Committees and links to those papers are provided at the end of this report within Background Papers.

6. Major Capital Projects

- 6.1 **Appendix 3** and **Appendix 6** provide a summary of the whole life financial position for the Council's major projects at the end of 2022/23 and Q1 2023/24 respectively. The reporting of major projects provides an estimated outturn over the entire life of each major project, spanning multiple financial years where relevant. The estimated outturn is presented alongside the whole life budget, as per the approved Capital Programme, and the actual expenditure incurred and project-specific income received to date. The budget profile of major projects will be subject to review as part the ongoing Capital Programme review. As a result, a number of projects in their very early stages have been ranked as 'tbc'. For those projects it is very difficult to give a clear assessment at this stage, however there is significant cost risk across all of those projects given the market pressures. Following approval of the new Capital Programme, any changes to major projects will be reflected within the Q2 monitoring report presented to Strategic Committees later in the year.
- 6.2 As a reminder, the major projects appendices include a review of the level of risk associated with each project's **cost, scope and timing**, using a RAG rating system, as follows:
- **Red** – there are major concerns the project will not deliver as intended.
 - **Amber** – there is some concern the project will not deliver as intended.
 - **Green** – the project is still on track to deliver as intended.

7. HRA Capital Monitoring 2022/23 Near Final

- 7.1 **Appendix 7** presents the near final outturn figures for the HRA Capital Programme for 2022/23. It reports a net outturn figure of £57.979m against a budget of £54.236m. The overspend of £3.743m is primarily a result of an increase in opportunities to purchase existing properties as part of the one-off individual purchase scheme. Governance

arrangements are in place to ensure that the acceleration of individual purchases remain within the overall approved budget level across 2022/23 and 2023/24. The new build programme in 2022/23 delivered 244 new homes and a further 73 homes were delivered through one-off individual purchases to boost the affordable housing supply across the Highlands.

8. HRA Capital Monitoring Q1 2023/24

- 8.1 **Appendix 9** presents the net outturn figures for the HRA Capital Programme to the end of Q1 2023/24, along with the forecast net outturn to the end of the financial year. It reports a net outturn figure of £9.218m which reflects 13% of the annual budget of £69.473m. The forecast annual net outturn to the end of 2023/24 is £61.900m which therefore projects an underspend of £7.573m against budget, being slippage of works to future years. The current programme seeks to deliver 179 new homes by 31 March 2024. A further 89 new homes are on a site that will be completed in 2024/25. Additional projects to deliver a further 125 homes in future years are also scheduled to start on site during 2023/24.
- 8.2 Despite the economic challenges faced, the Council remains committed to delivering projects on time and within budget. The mainstream HRA Capital Programme is based on the HRA Capital Plan 2022-2027, through which resources are allocated at area level and local projects approved at an Area Committee level. The new Council House build programme was approved in April 2023 as part of the Council's Strategic Housing Investment Programme 2023-2028.

9. Funding of the Capital Programme

- 9.1 **Appendix 2** presents how the General Fund capital expenditure incurred in 2022/23 was funded. Borrowing makes up the largest source of funding with £67.073m, amounting to 63% of total net capital expenditure. The other major source of funding was the General Capital Grant received from the Scottish Government of £39.114m.
- 9.2 **Appendix 8** presents how the HRA capital expenditure incurred in 2022/23 was funded. Borrowing makes up the largest source of funding with £39.724m, amounting to 69% of total net capital expenditure. The other major sources of funding include the Scottish Government Grant of £15.174m, Landbank sales of £2.053m and LIFT Property sales of £0.920m.
- 9.3 **Appendix 5** presents how the forecast General Fund net capital expenditure for 2023/24 will be funded. Borrowing continues to be the largest source of funding with £98.836m forecast, amounting to 80% of forecast net capital expenditure. The General Capital Grant is expected to be £23.517m. The reduction in General Capital Grant compared to 2022/23 is due to a reduction in specific flood scheme funding, as the government part-funded schemes near completion, as well as government funding for Local Bridge Maintenance not extending beyond 2022/23.
- 9.4 **Appendix 10** presents how the forecast HRA net capital expenditure for 2023/24 will be funded. Borrowing continues to be the largest source of funding with £39.494m forecast, amounting to 64% of forecast net capital expenditure. The other major sources of funding include the Scottish Government Grant of £19.500m and the Council's Landbank Fund of £2.400m.

