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Council Building  
2 High Street  
Perth  
PH1 5PH

19/04/2023

A hybrid meeting of the **Finance and Resources Committee** will be held in the **Council Chamber** on **Wednesday, 26 April 2023** at **14:00**.

If you have any queries please contact Committee Services on (01738) 475000 or email [Committee@pkc.gov.uk](mailto:Committee@pkc.gov.uk).

**THOMAS GLEN**  
Chief Executive

***Those attending the meeting are requested to ensure that all notifications are silent on their device and other devices are in silent mode.***

***Please note that the meeting will be broadcast online and recorded. The recording will be publicly available on the Council's website following the meeting.***

**Members:**

Councillor Stewart Donaldson (Convener)  
Councillor Grant Laing (Vice-Convener)  
Bailie Chris Ahern  
Bailie Alasdair Bailey  
Councillor Peter Barrett  
Councillor Andy Chan  
Councillor Dave Cuthbert  
Councillor Eric Drysdale  
Councillor John Duff  
Councillor Angus Forbes  
Provost Xander McDade  
Councillor Tom McEwan  
Depute Provost Andrew Parrott  
Councillor John Rebbeck  
Councillor Caroline Shiers  
Councillor Colin Stewart



## **Finance and Resources Committee**

**Wednesday, 26 April 2023**

### **AGENDA**

***MEMBERS ARE REMINDED OF THEIR OBLIGATION TO DECLARE ANY FINANCIAL OR NON-FINANCIAL INTEREST WHICH THEY MAY HAVE IN ANY ITEM ON THIS AGENDA IN ACCORDANCE WITH THE COUNCILLORS' CODE OF CONDUCT.***

- 1 WELCOME AND APOLOGIES/SUBSTITUTES**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES**
  - 3(i) MINUTE OF MEETING OF THE FINANCE AND RESOURCES COMMITTEE OF 1 FEBRUARY 2023 FOR APPROVAL** **5 - 8**  
(copy herewith)
  - 3(ii) MINUTE OF MEETING OF THE EXECUTIVE SUB-COMMITTEE OF THE FINANCE AND RESOURCES COMMITTEE OF 22 MARCH 2023 FOR APPROVAL** **9 - 10**  
(copy herewith)
- 4 OUTSTANDING BUSINESS STATEMENT** **11 - 12**  
(copy herewith 23/119)
- 5 TRANSFORMATION AND CHANGE**  
Presentation by Executive Lead - Strategic Planning and Transformation
- 6 REVENUE BUDGET 2022/23 - UPDATE NO. 4** **13 - 48**  
Report by Head of Finance (copy herewith 23/120)
- 7 COMPOSITE CAPITAL BUDGET 2022/28 & HOUSING INVESTMENT PROGRAMME 2022/27 - MONITORING REPORT NO. 4** **49 - 82**  
Report by Head of Finance (copy herewith 23/121)
- 8 TREASURY ACTIVITY AND COMPLIANCE REPORT 2022/23 QUARTER 4** **83 - 102**  
Report by Head of Finance (copy herewith 23/122)

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## FINANCE AND RESOURCES COMMITTEE

Minute of hybrid meeting of the Finance and Resources Committee held in the Council Chamber, 2 Hight Street, Perth on Wednesday 1 February 2023 at 2.00pm.

Present: Councillors S Donaldson and G Laing, Bailies C Ahern and A Bailey and Councillors P Barrett, B Brawn (substituting for A Chan), D Cuthbert, A Forbes, D Illingworth (substituting for J Duff), I Massie (substituting for E Drysdale), Provost McDade, T McEwen, J Rebbeck, C Shiers, C Stewart and Depute Provost A Parrott.

In Attendance: T Glen, Chief Executive; S Devlin, Executive Director (Education and Children's Services); B Renton, Executive Director (Communities); C Maller (Chief Executive's Service); J Pepper (Health and Social Care Partnership); G Boland (Education and Children's Services); S Best, L Brady, M Butterworth, B Cargill, A Clegg, F Croft, S Coyle, S D'All, P Dickson, C France, K Fraser, L Haxton, S Nicol, F Robertson, N Taylor (all Communities); K Donaldson, L Simpson, S MacKenzie, S Walker, K Molley, D Adams, J Beveridge, L Harris, J Jennings, P Johnstone, A Taylor, M Pasternak and A Brown (all Corporate and Democratic Services).

Apologies: Councillors A Chan, E Drysdale and J Duff.

Councillor S Donaldson, Convener, Presiding.

The Convener led discussion on items 1-7, 9 and 10 and Vice-Convener on item 8.

### 1. WELCOME AND APOLOGIES

The Convener welcomed all those present to the meeting and apologies were noted above.

### 2. DECLARATIONS OF INTEREST

In terms of the Councillors' Code of Conduct:

- (i) Bailie A Bailey declared a financial interest in item 9.
- (ii) Bailie A Bailey and Councillor C Stewart declared a non-financial interest in item 10.

### 3. MINUTE OF PREVIOUS MEETINGS

The minute of meeting of the Finance and Resources Committee of 30 November 2022 was submitted and approved.

### 4. OUTSTANDING BUSINESS STATEMENT

#### Resolved:

- (i) The contents of the Outstanding Business Statement, be noted.
- (ii) The removal of all completed actions from the Outstanding Business Statement, be agreed.

## **5. REVENUE BUDGET 2022/23 – UPDATE NO.3**

There was submitted a report by Head of Finance (23/30) providing an update on progress with the 2022/23 General Fund Revenue Budget based upon the November 2022 ledger, updated for any subsequent known material movements and the projected financial position of the Housing Revenue Account.

### **Resolved:**

- (i) The contents of Report 23/30 be noted.
- (ii) The projected outturn for General Fund Services, as set out in Section 5 of Report 23/30 and Appendices 1 and 2 to this report, be noted.
- (iii) The projected outturn for Corporate Budgets, as set out in Section 6 of Report 23/30, be noted.
- (iv) The Health & Social Care projected outturn, as summarised in Section 6 of Report 23/30 and Appendix 3 to this report, be noted.
- (v) The projected outturn for the Housing Revenue Account, as summarised in Section 7 of Report 23/30 and Appendix 4 to this report, be noted.

## **6. COMPOSITE CAPITAL BUDGET 2022/28 & HOUSING INVESTMENT PROGRAMME 2022/27 – MONITORING REPORT No.3**

There was submitted a report by the Head of Finance (23/31) providing a summary position to date for the 6-year Composite (General Fund) Capital Budget for 2022/23 to 2027/28 and the 5-year Housing Investment Programme 2022/23 to 2026/27 and seeking approval for adjustments to the programmes.

### Amendment (Councillors A Forbes and C Shiers)

The Leader of the Council is instructed to write to the Scottish Government asking for a detailed schedule of funding to renew all play areas in Perth and Kinross and schedule of dates for bringing forward the funding to allow officers to plan the investment and ensure it is allocated accordingly.

After further discussions, Councillors A Forbes and C Shiers withdrew their amendment.

### Amendment (Councillor C Stewart)

Instruct Officers to pause making any further commitments until the Capital Budget on 1 March 2023.

THERE WAS A 15 MINUTE RECESS AND THE MEETING RECONVENED AT 15.30.

Councillor C Stewart withdrew his amendment.

### **Resolved:**

- (i) The content of report 23/31, be noted
- (ii) The proposed adjustments to the six-year Composite Capital Budget 2022/23 to 2027/28, as set out in Sections 3 and 4 of Report 23/31 and summarised in Appendix I and II to the report, be approved.

- (iii) The proposed adjustments to the Housing Investment Programme Budget 2022/23 to 2026/27, as set out in Section 5 of Report 23/31 and summarised in Appendix III to the report, be approved.
- (iv) The update reports on the delivery of major Capital projects, attached at Appendix IV of Report 23/31, be noted.

## **7. TREASURY ACTIVITY AND COMPLIANCE REPORT 2022/23 QUARTER 3**

There was submitted a report by the Head of Finance (23/32) updating the Committee on Treasury Activity for the quarter ending 31 December 2022, and to report on compliance with the Council's Treasury Management Policy Statement (TMPS); Investment Strategy and Prudential Indicators.

**Resolved:**

The contents of Report 23/32, be noted.

## **8. FRAMEWORK FOR MANAGING WORKFORCE CHANGE**

There was submitted a report by the Corporate Human Resources Manager (23/33) seeking approval of changes to the Framework for Managing Workforce Changes.

Amendment (Baillie A Bailey)

Do not accept the recommendations in Report 23/33 and maintain the status quo.

In line with Standing Order 18.3, as no seconder to the amendment was forthcoming, the amendment subsequently fell.

Baillie Bailey asked for his dissent to the decision taken be recorded.

**Resolved:**

The revised provisions within the Framework for Managing Workforce Change be approved.

## **9. DIGITAL PERTH AND KINROSS: DIGITAL STRATEGY 2023-27**

There was submitted a report by the Head of Corporate IT And Revenues (Chief Digital Officer) (23/34) introducing the refreshed Digital Strategy for the period 2023-2027.

**Resolved:**

- (i) The Digital Strategy 2023-2027 be approved.
- (ii) Councillor Jack Welsh be nominated as the Council's Digital Champion.

## **10. COMMUNITY INVESTMENT FUND 2022/23**

There was submitted a report by the Head of Culture and Community Services (23/35) informing of the funding commitments made for the 2022/23 Community Investment Fund (CIF) across the 10 ward panel areas (the 3 Perth City wards are combined into 1 for the purposes of CIF).

**Resolved:**

- (i) The funding decisions taken by Ward Panels for 2022/23 CIF be noted.
- (ii) The carry forward of £68,000 for disbursal to community grassroots projects in 2023/24, for use in the wards there the underspends have arisen, be approved.

DRAFT



## EXECUTIVE SUB-COMMITTEE OF FINANCE AND RESOURCES COMMITTEE

Minute of hybrid meeting of the Executive Sub Committee of the Finance and Resources Committee held in the Council Chamber, 2 Hight Street, Perth on Wednesday 22 March 2023 at 3.00pm.

Present: Councillors S Donaldson, G Laing, P Barrett, A Chan (substituting for Councillor C Shiers), E Drysdale and C Stewart (substituting for Councillor D Cuthbert).

In Attendance: T Glen, Chief Executive; B Renton, Executive Director (Communities); C Mailer (Chief Executive's Service); A Cook and G Boland (Education and Children's Services); L Simpson, S MacKenzie, S Walker, K Molley, A Brown and M Pasternak (all Corporate and Democratic Services).

Also in Attendance: K McNamara and D Kidd, Tayside Contracts

Apologies: Councillors J Duff, D Cuthbert, and C Shiers.

Councillor S Donaldson, Convener, Presiding.

### 1. WELCOME AND APOLOGIES

The Convener welcomed all those present to the meeting and apologies were noted above.

### 2. DECLARATIONS OF INTEREST

There were no declarations of Interest made in terms of the Councillors' Code of Conduct.

### 3. REVENUE BUDGET 2022/23 – TAYSIDE CONTRACTS

There was submitted a report by Head of Finance (23/98) (1) providing the Executive Sub-Committee with an update on the financial projections for Tayside Contracts; and (2) seeking authority for the Head of Finance to apply up to £1.1 million from unearmarked Reserves to meet the Council's forecast obligations to Tayside Contracts in 2022/23.

#### **Resolved:**

- (i) The contents of Report 23/98 and the latest financial projection for Tayside Contracts, be noted.
- (ii) The Head of Finance be authorised to apply up to £1.1 million from unearmarked Reserves to meet the Council's forecast obligations to Tayside Contracts in 2022/23 as set out in sections 5 and 6 of Report 23/98.
- (iii) The Convener be requested to write to Tayside Contracts suggesting that they set up a Performance/Scrutiny Sub-Committee to enable more regular in-depth monitoring of performance.



**FINANCE AND RESOURCES COMMITTEE**

**OUTSTANDING BUSINESS STATEMENT (OBS)**  
(Report No. 23/119)

Please note that this statement sets out outstanding decisions of this committee along with an update and estimated completion date. Actions which are overdue are shaded for ease of reference. Where an update reflects that an action is complete then the Committee's agreement will be sought to its removal from the OBS.

No	Minute Reference	Subject Title	Outstanding Action	Update	Lead Officer /Service	Action due	Action Expected
10.	30 November 2022	Revenue Budget 2022/23 – Update No.2	An update to be provided to members regarding underspend in the Health and Social Care Partnership.	Verbal Update was given by J Pepper at the previous Finance and Resources Committee on 1 February 2023.  <b>COMPLETED</b>	Jacqueline Pepper	1 February 2023	1 February 2023
13.	1 February 2023	Revenue Budget 2022/23 – Update No. 3	An update to be provided to members on graduate resignations in Early Learning and Childcare.	Email response issued to all members.  <b>COMPLETED</b>	Sheena Devlin	26 April 2023	26 April 2023
14.	1 February 2023	Digital Perth and Kinross: Digital Strategy 2023-27	Enquire with the developer on getting a second master microphone for the running of Committee Meetings.	Elected Member Briefing Note was issued.  <b>COMPLETED</b>	Alan Taylor	26 April 2023	26 April 2023



**PERTH & KINROSS COUNCIL**  
**FINANCE & RESOURCES COMMITTEE**

**26 APRIL 2023**

**Revenue Budget 2022/23 – Update No.4**

**Report by Head of Finance**  
**(Report No. 23/120)**

**1. PURPOSE**

- 1.1 This report provides an update on progress with the 2022/23 General Fund Revenue Budget based upon the January 2023 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account.
- 1.2 The total net projected under spend on the 2022/23 General Fund Management Budget is **£860,000** (see **Appendix 1**).
- 1.3 This report also provides an updated on the 2023/24 General Fund Management Budget (see **Appendix 7**)

**2. RECOMMENDATIONS**

The Committee is requested to:

- A. note the contents of the report.
- B. note the projected outturn for General Fund Services set out in Section 5 and **Appendix 1 and 2**.
- C. note the projected outturn for Corporate Budgets set out in Section 6.
- D. note the Health & Social Care projected outturn, which is summarised in Section 6 and **Appendix 3**.
- E. note the projected outturn for the Housing Revenue Account which is summarised in Section 7 and **Appendix 4**.
- F. approve the adjustments to the 2022/23 Management Revenue Budget detailed in **Appendices 1, 2, 4, 5 and 6** and Section 8, 9, and 10.
- G. approve the adjustments to the 2023/24 Management Revenue Budget detailed in Section 11 and **Appendix 7**.

**3. STRUCTURE**

- Section 4 Background
- Section 5 Revenue Monitoring – Service Budgets

Section 6	Revenue Monitoring – Corporate Budgets
Section 7	Revenue Monitoring – Other Revenue Budgets
Section 8	2022/23 Additional Funding
Section 9	2022/23 Virements
Section 10	2022/23 Movements in Reserves
Section 11	Adjustments to 2023/24 Revenue Budget

#### 4. BACKGROUND

- 4.1 This report updates the Committee on progress with the 2022/23 Revenue Budget. **Appendix 1** to this report summarises the current projected year end (outturn) position for each Service based upon the January 2023 ledger, updated for any subsequent known material movements.
- 4.2 The budget total reflected in Column 1 of **Appendix 1** to this report is that approved by the Council in setting the 2022/23 Final Revenue Budget on 23 February 2022 (Report No. 22/35 refers). In addition, adjustments approved by Council on 25 May, 17 August and 28 September 2022 (Report No. 22/252 refers), by the Strategic Policy & Resources Committee on 20 April (Report No. 22/87), by the Finance & Resources Committee on 7 September & 30 November 2022 and 1 February 2023 (Report Nos. 22/208, 22/294 and 23/30 refer) and the Executive Sub-Committee of the Finance & Resources Committee on 22 March 2023 (Report No. 23/98 refers) are reflected in **Appendix 1** (Column 2).
- 4.3 On 22 June 2022, the Council approved the Financial Strategy which set out a number of principles that will assist Medium Term Financial Planning and development of Revenue and Capital Budgets (Report No. 22/141 refers).

#### 5. REVENUE MONITORING – SERVICE BUDGETS

- 5.1 Details of variances against Service budgets are shown in **Appendix 2** to this report with the most significant variances summarised below. The total net projected under spend on Service budgets, as set out in **Appendix 1** to this report, is **£1.291 million** which represents **0.4%** of total net Service expenditure.
- 5.2 The management of Service over and under spends are considered throughout the financial year and may also form part of the Revenue Budget strategy for future years.
- 5.3 There remains a risk that the Council continues to experience increases in costs over the short to medium term that are higher than budgeted inflation levels. This is already being seen in the cost of the materials required by property and housing maintenance teams. Going forward, this may have an impact on projected outturns and future years' budgets.

#### Education & Children's Services

- 5.1 The projected outturn for Education & Children's Services excluding Devolved School Management (DSM) and the Pupil Equity Fund (PEF) is currently

anticipated to be **£813,000** less than budget – a movement of **£335,000** from the position last reported to Committee. The movements are summarised as follows.

- 5.2 Within **non devolved Education Services** there is an increase in the projected under spend of **£164,000**. These movements are made up of additional staff slippage due to continued proactive workforce management (£126,000) and other net under spends (£38,000).
- 5.3 The updated financial consequences of the strikes that took place in January, February and March 2023 amounted to an estimated **£1.289 million** in unpaid salaries. Consistent with the position agreed by the Committee on 1 February 2023, there is a proposal later in this report to transfer this amount to Reserves. The 2023/24 Revenue Budget, approved by Council on 1 March applies this funding, in its entirety, to supporting the educational needs of children and young people.
- 5.4 In **Services for Children, Young People & Families** there is a reduction in the projected over spend of **£78,000**. The main factor contributing to this movement is an increase in the projected level of staff slippage (£76,000) and other net under spends (£2,000).
- 5.5 In **Business & Resource Services** there is an increase in the projected under spend of **£107,000** due to increased staff slippage and reduced travel costs.
- 5.6 In **Catering Services** there is a reduction in the projected under spend of **£14,000** due to updated meal projections.
- 5.7 There is a planned under spend of **£807,000** on **Devolved School Management** budgets (DSM) due primarily to staff slippage and recharges, which represents **0.7%** of the overall DSM budget. It is anticipated that in line with the approved DSM scheme, the eventual over and under spends will be carried forward into 2023/24. The budgets for the Devolved School Management scheme are allocated by financial year (April – March), whereas expenditure is incurred by academic year (August – June).
- 5.8 At this stage of the academic year, expenditure met from the **Pupil Equity Fund** (PEF) is projected to be **£300,000** less than the allocation from the Scottish Government of £1.874 million. Schools are being instructed to use this year's PEF by 31 March 2023. It is anticipated that the projected under spend on teacher and support costs will be carried forward to 2023/24 to meet commitments. The budgets for the Pupil Equity Fund scheme are allocated by financial year, whereas expenditure is incurred by academic year.

## **Communities**

- 5.9 The projected outturn for Communities is currently anticipated to be **£1.248 million** less than budget – an increase of **£985,000** from the previously reported position. The movements are summarised as follows.

- 5.10 In **Environment & Consumer Services** there is a net reduction in the projected over spend of **£650,000**. The projected over spend on fuel has reduced (£100,000), there are projected savings on waste disposal contracts (£150,000), additional income from Bereavement Services (£80,000) and savings on loan charges (£20,000). In addition, the projected over spend on winter maintenance has reduced (£450,000). These are partially offset by an increase in the projected over spend on vehicle materials and repairs (£150,000).
- 5.11 In **Planning & Development** there is a net increase in the projected under spend of **£405,000**. The main reason for this movement relates to additional income from planning and building warrant fees (£350,000). In addition, there are further net under spends across the remainder of the division (£55,000).
- 5.12 Within **Business & Resources** there is a net reduction in the projected under spend of **£60,000** in IT licensing and support costs.
- 5.13 In **Housing** there is an increase in the net projected over spend of **£10,000** due to updated security costs.

### **Corporate & Democratic Services**

- 5.14 The projected outturn for Corporate & Democratic Services is currently anticipated to be **£850,000** more than budget – a reduction of **£59,000** from the previously reported projected over spend. The main movements are summarised as follows.
- 5.15 In **Property** the projected over spend on energy has reduced by **£162,000** based on the latest data which is partially offset by an increase of in maintenance costs of **£60,000**.
- 5.16 Across the remainder of the Service there is an increase in the net projected under spend of **£43,000**.

### **Chief Executive Service**

- 5.17 The projected outturn for the Chief Executive's Service is currently anticipated to be **£80,000** less than budget due to staff slippage and additional income.

## **6. REVENUE MONITORING – CORPORATE BUDGETS**

### **Health & Social care**

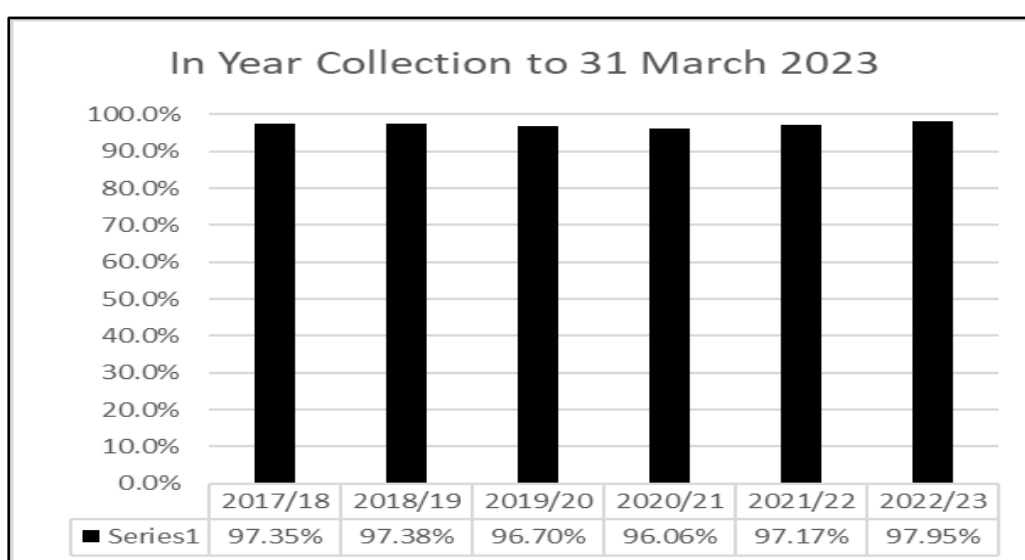
- 6.1 Across the Perth and Kinross Health & Social Care Partnership there is a projected under spend of **£2.723 million** which is set out in **Appendix 3**. This projected under spend was considered in detail at the meeting of the Perth & Kinross Integration Joint Board Audit & Performance Committee on 13 March 2023. Within the overall projected under spend, **£3.1 million** relates to social care.



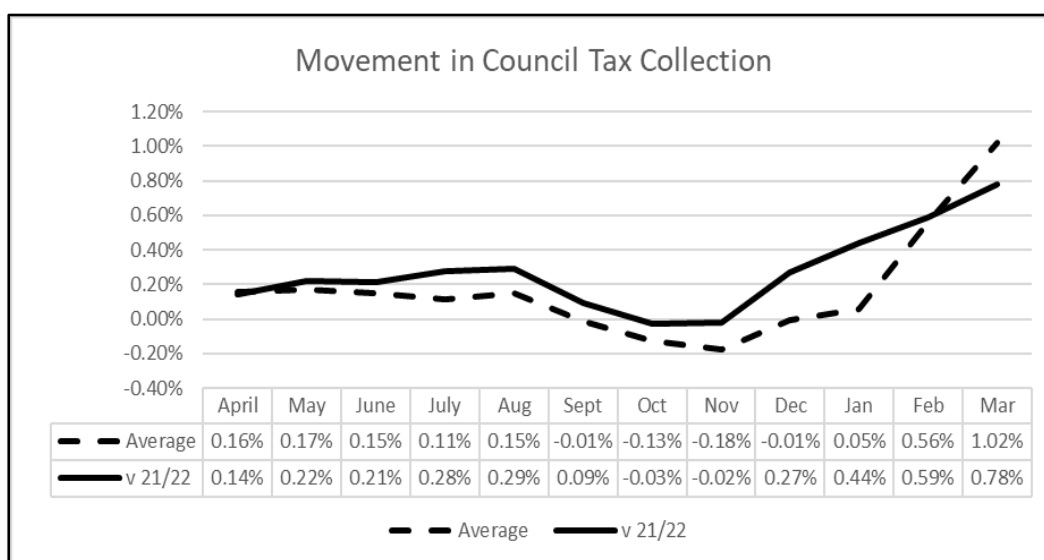
- 6.2 In relation to non-devolved functions there is currently a projected under spend of **£299,000** which is reflected in **Appendix 1**. This is made up of staff slippage as well as a rephasing of two approved transformation projects – see paragraph 10.12.

