

Report of the Portfolio Holder for Resources and Personnel Policy**HOUSING DELIVERY PLAN – CAPITAL PROGRAMME NEW BUILD SCHEMES – REVISIONS TO THE BUDGET 2022/23 & 2023/24****1. Purpose of Report**

To seek approval for revisions to the 2022/23 and 2023/24 capital programme specifically relating to the new build programme and increased scheme costs.

2. Recommendation

Cabinet is asked to RESOLVE that,

- 1) The revised budgets for the 2022/23 and 2023/24 HRA new build schemes, as set out in the Appendix, be agreed,**
- 2) The increase in overall scheme costs, as set out in the Appendix, be agreed.**

3. Detail

The capital programme for the new build housing schemes was approved in April 2022. However, the programme has been revised recently based on the changes to the timetables associated with the schemes and due to a rapid increase in construction costs over the last 12 months. Appendix 1 shows the difference between the approved programme and the revised programme for 2022/23 and 2023/24 and sets out the revised scheme costs on a site by site basis.

4. Financial Implications

The comments from the Head of Finance were as follows:

The overall increase in the Housing Delivery Plan Capital Programme New Build Schemes is £1.225m. This excludes the impact of adding year 4 of the agreed Crematorium site scheme that was not included in the approved three-year capital programme for 2022/23 to 2024/25. The new capital scheme at Field Farm for £3.5m over four years was approved by Cabinet on 24 May 2022.

The effect of these revisions and re-profiling of budgets means that the capital programme for 2022/23 will reduce by £1.625m, effectively pushing this and more into 2023/24 and later years beyond. These schemes are financed by a mixture of housing capital receipts, capital grants and prudential borrowing. The impact on the financing of the capital programme will now be considered in further detail by the Deputy Chief Executive and Section 1515 Officer and the outcome presented to Members as part of the regular Capital Programme update reports during the year.

The updated budget profiles for years 2, 3 and 4 will form the basis of the proposed Capital Programme 2023/24 to 2025/26 that will be considered as part of the budget setting process later in this financial year.

5. Legal Implications

There are no direct legal implications arising from this report.

6. Background Papers

Nil.