10. Capital Programme Review

- 10.1 A full review of the General Fund Capital Programme is in progress. The review will provide updated project spend forecasts to take account of inflation and allows for a re-assessment of priorities to be delivered within the next 5 years. The aim of the review is to produce an updated capital plan that delivers on the Council's key priorities and fits within available affordability parameters. The intention is to bring an updated Capital Programme to Council for approval.

Designation: Head of Corporate Finance

Date: 18th August 2023

Authors:

Brian Porter - Head of Corporate Finance

Darryl Urquhart - Principal Accountant

Background Papers:

- *Communities & Place Committee General Fund Capital Monitoring:*

INSERT LINK WHEN PUBLISHED

- *Economy & Infrastructure Committee General Fund Capital Monitoring:*

[https://www.highland.gov.uk/download/meetings/id/81961/item_7_capital_monitoring%
E2%80%93quarter_4_202223_and_quarter_1_202324](https://www.highland.gov.uk/download/meetings/id/81961/item_7_capital_monitoring%E2%80%93quarter_4_202223_and_quarter_1_202324)

- *Housing & Property Committee General Fund Capital Monitoring:*

[https://www.highland.gov.uk/download/meetings/id/81933/item_8_property_capital mo
nitoring_statement_and_progress_update](https://www.highland.gov.uk/download/meetings/id/81933/item_8_property_capital_monitoring_statement_and_progress_update)

- *Housing & Property Committee HRA Capital Monitoring:*

[https://www.highland.gov.uk/download/meetings/id/81931/item_6_housing_revenue ac
count_hra_capital_monitoring_outturn_report_for_202223_and_quarter_1_monitoring_
report_to_30_june_2023](https://www.highland.gov.uk/download/meetings/id/81931/item_6_housing_revenue_ac
count_hra_capital_monitoring_outturn_report_for_202223_and_quarter_1_monitoring_
report_to_30_june_2023)

- *General Fund Capital Programme 2023/24 - Approved March 2023:*

[https://www.highland.gov.uk/download/meetings/id/81258/item_3_revenue_and_capital
_budgets_202324_and_medium-term_financial_outlook](https://www.highland.gov.uk/download/meetings/id/81258/item_3_revenue_and_capital
_budgets_202324_and_medium-term_financial_outlook)

- *General Fund Capital Programme - Approved December 2021:*

[https://www.highland.gov.uk/download/meetings/id/79295/9_medium_term_financial pl
an_-_capital_strategy_and_capital_programme_to_203637](https://www.highland.gov.uk/download/meetings/id/79295/9_medium_term_financial_pl
an_-_capital_strategy_and_capital_programme_to_203637)

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2022 TO 31ST MARCH 2023

SERVICE: GENERAL FUND

Project Description	BUDGET	ACTUAL			VARIANCE		
	2022/23 Budget (incl. carry forward from prior year)	2022/23 Actual Expenditure	2022/23 Actual Income	2022/23 Actual Net Year to Date	2022/23 Variance Actual v Budget	2022/23 Acceleration / (Slippage)	2022/23 Overspend / (Underspend)
	£000	£000	£000	£000	£000	£000	£000
COMMUNITY AND LEISURE FACILITIES	1,947	405	(59)	346	(1,601)	(1,601)	0
SCHOOLS	46,808	28,681	(2,499)	26,182	(20,626)	(20,626)	0
HEALTH & SOCIAL CARE PROGRAMME	5,419	974	(339)	635	(4,784)	(4,784)	0
ICT	4,172	4,029	(566)	3,463	(709)	(709)	0
ROADS AND BRIDGES	34,520	30,360	(2,365)	27,995	(6,525)	(6,526)	1
ACTIVE TRAVEL	1,980	3,792	(3,316)	476	(1,504)	(1,499)	(5)
LIGHTING & COMMUNICATIONS	2,840	1,726	0	1,726	(1,114)	(1,114)	0
FLOOD PREVENTION	7,622	6,895	(108)	6,787	(835)	(835)	0
WASTE MANAGEMENT	7,841	7,157	(81)	7,076	(765)	(765)	0
HARBOURS & FERRIES	19,116	30,500	(18,283)	12,217	(6,899)	(6,899)	0
BEREAVEMENT SERVICES	2,283	499	(82)	417	(1,866)	(1,866)	0
COMMUNITY SPACES	386	630	(608)	22	(364)	(364)	0
PUBLIC CONVENIENCES	330	131	(58)	73	(257)	(257)	0
STRATEGIC ASSET MANAGEMENT	12,930	11,107	(32)	11,075	(1,855)	(1,855)	0
VEHICLES & PLANT	4,883	2,206	(207)	1,999	(2,884)	(2,884)	0
PLANNING & DEVELOPMENT	2,449	22,008	(18,334)	3,674	1,225	917	308
CAPITAL DISCRETIONARY FUND	79	9	0	9	(70)	(70)	0
SELF-FUNDING PROJECTS	(1,831)	1,913	(1,023)	890	2,721	2,721	0
HOUSING (NON HRA)	3,620	2,119	(360)	1,759	(1,861)	(1,861)	0
OVERALL TOTAL	157,394	155,141	(48,320)	106,821	(50,573)	(50,877)	304

FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2022 TO 31ST MARCH 2023

SERVICE: GENERAL FUND

Funding	2022/23 Budget (incl. carry forward from prior year)	2022/23 Actual Net Year to Date	2022/23 Variance Outturn v Budget	2022/23 Acceleration / (Slippage)	2022/23 Overspend / (Underspend)
	£000	£000	£000	£000	£000
General Capital Grant	39,114	39,114	0	0	0
Capital Receipts	634	634	0	0	0
Borrowing	117,646	67,073	(50,573)	(50,877)	304
TOTAL FUNDING	157,394	106,821	(50,573)	(50,877)	304

CAPITAL MAJOR PROJECT WHOLE LIFE REPORTING - 2022/23 Q4

CORPORATE RESOURCES COMMITTEE

Project Description	WHOLE LIFE BUDGET			ACTUALS TO DATE			FORECAST TO END OF PROJECT			PROJECT ASSESSMENT			COMMENTS
	LIFE BUDGET EXPENDITURE	LIFE BUDGET INCOME	LIFE BUDGET NET	ACTUAL EXPENDITURE TO DATE	ACTUAL INCOME TO DATE	ACTUAL NET TO DATE	FORECAST EXPENDITURE	FORECAST INCOME	FORECAST NET	COST	TIMING	SCOPE	
	£000	£000	£000	£000	£000	£000	£000	£000	£000				
Eden Court Highlands Theatre Redevelopment	13,385	-11,154	2,231	0	0	0	13,385	-11,154	2,231	R	TBC	TBC	Project still in its infancy. Rising costs noted as a potential risk for now given ongoing uncertainty in economy.
Alness Academy	37,883	-3,101	34,782	37,489	-1,000	36,489	37,883	-3,101	34,782	G	G	G	New building operational from October 2020; phase 2 works completed in 2022.
Inverness High School	16,789	0	16,789	16,935	0	16,935	16,935	0	16,935	G	G	G	Works complete.
Merkinch Primary	20,269	-1,000	19,269	20,203	0	20,203	20,269	-1,000	19,269	G	G	G	New building operational from October 2020.
Ness Castle Primary	14,868	-2,084	12,784	14,285	-2,498	11,787	14,868	-2,084	12,784	G	R	G	New building operational from February 2023.
Tain 3-18 Campus - LEIP Phase 1	69,400	-800	68,600	8,244	0	8,244	69,400	-800	68,600	G	G	G	Construction work underway; to be complete in December 2024
Broadford Primary - LEIP Phase 2	14,193	-599	13,594	738	-5	733	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Nairn Academy - LEIP Phase 2	42,165	-25	42,140	1,629	0	1,629	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Beaully Primary School	12,000	0	12,000	668	0	668	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Charleston Academy	16,011	-164	15,847	405	0	405	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Culloden Academy	19,218	-1,001	18,217	5,501	0	5,501	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Dunvegan Primary School	12,250	-250	12,000	801	-250	551	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Park Primary School	13,000	0	13,000	177	0	177	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
St Clements School	13,000	0	13,000	94	0	94	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
The Inverness West Link	41,735	-3,362	38,373	42,877	-1,698	41,179	43,100	-3,362	39,738	A	A	A	Developer contributions to fund future expenditure. Cost is Amber as majority of work completed.
Inshes Roundabout	8,638	-1,801	6,837	2,311	-399	1,912	9,500	-2,000	7,500	R	A	A	Planning application in progress.
A890 Stromeferry Rockface Stabilisation	6,351	0	6,351	4,354	0	4,354	6,351	0	6,351	R	A	A	Works contract planned for 24/25 following this years inspections.
B863 Invercoe Bridge, Lochaber	10,604	0	10,604	7,141	0	7,141	7,141	0	7,141	A	G	G	Project complete.
Naver Bridge	7,113	0	7,113	1,024	0	1,024	8,101	0	8,101	R	A	A	Construction work deferred until 2024 pending the review of the capital programme. Red status on price is due to a number of project and design risks, including inflation.
Caol FPW	12,854	-14	12,840	13,451	-524	12,927	14,201	-524	13,677	A	G	G	Works underway with expected completion Summer 23. £500k extra income received to cover Scottish Water instructed changes.
Uig Ferry Terminal and Link Span	63,994	-38,399	25,595	38,140	-22,447	15,693	63,994	-38,399	25,595	R	A	A	Construction works ongoing. Completion programmed for August 2024. Capital spend to be repaid from future income stream.
Inverness Castle	35,905	-20,350	15,555	12,603	-12,729	-126	35,905	-20,350	15,555	A	G	G	Contract let, on programme, estimated completion Spring 2025. Fixed price contract currently on track.
Residual Waste Management Facility - Longman WTS	13,102	0	13,102	13,863	0	13,863	14,028	0	14,028	R	G	G	The Inverness WTS has been handed over to THC. The project forecast outturn remains £14.028m with retention payment due in future.