### Council Tax Income

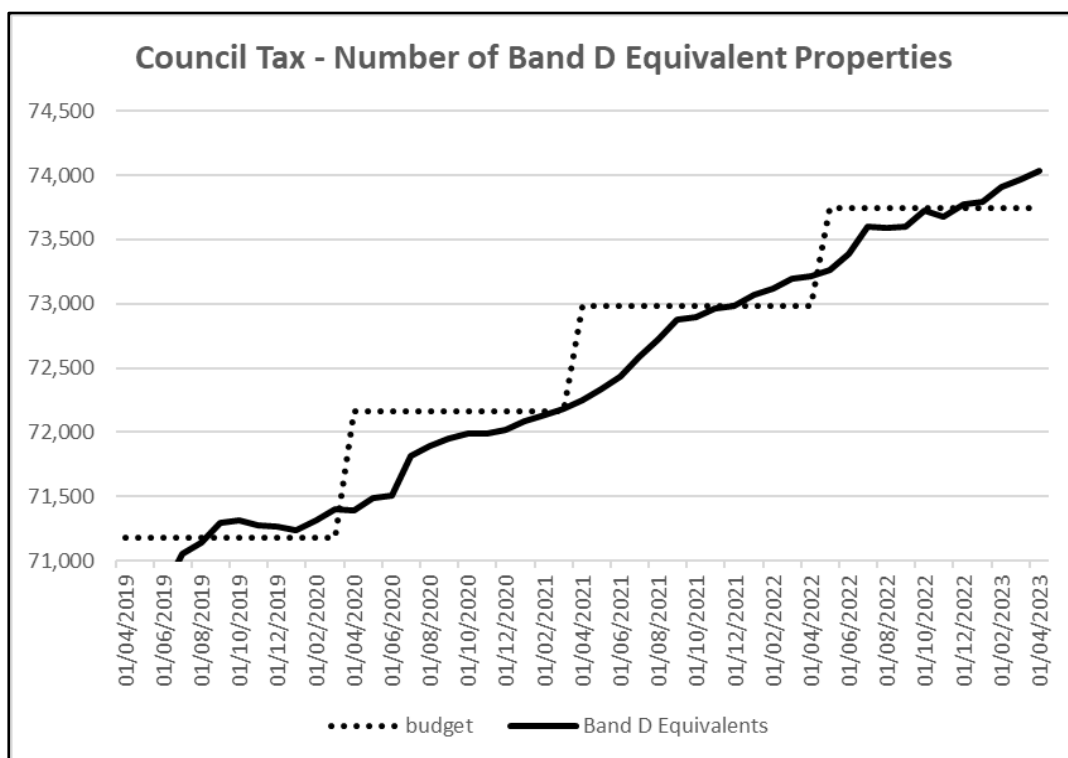
- 6.3 The amount of income the Council will generate from Council Tax is dependent on two main factors, firstly the collection levels and secondly, the number of Band D properties on the Valuation Roll.
- 6.4 Monitoring of Council Tax collection levels is carried out monthly. The following graph sets out collection performance to 31 March 2023 together with prior year comparative figures for the previous five financial years.



- 6.5 Between 2017/18 and 2021/22, the average collection figure to 31 March was 96.93%. The actual collection figure to 31 March 2023 was **97.95%** which is an increase of **1.02%** compared to the historical average and a **0.78%** increase on the comparable position in 2022.



- 6.6 Secondly, in setting the Council's Revenue Budget, assumptions are made on increases in the number of Band D equivalent properties. The graph set out below suggests that actual growth levels are in line with budget assumptions.



- 6.7 Given the 2022/23 collection rate that is set out at paragraph 6.5 above, as well as collection of historic debt, the latest projected outturn indicates that Council Tax income will be **£200,000** more than budget in the current year.

### Council Tax Reduction Scheme

- 6.8 Council Tax Reduction is a statutory function and encouraging take up is a key responsibility for the Council, particularly when households are facing significant pressures on the cost of living.
- 6.9 The Council is currently supporting approximately 8,300 households across Perth and Kinross with the Council Tax Reduction Scheme with an average award of £16 per week. This results in a projected over spend on the Council Tax Reduction Scheme of approximately **£680,000**.

### Non-Domestic Rates

- 6.10 The actual collection rate to 31 March 2023 was **97.91%**, compared to 94.29% for the same period in 2021/22.

### Tayside Contracts

- 6.11 On 1 February 2023, the Finance & Resources Committee were updated on the financial challenges facing Tayside Contracts in 2022/23 (Report No. 23/30 refers). This update also advised that, should additional financial support be required, an Executive Sub-Committee of the Finance &

Resources Committee would be called to authorise funding to provide additional support.

- 6.12 The Executive Sub-Committee of the Finance & Resources Committee met on 22 March 2023 to receive the latest update on Tayside Contracts (Report No. 23/98 refers). As part of this update, approval was granted to apply up to **£1.1 million** of unearmarked Reserves to meet the Council's share (34%) of the projected losses of Tayside Contract's Facilities Division. This is now reflected in **Appendix 1** to this revenue monitoring report.

## **7. REVENUE MONITORING – OTHER REVENUE BUDGETS**

### **Housing Revenue Account**

- 7.1 The Housing Revenue Account is currently projected to **break even** in the current financial year. The main movements from the last update are summarised below and set out in **Appendix 4**.
- 7.2 Across the Housing Revenue Account, the projected outturn has increased by a net **£358,000**. The main movements arise from a reduction in staff slippage due to the back dated pay award and additional costs due to burst pipes which is partially offset by additional income.
- 7.3 As a result of the variances identified above Capital from Current Revenue will be reduced by **£358,000**.

### **Impact on Arm's Length External Organisations (ALEOs)**

- 7.4 The Council continues to work closely with its three Arm's Length External Organisations (ALEOs) – Live Active Leisure (LAL), Horsecross Arts (Hx Arts) and Culture Perth & Kinross (CPK) who make an important contribution to the wellbeing of both citizens and visitors to Perth and Kinross.
- 7.5 As sole member and core funder of all three ALEOs, the Council has managed financial risk by maintaining normal monthly service level agreement payments to all three organisations to mitigate the impact of Covid-19. In addition, officers continue to work closely with all three ALEOs to understand the impact of Covid-19 more fully on service delivery.
- 7.6 To date, no significant financial issues have been identified relating to Culture Perth and Kinross or Horsecross Arts Ltd.
- 7.7 Live Active Leisure is currently projecting a deficit for 2022/23 but this will be funded from its own Reserves and therefore has no financial impact on the Council.
- 7.8 The long-term impact of Covid-19 on the Council's ALEOs across future financial years will be kept under review with updates provided to future meetings of the Finance & Resources Committee.

## 8. 2022/23 ADDITIONAL FUNDING

- 8.1 Since the 2022/23 Revenue Budget was updated on 1 February 2023 (Report No. 23/30 refers), the Council has been advised of additional funding for the current financial year from several sources. To ensure that the 2022/23 Management Budget continues to reflect the operational requirements of the Council, several adjustments are required, which are summarised below and included in **Appendix 1** and **Appendix 5**.

### **Scottish Government – Revenue Support Grant:**

- Teachers Pay Award: £866,000 (Education & Children's Services)
  - Scottish Child Payment Bridging Payments: £71,000 (Corporate & Democratic Services (CDS))
  - Self-Isolation Assistance Service - £19,000 (CDS)
  - Project Unicorn: £5,000 (Communities)
- 8.2 The Scottish Government has advised that the increase in Revenue Support Grant identified above of **£961,000** will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust budgets for Education & Children's Services, Communities, Corporate & Democratic Services and Revenue Support Grant.
- 8.3 **ACTION:** The Council is asked to approve the adjustments set out at paragraph 8.2 which is reflected in **Appendix 1** (Column 3) to this report.

### **Other Funding**

- 8.4 Other funding amounting to **£1.883 million** will be paid outside the Revenue Support Grant mechanism as Other Grant income and is, therefore, cost neutral in terms of the budget summary. Details of this funding is set out in **Appendix 5**.
- 8.5 **ACTION:** The Committee is asked to note the receipt of **£1.883 million** of additional resources, with this funding being reflected within Communities and Corporate & Democratic Services as additional grant income. The current projected outturn assumes that all these additional resources will be fully expended in 2022/23 or will be carried forward under the terms of the grant award.

## 9. 2022/23 VIREMENTS

### **Contribution to/from Capital Fund**

- 9.1 In line with the strategy for managing the Council's Capital Programme over the medium term, it is recommended that the eventual over or under spend on Capital Financing Costs and Interest on Revenue Balances be transferred from or to the Capital Fund.
- 9.2 The latest monitoring indicates a reduction in the projected outturn for capital financing costs (loan charges) of **£15,000** based on the latest treasury

management activity and a reduction of **£79,000** in income from interest on revenue balances. This will result in a reduced Contribution to the Capital Fund of **£64,000** in the current financial year.

- 9.3 **ACTION:** The Committee is requested to approve the virement of **£15,000** from the Capital Financing Costs (Loan Charges) Budget and **£79,000** from Interest on Revenue Balances with a corresponding reduction in the projected Contribution to the Capital Fund. These adjustments have been reflected in **Appendix 1** (Column 4) to this report.

### **Service Virements**

- 9.4 To ensure that the 2022/23 Management Revenue Budget continues to reflect current Service needs and operational requirements there are several virements that are reflected in **Appendix 1** (column 4) that have been processed in line with the Scheme of Administration.
- Communities to Capital Grant - **£30,000** – to reflect a rephasing of expenditure on Tactran capital projects - this funding will be reinstated in 2023/24.
  - Contribution to 2022/23 Pay Award to Education & Children's Services - **£3.056 million** – to reflect the additional cost of the pay award to teachers that was accepted in early March 2023.

## **10. 2022/23 MOVEMENTS IN RESERVES**

### **Updated Financial Implications of Strike Action**

- 10.1 The updated financial implications of the strikes that took place in January and February 2023 is currently estimated at **£1.289 million**. As advised at paragraph 5.6, the 2023/24 Revenue Budget that was approved on 1 March 2023 applied all these resources towards supporting the educational needs of children and young people in future years.
- 10.2 **ACTION:** The Committee is asked to approve the transfer of **£1.289 million** from Education & Children's Services to the earmarked Reserve for Children and Young People's Residential Care. This adjustment is reflected in **Appendix 1** (Column 5) to this report.

### **Works Maintenance**

- 10.3 The Council has previously earmarked Reserves for maintenance works around the River Ercht. Approval is sought to transfer **£200,000** from the projected under spend in Communities in 2022/23 to carry out further remedial works.
- 10.4 **ACTION:** The Committee is asked to approve the transfer of **£200,000** from Communities to the Works Maintenance earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to this report.

## Council Approved Expenditure

- 10.5 In setting the 2022/23 Revenue Budget in February 2022, the Council approved expenditure to fund several initiatives. For a variety of reasons including consultation and capacity issues, there has been slippage in the delivery of these projects that may result in the expenditure not being incurred in the current financial year. Projects totalling **£60,000** are set out at **Appendix 6**.
- 10.6 Should the Committee confirm that that the projects remain a priority for the Council then the balances set out in **Appendix 6** will be transferred to an earmarked Reserve to ensure that the funding is in place to ensure delivery. The final outturn for individual projects may change before the end of the financial year. Therefore, by agreeing the projects within **Appendix 6**, the Committee is confirming that the initiative remains a priority and that the final under spend will be earmarked within Reserves.
- 10.7 Should any of the projects no longer be a priority, the projected underspend would be available to support the financial management of the Council in both current and future financial years.
- 10.8 **ACTION:** the Committee is asked to confirm that the projects listed in **Appendix 6** remain a priority and that the final under spends, currently projected at **£60,000** are transferred to an earmarked Reserve to ensure delivery.

## Property Maintenance

- 10.9 The Council's unearmarked Reserves includes provision for Property Maintenance works on cemeteries. Approval is sought to draw down **£34,000** to fund activity in 2022/23.
- 10.10 **ACTION:** the Committee is asked to transfer **£34,000** from the Property Maintenance earmarked Reserve to Corporate & Democratic Services to fund works on cemeteries. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

## Transformation Projects

- 10.11 Due to a rephrasing of expenditure there is a requirement to adjust budgets for the following approved projects as follows:
- Perth and Kinross Offer - **£60,000** from the Chief Executive's Service
  - Modernising Performance - **£15,000** from the Chief Executive's Service
  - Low Carbon Initiatives - **£49,000** from Communities
  - Care at Home Mobile Technology - **£46,000** from Health & Social Care
  - Mental Health Officer Training - **£83,000** from Health & Social Care
- 10.12 **ACTION:** The Committee is asked to approve the transfers to the Transformation and Workforce Management earmarked Reserve set out at

paragraph 10.11 above. These adjustments are reflected in **Appendix 1** (Column 5) to the report.

### **Financial Insecurity / Tackling Poverty**

- 10.13 In approving the earmarked Reserves on 1 March 2023, the Council was advised of a projected under spend on financial insecurity projects of **£650,000** (Report No 23/72 refers). Furthermore, there is now a projected under spend of **£30,000** on the funding approved by Council on 28 September 2022 in relation to Tackling Poverty and the Cost of Living (Report No. 22/252 refers). Approval is sought to transfer these under spends to the Financial Insecurity earmarked Reserve to be utilised in 2023/24.
- 10.14 **ACTION:** The Committee is asked to approve the transfer of **£680,000** from Corporate & Democratic Services and the Chief Executive's Service to the Financial Insecurity earmarked Reserve. These adjustments are reflected in **Appendix 1** (Column 5) to the report.

### **Culture**

- 10.15 Approval is sought to draw down **£23,000** from the earmarked Reserve to support Culture to meet the costs of the Review of Libraries
- 10.16 **ACTION:** The Committee is asked to approve the transfer of **£23,000** from the earmarked reserve for Culture to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Revenue Grants**

- 10.17 The Council received **£50,000** to support trauma informed practice in 2022/23. Approval is sought to transfer this to the Health & Social Care Partnership to take this forward.
- 10.18 **ACTION:** The Committee is asked to approve the transfer of **£50,000** from the earmarked reserve for Revenue Grants to Health & Social Care. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Council Tax Second Homes**

- 10.19 Approval is sought to apply **£104,000** from the Council Tax Second Homes earmarked Reserve to fund activity in 2022/23.
- 10.20 **ACTION:** The Committee is asked to approve the transfer of **£104,000** from the Council Tax Second Homes earmarked reserve to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Community Investment Fund**

- 10.21 On 1 February 2023, the Finance & Resources Committee were advised of the outcome of commitments made by individual ward panel areas (Report No. 23/35 refers). This resulted in a projected under spend of **£51,000** in

2022/23. Approval is sought to transfer this under spend to the Community Investment Fund earmarked Reserve for use in 2023/24.

- 10.22 **ACTION:** The Committee is asked to approve the transfer of **£51,000** from Communities to the Community Investment Fund earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Local Action Partnerships**

- 10.23 Approval is sought to drawdown **£17,000** from the Local Action Partnerships earmarked Reserve to fund activity in 2022/23.
- 10.24 **ACTION:** The Committee is asked to approve the transfer of **£17,000** from the Local Action Partnerships earmarked Reserve to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Climate Change**

- 10.25 Due to slippage and a rephrasing of activity there is a projected under spend of **£140,000** on climate change related budgets. Consistent with the Councils commitment to climate change, approval is sought to create an earmarked Reserve for climate change to allow for the movement of resources between financial years and that the final under spend in 2022/23 (currently projected at £140,000) is transferred to this earmarked Reserve.
- 10.26 **ACTION:** The Committee is asked to approve the creation of an earmarked Reserve for Climate Change and that the final under spend in 2022/23 (currently projected at £140,000) is transferred to this earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

### **Ventilation Measures**

- 10.27 The Council has previously allocated resources to enhance ventilation measures, particularly around the installation of CO2 monitors across the learning estate. Approval is sought to transfer **£90,000** of this funding to earmarked Reserves to allow the work to be completed in 2023/24.
- 10.28 **ACTION:** The Committee is asked to approve the transfer of **£90,000** from Corporate & Democratic Services to earmarked Reserves to complete the installation of CO2 monitors. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

## **11. ADJUSTMENTS TO 2023/24 REVENUE BUDGET**

### **2023/24 Additional Funding**

- 11.1 Since the 2023/24 Revenue Budget was approved on 1 March 2023 (Report No. 23/72 refers), the Council has been advised of additional funding in 2023/24 from the Scottish Government as follows. To ensure that the 2023/24 Management Budgets continue to reflect the operational



requirements of the Council, several adjustments are required, which are summarised below and included in **Appendix 7**.

#### Revenue Support Grant

- Living Wage: £3.035 million (Health & Social Care - £2.905 million, Communities - £130,000)
- Discretionary Housing Payment: £822,000 (Corporate & Democratic Services)
- Reduction in Funding: £135,000

#### Ring-Fenced Grant

- Early Learning Centre Reduction: reduction of £4,000 (Education & Children's Services)

11.2 The Scottish Government has advised that the adjustment in funding identified at 11.1 will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust the budgets for Education & Children's Services, Communities, Corporate & Democratic Services, Health & Social Care, Revenue Support Grant and Ring-Fenced Grant.

11.3 **ACTION:** The Committee is asked to approve the adjustments set out at paragraph 11.2 above. These adjustments are reflected in **Appendix 7** (Column 2) to this report.

#### **2023/24 Service Virements**

11.4 To ensure that the 2023/24 Management Revenue Budget continues to reflect current Service needs and operational requirements the following virements between budgets are required.

- Capital Grant to Communities (£30,000) to reflect a rephasing of expenditure on Tactran capital projects – this is brought forward from 2022/23

#### **2023/24 Movements in Reserves**

#### Transformation Projects

11.5 Due to the rephasing of expenditure identified in paragraph 10.11 above, approval is sought to draw down this funding to take forward the following approved projects in 2023/24:

- Perth and Kinross Offer - **£60,000** to the Chief Executive's Service
- Modernising Performance - **£15,000** to the Chief Executive's Service
- Low Carbon Initiatives - **£49,000** to Communities
- Care at Home Mobile Technology - **£46,000** to Health & Social Care
- Mental Health Officer Training - **£83,000** to Health & Social Care

- 11.6 **ACTION:** The Committee is asked to approve the transfers from the Transformation and Workforce Management earmarked Reserve listed in 11.7 above. These adjustments are reflected in **Appendix 6** (Column 4) to this report.

#### Council Approved Expenditure

- 11.7 Approval is sought to apply funding to the Council approved projects identified at paragraph 10.8 and **Appendix 6** to 2023/24 to ensure that they are delivered.
- 11.8 **ACTION:** The Committee is asked to approve the adjustments set out at paragraph 11.9 above and **Appendix 6** in 2023/24. These adjustments are reflected in **Appendix 7** (Column 4) to this report.

#### Revenue Grants

- 11.9 The Council received **£50,000** to support trauma informed practice in 2023/24. Approval is sought to transfer this to the Health & Social Care Partnership to take this forward.
- 11.10 **ACTION:** The Committee is asked to approve the transfer of **£50,000** from the earmarked reserve for Revenue Grants to Health & Social Care. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

#### Community Investment Fund

- 11.11 Approval is sought to apply the 2022/23 projected under spend of **£51,000** on the Community Investment Fund identified in paragraph 10.22 to 2023/24.
- 11.12 **ACTION:** The Committee is asked to approve the transfer of **£51,000** from the Community Investment Fund earmarked Reserve to Communities. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

#### Ventilation Measures

- 11.13 Approval is sought to apply **£90,000** from earmarked Reserves to complete the installation of CO2 monitors across the learning estate – see paragraph 10.29.
- 11.14 **ACTION:** The Committee is asked to approve the transfer of **£90,000** from Corporate & Democratic Services to earmarked Reserves to complete the installation of CO2 monitors. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

#### Additional Support for Young People

- 11.15 As advised earlier in this report, the updated financial implications of the strikes that took place in 2022/23 was £1.289 million. This was **£250,000** more than the amount used in setting the 2023/24 Revenue Budget on 1

March 2023. On the basis that the proposal at paragraph 10.6 is agreed, this funding will sit in earmarked Reserves on 31 March 2023.

- 11.16 Consistent with the position agreed by the Committee on 1 February 2023, it is proposed that this additional funding of **£250,000** is applied to supporting the educational needs of children and young people.
- 11.17 This investment will support the development of the workforce by providing professional learning and specialist qualifications for teaching and support staff in intensive support provisions. Specifically for teachers of children and young people with hearing and visual impairment across all sectors, for outreach teachers who support children with emotional and behavioural needs and additional support needs in our primary schools, and for principal teachers (support for learning) in secondary schools. It will all also assist with the provision of resources for children and young people with complex needs or a disability across the Council.
- 11.18 **ACTION:** The Committee is asked to approve the transfer of **£250,000** from earmarked Reserves to Education & Children's Services to provide additional support for young people. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

## 12. CONCLUSION

- 12.1 Currently, a projected under spend of **£860,000** has been identified in the current financial year.
- 12.2 The financial position of the Council and its partners and ALEOs remains challenging and regular updates will be provided to the Council and the Finance & Resources Committee as the position develops.

### Author(s)

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### APPROVED

Name	Designation	Date
Stewart Mackenzie	Head of Finance	31 March 2023
Karen Donaldson	Chief Operating Officer	3 April 2023

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

### 1. Strategic Implications

#### Corporate Plan

- 1.1 The Council's Corporate Plan 2022 – 2027 lays out seven outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- Tackling poverty
- Tackling climate change and supporting sustainable places
- Growing a sustainable and inclusive local economy
- Enabling our children and young people to achieve their full potential
- Protecting and caring for our most vulnerable people
- Supporting and promoting physical and mental wellbeing
- Placing communities at the heart of how we work

- 1.2 This report relates to all these objectives.

### 2. Resource Implications

#### Financial

- 2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

### Workforce

- 2.2 There are no direct workforce implications arising from this report other than those reported within the body of the main report.

### Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council must discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## **4. Consultation**

### Internal

- 4.1 The Executive Leadership Team have been consulted in the preparation of this report.

