

The Highland Council

Agenda Item	7
Report No	ECI/34/2024

Committee: Economy and Infrastructure

Date: 22 August 2024

Report Title: Capital Monitoring – Near Final Out-turn for 2023/24

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

- 1.1 This report provides Members with the reported position for the near final out-turn for capital spend in the 2023/24 financial year.
- 1.2 The gross spend on capital projects in the period to 31 March 2024 totalled £92.630m, with a net expenditure of £47.025m. This spend included a number of major schemes and programmes of work covering the whole remit of the service, as detailed in Appendix 1.

2 Recommendations

- 2.1 Members are asked to **consider** and note the near final out-turn for 2023/24.

3 Implications

- 3.1 **Resource** - Resource implications are discussed in the report. There are ongoing issues with inflation and supply issues that continue to put pressure on individual projects, or ongoing programmes of work. This is being regularly monitored and adjustments made where appropriate.
- 3.2 **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'
- 3.3 **Risk** - Risk implications to the budget position, and budget assumptions, will be kept under regular review and any risks identified reported to future Committees.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No implications.
- 3.5 **Gaelic** – No implications.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring report and therefore an impact assessment is not required.

5 Capital Programme 2023/24 Q4 Report

- 5.1 **Appendix 1** provides a summary of near final out-turn for the financial year 2023/24.
- 5.2 **Appendix 1** provides an overview of the capital programme to 31 March 2024. Overall, there has been a net expenditure of £47.025m for the year to 31 March 2024 representing an acceleration of £4.444m for the 2023/24 programmed figure. For the period to 31 March 2024 £92.630m of gross expenditure has been incurred. Of the project income received, funding streams relate to active travel, Uig Harbour, timber transport, City-Region deal funding, town centre funding, regeneration funding and vacant and derelict land funding. These funding streams will be offset against specific project costs as they are incurred.
- 5.3 The estimated outturn position shows a net expenditure of £47.605m. This equates to a net acceleration of £4.444m for the year end. This will be carried over and reprofiled in 2024/25.

6 Road Structural and Surface Dressing Capital Update 2023/24

- 6.1 The 2023/24 programme of surfacing and surface dressing works concluded, with an acceleration of the programme in some Areas.

7 Strategic Timber Transport Scheme 2024/25

- 7.1 Scottish Forestry has awarded funding for two schemes in Highland in the 2024/25 round of applications. The fund is administered by Scottish Forestry on behalf of the Scottish Ministers and provides up to 50% in grant funding. This Strategic Timber Transport Funding (STTF) totals £341k which, when added to The Highland Council's committed funding and additional funding from the private sector, provides a value for both schemes of £682k. Additionally, Scottish Forestry, the Council and Highland Timber Transport Group Partners all contribute to the Project Officer role.
- 7.2 Following grant funding awards, tenders have been issued for the works and are expected to be awarded in due course:-
- U1019 Bohenie Road (Lochaber) - Awarded £150k from STTF with another £150k in Highland Council and partner contributions. The project will improve passing places, undertake edge strengthening/ widening, improve drainage, replace culverts and include surfacing works.

- U1991 Glenglass Road (Ross and Cromarty) – Awarded £191k from STTF with another £191k in Highland Council and partner contributions. The project will improve passing places, undertake edge strengthening/ widening, patching, improve drainage, replace a bridge, replace culverts and include surfacing works.

Designation: Assistant Chief Executive - Place

Date: 6 August 2024

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Background Papers: None

Appendices: Appendix 1 - IEE Monitoring of Capital Expenditure to 31
March 24 Q4 Near Final