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2023 TO 30TH JUNE 2023 (Q1 2023/24)

SERVICE: GENERAL FUND

Project Description	BUDGET	ACTUAL			FORECASTS			VARIANCE		
	2023/24 Capital Budget £000	2023/24 Actual Expenditure £000	2023/24 Actual Income £000	2023/24 Actual Net Year to Date £000	2023/24 Forecast Expenditure £000	2023/24 Forecast Income £000	2023/24 Forecast Outturn £000	2023/24 Variance F'cast v Budget £000	2023/24 Acceleration / (Slippage) £000	2023/24 Overspend / (Underspend) £000
COMMUNITY AND LEISURE FACILITIES	758	18	59	77	2,134	(1,375)	759	1	1	0
SCHOOLS	51,297	6,964	(2,329)	4,635	53,082	(930)	52,152	855	855	0
HEALTH & SOCIAL CARE PROGRAMME	850	8	(4)	4	850	0	850	0	0	0
ICT	3,969	62	0	62	3,969	0	3,969	0	0	0
ROADS AND BRIDGES	21,764	5,916	(125)	5,791	26,132	(3,976)	22,156	392	392	0
ACTIVE TRAVEL	310	681	258	939	6,638	(6,328)	310	0	0	0
PARKING	1,360	17	(389)	(372)	2,632	(1,272)	1,360	0	0	0
LIGHTING & COMMUNICATIONS	1,220	233	(20)	213	1,740	(520)	1,220	0	0	0
FLOOD PREVENTION	2,003	593	0	593	2,190	0	2,190	187	187	0
WASTE MANAGEMENT	3,031	72	0	72	4,493	(1,938)	2,555	(476)	(476)	0
HARBOURS & FERRIES	7,242	3,780	(40)	3,740	23,488	(14,074)	9,414	2,172	2,172	0
BEREAVEMENT SERVICES	2,226	169	0	169	1,290	0	1,290	(936)	(936)	0
COMMUNITY SPACES	899	32	(308)	(276)	1,570	(671)	899	0	0	0
PUBLIC CONVENIENCES	167	149	(267)	(118)	1,069	(759)	310	143	143	0
STRATEGIC ASSET MANAGEMENT	9,584	1,729	(1,022)	707	10,750	(1,122)	9,628	44	44	0
VEHICLES & PLANT	5,647	165	(7)	158	5,402	(200)	5,202	(445)	(445)	0
PLANNING & DEVELOPMENT	5,250	3,332	(5,998)	(2,666)	37,100	(32,030)	5,070	(180)	(180)	0
ENERGY EFFICIENCY SALIX	650	14	0	14	769	0	769	119	119	0
HOUSING (NON HRA)	2,750	303	(122)	181	6,020	(3,270)	2,750	0	0	0
OVERALL TOTAL	120,977	24,237	(10,314)	13,923	191,318	(68,465)	122,853	1,876	1,876	0

FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2023 TO 30TH JUNE 2023 (Q1 2023/24)