## **2. BACKGROUND PAPERS**

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

## **3. APPENDICES**

- Appendix 1 – 2022/23 Management Budget
- Appendix 2 – General Fund 2022/23 Projected Outturn – Service Analysis
- Appendix 3 – Perth & Kinross Integration Joint Board
- Appendix 4 – Housing Revenue Account 2022/23 Projected Outturn
- Appendix 5 – Revenue Grants
- Appendix 6 – Council Approved Projects
- Appendix 7 – 2023/24 Management Budget

**PERTH & KINROSS COUNCIL GENERAL FUND  
2022/23 REVENUE BUDGET - SUMMARY**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	2022/23 Council Approved Budget	Previously Approved Adjustments (Net)	Movements in Funding	Virements	Movements in Reserves	2022/23 Revised Mgt Budget	Projected Outturn	Variance to Revised Mgt Budget	Variance to Revised Mgt Budget %
<b>SERVICE</b>	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Education &amp; Children's Services</b>	212,418	11,742	866	3,056	(1,309)	226,773	225,960	(813)	(0.36%)
<b>Communities</b>	71,165	4,840	5	(115)	(336)	75,559	74,311	(1,248)	(1.65%)
<b>Corporate &amp; Democratic Services</b>	35,228	6,344	90		(706)	40,956	41,806	850	2.08%
<b>Chief Executive Service</b>	1,174	1,793			(105)	2,862	2,782	(80)	(2.80%)
<b>Sub - Total: Service Budgets</b>	<b>319,985</b>	<b>24,719</b>	<b>961</b>	<b>2,941</b>	<b>(2,456)</b>	<b>346,150</b>	<b>344,859</b>	<b>(1,291)</b>	<b>(0.4%)</b>
<b>Corporate Budgets</b>									
Health & Social Care	74,866	7,709		85	(79)	82,581	82,282	(299)	(0.4%)
Contribution to Valuation Joint Board	1,309					1,309	1,309	0	0.00%
Capital Financing Costs	13,866	(1,408)		(15)		12,443	12,443	0	0.00%
Interest on Revenue Balances	(200)	(1,827)		79		(1,948)	(1,948)	0	0.00%
Net Contribution to/(from) Capital Fund	1,530	(19)		(64)		1,447	1,447	0	0.00%
Contribution to/(from) Insurance Fund	200	1,000				1,200	1,200	0	0.00%
Trading Operations Surplus	(550)					(550)	(300)	250	45.45%
Support Service External Income	(2,153)					(2,153)	(2,153)	0	0.00%
Tayside Pension Fund	1,565					1,565	1,565	0	0.00%
Contribution to 2022/23 Pay Award	0	4,192		(4,192)		0	0	0	0.00%
Apprenticeship Levy	818					818	818	0	0.00%
Council Tax Reduction Scheme	6,200					6,200	6,880	680	10.97%
Discretionary Relief	150					150	150	0	0.00%
<b>Net Expenditure (General Fund)</b>	<b>417,586</b>	<b>34,366</b>	<b>961</b>	<b>(1,166)</b>	<b>(2,535)</b>	<b>449,212</b>	<b>448,552</b>	<b>(660)</b>	<b>(0.1%)</b>
<b>Financed By:</b>									
Revenue Support Grant	(234,656)	(23,890)	(961)			(259,507)	(259,507)	0	0.00%
Ring Fenced Grant	(17,194)	(209)				(17,403)	(17,403)	0	0.00%
Non Domestic Rate Income	(46,141)					(46,141)	(46,141)	0	0.00%
Council Tax Income	(98,941)	6,737				(92,204)	(92,404)	(200)	(0.2%)
Capital Grant	(1,600)	(120)		30		(1,690)	(1,690)	0	0.00%
<b>Total Financing</b>	<b>(398,532)</b>	<b>(17,482)</b>	<b>(961)</b>	<b>30</b>	<b>0</b>	<b>(416,945)</b>	<b>(417,145)</b>	<b>(200)</b>	<b>(0.0%)</b>
<b>Financed from/(returned to) Reserves</b>	<b>19,054</b>	<b>16,884</b>	<b>0</b>	<b>(1,136)</b>	<b>(2,535)</b>	<b>32,267</b>	<b>31,407</b>	<b>(860)</b>	





**PERTH & KINROSS COUNCIL - GENERAL FUND 2022/23 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2023)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b>Education &amp; Children's Services</b>			
Total	(813)		<p><b>DEVOLVED SCHOOL MANAGEMENT SCHEME (DSM)</b></p> <p>There are 66 primary schools, 7 secondary schools, 4 all through schools, 46 nurseries and early learning centres and 1 special school within the Council's DSM scheme. Each school has an individual budget, primarily based on pupil numbers. Headteachers are responsible for the annual budgets devolved to them in April each year. The total DSM budget for 2022/23 is £113.876 million including carry forwards.</p> <p>Within the scheme there is a facility allowing for DSM balances, whether surplus or deficit, to be brought forward from the previous financial year. In addition to the resources devolved, balances may also be available to headteachers of schools that have a carry forward. In 2021/22, £1.191 million of DSM balances were brought forward.</p> <p>(816) <b>Staff Costs</b> Additional slippage due to staff turnover</p> <p>(107) <b>Property Costs</b> Projected under spend on landfill recharges based on latest activity.</p> <p>116 <b>Supplies &amp; Services</b> Projected over spend on supplies and services within schools.</p> <p>807 There is currently a projected net under spend of £807,000 based on current spending plans from schools for the current academic year that runs to June 2023. The maximum carry forward under the DSM scheme is 2.5%, the current projection is 0.7%.</p> <p><b><u>Pupil Equity Fund</u></b></p> <p>(300) The majority of schools within Perth &amp; Kinross Council have been allocated a share of £1.874 million of Pupil Equity Funding from the Scottish Government as a ring fenced grant. Schools are being instructed to use this year's PEF Grant by 31 March 2023 as per the revised Scottish Government guidance. At this time £300,000 is projected to be carried forward into 2023/24 for teacher and support staff costs to the end of the current academic year.</p> <p>300 Projected carry forward of Pupil Equity Funding.</p> <p><b>NON DEVOLVED</b></p> <p><b><u>Education Services</u></b></p> <p><b>Nursery Sector</b></p> <p>(354) Additional slippage due to turnover of staff.</p> <p>(25) Savings from Industrial action</p> <p>(31) Savings from non-domestic rates as early learning centres are exempt from the charge.</p> <p><b>Primary Sector</b></p> <p>(706) Savings from industrial action</p> <p><b>Secondary Sector</b></p> <p>(83) Additional slippage due to turnover of staff.</p> <p>(698) Savings from Industrial action</p> <p>(163) Projected under spend on investment in learning unitary charge due to an insurance rebate.</p> <p>(20) Home to School Transport - projected under spend due to less school days (£47,000) partially offset by projected over spend on transport costs for Central Music Groups (£27,000).</p> <p>70 Projected shortfall on income from Renewable Heat Initiative Rebate (£70,000).</p>

**PERTH & KINROSS COUNCIL - GENERAL FUND 2022/23 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2023)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
			<p><b>Special Sector</b></p> <p>(163) Additional slippage due to turnover of staff.</p> <p>(105) Savings from industrial action.</p> <p>(337) Projected under spend on home to school transport after allowing for non-recurring increase of £250,000.</p> <p>(216) There is a projected under spend on the budget for young people with additional support needs (ASN) who are educated out with the Council's mainstream school provision.</p> <p>1,534 Transfer to Reserves of savings from industrial action.</p> <p><b><u>Services for Children, Young People &amp; Families</u></b></p> <p>(264) Additional slippage due to turnover of staff.</p> <p>99 Projected over spend on legal fees and translation / interpreter services</p> <p>77 Projected over spend on client travel.</p> <p>1,466 The budget for young people with complex behavioural issues, which includes a number of pupils placed within residential schools, is projected to overspend due to additional demand.</p> <p>294 A projected over spend on Kinship Care (£545,000) due to demand partially offset by a projected under spend in Foster Care (£251,000).</p> <p>(8) There is a projected under spend in relation to supporting care experienced young people (continuing care, supported accommodation).</p> <p>95 There is a projected over spend on self directed support (children &amp; disability team - respite provision) due to the level of demand and an increase to the hourly rate paid to clients.</p> <p>(293) Additional grant funding for Unaccompanied Asylum Seeking Children (£246,000); Wellbank rental income (£20,000) and the Alcohol &amp; Drug Partnership (£27,000).</p> <p><b><u>Business and Resources Services</u></b></p> <p>(227) Additional slippage due to turnover of staff.</p> <p>(53) Projected under spend due to Area Office recharge no longer required, reduced travel and reduction in spend.</p> <p>20 Projected over spend on school clothing grants based on activity to date.</p> <p><b><u>Catering Services</u></b></p> <p>(68) Additional staff slippage.</p> <p>(600) Projected under spend within the Early Learning &amp; Childcare 1140 grant for nursery meals.</p> <p>(236) Projected under spend of school meals due to uptake partially offset below by reduced income.</p> <p>63 Projected over spend on Free School Meals during holiday periods due to need and two extra public holidays.</p> <p>119 Projected shortfall in income from breakfast clubs.</p>

**PERTH & KINROSS COUNCIL - GENERAL FUND 2022/23 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2023)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b>Communities</b>			
Total	(1,248)		
			<b>BUSINESS AND RESOURCES</b>
			<b>Service Wide</b>
		(1,000)	Staff slippage in excess of budgeted target
			<b>Administration</b>
		90	Projected over spend on IT Licensing & Support costs
		30	Various minor projected over spends across Business & Resources
			<b>Public Transport Unit / Car Parking Account</b>
		25	Perth Bus Station - increased costs
		(80)	Corporate Asset Management - accelerated savings
		50	Car Park Trading Account - projected reduction in income and increased provision for bad debts
		(50)	Drawdown from Car Park Trading Account earmarked Reserve
		135	Projected over spend on tendered services
		(65)	Additional income from Park and Ride departure charges
			<b>ENVIRONMENTAL AND CONSUMER SERVICES</b>
			<b>Roads</b>
		(250)	Projected additional income from statutory road network works
		150	Additional costs of recent severe weather events
		750	Projected over spend on winter maintenance
		110	Maintenance works at River Erich
		(95)	Contribution from Scottish Government
		(200)	Projected saving on street lighting power due to positive impact of LED replacement programme
		(50)	Projected under spend on street lighting maintenance
		(100)	Projected under spend and additional grant income across traffic & network budgets
		(100)	Projected under spend on programme of flood risk studies
			<b>Regulation</b>
		25	Projected shortfall in Corporate Health and Safety income
			<b>Operations</b>
		220	Projected shortfall in commercial waste income
		(150)	Projected additional income from sale of recyclates due to favourable market prices
		300	Projected additional cost of fuel across Operations due to increase in price
		50	Additional hire costs for refuse collection vehicles
		(150)	Projected savings on waste disposal contracts
			<b>Fleet Management</b>
		(300)	Saving on loan charges due to slippage on planned vehicle replacement programme
		250	Additional cost of vehicle materials and repairs
			<b>Community Greenspace</b>
		(50)	Projected underspends across Community Greenspace budgets
			<b>Bereavement Services</b>
		(80)	Additional income from Bereavement Services
			<b>PLANNING AND DEVELOPMENT</b>
		127	Perth Harbour - projected increase in operating costs /shortfall in income
		60	Projected shortfall in Commercial Rent Income
		(75)	Projected under spend within Market Development Grants
		(90)	Various minor under spends and additional income across Planning & Development
		(750)	Additional Planning & Building Warrant Income
		(70)	Various under spends across Business & Place
		(50)	Various under spends across Employability
		(30)	Projected under spend within Housing Strategy
		90	Projected over spend within Events budgets

**PERTH & KINROSS COUNCIL - GENERAL FUND 2022/23 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2023)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
			<b>HOUSING</b>
		35	Greyfriars - projected increased in void rent loss and provision for bad debts
		10	Greyfriars - projected increase in energy costs
		(25)	Temporary accommodation - reduction in estimated bad debt provision
		(15)	St Catherine's - reduced security costs
		30	Cost of Local House Condition Survey to inform the Local Housing Strategy
		30	Void Rent Loss for Housing Support properties
		20	Various minor projected over spends with Safer Communities
		(10)	Various minor projected under spends within Housing

**PERTH & KINROSS COUNCIL - GENERAL FUND 2022/23 PROJECTED OUTTURN - SERVICE ANALYSIS**  
**(Based on Expenditure to 31 January 2023)**

SERVICE	Variance £'000	Variance £'000	Summary of Service Variances
<b>Corporate &amp; Democratic Services</b>			
Total	850		<p><b>Legal &amp; Governance Services</b></p> <p>(72) Additional staff slippage</p> <p>(74) Projected additional income from licensing and recharges</p> <p>28 Projected over spend in relation to elected members</p> <p>12 Net projected over spend across function</p> <p><b>Finance</b></p> <p>(11) Net projected under spend across Division</p> <p><b>Human Resources</b></p> <p>(196) Additional projected income from salary sacrifice scheme and other recharges</p> <p>Net projected over spend on other budgets</p> <p><b>Information Technology and Revenues &amp; Benefits</b></p> <p>(16) Miscellaneous other projected net under spends.</p> <p><b>Property</b></p> <p>599 Projected over spend on energy costs due to inflationary pressures.</p> <p>850 Projected over spend on maintenance relating to compliance remedial works.</p> <p>(270) Net projected under spend on staff costs after adjusting for professional fee income chargeable on projects</p>
<b>Chief Executive Service</b>			
Total	(80)	(80)	<p><b>Core Costs</b></p> <p>Staff slippage and additional income</p>
<b>TOTAL</b>	<b>(1,291)</b>		



## APPENDIX 3

Perth and Kinross Integration Joint Board (IJB)  
Projected outturn based on Revenue Monitoring to 31 December 2022

	Projected Out-turn Over / (Under) Spend		
	Social Care	Health	Health & Social Care Partnership
	£'000	£'000	£'000
<b>DEVOLVED FUNCTIONS</b>			
Older People Services	(2,496)	(44)	(2,540)
Adult Services	(33)	(774)	(807)
Other Community Services	(389)	0	(389)
Management/Commissioned/Other	(667)	(592)	(1,259)
Undelivered Savings	1,193	740	1,933
Budget Deficit	0	210	210
<b>Sub Total - Hospital &amp; Community Health</b>	<b>(2,392)</b>	<b>(460)</b>	<b>(2,852)</b>
P&K IJB Hosted Services	0	(592)	(592)
Dundee & Angus Hosted Services Recharges In/Out excl Covid	0	253	253
<b>Sub Total - Hosted Services</b>	<b>0</b>	<b>(339)</b>	<b>(339)</b>
GP Prescribing / Other Family Health Services	0	795	795
General Medical Services / Family Health Services	0	381	381
<b>Sub Total - PKHSCP</b>	<b>(2,392)</b>	<b>377</b>	<b>(2,015)</b>
PKC Funding	(708)	0	(708)
<b>Total Projected Outturn PKHSCP</b>	<b>(3,100)</b>	<b>377</b>	<b>(2,723)</b>





**PERTH & KINROSS COUNCIL - HOUSING REVENUE ACCOUNT 2022/23 PROJECTED OUTTURN**  
**(Based on expenditure to 31 January 2023)**

£'000	Summary of Service Variances
324	<b>Housing Repairs</b> A projected over spend within stores (£200,000) as a result of the increased cost of materials, agreed increase in costs for Internet of Things (IOT) project due to increased demand (£20,000), projected increase in costs for diesel (£29,000), increased costs for gas and electric (£37,000), transport hire costs (£38,000) plus increased costs for waste disposal (£41,000). These projected over spends are partially offset by staff slippage (£41,000).
(189)	<b>Improvements</b> Projected under spend on staff costs (£100,000) and additional income from OFGEM (£95,000) partially offset by other minor over spends (£6,000).
16	<b>Letham, North &amp; South</b> Projected over spends on staff costs (£43,000), decant costs due to burst pipes (£20,000) and non-staff budgets (£14,000). These are partially offset by projected under spends on transport costs (£20,000) and Sheriff Officers fees and related income (£41,000).
102	<b>Perth City and Specialist</b> Projected net over spends on electricity and gas costs within Sheltered Housing (£80,000), decant costs due to burst pipes (£33,000), non-staff budgets (£8,000) and cleaning costs (£10,000) partially offset by additional staff slippage (£5,000) and additional housing register income (£24,000).
26	<b>Housing Management</b> Projected over spend on staff costs, including the Apprenticeship Levy (£17,000) and other non staff budgets (£9,000).
(215)	<b>Administration</b> Projected under spend on bad debt provision (£350,000), lower corporate recharges compared to budget (£103,000), reduced recharges from the General Fund (£58,000) and under spends in non-staff budgets (£22,000). These are partially offset by projected over spends on void rent loss based on similar trend to last year (£162,000), void rates / Council Tax / utilities (£106,000), bad debt provision (£37,000) and recharges (£13,000).
2	<b>Income</b> Projected shortfall in income from commercial rents (£17,000) and mainstream housing (£104,000) which is partially offset by increases in interest on revenue balances (£100,000).
(66)	<b>Capital Financed from Current Revenue</b> As a result of the projected net under spends highlighted above, this is the increase in the amount available to invest in the HRA capital programme from the Revenue Budget.
0	



## APPENDIX 5

## Other Grant Funding

<b>Education &amp; Children's Services</b>	
Scottish Government – Educational Support to Ukrainian Children & Young People	£675,718
<b>Communities</b>	
Scottish Government – Delivery of Rural Community Led Local Development Funding 2022/23 (CLLD)	£262,462
UK Government – DLUHC - UK Shared Prosperity Fund	£893,684
<b>Corporate &amp; Democratic Services</b>	
Scottish Government - DHP 2022/23 Additional Funding	£50,644
<b>TOTAL</b>	<b>£1,882,508</b>



## APPENDIX 6

## Council Approved Projects - 23 February 2022

<b>Education &amp; Children's Services</b>	
Food Insecurity Funding	£20,000
<b>Communities</b>	
Rural Events	£40,000
<b>Total</b>	<b>£60,000</b>



## Appendix 7

PERTH & KINROSS COUNCIL GENERAL FUND  
2023/24 REVENUE BUDGET - SUMMARY

	(1)	(2)	(3)	(4)	(5)
	2023/24 Council Approved Budget	Movements in Funding	Virements	Movements in Reserves	2023/24 Revised Mgt Budget
SERVICE	£'000	£'000	£'000	£'000	£'000
<b>Education &amp; Children's Services</b>	230,985	(4)		270	231,251
<b>Communities</b>	70,439	130	30	140	70,739
<b>Corporate &amp; Democratic Services</b>	39,596	822		90	40,508
<b>Chief Executive Service</b>	3,712			75	3,787
<b>Sub - Total: Service Budgets</b>	<b>344,732</b>	<b>948</b>	<b>30</b>	<b>575</b>	<b>346,285</b>
<b>Corporate Budgets</b>					
Health & Social Care	83,958	2,905		179	87,042
Contribution to Valuation Joint Board	1,309				1,309
Capital Financing Costs	15,137				15,137
Interest on Revenue Balances	(5,054)				(5,054)
Net Contribution to/(from) Capital Fund	3,099				3,099
Contribution to/(from) Insurance Fund	200				200
Trading Operations Surplus	(550)				(550)
Support Service External Income	(2,153)				(2,153)
Tayside Pension Fund	1,725				1,725
Apprenticeship Levy	818				818
Council Tax Reduction Scheme	6,200				6,200
Discretionary Relief	1,104				1,104
<b>Net Expenditure (General Fund)</b>	<b>450,525</b>	<b>3,853</b>	<b>30</b>	<b>754</b>	<b>455,162</b>
<b>Financed By:</b>					
Revenue Support Grant	(239,627)	(3,722)			(243,349)
Ring Fenced Grant	(17,725)	4			(17,721)
Non Domestic Rate Income	(60,754)				(60,754)
Council Tax Income	(103,914)				(103,914)
Capital Grant	(1,600)		(30)		(1,630)
<b>Total Financing</b>	<b>(423,620)</b>	<b>(3,718)</b>	<b>(30)</b>	<b>0</b>	<b>(427,368)</b>
<b>Financed from/(returned to) Reserves</b>	<b>26,905</b>	<b>135</b>	<b>0</b>	<b>754</b>	<b>27,794</b>





**PERTH & KINROSS COUNCIL**

**FINANCE & RESOURCES COMMITTEE**

**26 APRIL 2023**

**COMPOSITE CAPITAL BUDGET 2022/28 & HOUSING INVESTMENT  
PROGRAMME 2022/27 – MONITORING REPORT NUMBER No.4**

**Report by the Head of Finance  
(Report No. 23/121)**

**1. PURPOSE**

This report provides a summary position to date for the 6-year Composite (General Fund) Capital Budget for 2022/23 to 2027/28 and the 5-year Housing Investment Programme 2022/23 to 2026/27 and seeks approval for adjustments to the budgets.

**2. RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- (i) notes the contents of this report.
- (ii) approves the proposed adjustments to the six-year Composite Capital Budget 2022/23 to 2027/28 set out in Sections 5 and 6 of this report and summarised in Appendices I and II.
- (iii) approves the proposed adjustments to the Housing Investment Programme Budget 2022/23 to 2026/27 set out in Section 7 of this report and summarised in Appendix III.
- (iv) notes progress with the delivery of major Capital projects as summarised in Appendix IV.

**3. STRUCTURE**

This report is structured over the following sections:

- Section 4: Background
- Section 5: Composite Capital Programme – Gross Capital Resources
- Section 6: Composite Capital Programme – Expenditure
- Section 7: Housing Investment Programme
- Section 8: Summary

**4. BACKGROUND / MAIN ISSUES**

4.1 The Finance & Resources Committee approved an updated six-year gross Composite Capital Budget for 2022/23 to 2027/28 totalling **£696,021,000** and

a five-year gross Housing Investment Programme for 2022/23 to 2027/28 totalling **£84,018,000** at its meeting on 1 February 2023 (report 23/31 refers).

- 4.2 At its meeting on 1 March 2023, the Council approved a revised Composite Capital Budget for the 5 years 2023/24 to 2027/28 (report 23/73 refers). The total gross budget for the 6 years, after including 2022/23, totalled **£727,565,000**.
- 4.3 This report advises on expenditure to 28 February 2022, and the latest estimate of the projected outturn for each of the years to 2027/28 for the Composite Programme and to 2026/27 for the Housing Investment Programme.

## 5. COMPOSITE CAPITAL PROGRAMME – GROSS CAPITAL RESOURCES

- 5.1 On 1 March 2023 the Council approved a revised Composite Capital Budget totalling £727,565,000, including 2022/23, which reflected an increase in resources of £31,544,000 from the Budget approved on 1 February 2023. All approved movements in resources and expenditure have been included in Appendices I and II of this report and are summarised in the table below:

<b>Increase in Gross Expenditure:</b>	<b>£'000</b>
Increase in budget - Blairgowrie Recreation Centre	9,300
Contribution to phase 1 enabling works - Perth Eco Innovation Park (Gross: £10 million plus forecast receipts)	11,731
Garry Viaduct	4,400
Bridges & Structures	2,000
Roads Structural Maintenance	2,000
New Gypsy Traveller Site	2,000
Council Property – Decarbonisation	2,000
Free School Meals (FSM)	2,435
Increased funding for Cycling Walking & Safer Streets	472
Other - Mosaic System, SEEMiS & A977 Upgrade	1,630
Collections Store – removed	(6,424)
<b>Total Increase in Gross Expenditure</b>	<b>31,544</b>
<b>Funded By:</b>	
Increase in General Capital Grant (Pay Award, FSM, CWSR, General Allocation)	(6,382)
Perth Eco Innovation Park – Contributions & Receipts	(1,731)
Increase in Other Receipts & Contributions	(140)
<b>Increase in Borrowing</b>	<b>23,291</b>

- 5.2 As a result of ongoing monitoring of the programme, further adjustments to the budget are proposed. The current estimated total gross capital resources (which includes movements in Capital Receipts, Capital Grants, Contributions and borrowing) available over the six years 2022/23 to 2027/28 now amount

to **£727,448,000**. Movements from the revised Composite Capital Budget approved on 1 March 2023 are summarised in the table below, and the constituent elements for each year are shown in Appendix I.

	Total Gross Composite Capital Resources		
	Approved 1 March 2023	Current Estimate	Movement
	£'000	£'000	£'000
<b>2022/23</b>	126,524	113,845	(12,679)
<b>2023/24</b>	192,880	198,729	5,849
<b>2024/25</b>	182,661	193,284	10,623
<b>2025/26</b>	111,465	109,577	(1,888)
<b>2026/27</b>	67,816	65,408	(2,408)
<b>2027/28</b>	46,219	46,605	386
<b>Total</b>	<b>727,565</b>	<b>727,448</b>	<b>(117)</b>

- 5.3 The overall movement in the total Gross Resources for the 6 years 2022/23 to 2027/28 since 1 March 2023 shown at Section 5.2 above can be summarised as follows:

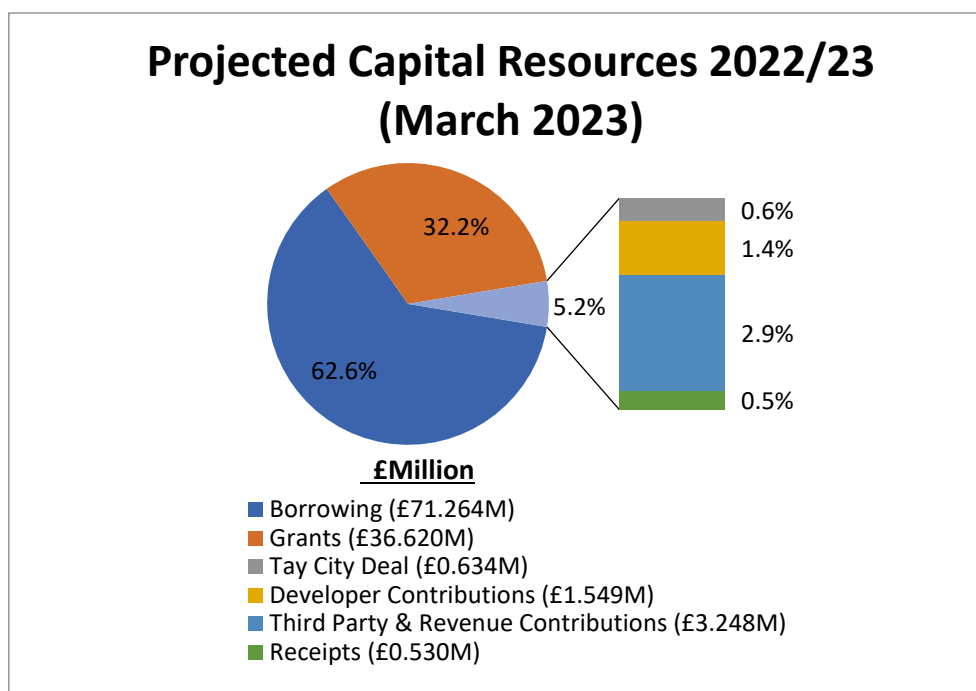
	£'000
Net Increase in Capital Grants (Section 5.4)	656
Increase in Third Party and Revenue Contributions (Section 5.5)	431
Net Increase in Receipts	24
Reduction in Borrowing Requirement (Section 5.6 and 5.7)	(1,228)
<b>Reduction in Gross Capital Resources (Section 5.2)</b>	<b>(117)</b>

- 5.4 The final Local Government Finance Circular issued on 1 March 2023 reflects a reduction of £13,000 in the Council's General Capital Grant in 2023/24 from the indicative amount included in the provisional settlement issued in December 2022. Consequently, the estimated borrowing has been increased by a corresponding amount. There is also an increase in specific Scottish Government Grants, with an additional £310,000 for Cycling Walking & Safer Streets (Section 6.3.3) and £359,000 for the Recycling Improvement Fund (Section 6.3.12).
- 5.5 There are various movements between years in Third Party Contributions with an overall increase of £105,000, relating to Breadalbane Community Campus pitch upgarde (£29,000 Section 6.2.5), Cycling Walking & Safer Streets (£15,000 Section 6.3.3) and Auchterarder Public Park (£61,000 Section 6.3.11). There is also an increase of £326,000 in Revenue Contributions. These relate to the Almondbank Flood Protection Scheme (£54,000, Section 6.3.7), the Town Centre Fund programme (£23,000, Section 6.3.9) and the implementation of the Mosaic Social Work System (£249,000, Section 6.4.5).
- 5.6 The projected Borrowing Requirement in 2022/23, which is effectively the balancing item for resources, is **£71,264,000**. This is £12,262,000 lower than the Borrowing Requirement approved on 1 March 2023, and mainly reflects the revised phasing of the Cross Tay Link Road (CTLR).