THE HIGHLAND COUNCIL

MONITORING OF CAPITAL EXPENDITURE - TO 31ST MARCH 2024 (Q4) NEAR FINAL

SERVICE: INFRASTRUCTURE, ENVIRONMENT & ECONOMY

Project Description	BUDGET	ACTUALS			VARIANCE		
	2023/24 Capital Budget	2023/24 Actual Expenditure	2023/24 Actual Income	2023/24 Actual Net Year to Date	2023/24 Variance Actual Outturn v Budget	Reprofile to 2024/25	2023/24 Overspend / (Underspend)
	£000	£000	£000	£000	£000	£000	£000
ROADS							
Roads - Structural	14,536	17,968	(866)	17,102	2,566	2,566	0
Roads - Surface Dressing	4,160	3,180	0	3,180	(980)	(980)	0
Bridges, Retaining Walls & Culverts	650	759	0	759	109	109	0
Portree Link to A855	0	6	0	6	6	6	0
A890 Strathcarron Widening	0	284	0	284	284	284	0
Other Minor Schemes	0	188	0	188	188	188	0
Strategic Timber Transport Scheme (STTS)	640	2,114	(1,553)	561	(79)	(79)	0
Safer Routes to School	33	1,620	(1,520)	100	67	67	0
Road Safety Improvement Fund	0	583	(583)	0	0	0	0
20Mph Zones	0	324	(324)	0	0	0	0
Traffic Management Improvements	0	24	0	24	24	24	0
Inshes Roundabout	150	248	0	248	98	98	0
A890 Stromeferry Rockface Stabilisation	80	67	0	67	(13)	(13)	0
B851/B862 South Loch Ness Road Improvements	500	756	(203)	553	53	53	0
Inverness West Link	0	242	(242)	0	0	0	0
BRIDGES							
B863 Invercoe Bridge	90	162	0	162	72	72	0
B9090 White Bridge	20	9	0	9	(11)	(11)	0
A884 Acharn & Achnagavin Bridge	30	1	0	1	(29)	(29)	0
B8007 Glenmore Bridge	40	0	0	0	(40)	(40)	0
A831 Comar Bridge	30	0	0	0	(30)	(30)	0
Ruthven Spey Bridge	195	238	0	238	43	43	0
Naver Bridge	75	219	0	219	144	144	0
Dulsie Bridge	5	0	0	0	(5)	(5)	0
A831 Polmailly to Kilmartin Bridges	0	157	0	157	157	157	0
ACTIVE TRAVEL & TRANSPORT							
Bus Fleet	0	0	(20)	(20)	(20)	0	(20)
Active Travel Transformation Highland Wide	290	485	(206)	279	(11)	(11)	0
Aviemore Active Travel Path	0	91	(91)	0	0	0	0
Fort William Active Travel Improvements	0	88	(88)	0	0	0	0
Wick Street Design	0	127	(127)	0	0	0	0
Accessing Inverness	0	259	(259)	0	0	0	0
Culbokie Active Travel Village	0	12	(12)	0	0	0	0
Community Links Plus	0	2,714	(2,714)	0	0	0	0
Low Carbon Travel & Transport (LCTT)	0	1,147	(864)	283	283	0	283
Electric Vehicle Infrastructure	0	58	(347)	(289)	(289)	0	(289)
Bus Partnership Fund (BPF)	0	680	(680)	0	0	0	0
Bus Shelters	20	39	(38)	1	(19)	(19)	0
Community Bus Fund	547	27	0	27	(520)	(520)	0
PARKING							
Inverness Lorry Park	380	396	0	396	16	16	0
Rose Street Multistorey	33	160	(85)	75	42	42	0
Inverness Torvean Resurfacing	500	211	0	211	(289)	(289)	0
Glencoe Village (Self Funding)	175	11	(11)	0	(175)	(175)	0
Achmelvich Beach (Self Funding)	272	445	(445)	0	(272)	(272)	0
LIGHTING & COMMUNICATIONS							
Structural Lighting Works	1,263	1,361	(227)	1,134	(129)	(129)	0
Radio Masts	140	0	0	0	(140)	(140)	0
Public Space CCTV Modernisation	80	55	(20)	35	(45)	(45)	0
FLOOD PROTECTION							
Flood Schemes							
Smithton / Culloeden FPS	190	164	0	164	(26)	(26)	0
River Enrick Drumnadrochit FPS	125	134	0	134	9	9	0
Caol & Lochyside FPS	750	1,642	0	1,642	892	892	0
River Nairn & Auldearn Burn FPS	133	95	0	95	(38)	(38)	0
River Gynack FPS	100	73	0	73	(27)	(27)	0
Scalesburn Wick	75	4	0	4	(71)	(71)	0
Knockbain Burn Flood Improvement Works	0	35	0	35	35	35	0
Flood Risk Studies							
Flood Risk Management Act	280	235	0	235	(45)	(45)	0
Coastal Change Adaptation	0	45	0	45	45	45	0
Surface Water Management Plans	50	27	0	27	(23)	(23)	0
COASTAL ROCK ARMOUR REFURNISHMENT							
Braehead Coast Protection	300	523	0	523	223	223	0
HARBOURS & FERRIES							
Harbours Health & Safety and General Structural	250	666	0	666	416	416	0
Kinlochberrie Harbour	200	0	0	0	(200)	(200)	0
Lochinver Harbour	200	0	0	0	(200)	(200)	0
Uig Ferry Terminal and Link Span (Self Funding)	6,592	25,291	(15,155)	10,136	3,544	3,544	0
Sconser Raasay SVRP Infrastructure	0	1	0	1	1	0	1
Corran Ferry Infrastructure	0	1,594	(1,594)	0	0	0	0
PRIVATE SECTOR HOUSING GRANTS							
Private Sector Housing Grants	2,750	2,357	(81)	2,276	(474)	(474)	0
PLANNING & DEVELOPMENT							
Town & Countryside Regeneration	215	12	0	12	(203)	(203)	0
Inshes District Park	0	2	(239)	(237)	(237)	0	(237)
Nairn High Street	10	0	0	0	(10)	0	(10)
Dell of Spey	0	4	0	4	4	4	0
Wester Ross Visitor Hubs	11	10	0	10	(1)	(1)	0
Green Infrastructure Merkinch Boardwalk	89	37	(37)	0	(89)	(89)	0
Storr Visitor Management	17	333	(333)	0	(17)	(17)	0
Misc Assets, Bridges & Structures	50	0	0	0	(50)	(50)	0
Green Freeport	0	4	0	4	4	0	4
Smart City Digital Projects	0	247	(247)	0	0	0	0
Inverness Castle Redevelopment	4,503	9,799	(4,915)	4,884	381	381	0
City Region Deal Projects	0	4,204	(4,204)	0	0	0	0
ZCCR - Bught Park Stadium	0	1,324	(1,324)	0	0	0	0
ZCCR - Energy Centre Inverness	0	1,436	(1,436)	0	0	0	0
ZCCR - Northern Meeting Park	0	914	(914)	0	0	0	0
Community Regeneration Capital Funds							
Nature Restoration Fund	972	302	(53)	249	(723)	(723)	0
Highland Coastal Communities Fund	53	739	(686)	53	0	0	0
Island Infrastructure Fund	0	66	(66)	0	0	0	0
Place Based Investment Programme 21/22 Fund	0	91	(91)	0	0	0	0
Place Based Investment Programme 22/23 Fund	0	787	(787)	0	0	0	0
UK Shared Prosperity Fund	0	327	(327)	0	0	0	0
Town Centre Fund	0	45	(45)	0	0	0	0
Rural Community Led Local Development (CLLD)	0	415	(415)	0	0	0	0
Regeneration Capital Grant Fund	0	1,131	(1,131)	0	0	0	0
OVERALL TOTAL	42,849	92,630	(45,605)	47,025	4,176	4,444	(268)