SERVICE: GENERAL FUND

	2023/24 Capital Budget	2023/24 Actual Net Year to Date	2023/24 Forecast Outturn	2023/24 Variance F'cast Outturn v Budget	2023/24 Acceleration / (Slippage)	2023/24 Overspend / (Underspend)
	£000	£000	£000	£000	£000	£000
Funding						
General Capital Grant	23,517	7,046	23,517	0	0	0
Capital Receipts	500	19	500	0	0	0
Borrowing	96,960	6,858	98,836	1,876	1,876	0
TOTAL FUNDING	120,977	13,923	122,853	1,876	1,876	0

CAPITAL MAJOR PROJECT WHOLE LIFE REPORTING - 2023/24 Q1

CORPORATE RESOURCES COMMITTEE

Project Description	WHOLE LIFE BUDGET			ACTUALS TO DATE Q1 2023/24			FORECAST TO END OF PROJECT			PROJECT ASSESSMENT			COMMENTS
	LIFE BUDGET EXPENDITURE	LIFE BUDGET INCOME	LIFE BUDGET NET	ACTUAL EXPENDITURE TO DATE	ACTUAL INCOME TO DATE	ACTUAL NET TO DATE	FORECAST EXPENDITURE	FORECAST INCOME	FORECAST NET	COST	TIMING	SCOPE	
	£000	£000	£000	£000	£000	£000	£000	£000	£000				
Eden Court Highlands Theatre Redevelopment	13,365	-11,154	2,231	0	0	0	13,365	-11,154	2,231	R	TBC	TBC	Project still in its infancy. Rising costs noted as a potential risk for now given ongoing uncertainty in economy.
Miss Castle Primary	14,868	-2,024	12,844	14,363	-2,428	11,935	15,458	-2,488	12,970	G	R	G	New building operational in February 2023. Phase 2 works in progress.
Stan 3-18 Campus	69,900	0	69,900	12,487	0	11,687	69,400	0	69,000	G	R	G	Construction work underway to be complete in December 2024.
Broadford Primary	14,193	-999	13,194	747	-604	143	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Blain Academy	42,165	-26	42,140	1,723	-20	1,703	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Beauly Primary School	12,000	0	12,000	685	0	685	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Charleston Academy	16,011	-1,04	14,967	430	0	430	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Culloden Academy	19,218	-1,021	18,197	5,744	0	5,744	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
Dunvegan Primary School	12,250	-250	12,000	813	-250	563	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
East Primary School	13,500	0	13,500	62	0	62	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
St Clements School	13,000	0	13,000	115	0	115	TBC	TBC	TBC	R	TBC	TBC	Design in progress.
The Inverness West Link	41,735	-3,362	38,373	42,905	-1,698	41,207	43,100	-3,362	39,738	A	A	A	Developer contributions to fund future expenditure. Cost is Amber as majority of work completed.
Waters Roadabout	8,938	-1,801	6,837	2,348	-399	1,949	9,500	-2,950	7,550	R	A	A	Planning application in progress.
Abbe Stronometry Rockface Stabilisation	6,351	0	6,351	4,388	0	4,388	6,351	0	6,351	R	A	A	Works contract planned for 24/25 following this years inspections.
Waver Bridge	7,113	0	7,113	1,699	0	1,699	8,101	0	8,101	R	A	A	Construction work deferred until 2024. Red status on price is due to a number of project and design risks including inflation.
Caol FPW	12,854	-14	12,840	13,321	-524	13,397	14,201	-524	13,677	A	G	G	Works underway with expected completion Summer '23. £500k extra income received to cover Scottish Water insured changes.
Uig Ferry Terminal and Link Span	63,994	-38,399	25,595	41,714	-22,487	19,227	63,994	-38,399	25,595	R	A	A	Construction works ongoing. Completion programmed for August 2024. Capital spend to be repaid from future income stream. Red status on price due to inflationary risk.
Inverness Cadee	35,905	-20,350	15,555	14,144	-12,022	2,122	35,905	-20,350	15,555	A	R	G	Contract let on programme, estimated completion Spring 2026. Fixed price contract currently on track.
Recycling Improvement Fund (RIF)	6,550	-6,550	0	0	0	0	6,550	-6,550	0	G	G	G	Full funding received from Zero Waste Scotland through the Recycling Improvement Fund in March 23 to deliver significant capital over phased period 2024 to 2026.