- 5.7 The total Borrowing Requirement in the subsequent years 2023/24 to 2027/28 has increased by **£11,034,000** to **£491,829,000**, resulting in a reduction of **£1,228,000** across the whole 6-year programme. The movement in borrowing is summarised as follows:

	2022/23	2023/24	2024/25	Later Years	Total
	£'000	£'000	£'000	£'000	£'000
Reduction in General Capital Grant (Section 5.4)	0	13	0	0	13
(Decrease)/Increase in CTRLR expenditure (Section 6.3.6)	(14,493)	12,638	1,855	0	0
(Decrease) in Communities LED Street Lighting Prudential Borrowing (Section 6.3.15)	(120)	(177)	(66)	(878)	(1,241)
Movements arising from re-phasing of other expenditure and receipts (Appendix II)	2,351	(7,904)	8,710	(3,157)	0
<b>(Decrease)/Increase in Borrowing Requirement</b>	<b>(12,262)</b>	<b>4,570</b>	<b>10,499</b>	<b>(4,035)</b>	<b>(1,228)</b>

- 5.8 The chart below shows the Capital Resources required to fund the 2022/23 Composite Capital Programme following the proposed budget adjustments detailed in this report.



## 6. COMPOSITE CAPITAL PROGRAMME – EXPENDITURE

### 6.1 Total Expenditure and Proposed Budget Adjustments to the Current Programme

- 6.1.1 Total expenditure (net of grants and contributions) to 28 February 2023 on the Composite Capital Programme amounts to **£67,104,000**, which is detailed in Appendix II and summarised as follows:

	<b>Net Expenditure to 28 Feb 2023</b>
	<b>£'000</b>
Education & Children's Services	16,150
Communities	45,101
Health and Social Care	615
Corporate & Democratic Services	5,238
<b>Total</b>	<b>67,104</b>

6.1.2 All the additional expenditure and budget adjustments for each year approved by the Council at its meeting on 1 March 2023 are shown in Appendix II. A comprehensive monitoring exercise has since been carried out, which is detailed in Appendix II. The most significant features are discussed below.

## 6.2 **Education and Children's Services**

6.2.1 The Executive Director (Education & Children's Services) has reviewed the programme for their Service with the following movements to report at this time.

6.2.2 Following the Council approving a revised budget of £36 million for the new Blairgowrie Recreation Centre on 1 March 2023, the project is now working towards financial close. Financial close and commencement of the works is anticipated for late May 2023 with the new facility expected to be open in December 2024, with phase 2 external works completed by the summer 2025. The spend profile has been rephased in line with the works programme and the revised budgets for each year are detailed in Appendix II.

6.2.3 Within the Investment in the Learning Estate (IILE) budget, works in schools have been progressing at pace with additional suitability improvements having taken place over the past few months. It is, therefore, proposed to accelerate £325,000 from 2024/25 into 2022/23 to cover these works. Due to the phasing of projects at Methven Primary and Braco Primary Schools it is proposed that the IILE budget is reprofiled accordingly with £3,900,000 being moved from 2023/24 into 2025/26 (£1,900,000) and 2026/27 (£2,000,000).

6.2.4 Within the Free School Meals Expansion Programme, it is anticipated that the majority of works will take place in 2024/25. It is, therefore, proposed that £2,000,000 of the budget in 2023/24 is moved to 2024/25.

6.2.5 The Scottish Football Association has awarded a grant of £28,865 to upgrade the pitch at Breadalbane Community Campus in 2023/24. Therefore, this project has been included in Appendix II along with the third-party contribution. Upgrade works at Kirkmichael Primary School are nearing completion and it is proposed that both the remaining budget and the ring-fenced capital receipt funding these works is rephased into 2023/24. With the New Primary School for North/West Perth not due to open until August 2026, only initial fees of £39,000 will be incurred in 2022/23 and it is proposed that £61,000 of the budget is moved to 2023/24.

- 6.2.6 The construction of Riverside Primary School is in the final stages. There has been a minor delay against the programme, but the school remains on target to open in mid-June. The forecast spend in 2022/23 is, therefore, lower than previously expected and £790,000 requires to be rephased from 2022/23 into 2023/24 in line with the updated programme.
- 6.2.7 Upgrade works at Perth Academy and Perth Grammar Schools are progressing well and it is proposed that budgets for both projects are accelerated with £297,000 for Perth Academy and £237,000 for Perth Grammar advancing from 2023/24 to 2022/23.
- 6.2.8 Following the financial close of the project to replace Perth High School, works have commenced on site in February 2023. It was previously expected that the works on site would not commence until April 2023, therefore, £4,200,000 of the budget has been brought-forward from 2023/24 into 2022/23.
- 6.2.9 All of the above proposed adjustments have been reflected in Appendix II.

### 6.3 **Communities**

- 6.3.1 The Executive Director (Communities) has reviewed the programme for their Service and proposes various budget adjustments, the most significant of which are described below.
- 6.3.2 Within Traffic & Road Safety, due to limited staff capacity, the team are focusing on the delivery of grant funded projects where funding is time limited. The Road Safety initiatives budget for 2023/24 has, therefore, required to be rephased over 2024/25 to 2027/28.
- 6.3.3 The Scottish Government has allocated a further £310,000 to the Council for the Cycling Walking & Safer Routes (CWSR) programme in 2023/24 together with a £15,000 increased contribution from TACTRAN. The budget for School Road Safety Measures in 2023/24 has, therefore, increased by a total of £301,000 with £195,000 brought forward from 2022/23 and £106,000 funded from the CWSR allocation.
- 6.3.4 Within Asset Management – Roads & Lighting, the planned investment in Local Footpath lighting has had to be reviewed with £100,000 rephased from both 2023/24 and 2024/25 and moved into 2025/26 and 2026/27.
- 6.3.5 Within Asset Management – Bridges, following the allocation by Council of an additional £2,000,000 budget for the Bridge Refurbishment Programme in March, it is proposed that this is phased over 2023/24, 2024/25 and 2025/26. Work on Dalhenzean Culvert, Dunkeld Golf Course and Tullyfergus Bridge are now unlikely to be completed in 2023/24 and it is proposed that the budgets for these projects are moved to 2027/28.
- 6.3.6 The contractor for the Cross Tay Link Road (CTLR) has provided an update to the expenditure profile with adjustments to the order in which work is expected to be complete, resulting in an estimated reduction in expenditure in

2022/23 of £14,493,000. This also includes provision incorporated into the 2022/23 budget for construction risk and compensation events which have not yet been fully utilised. It is therefore proposed that £12,638,000 is moved to 2023/24 and £1,855,000 moved into 2024/25. Delivery of the CTLR remains on schedule.

- 6.3.7 Within the budget for Flood Protection Schemes, a Revenue Contribution towards the final costs on the Almondbank Flood Protection Scheme of £54,000 has been made and the scheme budget adjusted accordingly. The Perth Flood Protection Scheme pump replacement project has been completed and it is proposed that the remaining budget of £161,000 is applied towards the South Inch Culvert Reinstatement, with £35,000 in 2022/23 and £126,000 in 2023/24. It is also proposed to transfer a further £225,000 to the project in 2023/24 from Structural Maintenance. The schemes at Comrie, South Kinross and Scone also require to be rephased, which is detailed in Appendix II.
- 6.3.8 Within the Perth & Kinross Place-making programme, following the decision of the Council on 1 March 2023, the Perth & Kinross Lighting Action Plan has been rephased to reflect existing commitments, with a further report on the project to be submitted to the Environment, Infrastructure and Economic Development Committee in May 2023.
- 6.3.9 Within Other Planning Projects, it is proposed to allocate £63,000 towards the Coupar Angus Strathmore Community Hub by utilising £40,000 of the Scottish Government Town Centre Grant and a £23,000 Revenue Contribution. The Low Carbon Transport Hub project has been rephased between 2022/23 and 2023/24 in line with the anticipated spend.
- 6.3.10 Within City Centre Developments, the Perth Museum project is progressing well and is currently on budget and on track for opening in 2024. Consequently, an accelerated expenditure profile has been received from the contractor and £1,714,000 has been accelerated from 2023/24 into 2022/23.
- 6.3.11 Within Community Greenspace, Play Areas –the budget for 2023/24 will not be utilised in full, £400,000 of the budget has been moved from 2023/24 into 2024/25. As the priority in 2023/24 has been placed on improvements to Play Areas, the projects for Countryside Sites and Community Greenspace Sites will not progress in 2023/24 and it is therefore proposed that these budgets are rephased across subsequent years of the programme. Also, within Community Greenspace, a further £61,000 contribution has been provided from the community towards the project at Auchterarder Public Park and the expenditure budget has been increased accordingly.
- 6.3.12 Within Waste Strategy, due to inflation increasing the costs of the additional bins required for the dual stream recycling due to be implemented in 2023, additional grant of £77,000 in 2022/23 and £282,000 in 2023/24 from the Recycling Improvement Fund has been secured which is now reflected within the budget.

6.3.13 Within Support Services, multi-year IT licences require to be accounted for in full at the start of the period covered by the new licence and £163,000 has been moved into 2022/23 with corresponding adjustments to the budgets for future years as detailed in Appendix II.

6.3.14 A number of adjustments require to be made to the budgets for Prudential Borrowing Projects. The Street Lighting Renewal project, which involves LED lighting and column replacement, will not be completed as budgeted due to the capacity to carry out the works. As a result, it is proposed to reduce the project by £1,241,000 in total over the six years of the current Capital plan as set out in Appendix II to better reflect the likely delivery of works. The redevelopment of 1-5 High Street into a boutique hotel is unlikely to be progressed by the developer in 2023/24 because of currently high construction inflation. The Council's approved £1,900,000 contribution towards the agreed heritage works, therefore, requires to be rephased into 2024/25 and 2025/26.

6.3.15 All the above proposed adjustments, together with various other small movements, have been reflected in Appendices I & II.

#### 6.4 **Corporate & Democratic Services**

6.4.1 The Chief Operating Officer has reviewed the programme for their Service and proposes the following adjustments described below.

##### **Property Services**

6.4.2 Upgrades to Pitlochry High School were delayed to allow electrical compliance works to be carried out (Report 23/31 refers). Work has now recommenced, however, access restrictions to some areas due to their continued use for learning means some works will not be undertaken until the summer holidays. Consequently, £170,000 in 2022/23 has been moved into 2023/24.

##### **Information Systems & Technology**

6.4.3 Within the ICT Infrastructure & Replacement and Upgrade programme, £362,000 of network equipment will be delivered in June 2023 and will require to be accounted for in 2023/24 with the budget adjusted accordingly.

6.4.4 Within the School AV Programme, £100,000 has been rephased into 2023/24 to allow works to be undertaken over the school holiday period.

6.4.5 Following the approval of an additional allocation of £442,000 by the Council in March, the Mosaic social care system project has been extended to 2025/26 to enable ongoing support and development after the go-live date of March 2024. This includes some rephasing of the estimated expenditure each year. The budget is also enhanced by Revenue Contributions in 2024/25 (£124,000) and 2025/26 (£125,000) following the conclusion of the previous supplier contract.



6.4.6 All the above proposed adjustments, together with other small movements have been reflected in Appendices I & II.

## 6.5 **Health & Social Care**

6.5.1 The Enabled Telecare project to upgrade the community alarm system to digital is underway. However, due to difficulty in obtaining stock from suppliers, the pace of upgrades has been slower than originally planned. It is anticipated that upgrades will continue at an increased pace over the next year and £550,000 of the budget has, therefore, been rephased into 2023/24.

6.5.2 The above adjustment has been reflected in Appendix II.

## **Major Capital Projects**

6.5.3 Appendix IV to the report shows progress on the delivery of major Capital projects within the approved Capital programme. The appendix summarises budgeted expenditure and the current projected outturn on these projects; their anticipated completion date; current status and any significant changes since the last monitoring report.

## 7. **HOUSING INVESTMENT PROGRAMME**

7.1 The current estimated expenditure, net of contributions, for the Housing Investment Programme over the 5 years 2022/23 to 2026/27 amounts to **£87,018,000**. This has increased by £3,000,000 following the approval of the revised Housing Investment Programme by the Housing & Social Wellbeing Committee on 25 January 2023 (report 23/9 refers) which allocated a further £3,000,000 to the Council House Buy-Back Programme in 2026/27. Movements from the previous estimates approved by this Committee on 1 February 2023 are summarised in the table below and detailed in Appendix III.

	<b>Approved 1 Feb 2023</b>	<b>Current Estimate</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2022/23</b>	18,990	18,180	(810)
<b>2023/24</b>	16,457	20,422	3,965
<b>2024/25</b>	13,858	13,853	(5)
<b>2025/26</b>	18,669	15,519	(3,150)
<b>2026/27</b>	16,044	19,044	3,000
<b>Total</b>	<b>84,018</b>	<b>87,018</b>	<b>3,000</b>

7.2 The Housing & Social Wellbeing Committee also approved a new budget for 2027/28 amounting to £19,044,000. This will be included in the first monitoring report for 2023/24 in September 2023.

### 7.3 **Total Expenditure to 28 February 2023 (Housing Investment Programme)**

Net expenditure for 2022/23 to 28 February 2023 amounts to £10,531,000 and receipts amount to £9,000. This therefore means that the borrowing requirement for the year to date is £10,522,000.

- 7.4 £218,000 on the New Build Programme at Lymedoch Road, Methven has been accelerated from 2023/24 into 2022/23 reflecting progress made on the construction work. The Council House Buy-Backs budget has been increased by £822,000 to reflect the additional properties purchased in 2022/23. As a result, an extra £210,000 of Scottish Government grant has been awarded in 2022/23, with the balance of £612,000 being brought forward from the 2023/24 budget.
- 7.5 It is proposed to bring forward and allocate £3,150,000 of the SHQS Future Developments Budget in 2025/26 to various projects as follows:
- Triple Glazing, with £200,000 in 2022/23 and £2,500,000 in 2023/24, following the award of a new windows contract under Phase 4 of the programme.
  - Bathroom Modernisation Programme, with £400,000 required in 2022/23 to meet additional Occupational Therapy referrals.
  - Sheltered Housing, with £30,000 required in 2022/23 for the Fire Alarm Replacement at Carpenter Court, Perth. A further £5,000 is required in 2022/23 for boiler upgrades to allow remote monitoring, with this amount being accelerated from the 2024/25 budget for Sheltered Housing.
- 7.6 Expenditure on the following programmes has been accelerated from 2023/24 into 2022/23:
- Kitchen Modernisation Programme - £50,000 to cover additional kitchen renewals.
  - External Fabric - £400,000, to cover additional properties identified from the Tennant Management Scheme.
- 7.7 The review of the programme has also identified some areas where budgets in 2022/23 have required to be moved into 2023/24 to reflect planned levels of work:
- Central Heating & Rewiring works - £142,000. The main contract was completed on 31 March 2023, whilst the budget allocation included an element of ad-hoc boiler replacements and re-wiring works which are to be rephased into 2023/24.
  - Anchor House, Rannoch Road, Perth - £100,000, due to additional works on the walkway delaying the main programme works, which is still to be finalised.
  - Shops & Offices - £186,000, with no works identified in 2022/23.
  - Upgrade & Replacement Lift Programme - £139,000, with no further works planned for 2022/23.
  - ICT Expenditure - £178,000, with no required expenditure in 2022/23.
- 7.8 The revised level of Capital Funded from Current Expenditure (CFCR) approved by the Housing & Wellbeing Committee in setting the Housing Revenue Account budget in January 2023, together with the additional £3,000,000 allocated to Council House Buy-Back has increased the borrowing requirement for the overall programme by a net £8,287,000 to £75,625,000.

## 8. SUMMARY

- 8.1 The projected net expenditure outturn in 2022/23 for the Composite Capital Budget is **£87,960,000** and represents **64%** of the 2022/23 budget as approved on 20 April 2022 (£138,276,000). This reflects the adjustments outlined within this report and the rephasing of the expenditure profile for major projects since the Capital budget for 2022/23 was originally set in April 2022.
- 8.2 Net expenditure to 28 February 2023 on the Composite Capital Budget is **£67,104,000** and represents **76%** of the forecast revised budget for 2022/23 of **£87,960,000**. However, actual expenditure to 28 February 2023 shown above does not include accrued expenditure or provision for works certified as completed by that date. All such expenditure is accounted for when preparing the final outturn as at 31 March 2023.
- 8.3 The projected net expenditure outturn in 2022/23 for the Housing Investment Programme is **£18,180,000** and represents **101%** of the 2022/23 budget approved on 20 April 2022 (£17,963,000).
- 8.4 Net expenditure to 28 February 2023 on the Housing Investment Programme is **£10,531,000**, subject to the same caveat outlined above for the Composite Programme, which represents **58%** of the forecast revised budget for 2022/23 of **£18,180,000**.
- 8.5 A summary of the major capital projects included with the Council's Composite Capital Budget and Housing Investment Programme and their current status is included at Appendix IV.

### Author(s)

Name	Designation	Contact Details
John Jennings	Senior Accountant	<a href="mailto:CHXFinance@pkc.gov.uk">CHXFinance@pkc.gov.uk</a>

### Approved

Name	Designation	Date
Karen Donaldson	Chief Operating Officer	14 April 2023
Stewart MacKenzie	Head of Finance	14 April 2023

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You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

### 1. Strategic Implications

#### Corporate Plan

1.1 The Council's Corporate Plan 2022 – 2027 lays out seven outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- Tackling Poverty
- Tackling climate change and supporting sustainable places
- Growing a sustainable and inclusive local economy
- Enabling our children and young people to achieve their full potential
- Protecting and caring for our most vulnerable people
- Supporting and promoting physical and mental wellbeing
- Placing communities at the heart of how we work

1.2 This report relates to all of these objectives.

### 2. Resource Implications

#### Financial

2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

### Workforce

- 2.2 There are no direct workforce implications arising from this report other than those reported within the body of the main report.

### Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## **4. Consultation**

### Internal

- 4.1 The Chief Executive and the Executive Directors have been consulted in the preparation of this report.

## **2. BACKGROUND PAPERS**

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

## **3. APPENDICES**

- Appendix I – Composite Capital Programme - Estimated Capital Resources 2022/23 to 2027/28
- Appendix II – Composite Capital Programme - Summary of Capital Resources and Expenditure 2022/23 to 2027/28
- Appendix III – HRA Capital Investment Programme – Summary of Capital Resources and Expenditure 2022/23 to 2026/27
- Appendix IV – Significant Capital Projects Progress Update

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2022/23 to 2027/28*

	Capital Resources 2022/23 (£'000) Revised Budget	Capital Resources 2023/24 (£'000) Revised Budget	Capital Resources 2024/25 (£'000) Revised Budget	Capital Resources 2025/26 (£'000) Revised Budget	Capital Resources 2026/27 (£'000) Revised Budget	Capital Resources 2027/28 (£'000) Revised Budget	Capital Resources TOTAL (£'000) Revised Budget
<b>Capital Grants</b>							
Cycling, Walking & Safer Routes (CWSR)	973	982	200	200	200	200	2,755
Town Centre Fund	26	0	0	0	0	0	26
Regeneration Fund	524	0	0	0	0	0	524
Recycling Improvement Fund	358	2,363	0	0	0	0	2,721
Cross Tay Link Road - Transport Scotland	20,000	15,000	0	0	0	0	35,000
General Capital Grant	14,739	22,147	13,847	12,639	12,150	12,150	87,672
<b>Total Capital Grants</b>	<b>36,620</b>	<b>40,492</b>	<b>14,047</b>	<b>12,839</b>	<b>12,350</b>	<b>12,350</b>	<b>128,698</b>
<b>General Capital Receipts</b>							
General Fund - Capital Receipts	8	972	250	250	250	250	1,980
General Fund - Ring Fenced Receipts	122	372	377	377	927	1,072	3,247
<b>Total General Capital Receipts</b>	<b>130</b>	<b>1,344</b>	<b>627</b>	<b>627</b>	<b>1,177</b>	<b>1,322</b>	<b>5,227</b>
<b>Commercial Property Receipts</b>							
Capital Receipts brought-forward	2,556	2,157	1,006	2,685	2,993	2,993	2,556
Commercial Property Capital Receipts	1	243	1,679	308	0	0	2,231
Capital Receipts carried-forward	(2,157)	(1,006)	(2,685)	(2,993)	(2,993)	(2,993)	(2,993)
<b>Total Commercial Property Receipts Applied</b>	<b>400</b>	<b>1,394</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,794</b>
<b>Contributions</b>							
Tay Cities Deal	634	1,171	999	550	505	1,956	5,815
Third Party Contributions	2,434	709	0	0	2,000	3,000	8,143
Developer Contributions	1,549	2,100	2,300	2,367	2,600	2,600	13,516
Revenue Budget Contributions	814	99	124	125	0	0	1,162
<b>Total Contributions</b>	<b>5,431</b>	<b>4,079</b>	<b>3,423</b>	<b>3,042</b>	<b>5,105</b>	<b>7,556</b>	<b>28,636</b>
<b>Capital Borrowing Requirement</b>	<b>71,264</b>	<b>151,420</b>	<b>175,187</b>	<b>93,069</b>	<b>46,776</b>	<b>25,377</b>	<b>563,093</b>
<b>TOTAL CAPITAL RESOURCES/ GROSS BUDGET EXPENDITURE</b>	<b>113,845</b>	<b>198,729</b>	<b>193,284</b>	<b>109,577</b>	<b>65,408</b>	<b>46,605</b>	<b>727,448</b>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
*Estimated Capital Resources 2022/23 to 2027/28*

APPENDIX I

**Movements in Resources from Approved Budget - 1 March 2023**

	Revised Budget 2022/23 £'000	Revised Budget 2023/24 £'000	Revised Budget 2024/25 £'000	Revised Budget 2025/26 £'000	Revised Budget 2026/27 £'000	Revised Budget 2027/28 £'000	Revised Budget TOTAL £'000
<u>Increase/(Decrease) in:</u>							
Capital Receipts - General Fund	(38)	38	0	0	0	0	0
Capital Receipts - Commercial Property	(342)	(710)	1,054	0	0	0	2
Capital Receipts - Ring Fenced	(172)	172	0	0	0	0	0
Capital Grants:							
Cycling, Walking & Safer Routes (CWSR)	0	310	0	0	0	0	310
Road Safety Improvement Fund	0	0	0	0	0	0	0
Free School Meals Expansion	0	0	0	0	0	0	0
Regeneration Fund	0	0	0	0	0	0	0
Recycling Improvement Fund	77	282	0	0	0	0	359
Town Centre Fund	0	0	0	0	0	0	0
Cross Tay Link Road - Transport Scotland	0	0	0	0	0	0	0
General Capital Grant	0	(13)	0	0	0	0	(13)
Tay Cities Deal	(100)	100	0	0	0	0	0
Third Party Contributions	(36)	141	0	0	0	0	105
Revenue Contributions	77	0	124	125	0	0	326
Developer Contributions	0	0	0	0	0	0	0
Resources b/f	0	(117)	(1,076)	(22)	(22)	(22)	(1,259)
Resources c/f to future years	117	1,076	22	22	22	22	1,281
Borrowing Requirement	(12,262)	4,570	10,499	(2,013)	(2,408)	386	(1,228)
<b>Total Increase/(Decrease) in Resources</b>	<b>(12,679)</b>	<b>5,849</b>	<b>10,623</b>	<b>(1,888)</b>	<b>(2,408)</b>	<b>386</b>	<b>(117)</b>
Approved Resources 1 March 2023	126,524	192,880	182,661	111,465	67,816	46,219	727,565
<b>Revised Resources</b>	<b>113,845</b>	<b>198,729</b>	<b>193,284</b>	<b>109,577</b>	<b>65,408</b>	<b>46,605</b>	<b>727,448</b>



**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
**SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2027/28**

	Approved Budget 01-Feb-23  2022/23 (£'000)	Approved Budget Adjustment 01-Mar-23 2022/23 (£'000)	Proposed Budget Adjustment Report 4 2022/23 (£'000)	Revised Budget  Report 4 2022/23 (£'000)	Actuals to 28-Feb-23  2022/23 (£'000)	Projected Outturn  2022/23 (£'000)	Approved Budget 01-Feb-23  2023/24 (£'000)	Approved Budget Adjustment 01-Mar-23 2023/24 (£'000)	Proposed Budget Adjustment Report 4 2023/24 (£'000)	Revised Budget  Report 4 2023/24 (£'000)	Approved Budget 01-Feb-23  2024/25 (£'000)	Approved Budget Adjustment 01-Mar-23 2024/25 (£'000)	Proposed Budget Adjustment Report 4 2024/25 (£'000)	Revised Budget  Report 4 2024/25 (£'000)
EDUCATION AND CHILDREN'S SERVICES	30,171	(9,668)	5,030	25,533	16,150	25,533	56,205	11,833	(6,170)	61,868	56,449	150	7,555	64,154
COMMUNITIES	75,268	(7,413)	(16,302)	51,553	45,101	51,553	105,103	(13,138)	9,904	101,869	91,413	22,602	2,697	116,712
HEALTH AND SOCIAL CARE	1,332	0	(589)	743	615	743	1,532	0	589	2,121	1,303	0	0	1,303
CORPORATE AND DEMOCRATIC SERVICES	10,795	0	(664)	10,131	5,238	10,131	9,212	2,442	521	12,175	9,168	0	247	9,415
<b>TOTAL NET EXPENDITURE</b>	<b>117,566</b>	<b>(17,081)</b>	<b>(12,525)</b>	<b>87,960</b>	<b>67,104</b>	<b>87,960</b>	<b>172,052</b>	<b>1,137</b>	<b>4,844</b>	<b>178,033</b>	<b>158,333</b>	<b>22,752</b>	<b>10,499</b>	<b>191,584</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)														
GENERAL CAPITAL GRANT	(14,739)	0	0	(14,739)	(15,458)	(14,739)	(13,128)	(9,032)	13	(22,147)	(16,371)	2,524	0	(13,847)
DEVELOPER CONTRIBUTIONS	(1,549)	0	0	(1,549)	0	(1,549)	(2,100)	0	0	(2,100)	(2,300)	0	0	(2,300)
CAPITAL RECEIPTS	(389)	0	380	(9)	(3)	(9)	(1,887)	0	672	(1,215)	(875)	0	(1,054)	(1,929)
<b>ANNUAL BORROWING REQUIREMENT</b>	<b>100,889</b>	<b>(17,081)</b>	<b>(12,145)</b>	<b>71,663</b>	<b>51,643</b>	<b>71,663</b>	<b>154,937</b>	<b>(7,895)</b>	<b>5,529</b>	<b>152,571</b>	<b>138,787</b>	<b>25,276</b>	<b>9,445</b>	<b>173,508</b>
CAPITAL RECEIPTS BROUGHT FORWARD	(2,556)	0	0	(2,556)	(2,556)	(2,556)	(2,274)	0	117	(2,157)	(2,082)	0	1,076	(1,006)
CAPITAL RECEIPTS CARRIED FORWARD	2,274	0	(117)	2,157	2,408	2,157	2,082	0	(1,076)	1,006	2,707	0	(22)	2,685
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>100,607</b>	<b>(17,081)</b>	<b>(12,262)</b>	<b>71,264</b>	<b>51,495</b>	<b>71,264</b>	<b>154,745</b>	<b>(7,895)</b>	<b>4,570</b>	<b>151,420</b>	<b>139,412</b>	<b>25,276</b>	<b>10,499</b>	<b>175,187</b>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
**SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2027/28**

APPENDIX II

	Approved Budget 01-Feb-23  2025/26 (£'000)	Approved Budget Adjustment 01-Mar-23 2025/26 (£'000)	Proposed Budget Adjustment Report 4 2025/26 (£'000)	Revised Budget  Report 4 2025/26 (£'000)	Approved Budget 01-Feb-23  2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Approved Budget 01-Feb-23  2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)
EDUCATION AND CHILDREN'S SERVICES	35,900	9,818	(3,915)	41,803	17,504	150	(2,350)	15,304	6,823	150	(150)	6,823
COMMUNITIES	42,419	13,166	2,006	57,591	37,370	945	(58)	38,257	27,321	(1,836)	536	26,021
HEALTH AND SOCIAL CARE	1,303	0	0	1,303	1,303	0	0	1,303	1,319	0	0	1,319
CORPORATE AND DEMOCRATIC SERVICES	7,732	0	(104)	7,628	6,912	0	0	6,912	6,214	0	0	6,214
<b>TOTAL NET EXPENDITURE</b>	<b>87,354</b>	<b>22,984</b>	<b>(2,013)</b>	<b>108,325</b>	<b>63,089</b>	<b>1,095</b>	<b>(2,408)</b>	<b>61,776</b>	<b>41,677</b>	<b>(1,686)</b>	<b>386</b>	<b>40,377</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)												
GENERAL CAPITAL GRANT	(13,007)	368	0	(12,639)	(12,265)	115	0	(12,150)	(12,265)	115	0	(12,150)
DEVELOPER CONTRIBUTIONS	(2,367)	0	0	(2,367)	(2,600)	0	0	(2,600)	(2,600)	0	0	(2,600)
CAPITAL RECEIPTS	(558)	0	0	(558)	(250)	0	0	(250)	(250)	0	0	(250)
<b>ANNUAL BORROWING REQUIREMENT</b>	<b>71,422</b>	<b>23,352</b>	<b>(2,013)</b>	<b>92,761</b>	<b>47,974</b>	<b>1,210</b>	<b>(2,408)</b>	<b>46,776</b>	<b>26,562</b>	<b>(1,571)</b>	<b>386</b>	<b>25,377</b>
CAPITAL RECEIPTS BROUGHT FORWARD	(2,707)	0	22	(2,685)	(3,015)	0	22	(2,993)	(3,015)	0	22	(2,993)
CAPITAL RECEIPTS CARRIED FORWARD	3,015	0	(22)	2,993	3,015	0	(22)	2,993	3,015	0	(22)	2,993
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>71,730</b>	<b>23,352</b>	<b>(2,013)</b>	<b>93,069</b>	<b>47,974</b>	<b>1,210</b>	<b>(2,408)</b>	<b>46,776</b>	<b>26,562</b>	<b>(1,571)</b>	<b>386</b>	<b>25,377</b>

**PERTH AND KINROSS COUNCIL**  
**COMPOSITE CAPITAL PROGRAMME**  
**SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2027/28**

APPENDIX II

	Revised Budget  Report 4  (£'000)
EDUCATION AND CHILDREN'S SERVICES	215,485
COMMUNITIES	392,003
HEALTH AND SOCIAL CARE	8,092
CORPORATE AND DEMOCRATIC SERVICES	52,475
<b>TOTAL NET EXPENDITURE</b>	<b>668,055</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)	
GENERAL CAPITAL GRANT	(87,672)
DEVELOPER CONTRIBUTIONS	(13,516)
CAPITAL RECEIPTS	(4,211)
<b>ANNUAL BORROWING REQUIREMENT</b>	<b>562,656</b>
CAPITAL RECEIPTS BROUGHT FORWARD	(2,556)
CAPITAL RECEIPTS CARRIED FORWARD	2,993
<b>TOTAL NET BORROWING REQUIREMENT</b>	<b>563,093</b>

EDUCATION AND CHILDREN'S SERVICES

MIS - Procurement & Integration  
MIS - SEEMIS Licensing  
Blairgowrie Recreation Centre - Replacement

Schools Modernisation Programme

Investment in the Learning Estate  
Free School Meal Expansion Programme  
Methven Primary School Refurbishment  
Breadalbane Academy, Aberfeldy - 3G Pitch  
    Third Party Contribution (The Scottish Football Association)  
Kirkmichael Primary School Upgrades  
    Capital Receipt (ring-fenced)  
Early Learning & Childcare  
    - Letham Primary School Upgrade Project  
    - Rattray Primary School Upgrade Project  
North/West Perth - New Primary School  
Riverside Primary New School  
  
Technology Upgrades  
Perth Academy - Refurbishment  
Perth Grammar School - Upgrade Programme Phase 3  
Perth High School - Internal Services & Refurbishment  
Perth High School - New School Investment  
Harris Academy/Invergowrie - Extension

TOTAL: EDUCATION AND CHILDREN'S SERVICES

COMMUNITIES

Traffic & Road Safety

Road Safety Initiatives (20mph Zones etc..)  
Additional Road Safety - Pedestrian Crossings  
Schools Road Safety Measures  
    Scottish Government Grant - CWSS  
20mph Signage Programme - Schools  
20mph Signage Programme  
Cycling Walking & Safer Routes (CWSR)  
    Scottish Government Grant - CWSR  
    Third Party Contribution (TACTRAN)  
Car Parking Investment  
Car Parking Investment - Pitlochry  
Strathmore Cycle Network  
Sub-Total

Asset Management - Roads & Lighting

Structural Maintenance  
    Third Party Contribution (Forestry Commission Timber Routes)  
Traffic Signal Renewals - Upgrading  
    Third Party Contributions  
Footways  
    Third Party Contributions  
Investment in Local Footpaths  
Road Safety Barriers  
Sub-Total

Asset Management - Bridges

Bridge Refurbishment Programme  
Dalhenzean Culvert  
Dunkeld Golf Course  
Vehicular Bridge Parapets Programme - Assess & Upgrade  
Old Perth Bridge - Strengthening  
Perth Queens Bridge - Strengthening  
Garry Viaduct  
Culteuchar Culvert  
Glendevon Bridge  
Tullyfergus Bridge  
Sub-Total

Revised Budget  Report 3 2022/23 (£'000)	Approved Budget Adjustment 01-Mar-23 2022/23 (£'000)	Proposed Budget Adjustment Report 4 2022/23 (£'000)	Revised Budget  Report 4 2022/23 (£'000)	Actual to 28-Feb-23  2022/23 (£'000)	Projected Outturn  2022/23 (£'000)	Revised Budget  Report 3 2023/24 (£'000)	Approved Budget Adjustment 01-Mar-23 2023/24 (£'000)	Proposed Budget Adjustment Report 4 2023/24 (£'000)	Revised Budget  Report 4 2023/24 (£'000)	Revised Budget  Report 3 2024/25 (£'000)	Approved Budget Adjustment 01-Mar-23 2024/25 (£'000)	Proposed Budget Adjustment Report 4 2024/25 (£'000)	Revised Budget  Report 4 2024/25 (£'000)	Revised Budget  Report 3 2025/26 (£'000)	Approved Budget Adjustment 01-Mar-23 2025/26 (£'000)	Proposed Budget Adjustment Report 4 2025/26 (£'000)
55		2	57	57	57	49		(49)	0	0			0	0		
0			0		0	0	98	647	745	0	150	(150)	0	0	150	(150)
9,868	(9,668)	500	700	103	700	8,435	9,300	(435)	17,300	6,600		5,600	12,200	0	9,668	(5,665)
975		325	1,300	1,088	1,300	4,904		(3,900)	1,004	11,013		(325)	10,688	6,650		1,900
913			913		913	0	2,435	(2,000)	435	0		2,000	2,000	0		
311		(31)	280	219	280	0		31	31	250			250	0		
0			0		0	0		29	29	0			0	0		
0			0		0	0		(29)	(29)	0			0	0		
98		(7)	91	91	91	0		7	7	0			0	0		
(100)		100	0		0	0		(100)	(100)	0			0	0		
38			38	38	38	0			0	0			0	0		
19			19		19	0			0	0			0	0		
1,345		300	1,645	1,431	1,645	470		(300)	170	0			0	0		
100		(61)	39		39	1,000		61	1,061	7,500			7,500	15,000		
12,018		(790)	11,228	9,534	11,228	2,635		790	3,425	0			0	0		
45		(30)	15	15	15	800		(400)	400	586		430	1,016	0		
1,368		297	1,665	1,409	1,665	1,812		(297)	1,515	2,500			2,500	2,150		
361		237	598	427	598	1,700		(237)	1,463	1,500			1,500	1,500		
21		(12)	9	9	9	0		12	12	0			0	0		
1,636		4,200	5,836	1,147	5,836	30,300			30,300	26,500			26,500	10,600		
1,100			1,100	582	1,100	4,100			4,100	0			0	0		
30,171	(9,668)	5,030	25,533	16,150	25,533	56,205	11,833	(6,170)	61,868	56,449	150	7,555	64,154	35,900	9,818	(3,915)
0			0		0	512		(512)	0	335		27	362	200		162
0			0		0	175			175	175			175	175		
440		(195)	245	222	245	106		301	407	0			0	0		
0		(106)	(106)		(106)	0			0	0			0	0		
111			111	15	111	89			89	0			0	0		
0			0		0	76			76	0			0	0		
1,078		(91)	987	488	987	200	472	310	982	200			200	200		
(973)		106	(867)	(171)	(867)	(200)	(472)	(310)	(982)	(200)			(200)	(200)		
(105)		(15)	(120)		(120)	0			0	0			0	0		
45			45	13	45	277			277	0			0	0		
0			0		0	150			150	0			0	0		
0			0		0	84		(84)	0	0			0	0		84
596	0	(301)	295	567	295	1,469	0	(295)	1,174	510	0	27	537	375	0	246
13,770			13,770	10,910	13,770	9,541	2,000	(225)	11,316	9,593			9,593	9,593		
(1,316)			(1,316)	(473)	(1,316)	0			0	0			0	0		
199		(94)	105	101	105	0		94	94	0			0	0		
(3)			(3)		(3)	0			0	0			0	0		
524			524	481	524	435			435	435			435	435		
0			0	(2)	0	0			0	0			0	0		
0			0		0	100		(100)	0	100		(100)	0	0		100
10			10	11	10	23			23	0			0	0		
13,184	0	(94)	13,090	11,028	13,090	10,099	2,000	(231)	11,868	10,128	0	(100)	10,028	10,028	0	100
688		(59)	629	346	629	2,312	2,000	(743)	3,569	1,471		658	2,129	1,341		104
43			43		43	264		(264)	0	0			0	0		
27		2	29		29	0			0	219		(219)	0	0		
0			0		0	29		(29)	0	0		29	29	0		
10			10		10	180			180	10			10	2,369		
0			0		0	385		(50)	335	10		50	60	70		
0			0		0	0	110		110	0	300		300	0	300	
42			42	1	42	357		38	395	0			0	0		
235			235	210	235	0			0	0			0	0		
0			0		0	134		(134)	0	0			0	0		
1,045	0	(57)	988	557	988	3,661	2,110	(1,182)	4,589	1,710	300	518	2,528	3,780	300	104

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<b>Improvement Schemes</b>																	
A9/A85 Road Junction Improvements	359			359	40	359	0			0	0			0	0		
Cross Tay Link Road (CTLR)	51,802		(14,493)	37,309	28,264	37,309	57,543		12,638	70,181	24,358		1,855	26,213	0		
Scottish Government Grant	(20,000)			(20,000)	(10,000)	(20,000)	(15,000)			(15,000)	0			0	0		
A977 Upgrades	20		(20)	0		0	170	350	20	540	0			0	0		
Brioch Road, Crieff - Road Realignment & Safety Measures	0			0		0	31			31	0			0	0		
<b>Sub-Total</b>	<b>32,181</b>	<b>0</b>	<b>(14,513)</b>	<b>17,668</b>	<b>18,304</b>	<b>17,668</b>	<b>42,744</b>	<b>350</b>	<b>12,658</b>	<b>55,752</b>	<b>24,358</b>	<b>0</b>	<b>1,855</b>	<b>26,213</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Rural Flood Protection Schemes</b>																	
Almondbank Flood Protection Scheme	39		54	93	73	93	0			0	0			0	0		
Revenue Contribution	0		(54)	(54)		(54)	0			0	0			0	0		
Perth Flood Protection Scheme (Pump Replacement)	25		(25)	0	28	0	136		(136)	0	0			0	0		
Perth Flood Protection Scheme (South Inch Culvert Reinstatement)	0		35	35		35	0		351	351	0			0	0		
Comrie Flood Protection Scheme	2,096		(249)	1,847	1,636	1,847	7,198		197	7,395	16,789		52	16,841	0		
Milnathort Flood Protection Scheme	112			112	16	112	52			52	1,590			1,590	0		
South Kinross Flood Protection Scheme	146		(31)	115	47	115	309		(69)	240	1,118		50	1,168	1,737		50
Scone Flood Protection Scheme	51		(46)	5		5	257		(167)	90	416		(340)	76	48		553
Coastal Change Adaptation	0			0		0	100			100	0			0	0		
<b>Sub-Total</b>	<b>2,469</b>	<b>0</b>	<b>(316)</b>	<b>2,153</b>	<b>1,800</b>	<b>2,153</b>	<b>8,052</b>	<b>0</b>	<b>176</b>	<b>8,228</b>	<b>19,913</b>	<b>0</b>	<b>(238)</b>	<b>19,675</b>	<b>1,785</b>	<b>0</b>	<b>603</b>
<b>Perth &amp; Kinross Place-making</b>																	
Mill Street Environmental Improvements	127		(127)	0		0	0		127	127	0			0	0		
Perth, Place, People	0			0		0	3,629		(30)	3,599	0			0	0		
Perth City Centre Golden Route (Rail Station)	0		15	15		15	0		15	15	0			0	0		
City Greening	31		(31)	0		0	0		31	31	0			0	0		
Perth & Kinross Lighting Action Plan	1,075		(200)	875	635	875	1,047	(1,047)	1,200	1,200	630	1,047	(1,000)	677	0		
<b>Sub-Total</b>	<b>1,233</b>	<b>0</b>	<b>(343)</b>	<b>890</b>	<b>635</b>	<b>890</b>	<b>4,676</b>	<b>(1,047)</b>	<b>1,343</b>	<b>4,972</b>	<b>630</b>	<b>1,047</b>	<b>(1,000)</b>	<b>677</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Planning Projects</b>																	
Creative Exchange (former St. John's Primary School)	53			53		53	0			0	0			0	0		
Town Centre - Regeneration & Economic Improvements	26			26		26	0			0	0			0	0		
Scottish Government Grant	(26)		(40)	(66)		(66)	0			0	0			0	0		
TCF Revenue Contribution	0		(23)	(23)		(23)	0			0	0			0	0		
Local Full Fibre Network	198		(40)	158	55	158	0			0	0			0	0		
Third Party Contribution - TCF	0		40	40		40	0			0	0			0	0		
Third Party Contribution - Tay Cities Deal	(198)			(198)	(250)	(198)	0			0	0			0	0		
Low Carbon Transport & Active Travel Hub - Broxden EV Charger	864		(161)	703	709	703	130		161	291	0			0	0		
Third Party Contribution - ERDF	(327)		61	(266)		(266)	(49)		(61)	(110)	0			0	0		
Third Party Contribution - Tay Cities Deal	(536)		100	(436)	(182)	(436)	(81)		(100)	(181)	0			0	0		
Perth Eco-Innovation Park at Perth West	6,889	(6,889)		0		0	10,661	(7,661)		3,000	3,536	17,264		20,800	0	9,017	
Third Party Contributions - Tay Cities Deal	0			0		0	0	(990)		(990)	(990)	(9)		(999)	(1,899)	1,349	
Other Third Party Contributions	0			0		0	0			0	0			0	(2,500)	2,500	
Capital Receipts - Ring Fenced Land Disposals	0			0		0	0			0	0			0	0		
Coupar Angus - Strathmore Community Hub	0		63	63		63	0			0	0			0	0		
Nature Restoration	206			206	17	206	0			0	0			0	0		
<b>Sub-Total</b>	<b>7,149</b>	<b>(6,889)</b>	<b>0</b>	<b>260</b>	<b>349</b>	<b>260</b>	<b>10,661</b>	<b>(8,651)</b>	<b>0</b>	<b>2,010</b>	<b>2,546</b>	<b>17,255</b>	<b>0</b>	<b>19,801</b>	<b>(4,399)</b>	<b>12,866</b>	<b>0</b>
<b>City Centre Developments - Cultural Attractions</b>																	
Perth Museum	9,229		1,714	10,943	9,090	10,943	3,781		(1,714)	2,067	0			0	0		
Perth Art Gallery	112			112		112	3,204			3,204	0			0	0		
Collections Centre	24	(24)		0		0	6,400	(6,400)		0	0			0	0		
PH2O	500	(500)		0		0	3,500	(3,500)		0	26,000	4,000		30,000	25,000		
<b>Sub-Total</b>	<b>9,865</b>	<b>(524)</b>	<b>1,714</b>	<b>11,055</b>	<b>9,090</b>	<b>11,055</b>	<b>16,885</b>	<b>(9,900)</b>	<b>(1,714)</b>	<b>5,271</b>	<b>26,000</b>	<b>4,000</b>	<b>0</b>	<b>30,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>
<b>Community Planning</b>																	
Letham Community Wellbeing Hub	2,552			2,552	1,767	2,552	1,317			1,317	0			0	0		
Scottish Government Grant (Regeneration Fund)	(524)			(524)	(524)	(524)	0			0	0			0	0		
Third Party Contribution (Letham4All)	0			0		0	(519)			(519)	0			0	0		
Revenue Contribution (Place Based Development Grant)	(735)			(735)	(735)	(735)	0			0	0			0	0		
<b>Sub-Total</b>	<b>1,293</b>	<b>0</b>	<b>0</b>	<b>1,293</b>	<b>508</b>	<b>1,293</b>	<b>798</b>	<b>0</b>	<b>0</b>	<b>798</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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<b>Community Greenspace</b>																	
Play Areas - Improvements Implementation Strategy	92			92	17	92	897		(400)	497	587		400	987	878		
Third Party Contribution	(47)			(47)		(47)	0			0	0			0	0		
Revenue Contribution (Developer Contribution Reserve)	(2)			(2)		(2)	0			0	0			0	0		
3G Pitch, Blairgowrie	38			38	2	38	100		(100)	0	0		100	100	0		
Settlement/Neighbourhood Parks	25			25		25	0			0	0			0	0		
Countryside Sites	23			23	1	23	139		(139)	0	0		139	139	0		
Community Greenspace Sites	0			0		0	552		(552)	0	532		122	654	532		150
Community Greenspace Bridges	33		5	38	14	38	31		23	54	0			0	0		
Core Path Implementation	48			48	28	48	0			0	0			0	0		
Third Party Contribution	(60)			(60)		(60)	0			0	0			0	0		
Alyth Environmental Improvements	0			0		0	0			0	0			0	0		
Premier Parks	39			39	37	39	14			14	0			0	0		
Auchterarder Public Park	263		61	324	192	324	0			0	0			0	0		
Third Party Contribution	(140)		(61)	(201)		(201)	0			0	0			0	0		
The Knock	24		(15)	9	7	9	0			0	0			0	0		
Kinnoull Hill	41		(33)	8	2	8	0			0	0			0	0		
Cemetery Extensions	25			25	5	25	444			444	150			150	100		
<b>Sub-Total</b>	<b>402</b>	<b>0</b>	<b>(43)</b>	<b>359</b>	<b>305</b>	<b>359</b>	<b>2,177</b>	<b>0</b>	<b>(1,168)</b>	<b>1,009</b>	<b>1,269</b>	<b>0</b>	<b>761</b>	<b>2,030</b>	<b>1,510</b>	<b>0</b>	<b>150</b>
<b>Waste Strategy</b>																	
Recycling Improvement Fund	281		77	358	45	358	2,081		282	2,363	0			0	0		
Scottish Government Grant	(281)		(77)	(358)	(45)	(358)	(2,081)		(282)	(2,363)	0			0	0		
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Support Services</b>																	
<u>PC Replacement &amp; IT Upgrades</u>																	
Hardware	10		12	22	23	22	17		(2)	15	17		(2)	15	17		(2)
Licenses	35		163	198	63	198	120		(32)	88	120		(8)	112	120		(25)
<b>Sub-Total</b>	<b>45</b>	<b>0</b>	<b>175</b>	<b>220</b>	<b>86</b>	<b>220</b>	<b>137</b>	<b>0</b>	<b>(34)</b>	<b>103</b>	<b>137</b>	<b>0</b>	<b>(10)</b>	<b>127</b>	<b>137</b>	<b>0</b>	<b>(27)</b>
<b>Commercial Property Investment Programme</b>																	
North Muirton Industrial Estate - Site Servicing & Provision of Unit:	105		(87)	18		18	0		40	40	0			0	0		
Broxden Business Park - Additional Infrastructure	0		17	17		17	0			0	0			0	0		
Western Edge, Kinross - Site Servicing	10		7	17	2	17	0			0	0			0	0		
Additional Infrastructure Investment - Broxden	46			46		46	0			0	0			0	0		
Broxden Drainage Mitigation Works	308			308	59	308	0			0	0			0	0		
Third Party Contribution (Scottish Water)	(239)			(239)		(239)	0			0	0			0	0		
Ruthvenfield Business Centre	510		(209)	301	73	301	1,145		209	1,354	0			0	0		
Third Party Contribution	(115)			(115)		(115)	0			0	0			0	0		
North Muirton Drainage	0		47	47		47	0			0	0			0	0		
North Muirton Industrial Estate Expansion Land - Servicing	0			0	13	0	0			0	0			0	0		
<b>Sub-Total</b>	<b>625</b>	<b>0</b>	<b>(225)</b>	<b>400</b>	<b>147</b>	<b>400</b>	<b>1,145</b>	<b>0</b>	<b>249</b>	<b>1,394</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Prudential Borrowing Projects</b>																	
Wheeled Bin Replacement Programme - Domestic Bins	265			265	257	265	200			200	200			200	200		
Wheeled Bin Replacement Programme - Commercial Bins	39			39		39	20			20	20			20	20		
Recycling Containers, Oil Banks & Battery Banks Replacement Pr	111		(57)	54	28	54	65		57	122	65			65	65		
Capital Receipts - Disposals	(4)			(4)	(4)	(4)	0			0	0			0	0		
Litter Bins	25			25	25	25	25			25	50			50	50		
Smart Cities - Smart Waste	305		(133)	172	150	172	0		133	133	0			0	0		
Third Party Contribution (ERDF)	(118)		51	(67)		(67)	0		(51)	(51)	0			0	0		
Vehicle Replacement Programme	1,454		(212)	1,242	787	1,242	1,545		212	1,757	3,300			3,300	3,300		
Capital Receipts - Vehicle Disposals	(190)		72	(118)	(107)	(118)	(200)		(72)	(272)	(377)			(377)	(377)		
Crematorium - Abatement Works	9			9	4	9	0			0	0			0	0		
Street Lighting Renewal - LED & Column Replacement	770		(120)	650	467	650	944		(177)	767	954		(66)	888	945		(120)
LED Traffic Signal Replacement	146			146	97	146	0			0	0			0	0		
Almondbank Flood Protection Scheme	4			4	4	4	0			0	0			0	0		
Land Purchase & Development (Hotel Development)	1,900		(1,900)	0		0	0			0	0		950	950	0		950
Technology & Innovation Incubator Units	0			0		0	0			0	0			0	0		
<b>Sub Total</b>	<b>4,716</b>	<b>0</b>	<b>(2,299)</b>	<b>2,417</b>	<b>1,708</b>	<b>2,417</b>	<b>2,599</b>	<b>0</b>	<b>102</b>	<b>2,701</b>	<b>4,212</b>	<b>0</b>	<b>884</b>	<b>5,096</b>	<b>4,203</b>	<b>0</b>	<b>830</b>
<b>Housing Projects</b>																	
Gypsy Travellers Site Improvement Works	207			207	8	207	0			0	0			0	0		
Additional Gypsy Traveller Site Improvement Works	225			225	9	225	0			0	0			0	0		
Gypsy Traveller Site Community Improvement Works	33			33		33	0			0	0			0	0		
New Gypsy Traveller Site	0			0		0	0	2,000		2,000	0			0	0		
<b>Sub Total</b>	<b>465</b>	<b>0</b>	<b>0</b>	<b>465</b>	<b>17</b>	<b>465</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TOTAL: COMMUNITIES