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2022 TO 31ST MARCH 2023

SERVICE: HOUSING REVENUE ACCOUNT

Project Description	Revised Net Budget	Actual Net Year to Date	Year End Estimated Net Outturn	Year End Net Variance	(Slippage)/Acceleration Net	Anticipated Year End (Under)/Over
	£000	£000	£000	£000	£000	£000
Capital Programme 2022/23						
Equipment and Adaptations	1,440	1,117	1,117	(323)	(554)	231
Major Component Replacement	1,878	3,987	3,987	2,109	184	1,925
Heating/Energy Efficiency	9,281	5,700	5,700	(3,581)	(3,690)	109
External Fabric (Major Component Replacement)	6,859	4,959	4,959	(1,900)	(2,128)	228
External Fabric (Environmental Improvements)	1,466	898	898	(568)	(586)	18
Healthy, Safe and Secure	552	685	685	133	(27)	160
Retentions		1	1	1		1
Total 2022/23 Programme	21,476	17,347	17,347	(4,129)	(6,801)	2,672
Insurance Works	0	21	21	21	0	21
Total 2022/23 Programme	21,476	17,368	17,368	(4,108)	(6,801)	2,693
Council House Building Capital Programme						
New Council House Buildings	29,508	29,404	29,404	(104)	(430)	326
Individual House Purchases	3,252	11,207	11,207	7,955	7,955	0
Total Council Building Programme	32,760	40,611	40,611	7,851	7,525	326
OVERALL TOTAL	54,236	57,979	57,979	3,743	724	3,019

FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2022 TO 31ST MARCH 2023

SERVICE: HOUSING REVENUE ACCOUNT

Funding	Revised Net Budget	Actual Net Year to Date	Year End Estimated Net Outturn	Year End Net Variance
	£000	£000	£000	£000
Investment Programme				
Useable Capital Receipts	0	28	28	28
RHI Income	0	80	80	80
Sale of LIFT Properties	0	920	920	920
Government Grant	17,000	15,174	15,174	(1,826)
Landbank	2,500	2,053	2,053	(447)
Evergreen Infrastructure Loan Fund	1,413	0	0	(1,413)
Borrowing	33,323	39,724	39,724	6,401
Capital from Current Revenue	0	0	0	0
GROSS FUNDING	54,236	57,979	57,979	3,743

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2023 TO 30TH JUNE 2023

SERVICE: HOUSING REVENUE ACCOUNT

Project Description	Revised Net Budget	Actual Net Year to Date	Year End Estimated Net Outturn	Year End Net Variance	(Slippage)/Acceleration Net	Anticipated Year End (Under)/Over
	£000	£000	£000	£000	£000	£000
Capital Programme 2023/24						
Equipment and Adaptations	1,043	173	1,043	0	0	0
Major Component Replacement	2,240	574	2,206	(34)	(34)	0
Heating/Energy Efficiency	17,355	1,968	11,744	(5,611)	(5,611)	0
External Fabric (Major Component Replacement)	1,308	138	1,308	0	0	0
External Fabric (Environmental Improvements)	1,249	67	1,249	0	0	0
Healthy, Safe and Secure	1,214	138	997	(217)	(217)	0
Retentions/contingencies	1,752	0	650	(1,102)	(1,102)	0
Total 2023/24 Programme	26,161	3,058	19,197	(6,964)	(6,964)	0
Insurance Works	0	0	0	0	0	0
Total 2023/24 Programme	26,161	3,058	19,197	(6,964)	(6,964)	0
Council House Building Capital Programme						
New Council House Buildings	37,712	4,544	37,503	(209)	(209)	0
Individual House Purchases	5,600	1,616	5,200	(400)	(400)	0
Total Council Building Programme	43,312	6,160	42,703	(609)	(609)	0
OVERALL TOTAL	69,473	9,218	61,900	(7,573)	(7,573)	0

FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2023 TO 30TH JUNE 2023

SERVICE: HOUSING REVENUE ACCOUNT

Funding	Revised Net Budget	Actual Net Year to Date	Year End Estimated Net Outturn	Year End Net Variance
	£000	£000	£000	£000
Investment Programme				
Useable Capital Receipts	0	0	0	0
RHI Income	0	6	6	6
Sale of LIFT Properties	0	0	0	0
Government Grant	19,500	1,193	19,500	0
Landbank	2,400	0	2,400	0
Evergreen Infrastructure Loan Fund	500	0	500	0
Borrowing	47,073	8,019	39,494	(7,579)
GROSS FUNDING	69,473	9,218	61,900	(7,573)