Revised Budget	Approved Budget Adjustment	Proposed Budget Adjustment	Revised Budget	Actual to 28-Feb-23	Projected Outturn
Report 3 2022/23 (£'000)	01-Mar-23 2022/23 (£'000)	Report 4 2022/23 (£'000)	Report 4 2022/23 (£'000)	2022/23 (£'000)	2022/23 (£'000)
75,268	(7,413)	(16,302)	51,553	45,101	51,553

Revised Budget	Approved Budget Adjustment	Proposed Budget Adjustment	Revised Budget
Report 3 2023/24 (£'000)	01-Mar-23 2023/24 (£'000)	Report 4 2023/24 (£'000)	Report 4 2023/24 (£'000)
105,103	(13,138)	9,904	101,869

Revised Budget	Approved Budget Adjustment	Proposed Budget Adjustment	Revised Budget
Report 3 2024/25 (£'000)	01-Mar-23 2024/25 (£'000)	Report 4 2024/25 (£'000)	Report 4 2024/25 (£'000)
91,413	22,602	2,697	116,712

Revised Budget	Approved Budget Adjustment	Proposed Budget Adjustment
Report 3 2025/26 (£'000)	01-Mar-23 2025/26 (£'000)	Report 4 2025/26 (£'000)
42,419	13,166	2,006

	Revised Budget  Report 3 2022/23 (£'000)	Approved Budget Adjustment 01-Mar-23 2022/23 (£'000)	Proposed Budget Adjustment Report 4 2022/23 (£'000)	Revised Budget  Report 4 2022/23 (£'000)	Actual to 28-Feb-23  2022/23 (£'000)	Projected Outturn  2022/23 (£'000)	Revised Budget  Report 3 2023/24 (£'000)	Approved Budget Adjustment 01-Mar-23 2023/24 (£'000)	Proposed Budget Adjustment Report 4 2023/24 (£'000)	Revised Budget  Report 4 2023/24 (£'000)	Revised Budget  Report 3 2024/25 (£'000)	Approved Budget Adjustment 01-Mar-23 2024/25 (£'000)	Proposed Budget Adjustment Report 4 2024/25 (£'000)	Revised Budget  Report 4 2024/25 (£'000)	Revised Budget  Report 3 2025/26 (£'000)	Approved Budget Adjustment 01-Mar-23 2025/26 (£'000)	Proposed Budget Adjustment Report 4 2025/26 (£'000)
<b>Health &amp; Social Care</b>																	
Occupational Therapy Equipment	250			250	250	250	250			250	250			250	250		
Technology Enabled Telecare	1,000		(550)	450	365	450	1,000		550	1,550	1,000			1,000	1,000		
Moving & Handling Office Refurbishment	29		(29)	0		0	0		29	29	0			0	0		
Software Licences	53		(10)	43		43	53		10	63	53			53	53		
Developing Supported Tenancies	0			0		0	229			229	0			0	0		
<b>TOTAL: HEALTH &amp; SOCIAL CARE</b>	<b>1,332</b>	<b>0</b>	<b>(589)</b>	<b>743</b>	<b>615</b>	<b>743</b>	<b>1,532</b>	<b>0</b>	<b>589</b>	<b>2,121</b>	<b>1,303</b>	<b>0</b>	<b>0</b>	<b>1,303</b>	<b>1,303</b>	<b>0</b>	<b>0</b>
<b>CORPORATE AND DEMOCRATIC SERVICES</b>																	
<u>Property Services</u>																	
DDA Adaptation & Alteration Works Programme	174			174	63	174	400			400	200			200	200		
Property Compliance Works Programme	1,626			1,626	1,011	1,626	429			429	650			650	650		
Capital Improvement Projects Programme	1,987		(50)	1,937	928	1,937	1,800		50	1,850	1,800			1,800	1,800		
Pitlochry High School - Upgrade Programme	635		(170)	465	328	465	90		170	260	0			0	0		
Community School of Auchterarder - Structural Improvements	736			736	670	736	0			0	0			0	0		
CO2 Monitors for Schools Programme	81			81	81	81	0			0	0			0	0		
Energy Efficiency Works - Various Properties	0			0		0	99			99	0			0	0		
Revenue Contribution (Salix Reserve)	0			0		0	(99)			(99)	0			0	0		
Decarbonisation - Prudential Borrowing Programme (PB)	0			0		0	0	2,000		2,000	0			0	0		
Energy Conservation & Carbon Reduction Programme (PB)	168		10	178	12	178	150		(10)	140	150			150	150		
<u>Information Systems &amp; Technology</u>																	
ICT Infrastructure & Replacement and Upgrade Programme	2,417		(362)	2,055	668	2,055	2,304		362	2,666	4,928			4,928	3,498		
Data & Analytics	415			415	136	415	875			875	675			675	646		
Supporting Digital	700			700	67	700	1,306			1,306	714			714	737		
Software Licences (Revenues & Benefits)	52			52	52	52	50			50	51			51	51		
School Audio-Visual (AV) Equipment Replacement Programme	1,400		(100)	1,300	919	1,300	526		100	626	0			0	0		
Mosaic - Swift Social Work System Replacement	404		8	412	303	412	1,282	442	(151)	1,573	0		371	371	0		21
Revenue Contribution	0			0		0	0			0	0		(124)	(124)	0		(125)
Customer Service Blueprint	0			0		0	0			0	0			0	0		
<b>TOTAL: CORPORATE AND DEMOCRATIC SERVICES</b>	<b>10,795</b>	<b>0</b>	<b>(664)</b>	<b>10,131</b>	<b>5,238</b>	<b>10,131</b>	<b>9,212</b>	<b>2,442</b>	<b>521</b>	<b>12,175</b>	<b>9,168</b>	<b>0</b>	<b>247</b>	<b>9,415</b>	<b>7,732</b>	<b>0</b>	<b>(104)</b>
<b>TOTAL COMPOSITE NET EXPENDITURE</b>	<b>117,566</b>	<b>(17,081)</b>	<b>(12,525)</b>	<b>87,960</b>	<b>67,104</b>	<b>87,960</b>	<b>172,052</b>	<b>1,137</b>	<b>4,844</b>	<b>178,033</b>	<b>158,333</b>	<b>22,752</b>	<b>10,499</b>	<b>191,584</b>	<b>87,354</b>	<b>22,984</b>	<b>(2,013)</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCED RECEIPTS)																	
<b>CAPITAL RECEIPTS</b>																	
General Capital Grant - Scottish Government	(14,739)			(14,739)	(15,458)	(14,739)	(13,128)	(9,032)	13	(22,147)	(16,371)	2,524		(13,847)	(13,007)	368	
Developer Contributions	(1,549)			(1,549)		(1,549)	(2,100)			(2,100)	(2,300)			(2,300)	(2,367)		
General Fund - Capital Receipts/Disposal	(46)		38	(8)	(4)	(8)	(934)		(38)	(972)	(250)		0	(250)	(250)		0
Commercial Property - Capital Receipts/Disposal	(343)		342	(1)	1	(1)	(953)		710	(243)	(625)		(1,054)	(1,679)	(308)		0
<b>Total: Capital Receipts</b>	<b>(16,677)</b>	<b>0</b>	<b>380</b>	<b>(16,297)</b>	<b>(15,461)</b>	<b>(16,297)</b>	<b>(17,115)</b>	<b>(9,032)</b>	<b>685</b>	<b>(25,462)</b>	<b>(19,546)</b>	<b>2,524</b>	<b>(1,054)</b>	<b>(18,076)</b>	<b>(15,932)</b>	<b>368</b>	<b>0</b>
<b>Annual Composite Borrowing Requirement</b>	<b>100,889</b>	<b>(17,081)</b>	<b>(12,145)</b>	<b>71,663</b>	<b>51,643</b>	<b>71,663</b>	<b>154,937</b>	<b>(7,895)</b>	<b>5,529</b>	<b>152,571</b>	<b>138,787</b>	<b>25,276</b>	<b>9,445</b>	<b>173,508</b>	<b>71,422</b>	<b>23,352</b>	<b>(2,013)</b>
<b>CAPITAL RECEIPTS BROUGHT FORWARD</b>	<b>(2,556)</b>		<b>0</b>	<b>(2,556)</b>	<b>(2,556)</b>	<b>(2,556)</b>	<b>(2,274)</b>		<b>117</b>	<b>(2,157)</b>	<b>(2,082)</b>		<b>1,076</b>	<b>(1,006)</b>	<b>(2,707)</b>		<b>22</b>
<b>CAPITAL RECEIPTS CARRIED FORWARD</b>	<b>2,274</b>		<b>(117)</b>	<b>2,157</b>	<b>2,408</b>	<b>2,157</b>	<b>2,082</b>		<b>(1,076)</b>	<b>1,006</b>	<b>2,707</b>		<b>(22)</b>	<b>2,685</b>	<b>3,015</b>		<b>(22)</b>
<b>TOTAL NET COMPOSITE BORROWING REQUIREMENT</b>	<b>100,607</b>	<b>(17,081)</b>	<b>(12,262)</b>	<b>71,264</b>	<b>51,495</b>	<b>71,264</b>	<b>154,745</b>	<b>(7,895)</b>	<b>4,570</b>	<b>151,420</b>	<b>139,412</b>	<b>25,276</b>	<b>10,499</b>	<b>175,187</b>	<b>71,730</b>	<b>23,352</b>	<b>(2,013)</b>



PERTH AND KINROSS COUNCIL  
COMPOSITE CAPITAL PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2027/28

	Revised Budget  Report 4 2025/26 (£'000)	Revised Budget  Report 3 2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Revised Budget  Report 3 2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>EDUCATION AND CHILDREN'S SERVICES</b>										
MIS - Procurement & Integration	0	0			0	0			0	57
MIS - SEEMIS Licensing	0	0	150	(150)	0	0	150	(150)	0	745
Blaigowrie Recreation Centre - Replacement	4,003	0			0	0			0	34,203
<b>Schools Modernisation Programme</b>										
Investment in the Learning Estate	8,550	6,650		2,000	8,650	6,823			6,823	37,015
Free School Meal Expansion Programme	0	0			0	0			0	3,348
Methven Primary School Refurbishment	0	0			0	0			0	561
Breadalbane Academy, Aberfeldy - 3G Pitch	0	0			0	0			0	29
Third Party Contribution (The Scottish Football Association)	0	0			0	0			0	(29)
Kirkmichael Primary School Upgrades	0	0			0	0			0	98
Capital Receipt (ring-fenced)	0	0			0	0			0	(100)
Early Learning & Childcare	0	0			0	0			0	38
- Letham Primary School Upgrade Project	0	0			0	0			0	19
- Rattray Primary School Upgrade Project	0	0			0	0			0	1,815
North/West Perth - New Primary School	15,000	400			400	0			0	24,000
Riverside Primary New School	0	0			0	0			0	14,653
Technology Upgrades	0	0			0	0			0	1,431
Perth Academy - Refurbishment	2,150	2,150			2,150	0			0	9,980
Perth Grammar School - Upgrade Programme Phase 3	1,500	504			504	0			0	5,565
Perth High School - Internal Services & Refurbishment	0	0			0	0			0	21
Perth High School - New School Investment	10,600	7,800		(4,200)	3,600	0			0	76,836
Harris Academy/Invergowrie - Extension	0	0			0	0			0	5,200
<b>TOTAL: EDUCATION AND CHILDREN'S SERVICES</b>	<b>41,803</b>	<b>17,504</b>	<b>150</b>	<b>(2,350)</b>	<b>15,304</b>	<b>6,823</b>	<b>150</b>	<b>(150)</b>	<b>6,823</b>	<b>215,485</b>
<b>COMMUNITIES</b>										
<b>Traffic &amp; Road Safety</b>										
Road Safety Initiatives (20mph Zones etc..)	362	200		162	362	200		161	361	1,447
Additional Road Safety - Pedestrian Crossings	175	0			0	0			0	525
Schools Road Safety Measures	0	0			0	0			0	652
Scottish Government Grant - CWSS	0	0			0	0			0	(106)
20mph Signage Programme - Schools	0	0			0	0			0	200
20mph Signage Programme	0	0			0	0			0	76
Cycling Walking & Safer Routes (CWSR)	200	200			200	200			200	2,769
Scottish Government Grant - CWSR	(200)	(200)			(200)	(200)			(200)	(2,649)
Third Party Contribution (TACTRAN)	0	0			0	0			0	(120)
Car Parking Investment	0	0			0	0			0	322
Car Parking Investment - Pitlochry	0	0			0	0			0	150
Strathmore Cycle Network	84	0			0	0			0	84
<b>Sub-Total</b>	<b>621</b>	<b>200</b>	<b>0</b>	<b>162</b>	<b>362</b>	<b>200</b>	<b>0</b>	<b>161</b>	<b>361</b>	<b>3,350</b>
<b>Asset Management - Roads &amp; Lighting</b>										
Structural Maintenance	9,593	9,800			9,800	7,500			7,500	61,572
Third Party Contribution (Forestry Commission Timber Routes)	0	0			0	0			0	(1,316)
Traffic Signal Renewals - Upgrading	0	0			0	0			0	199
Third Party Contributions	0	0			0	0			0	(3)
Footways	435	435			435	435			435	2,699
Third Party Contributions	0	0			0	0			0	0
Investment in Local Footpaths	100	0		100	100	0			0	200
Road Safety Barriers	0	0			0	0			0	33
<b>Sub-Total</b>	<b>10,128</b>	<b>10,235</b>	<b>0</b>	<b>100</b>	<b>10,335</b>	<b>7,935</b>	<b>0</b>	<b>0</b>	<b>7,935</b>	<b>63,384</b>
<b>Asset Management - Bridges</b>										
Bridge Refurbishment Programme	1,445	1,746			1,746	1,406			1,406	10,924
Dalhenzean Culvert	0	0			0	0		264	264	307
Dunkeld Golf Course	0	0			0	0		219	219	248
Vehicular Bridge Parapets Programme - Assess & Upgrade	0	0			0	0			0	29
Old Perth Bridge - Strengthening	2,369	0			0	0			0	2,569
Perth Queens Bridge - Strengthening	70	2,153			2,153	0			0	2,618
Garry Viaduct	300	0	1,900		1,900	0	1,790		1,790	4,400
Culteuchar Culvert	0	0			0	0			0	437
Glendevon Bridge	0	0			0	0			0	235
Tullyfergus Bridge	0	0			0	0		134	134	134
<b>Sub-Total</b>	<b>4,184</b>	<b>3,899</b>	<b>1,900</b>	<b>0</b>	<b>5,799</b>	<b>1,406</b>	<b>1,790</b>	<b>617</b>	<b>3,813</b>	<b>21,901</b>

PERTH AND KINROSS COUNCIL  
COMPOSITE CAPITAL PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2027/28

	Revised Budget  Report 4 2025/26 (£'000)	Revised Budget  Report 3 2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Revised Budget  Report 3 2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>Improvement Schemes</b>										
A9/A85 Road Junction Improvements	0	0			0	0			0	359
Cross Tay Link Road (CTLR)	0	0			0	0			0	133,703
Scottish Government Grant	0	0			0	0			0	(35,000)
A977 Upgrades	0	0			0	0			0	540
Brioch Road, Crieff - Road Realignment & Safety Measures	0	0			0	0			0	31
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>99,633</b>
<b>Rural Flood Protection Schemes</b>										
Almondbank Flood Protection Scheme	0	0			0	0			0	93
Revenue Contribution	0	0			0	0			0	(54)
Perth Flood Protection Scheme (Pump Replacement)	0	0			0	0			0	0
Perth Flood Protection Scheme (South Inch Culvert Reinstatement)	0	0			0	0			0	386
Comrie Flood Protection Scheme	0	0			0	0			0	26,083
Milnathort Flood Protection Scheme	0	0			0	0			0	1,754
South Kinross Flood Protection Scheme	1,787	0			0	0			0	3,310
Scone Flood Protection Scheme	601	0			0	0			0	772
Coastal Change Adaptation	0	0			0	0			0	100
<b>Sub-Total</b>	<b>2,388</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,444</b>
<b>Perth &amp; Kinross Place-making</b>										
Mill Street Environmental Improvements	0	0			0	0			0	127
Perth, Place, People	0	0			0	0			0	3,599
Perth City Centre Golden Route (Rail Station)	0	0			0	0			0	30
City Greening	0	0			0	0			0	31
Perth & Kinross Lighting Action Plan	0	0			0	0			0	2,752
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,539</b>
<b>Other Planning Projects</b>										
Creative Exchange (former St. John's Primary School)	0	0			0	0			0	53
Town Centre - Regeneration & Economic Improvements	0	0			0	0			0	26
Scottish Government Grant	0	0			0	0			0	(66)
TCF Revenue Contribution	0	0			0	0			0	(23)
Local Full Fibre Network	0	0			0	0			0	158
Third Party Contribution - TCF	0	0			0	0			0	40
Third Party Contribution - Tay Cities Deal	0	0			0	0			0	(198)
Low Carbon Transport & Active Travel Hub - Broxden EV Charger	0	0			0	0			0	994
Third Party Contribution - ERDF	0	0			0	0			0	(376)
Third Party Contribution - Tay Cities Deal	0	0			0	0			0	(617)
Perth Eco-Innovation Park at Perth West	9,017	0			0	0			0	32,817
Third Party Contributions - Tay Cities Deal	(550)	(550)	45		(505)	(505)	(1,451)		(1,956)	(5,000)
Other Third Party Contributions	0	(1,000)	(1,000)		(2,000)	(1,000)	(2,000)		(3,000)	(5,000)
Capital Receipts - Ring Fenced Land Disposals	0	(550)			(550)	(550)	(175)		(725)	(1,275)
Coupar Angus - Strathmore Community Hub	0	0			0	0			0	63
Nature Restoration	0	0			0	0			0	206
<b>Sub-Total</b>	<b>8,467</b>	<b>(2,100)</b>	<b>(955)</b>	<b>0</b>	<b>(3,055)</b>	<b>(2,055)</b>	<b>(3,626)</b>	<b>0</b>	<b>(5,681)</b>	<b>21,802</b>
<b>City Centre Developments - Cultural Attractions</b>										
Perth Museum	0	0			0	0			0	13,010
Perth Art Gallery	0	0			0	0			0	3,316
Collections Centre	0	0			0	0			0	0
PH2O	25,000	20,000			20,000	15,000			15,000	90,000
<b>Sub-Total</b>	<b>25,000</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>106,326</b>
<b>Community Planning</b>										
Letham Community Wellbeing Hub	0	0			0	0			0	3,869
Scottish Government Grant (Regeneration Fund)	0	0			0	0			0	(524)
Third Party Contribution (Letham4All)	0	0			0	0			0	(519)
Revenue Contribution (Place Based Development Grant)	0	0			0	0			0	(735)
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,091</b>

	Revised Budget  Report 4 2025/26 (£'000)	Revised Budget  Report 3 2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Revised Budget  Report 3 2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>Community Greenspace</b>										
Play Areas - Improvements Implementation Strategy	878	150			150	150			150	2,754
Third Party Contribution	0	0			0	0			0	(47)
Revenue Contribution (Developer Contribution Reserve)	0	0			0	0			0	(2)
3G Pitch, Blairgowrie	0	0			0	0			0	138
Settlement/Neighbourhood Parks	0	0			0	0			0	25
Countryside Sites	0	0			0	0			0	162
Community Greenspace Sites	682	532		150	682	528		150	678	2,696
Community Greenspace Bridges	0	0			0	0			0	92
Core Path Implementation	0	0			0	0			0	48
Third Party Contribution	0	0			0	0			0	(60)
Alyth Environmental Improvements	0	0			0	0			0	0
Premier Parks	0	0			0	0			0	53
Auchterarder Public Park	0	0			0	0			0	324
Third Party Contribution	0	0			0	0			0	(201)
The Knock	0	0			0	0			0	9
Kinnoull Hill	0	0			0	0			0	8
Cemetery Extensions	100	100			100	100			100	919
<b>Sub-Total</b>	<b>1,660</b>	<b>782</b>	<b>0</b>	<b>150</b>	<b>932</b>	<b>778</b>	<b>0</b>	<b>150</b>	<b>928</b>	<b>6,918</b>
<b>Waste Strategy</b>										
Recycling Improvement Fund	0	0			0	0			0	2,721
Scottish Government Grant	0	0			0	0			0	(2,721)
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Support Services</b>										
<u>PC Replacement &amp; IT Upgrades</u>										
Hardware	15	17		(3)	14	17		(3)	14	95
Licenses	95	120		(49)	71	120		(49)	71	635
<b>Sub-Total</b>	<b>110</b>	<b>137</b>	<b>0</b>	<b>(52)</b>	<b>85</b>	<b>137</b>	<b>0</b>	<b>(52)</b>	<b>85</b>	<b>730</b>
<b>Commercial Property Investment Programme</b>										
North Muirton Industrial Estate - Site Servicing & Provision of Units	0	0			0	0			0	58
Broxden Business Park - Additional Infrastructure	0	0			0	0			0	17
Western Edge, Kinross - Site Servicing	0	0			0	0			0	17
Additional Infrastructure Investment - Broxden	0	0			0	0			0	46
Broxden Drainage Mitigation Works	0	0			0	0			0	308
Third Party Contribution (Scottish Water)	0	0			0	0			0	(239)
Ruthvenfield Business Centre	0	0			0	0			0	1,655
Third Party Contribution	0	0			0	0			0	(115)
North Muirton Drainage	0	0			0	0			0	47
North Muirton Industrial Estate Expansion Land - Servicing	0	0			0	0			0	0
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,794</b>
<b>Prudential Borrowing Projects</b>										
Wheeled Bin Replacement Programme - Domestic Bins	200	200			200	200			200	1,265
Wheeled Bin Replacement Programme - Commercial Bins	20	20			20	20			20	139
Recycling Containers, Oil Banks & Battery Banks Replacement Programme	65	65			65	65			65	436
Capital Receipts - Disposals	0	0			0	0			0	(4)
Litter Bins	50	50			50	50			50	250
Smart Cities - Smart Waste	0	0			0	0			0	305
Third Party Contribution (ERDF)	0	0			0	0			0	(118)
Vehicle Replacement Programme	3,300	3,300			3,300	3,000			3,000	15,899
Capital Receipts - Vehicle Disposals	(377)	(377)			(377)	(347)			(347)	(1,868)
Crematorium - Abatement Works	0	0			0	0			0	9
Street Lighting Renewal - LED & Column Replacement	825	959		(418)	541	932		(340)	592	4,263
LED Traffic Signal Replacement	0	0			0	0			0	146
Almondbank Flood Protection Scheme	0	0			0	0			0	4
Land Purchase & Development (Hotel Development)	950	0			0	0			0	1,900
Technology & Innovation Incubator Units	0	0			0	0			0	0
<b>Sub Total</b>	<b>5,033</b>	<b>4,217</b>	<b>0</b>	<b>(418)</b>	<b>3,799</b>	<b>3,920</b>	<b>0</b>	<b>(340)</b>	<b>3,580</b>	<b>22,626</b>
<b>Housing Projects</b>										
Gypsy Travellers Site Improvement Works	0	0			0	0			0	207
Additional Gypsy Traveller Site Improvement Works	0	0			0	0			0	225
Gypsy Traveller Site Community Improvement Works	0	0			0	0			0	33
New Gypsy Traveller Site	0	0			0	0			0	2,000
<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,465</b>

TOTAL: COMMUNITIES

Revised Budget  Report 4 2025/26 (£'000)	Revised Budget  Report 3 2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Revised Budget  Report 3 2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
57,591	37,370	945	(58)	38,257	27,321	(1,836)	536	26,021	392,003

	Revised Budget  Report 4 2025/26 (£'000)	Revised Budget  Report 3 2026/27 (£'000)	Approved Budget Adjustment 01-Mar-23 2026/27 (£'000)	Proposed Budget Adjustment Report 4 2026/27 (£'000)	Revised Budget  Report 4 2026/27 (£'000)	Revised Budget  Report 3 2027/28 (£'000)	Approved Budget Adjustment 01-Mar-23 2027/28 (£'000)	Proposed Budget Adjustment Report 4 2027/28 (£'000)	Revised Budget  Report 4 2027/28 (£'000)	Revised Budget  Report 4 TOTAL (£'000)
<b>Health &amp; Social Care</b>										
Occupational Therapy Equipment	250	250			250	250			250	1,500
Technology Enabled Telecare	1,000	1,000			1,000	1,000			1,000	6,000
Moving & Handling Office Refurbishment	0	0			0	0			0	29
Software Licences	53	53			53	69			69	334
Developing Supported Tenancies	0	0			0	0			0	229
<b>TOTAL: HEALTH &amp; SOCIAL CARE</b>	<b>1,303</b>	<b>1,303</b>	<b>0</b>	<b>0</b>	<b>1,303</b>	<b>1,319</b>	<b>0</b>	<b>0</b>	<b>1,319</b>	<b>8,092</b>
<b>CORPORATE AND DEMOCRATIC SERVICES</b>										
<u>Property Services</u>										
DDA Adaptation & Alteration Works Programme	200	200			200	200			200	1,374
Property Compliance Works Programme	650	650			650	650			650	4,655
Capital Improvement Projects Programme	1,800	1,800			1,800	894			894	10,081
Pitlochry High School - Upgrade Programme	0	0			0	0			0	725
Community School of Auchterarder - Structural Improvements	0	0			0	0			0	736
CO2 Monitors for Schools Programme	0	0			0	0			0	81
Energy Efficiency Works - Various Properties	0	0			0	0			0	99
Revenue Contribution (Salix Reserve)	0	0			0	0			0	(99)
Decarbonisation - Prudential Borrowing Programme (PB)	0	0			0	0			0	2,000
Energy Conservation & Carbon Reduction Programme (PB)	150	150			150	150			150	918
<u>Information Systems &amp; Technology</u>										
ICT Infrastructure & Replacement and Upgrade Programme	3,498	2,633			2,633	2,793			2,793	18,573
Data & Analytics	646	668			668	691			691	3,970
Supporting Digital	737	760			760	785			785	5,002
Software Licences (Revenues & Benefits)	51	51			51	51			51	306
School Audio-Visual (AV) Equipment Replacement Programme	0	0			0	0			0	1,926
Mosaic - Swift Social Work System Replacement	21	0			0	0			0	2,377
Revenue Contribution	(125)	0			0	0			0	(249)
Customer Service Blueprint	0	0			0	0			0	0
<b>TOTAL: CORPORATE AND DEMOCRATIC SERVICES</b>	<b>7,628</b>	<b>6,912</b>	<b>0</b>	<b>0</b>	<b>6,912</b>	<b>6,214</b>	<b>0</b>	<b>0</b>	<b>6,214</b>	<b>52,475</b>
<b>TOTAL COMPOSITE NET EXPENDITURE</b>	<b>108,325</b>	<b>63,089</b>	<b>1,095</b>	<b>(2,408)</b>	<b>61,776</b>	<b>41,677</b>	<b>(1,686)</b>	<b>386</b>	<b>40,377</b>	<b>668,055</b>
(NET OF GRANTS, REVENUE AND 3RD PARTY CONTRIBUTIONS, AND RING FENCE)										
<b>CAPITAL RECEIPTS</b>										
General Capital Grant - Scottish Government	(12,639)	(12,265)	115		(12,150)	(12,265)	115		(12,150)	(87,672)
Developer Contributions	(2,367)	(2,600)			(2,600)	(2,600)			(2,600)	(13,516)
General Fund - Capital Receipts/Disposal	(250)	(250)		0	(250)	(250)		0	(250)	(1,980)
Commercial Property - Capital Receipts/Disposal	(308)	0		0	0	0		0	0	(2,231)
<b>Total: Capital Receipts</b>	<b>(15,564)</b>	<b>(15,115)</b>	<b>115</b>	<b>0</b>	<b>(15,000)</b>	<b>(15,115)</b>	<b>115</b>	<b>0</b>	<b>(15,000)</b>	<b>(105,399)</b>
<b>Annual Composite Borrowing Requirement</b>	<b>92,761</b>	<b>47,974</b>	<b>1,210</b>	<b>(2,408)</b>	<b>46,776</b>	<b>26,562</b>	<b>(1,571)</b>	<b>386</b>	<b>25,377</b>	<b>562,656</b>
<b>CAPITAL RECEIPTS BROUGHT FORWARD</b>	<b>(2,685)</b>	<b>(3,015)</b>		<b>22</b>	<b>(2,993)</b>	<b>(3,015)</b>		<b>22</b>	<b>(2,993)</b>	<b>(2,556)</b>
<b>CAPITAL RECEIPTS CARRIED FORWARD</b>	<b>2,993</b>	<b>3,015</b>		<b>(22)</b>	<b>2,993</b>	<b>3,015</b>		<b>(22)</b>	<b>2,993</b>	<b>2,993</b>
<b>TOTAL NET COMPOSITE BORROWING REQUIREMENT</b>	<b>93,069</b>	<b>47,974</b>	<b>1,210</b>	<b>(2,408)</b>	<b>46,776</b>	<b>26,562</b>	<b>(1,571)</b>	<b>386</b>	<b>25,377</b>	<b>563,093</b>



**PERTH AND KINROSS COUNCIL  
HRA CAPITAL INVESTMENT PROGRAMME  
SUMMARY OF CAPITAL RESOURCES AND EXPENDITURE 2022/23 to 2026/27**

	Approved Budget 01-Feb-23  2022/23 £'000	Approved Budget Adjustment 25-Jan-23 2022/23 £'000	Proposed Budget Adjustment Report 4 2022/23 £'000	Revised Budget Report 4 2022/23 £'000	Actual to 28-Feb-23  2022/23 £'000	Projected Outturn Report 4 2022/23 £'000	Approved Budget 01-Feb-23  2023/24 £'000	Approved Budget Adjustment 25-Jan-23 2023/24 £'000	Proposed Budget Adjustment Report 4 2023/24 £'000	Revised Budget Report 4 2023/24 £'000	Approved Budget 01-Feb-23  2024/25 £'000	Approved Budget Adjustment 25-Jan-23 2024/25 £'000	Proposed Budget Adjustment Report 4 2024/25 £'000	Revised Budget Report 4 2024/25 £'000	Approved Budget 01-Feb-23  2025/26 £'000	Approved Budget Adjustment 25-Jan-23 2025/26 £'000	Proposed Budget Adjustment Report 4 2025/26 £'000	Revised Budget Report 4 2025/26 £'000	Approved Budget 01-Feb-23  2026/27 £'000	Approved Budget Adjustment 25-Jan-23 2026/27 £'000	Proposed Budget Adjustment Report 4 2026/27 £'000	Revised Budget Report 4 2026/27 £'000	Revised Budget Report 4 TOTAL £'000
<b><u>Council House New Build Programme</u></b>																							
<b>Glebe, Scone - 65 Units</b>	21	0		21		21	0	0		0	0	0		0	0	0		0	0	0	0		21
Council Tax (Second Income)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Scottish Government Subsidy	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
	21	0	0	21	0	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21
<b>Milne Street, Perth - 8 Units</b>	3	0		3		3	0	0		0	0	0		0	0	0		0	0	0	0		3
Council Tax (Second Income)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Third Party Contribution (Commutated Sums)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Scottish Government Subsidy	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
	3	0	0	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3
<b>Huntingtower, Perth - 70 Units</b>	2	0		2		2	0	0		0	0	0		0	0	0		0	0	0	0		2
Council Tax (Second Income)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Scottish Government Subsidy	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
	2	0	0	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
<b>Fairfield, Perth</b>	2,653	0		2,653	2,088	2,653	0	0		0	0	0		0	0	0		0	0	0	0		2,653
Council Tax (Second Income)	(360)	0		(360)	(360)	(360)	0	0		0	0	0		0	0	0		0	0	0	0		(360)
Scottish Government Subsidy	(652)	0		(652)	(651)	(652)	0	0		0	0	0		0	0	0		0	0	0	0		(652)
	1,641	0	0	1,641	1,077	1,641	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,641
<b>Lynedoch Road, Methven</b>	2,362	0	218	2,580	2,193	2,580	1,039	0	(218)	821	0	0		0	0	0		0	0	0	0		3,401
Council Tax (Second Income)	(480)	0		(480)	(480)	(480)	0	0		0	0	0		0	0	0		0	0	0	0		(480)
Scottish Government Subsidy	(1,074)	0		(1,074)	(1,074)	(1,074)	0	0		0	0	0		0	0	0		0	0	0	0		(1,074)
	808	0	218	1,026	639	1,026	1,039	0	(218)	821	0	0	0	0	0	0	0	0	0	0	0	0	1,847
<b>Newburgh Road, Abernethy</b>	414	0		414	424	414	0	0		0	0	0		0	0	0		0	0	0	0		414
Council Tax (Second Income)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Scottish Government Subsidy	0	0		0	(21)	0	0	0		0	0	0		0	0	0		0	0	0	0		0
Capital Receipts	(708)	0		(708)	(766)	(708)	0	0		0	0	0		0	0	0		0	0	0	0		(708)
	(294)	0	0	(294)	(363)	(294)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(294)
<b>Future Developments</b>	3,751	0		3,751		3,751	4,894	0		4,894	5,128	0		5,128	6,014	0		6,014	3,014	3,000		6,014	25,801
Council Tax (Second Income)	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
Scottish Government Subsidy	0	0		0		0	0	0		0	0	0		0	0	0		0	0	0	0		0
	3,751	0	0	3,751	0	3,751	4,894	0	0	4,894	5,128	0	0	5,128	6,014	0	0	6,014	3,014	3,000	0	6,014	25,801
<b>Total Council House New Build</b>	<b>5,932</b>	<b>0</b>	<b>218</b>	<b>6,150</b>	<b>1,353</b>	<b>6,150</b>	<b>5,933</b>	<b>0</b>	<b>(218)</b>	<b>5,715</b>	<b>5,128</b>	<b>0</b>	<b>0</b>	<b>5,128</b>	<b>6,014</b>	<b>0</b>	<b>0</b>	<b>6,014</b>	<b>3,014</b>	<b>3,000</b>	<b>0</b>	<b>6,014</b>	<b>29,021</b>
<b><u>Increase in Council House Stock</u></b>																							
Council House Buy-Backs	3,298	0	822	4,120	4,121	4,120	4,050	0	(612)	3,438	3,000	0		3,000	3,000	0		3,000	3,000	0		3,000	16,558
Scottish Government Subsidy	(1,050)	0	(210)	(1,260)	(1,050)	(1,260)	(1,050)	0		(1,050)	0	0		0	0	0		0	0	0		0	(2,310)
	<b>2,248</b>	<b>0</b>	<b>612</b>	<b>2,860</b>	<b>3,071</b>	<b>2,860</b>	<b>3,000</b>	<b>0</b>	<b>(612)</b>	<b>2,388</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>14,248</b>
<b>Lock-ups and Garage Sites</b>	0	0		0		0	0	0		0	50	0		50	0	0		0	0	0		0	50

Approved Budget 01-Feb-23	Approved Budget Adjustment 25-Jan-23	Proposed Budget Adjustment Report 4	Revised Budget	Actual to 28-Feb-23	Projected Outturn Report 4	Approved Budget 01-Feb-23	Approved Budget Adjustment 25-Jan-23	Proposed Budget Adjustment Report 4	Revised Budget	Approved Budget 01-Feb-23	Approved Budget Adjustment 25-Jan-23	Proposed Budget Adjustment Report 4	Revised Budget	Approved Budget 01-Feb-23	Approved Budget Adjustment 25-Jan-23	Proposed Budget Adjustment Report 4	Revised Budget	Approved Budget 01-Feb-23	Approved Budget Adjustment 25-Jan-23	Proposed Budget Adjustment Report 4	Revised Budget	Revised Budget
2022/23 £'000	2022/23 (£'000)	2022/23 £'000	Report 4 2022/23 £'000	2022/23 £'000	2022/23 £'000	2023/24 £'000	2023/24 (£'000)	2023/24 £'000	Report 4 2023/24 £'000	2024/25 £'000	2024/25 (£'000)	2024/25 £'000	Report 4 2024/25 £'000	2025/26 £'000	2025/26 (£'000)	2025/26 £'000	Report 4 2025/26 £'000	2026/27 £'000	2026/27 (£'000)	2026/27 £'000	Report 4 2026/27 £'000	Report 4 TOTAL £'000
864 0	0 0	(142)	722 0	538	722 0	0	0	142	142 0	0	0		0	0	0		0	0	0		0	864 0
941	0		941	395	941	1,000	0		1,000	1,686	0		1,686	0	0		0	0	0		0	3,627
111	0	220	331	90	331	0	0	2,500	2,500	0	0		0	0	0		0	0	0		0	2,831
35 (2)	0 0		35 (2)	38 (1)	35 (2)	0	0		0	30	0		30	0	0		0	0	0		0	65 (2)
290	0	50	340	211	340	1,832	0	(50)	1,782	1,504	0		1,504	625	0		625	0	0		0	4,251
1,110	0	400	1,510	1,252	1,510	0	0		0	0	0		0	0	0		0	0	0		0	1,510
2,200 0	0 0	400	2,600 0	2,340 (16)	2,600 0	598 0	0	(400)	198 0	528 0	0		528 0	625 0	0		625 0	0	0		0	3,951 0
331	0		331	78	331	0	0		0	875	0		875	625	0		625	0	0		0	1,831
2,290	(2,000)		290	30	290	0	2,000		2,000	0	0		0	0	0		0	0	0		0	2,290
602	0		602	378	602	333	0		333	0	0		0	0	0		0	0	0		0	935
524	0		524	481	524	0	0		0	0	0		0	0	0		0	0	0		0	524
140	0		140	13	140	162	0		162	100	0		100	42	0		42	0	0		0	444
20	0		20		20	458	0		458	250	0		250	522	0		522	0	0		0	1,250
0	0		0		0	0	0		0	0	0		0	7,216	0	(3,150)	4,066	10,030	0		10,030	14,096
9,456	(2,000)	928	8,384	5,827	8,384	4,383	2,000	2,192	8,575	4,973	0	0	4,973	9,655	0	(3,150)	6,505	10,030	0	0	10,030	38,467
4	0		4		4	0	0		0	100	0		100	0	0		0	0	0		0	104
273	0		273		273	0	0		0	0	0		0	0	0		0	0	0		0	273
109	0	(100)	9	2	9	0	0	100	100	0	0		0	0	0		0	0	0		0	109
25 0	0 0		25 0	2	25 0	0	0		0	0	0		0	0	0		0	0	0		0	25 0
227	0		227	208	227	0	0		0	0	0		0	0	0		0	0	0		0	227
0	0		0		0	2,991	0		2,991	402	0		402	0	0		0	0	0		0	3,393
192	0	(186)	6	3	6	50	0	186	236	50	0		50	0	0		0	0	0		0	292
34	0		34		34	0	0		0	50	0		50	0	0		0	0	0		0	84
13	0	35	48	17	48	0	0		0	5	0	(5)	0	0	0		0	0	0		0	48
0 0	0 0	73 (73)	73 (73)	12 0	73 (73)	0 0	0 0		0 0	0 0	0 0		0 0	0 0	0 0		0 0	0 0	0 0		0 (73)	73 (73)
31	0		31	32	31	0	0		0	0	0		0	0	0		0	0	0		0	31
143	0	(139)	4	4	4	0	0	139	139	0	0		0	0	0		0	0	0		0	143
178	0	(178)	0		0	50	0	178	228	50	0		50	0	0		0	0	0		0	278
125	0		125		125	50	0		50	50	0		50	0	0		0	0	0		0	225
1,354	0	(568)	786	280	786	3,141	0	603	3,744	707	0	(5)	702	0	0	0	0	0	0	0	0	5,232
18,990	(2,000)	1,190	18,180	10,531	18,180	16,457	2,000	1,965	20,422	13,858	0	(5)	13,853	18,669	0	(3,150)	15,519	16,044	3,000	0	19,044	87,018
(9)		(185)	(194)	(9)	(194)	0	0		0	0	0		0	0	0		0	0	0		0	(194)
(2,458)	0		(2,458)		(2,458)	(2,645)	590		(2,055)	(3,329)	1,411		(1,918)	(3,960)	1,712		(2,248)	(4,279)	1,759		(2,520)	(11,199)
16,523	(2,000)	1,005	15,528	10,522	15,528	13,812	2,590	1,965	18,367	10,529	1,411	(5)	11,935	14,709	1,712	(3,150)	13,271	11,765	4,759	0	16,524	75,625



Project Title	Total Gross Budget (£'000)	Third Party Funding (£'000)	Total Net Budget (£'000)	Projected Outturn (£'000)	Completion Date	Contract Awarded	On Site	Status	Change Since Last Report	Additional Commentary
Blairgowrie Recreation Centre - Replacement	36,000	0	36,000	36,000	Easter 2025 - new centre currently scheduled to open late 2024	Yes	Yes	On track	Yes - on-site and letter of intent signed	Additional £9.3m of funding approved by the Council on 1 March 2023. Letter of intent signed with Hubco/BAM to secure some pricing elements. Anticipated financial close and start on site for mid-May 2023, with estimated completion for Easter 2025.
North/West Perth New Primary School*	24,000	0	24,000	24,000	Summer 2026	No	No	On track	No	New Project Request submitted to HubCo in February 2023. Consultant/ Contractor selection in progress.
Riverside Primary New School	19,899	0	19,899	19,899	Early summer 2023	Yes	Yes	New completion date agreed	Yes - revised completion date	Completion date changed due to commissioning requirements
Perth High School - New School Investment	80,200	0	80,200	80,200	Summer 2026 - school building currently scheduled to open summer 2025	Yes	Yes	On track	Yes - on-site and FC concluded	FC concluded and construction works commenced.
Harris Academy/Invergowrie Extension	5,200	0	5,200	5,200	Late 2023	Yes	Yes	On track	No	Construction contract signed - project to be delivered by Dundee City Council
Cross Tay Link Road (CTLR)	150,500	40,000	110,500	110,500	Spring 2025	Yes	Yes	On track	No	Some movement in expenditure in 2022/23 relating to programming of works, as well as risk contingency and compensation events not materialising in year. Expenditure reprofiled.
Comrie Flood Protection Scheme	28,435	0	28,435	28,435	End of 2024	No	No	Advance works substantially complete	No	Detailed design on-going; anticipated completion is at end of March 2023. Preliminary advance works are ongoing and substantially complete with main construction works anticipated to start in summer 2023, with a duration of 18 months.
Perth Eco Innovation Park*	32,817	11,275	21,542	21,542	Not currently programmed	No	No	Preliminary design works completed	Yes - confirmation of additional resources approved by Council	Following the application for Levelling Up Fund Grant funding of £10 million being unsuccessful, the Council approved a net increased of £10m on 1 March 2023. Further contributions and receipts are anticipated in years beyond the current programme to 2027/28.
Perth Museum	27,232	10,300	16,932	16,932	Spring 2024	Yes	Yes	On track	No	
Collections Centre	0	0	0	0	n/a	No	No	Project removed from the programme by the Council on 1 March 2023	Yes	
PH2O	90,000	0	90,000	90,000	Not currently programmed	No	No	Outline Business Case reported to Council 23 February 2023, and project on hold pending review.	Yes	Council approved to put the project on hold due to affordability and pending the outcome of a wider review in to leisure and cultural assets and how best to target the required investment in arts and leisure for the benefit of the wider community.

\* Third Party Funding excludes Developer Contributions and receipts to be received in future years beyond the current 5-year programme.



## **PERTH AND KINROSS COUNCIL**

**Finance & Resources Committee  
26 April 2023**

### **TREASURY ACTIVITY AND COMPLIANCE REPORT 2022/23 QUARTER 4**

**Report by Head of Finance  
(Report No. 23/122)**

#### **1. PURPOSE**

- 1.1 The purpose of this report is to update the Committee on Treasury Activity for the quarter ending 31 March 2023 and to report on compliance with the Council's Treasury Management Policy Statement (TMPS); Investment Strategy and Prudential Indicators.

#### **2. RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- (i) notes the content of this report.
  - (ii) approves the continuation of the Council's 2022/23 Permitted Investments until 10 May 2023.

#### **3. STRUCTURE OF REPORT**

- 3.1 This report is structured over the following sections:
- Section 4: Economic Background
  - Section 5: Treasury Activity
  - Section 6: Compliance
  - Section 7: Investment Strategy Compliance and Performance
  - Section 8: Prudential Indicators
  - Section 9: Conclusion

#### **4. ECONOMIC BACKGROUND**

- 4.1 The Bank of England's Monetary Policy Committee (MPC) increased the UK Bank Base Rate from 3.50% to 4.0% at its meeting on 2 February 2023, with a further increase to 4.25% on 23<sup>rd</sup> March 2023. These increases were in response to high CPI inflation. While UK Inflation fell slightly from 10.5% in December 2022 to 10.1% in January 2023 it unexpectedly increased to 10.4% in February 2023. The biggest upward pressure came from the cost of food and non-alcoholic beverages mainly due to shortages of salad produce and other vegetables in Southern Europe & Africa, as well as the impact of higher electricity prices. Retail Price Index (RPI) inflation increased from 13.4% in January 2023 to 13.8% in February 2023. The latest CPI inflation figure shows a reduction to 10.1% in March 2023 (RPI 13.5%), with continuing high food prices keeping inflation higher than forecast.

- 4.2 UK Gross Domestic Product (GDP) showed no growth in the 3 months to December 2022 with exports declining and imports increasing, however this was better than forecast.
- 4.3 Internationally, Europe experienced no GDP growth in the last quarter to 31 December 2022, but there was a slight reduction in inflation. However, as inflation was still at a high level in these regions, central banks also increased their bank rates over the quarter. In the US, GDP and Inflation both fell. The US interest rate also increased in response to continued high inflation.
- 4.4 The Public Works Loan Board's (PWLB) certainty fixed interest rates for the quarter, which are based on yields on UK gilts, are shown in the graph in Appendix I. PWLB borrowing rates showed significant volatility over the quarter and had decreased at the start of the quarter before increasing significantly in the second half of the quarter. The volatility was caused by the impact of base rate increases, inflationary pressures, and economic growth prospects relative to other major economies. Uncertainty surrounding the global banking sector also added to the volatility towards the end of the quarter. Over the 3-month period, longer-term rates were slightly lower by the end of the quarter, whilst the short term (1 year) rate ended higher.

## **5. TREASURY ACTIVITY**

- 5.1 A summary of the Council's treasury position and transactions is shown in Appendix II. The main activities are detailed below.
- 5.2 During the quarter there was no new long-term PWLB borrowing undertaken, however there was one maturing 11.5 year PWLB fixed-rate loan for £3 million at 4.22% repaid in the quarter. Therefore, over the quarter the Council's total long-term debt reduced from £606.3 million to £603.3 million at an average rate of 2.56%. There was 1 short-term market loan borrowed in the quarter for £3 million for 17 days at 4.0%, which was repaid before the end of the quarter.
- 5.3 Common Good and Charitable Fund balances held on fixed deposit within the Loans Fund increased slightly from £2.132 million to £2.294 million, with the average interest rate paid increasing from 1.14% to 3.93%. Funds held from associated bodies and organisations reduced from £4.129 million to £3.117 million over the quarter, in line with their own cash flow requirements, whilst the average rate paid on these funds increased from 2.86% to 3.63% in line with increases in the Bank Base Rate.
- 5.4 Short term cashflow surpluses are invested in a mixture of fixed term deposits, instant access accounts, notice accounts and money market funds. All investments were made in accordance with the approved Investment Strategy and Permitted Investments.

### **Fixed Term Deposits**

- 5.5 Cashflow surpluses which arise during the year, and which are not immediately required, are generally invested in fixed term deposits for periods

of up to 12 months, or up to 3 years where forecast cashflow requirements allow.

- 5.6 There were 14 fixed rate deposits made in the quarter (totalling £92 million) at an average amount of £3.5 million and at an average interest rate of 4.19% and average term of 176 days. Fixed deposit activity in the current quarter therefore increased from the previous quarter to 31 December (£25 million) mainly due to maturing deposits and retaining cashflows in the run up to the end of the financial year. The deposits were spread between different banking sectors and other local authorities. As interest rates increased over the quarter, the average rate also improved. Deposits undertaken in the quarter will generate £2,314,645 in interest at their maturity.

#### Investments for Daily Cashflow Requirements

- 5.7 Cashflow surpluses which are required for more immediate needs are invested in the Council's instant access, notice deposit accounts and money market funds. These investment transactions in the quarter can be summarised as follows:
- The daily average amount of such funds over the quarter reduced from £7.2 million in the last quarter to £4.4 million in the current quarter.
  - The average interest rate achieved on these accounts over the quarter increased from 2.83% to 3.64% reflecting the increase in the base rate.
  - The reduction in activity on these accounts reflects the increase in fixed deposit transactions and cashflow balances in the last quarter of the financial year.
  - Money Market Funds, which operate on instant access terms, were used extensively over the quarter to invest day-to-day cashflow balances. However, the average amount invested reduced from £11.8 million in the previous quarter to £6.5 million in the current quarter, whilst the average interest rate increased from 2.89% to 3.72%.
  - Interest generated on these investments over the quarter amounted to £90,473.
- 5.8 The total amount of investments outstanding at 31 March 2023 was £173.650 million compared to £207.67 million at the end of the previous quarter. The overall average rate of interest on the investments outstanding increased from 2.67% at the end of the previous quarter to 3.76% at the end of the current quarter. This increase reflects the increases in base rates over the quarter.
- 5.9 Total investment income generated on the investments undertaken during the quarter is £2,405,117 (£456,228 in the quarter ended 31 December 2022). This measure reflects the total return on the investment activity undertaken in each quarter and is significantly higher in comparison to the last quarter due to the increase in fixed deposit activity for longer durations, and the significant increase in interest rates available.
- 5.10 All of the above investment activities are consistent with the Council's current investment strategy and cashflow requirements.

## **6. COMPLIANCE**

- 6.1 For the quarter ending 31 March 2023, there were no breaches in compliance with the Council's approved Treasury Management Policy Statement, Treasury Management Practices (TMP's) or lending limits as detailed in TMP 4 (Approved Instruments, Methods & Techniques).
- 6.2 Appendix III shows the list of approved counterparties, based on the Council's current lending policy, as at March 2023.
- 6.3 For the quarter ending 31 March 2023 the average closing cleared bank balance was £28,405 in credit. This reflects the application of the Council's "sweep facility" operated by the bank, with any credit balance in excess of £35,000 being "swept up" overnight to the Council's instant access account.

## **7. INVESTMENT STRATEGY COMPLIANCE AND PERFORMANCE**

- 7.1 The Treasury Investment Strategy for 2022/23 was approved by the Council at its meeting on 9 March 2022 (report 22/47 refers).
- 7.2 In the current quarter, the level of Council investments peaked at £232.977 million on 18 January 2023 and reduced to £173.650 million by the end of the quarter. The average daily investment balance over the quarter was £205.159 million, which decreased from an average of £237.987 million in the previous quarter and from £262.917 million in the same quarter of last year. This highlights the significant reduction in investment balances in the quarter.
- 7.3 As a result of long-term borrowing last year, the investment balances in the current year have been higher. However, this is steadily reducing (subject to daily fluctuations) as the Capital programme is delivered, and in line with forecast cashflows particular towards the end of the financial year. In line with the approved Capital Programme, investment balances are forecast to fall significantly over the next 12 months.
- 7.4 The Investment Strategy was applied in full over the quarter, with liquidity being maintained using instant access accounts and money market funds as detailed in paragraph 5.7 above. There were no other risks identified in the quarter.
- 7.5 As the Council's Treasury & Investment Strategy for 2023/24 to 2027/28 will not be considered until the Council meeting on 10 May 2023, it is proposed that the Permitted Investments for 2022/23 continue in force until that time. It is not proposed to make any changes to the Permitted Investments or limits at this time.
- 7.6 The Investment Strategy also incorporates investments held by the Common Good Funds. All such investments during the quarter were with the Council's Loans Fund. The only Council funds held by external fund managers relate to Council administered Charitable Trusts and are, therefore, not covered by this Investment Strategy.

- 7.7 The budgeted income in 2022/23 for Commercial Property investments is £1,812,000 whilst the latest projection for the year is £1,868,000. There were no new property investments entered into during the quarter.

## **8. PRUDENTIAL INDICATORS**

- 8.1 Prudential Indicators for 2022/23 to 2027/28 were approved by the Council at the meeting on 9 March 2022 (report 22/47 refers) as part of the Annual Treasury & Investment Strategy report.
- 8.2 The latest estimates of the Prudential Indicators, in line with the Council's current approved Capital Budget and Capital Financing (borrowing) requirements, are shown in Appendix IV. These show that the Council adhered to all Prudential limits in the quarter. However, the annual Loan Charges relative to the Net Revenue stream and the Capital Financing (Borrowing) Requirement show an increasing trend which reflects the current Capital Programme and increasing interest rates forecast over the period. The estimates of Capital Expenditure and the borrowing requirements also reflect the increases approved in the Composite Capital programme over the last year.

## **9. CONCLUSION**

- 9.1 The Bank of England's MPC increased the Bank Base Rate from 3.50% to 4.25% over the quarter due to continued inflationary pressures. Inflation increased unexpectedly in February 2023 primarily due to food and energy costs.
- 9.2 PWLB borrowing rates fluctuated over the quarter due to the continued inflationary expectations and economic growth prospects. Rates for short-term PWLB borrowing increased over the quarter whilst the rates for longer term borrowing fell slightly. All rates, however, remain at higher levels compared to early in the year.
- 9.3 Investment activity in the quarter consisted mainly of the use of fixed deposits as previous deposits matured, and the use of money market funds to meet day-to-day cashflows. Investment rates and activity increased over the quarter, however, the total level of investments outstanding reduced.
- 9.4 The Council adhered to its Investment Strategy and policies throughout the quarter, with no breaches in compliance. It is proposed that the Permitted Investments for 2022/23 continue in force until the Council consider the Annual Treasury & Investment Strategy on 10 May 2023.
- 9.5 The Council's Prudential Indicators were also adhered to throughout the quarter.

### **Author(s)**

<b>Name</b>	<b>Designation</b>	<b>Contact Details</b>
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John Jennings	Senior Accountant	<a href="mailto:CHXFinance@pkc.gov.uk">CHXFinance@pkc.gov.uk</a>
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### Approved

Name	Designation	Date
Stewart MacKenzie	Head of Finance	4 April 2023
Karen Donaldson	Chief Operating Officer	4 April 2023

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All Council Services can offer a telephone translation facility.



## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	None
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

### 1. Strategic Implications

#### Corporate Plan

1.1 The Council's Corporate Plan 2022 – 2027 lays out seven outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- Tackling Poverty
- Tackling climate change and supporting sustainable places
- Growing a sustainable and inclusive local economy
- Enabling our children and young people to achieve their full potential
- Protecting and caring for our most vulnerable people
- Supporting and promoting physical and mental wellbeing
- Placing communities at the heart of how we work

1.2 This report relates to all of these objectives.

### 2. Resource Implications

#### Financial

2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

### Workforce

- 2.2 There are no direct workforce implications arising from this report.

### Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## **4. Consultation**

- 4.1 The Chief Executive and the Council's Treasury advisors, Link Asset Services, have been consulted in the preparation of this report.

## **2. BACKGROUND PAPERS**

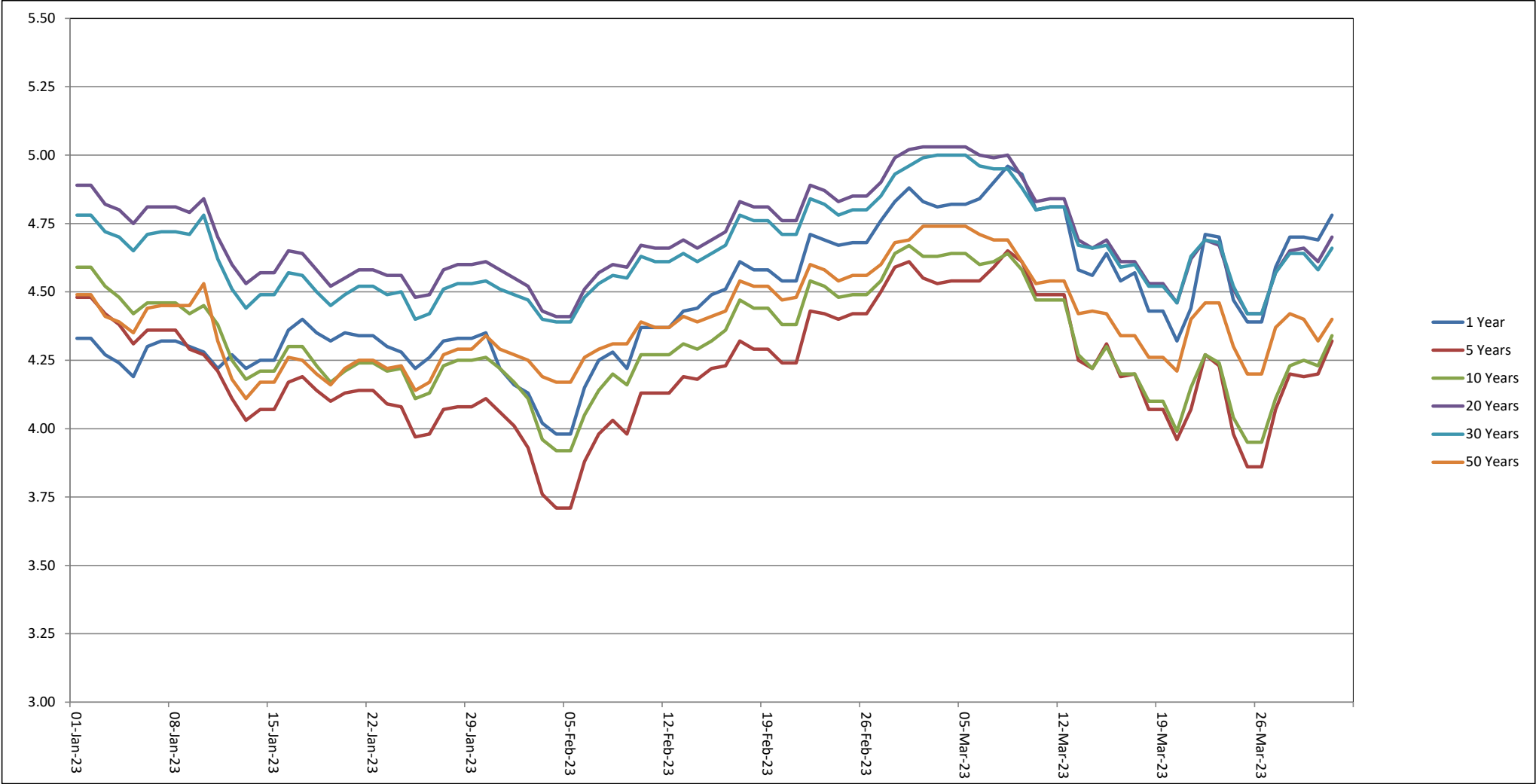
- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

## **3. APPENDICES**

- Appendix I – PWLB Fixed Maturity Interest Rates from 1 January to 31 March 2023.
- Appendix II – Summary of the Treasury Position and Transactions from 1 January to 31 March 2023.
- Appendix III – Approved Investment Counterparty List.
- Appendix IV – Monitoring of Prudential Indicators – Quarter ending 31 March 2023.



**PWLB Fixed Maturity Interest Rates  
From 1st January to 31st March 2023  
(Certainty Rate)**





**SUMMARY OF THE TREASURY POSITION AND TRANSACTIONS**  
**1 JANUARY TO 31 MARCH 2023**

**APPENDIX II**

**8**

**1 LONG TERM BORROWING**

**(a) Long Term Borrowing 1st January to 31st March 2023**

	No.	Average Rate (%)	Average Life (years)	Amount (£)
None	0	0.00%	0.00	0
	0	0.00%	0.0	0

**(b) Long Term Debt Repayments 1st January to 31st March 2023**

	No.	Average Rate (%)	Amount (£)
PWLB - Maturity Loan - Scheduled Repayments	1	4.22%	3,000,000
	1	4.22%	3,000,000

**(c) Long Term Debt Outstanding**

	Outstanding 31-Dec-22 £	Average Rate	Outstanding 31-Mar-23 £	Average Rate
Public Works Loan Board	563,000,000	2.41%	560,000,000	2.40%
Money Market Loans (LOBO's)	43,200,000	4.59%	43,200,000	4.59%
Other Long Term Debt	140,000	0.00%	140,000	0.00%
TOTAL	606,340,000	2.56%	603,340,000	2.56%

**2 SHORT TERM BORROWING**

**(a) Short Term Market Borrowing - 1st January to 31st March 2023**

	No.	Average Amount (£)	Average Rate (%)	Average Term (Days)	Interest (£)
Temporary borrowing	1	3,000,000	4.00%	17	5,589.04
	1	3,000,000	4.00%	17	5,589.04

**(b) Short Term Borrowing Outstanding**

	Outstanding 31-Dec-22 £	Average Rate	Outstanding 31-Mar-23 £	Average Rate
Market Borrowing	0	0.00%	0	0.00%
Common Good and Charitable Funds	2,131,508	1.14%	2,293,508	3.93%
Local Trusts & Investors	4,129,401	2.86%	3,117,401	3.63%
TOTAL	6,260,908	2.27%	5,410,908	3.76%

**SUMMARY OF THE TREASURY POSITION AND TRANSACTIONS**  
**1 JANUARY TO 31 MARCH 2023**

**APPENDIX II**

**3 INVESTMENTS**

**(a) Investment Transactions - 1st January to 31st March 2023**

<u>Fixed Deposits &amp; Investments</u>	<u>No.</u>	<u>Average Amount (£)</u>	<u>Average Rate (%)</u>	<u>Average Term (Days)</u>	<u>Total Interest (£)</u>
Banks	3	8,333,333	4.50%	254	800,561.64
Foreign Banks and Institutions	5	5,000,000	3.87%	98	299,611.78
Other Local Authorities	6	7,000,000	4.47%	233	1,214,471.23
	<u>14</u>	<u>3,571,429</u>	<u>4.19%</u>	<u>176</u>	<u>2,314,644.66</u>

<u>Instant/Notice Accounts &amp; Money Market Funds</u>	<u>Average Amount (£)</u>	<u>Average Rate (%)</u>	<u>Total Interest (£)</u>
Instant Access/Notice accounts	425,895	1.38%	1,093.38
Money Market Funds	6,529,455	3.72%	89,379.33
	<u>4,377,559</u>	<u>3.64%</u>	<u>90,472.71</u>

**(b) Investments Outstanding**

	<u>Outstanding 31-Dec-22</u>	<u>Average Rate</u>	<u>Outstanding 31-Mar-23</u>	<u>Average Rate</u>
	<u>£</u>		<u>£</u>	
UK Banks	98,023,256	2.81%	99,650,000	3.42%
Foreign Banks and Institutions	88,000,000	2.95%	32,000,000	3.89%
Money Market Funds	1,650,000	3.28%	0	0.00%
Other Local Authorities	20,000,000	0.75%	42,000,000	4.47%
TOTAL	<u>207,673,256</u>	<u>2.67%</u>	<u>173,650,000</u>	<u>3.76%</u>



	<u>Country</u>	<u>Fitch Credit Rating</u>	<u>CDS Range</u>	<u>Maximum Lending</u>	<u>Note (2)</u>
<b>Category 1 - Principal UK Clearing Banks - 40% Investment total (or £20M per Counterparty if higher)</b>					
(Minimum rating required Fitch A, F1)					
Bank of Scotland (RFB) (5)	UK	A+, F1	In range	6 months	£80million Group limit
Barclays Bank plc (NRFB) (5)	UK	A+, F1	No data	6 months	
Barclays Bank plc (RFB) (5)	UK	A+, F1	In range	6 months	
Goldman Sachs International Bank	UK	A+, F1	In range	6 months	
Handelsbanken plc	UK	AA, F1+	No data	12 months	
HSBC Bank plc (NRFB)	UK	AA-, F1+	In range	12 months	
HSBC Bank plc (RFB)	UK	AA-, F1+	No data	12 months	
Lloyds Bank Corporate Markets Plc (NRFB)	UK	A+, F1	No data	6 months	£80million Group limit
Lloyds Banking Group plc (RFB)	UK	A+, F1	In range	6 months	£80million Group limit
NatWest Markets Plc (NRFB)	UK	A+, F1	In range	12 months	
Royal Bank of Scotland plc (RFB) (inc Nat West) (3) (4)	UK	A+, F1	Nationalised	12 months	Sovereign Rating AA
Santander UK plc (inc Cater Allen)	UK	A+, F1	No data	12 months	
Standard Chartered Bank	UK	A+, F1	In range	6 months	
Sumitomo Mitsui Banking Corporation Europe Ltd	UK	A, F1	In range	6 months	

**Category 2 - Foreign Banks & Institutions - 25% Investment total (or £10M per Counterparty if higher)**

(Minimum rating required Fitch A, F1)

Australia and New Zealand (ANZ) Banking Group Ltd	Aus	A+, F1+	In range	12 months	
Commonwealth Bank of Australia	Aus	A+, F1+	In range	12 months	
Macquarie Bank Ltd	Aus	A, F1	No data	6 months	
National Australia Bank Ltd	Aus	A+, F1+	In range	12 months	
Westpac Banking Corporation	Aus	A+, F1+	In range	12 months	
BNP Paribas Fortis Bank	Belgium	A+, F1	No data	1 month	Sovereign Rating AA-
KBC Bank	Belgium	A+, F1	No data	1 month	Sovereign Rating AA-
Bank of Montreal	Can	AA-, F1+	No data	12 months	
Bank of Nova Scotia	Can	AA-, F1+	No data	12 months	
Canadian Imperial Bank of Commerce	Can	AA-, F1+	No data	12 months	
National Bank of Canada	Can	A+, F1	No data	6 months	
Royal Bank of Canada	Can	AA, F1+	No data	12 months	
Toronto Dominion Bank	Can	AA-, F1+	No data	12 months	
Danske Bank	Denmark	A, F1	In range	6 months	
Nordea Bank Finland plc	Finland	AA-, F1+	No data	1 month	Sovereign Rating AA+
BNP Paribas	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Agricole Corporate and Investment Bank	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Agricole SA	France	A+, F1	In range	1 month	Sovereign Rating AA
Credit Industriel et Commercial	France	A+, F1	No data	1 month	Sovereign Rating AA
DZ Bank AG	Germany	AA-, F1+	No data	12 months	
Landesbank Hessen-Thüringen Girozentral (Helaba)	Germany	A+, F1+	In range	12 months	
Landwirtschaftliche Rentenbank	Germany	AAA, F1+	No data	24 months	
NRW Bank	Germany	AAA, F1+	No data	24 months	
ABN AMRO Bank	Netherlands	A, F1	No data	6 months	
Bank Nederlandse Gemeenten	Netherlands	AAA, F1+	No data	24 months	
Coöperatieve Rabobank	Netherlands	A+, F1+	In range	12 Months	
ING Bank	Netherlands	AA-, F1+	In range	12 Months	
DBS Bank Limited	Singapore	AA-, F1+	No data	12 months	
United Overseas Bank Ltd	Singapore	AA-, F1+	No data	12 months	
Skandinaviska Enskilda Banken AB	Sweden	AA-, F1+	No data	12 months	
Svenska Handelsbanken AB	Sweden	AA, F1+	No data	12 months	
Swedbank AB	Sweden	A+, F1	No data	12 months	
UBS AG	Switzerland	AA-, F1+	In range	6 months	
Bank of America, NA	USA	AA-, F1+	No data	12 months	
Bank of New York Mellon	USA	AA, F1+	No data	24 months	
Citibank, NA	USA	A+, F1	In range	12 months	
JP Morgan Chase Bank, NA	USA	AA, F1+	No data	12 months	
Wells Fargo Bank, NA	USA	AA-, F1+	In range	12 months	

**Category 3 - Subsidiary Banks & Building Societies - 15% of Investment total (or £10M per Counterparty if higher)**

(Minimum rating required Fitch A, F1)

(parent bank shown in brackets)

**Subsidiary Banks**

None

**Building Societies**

Nationwide Building Society	UK	A, F1	No data	6 months
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**Category 4 - Other Local Authorities - 20% of Investment total (or £20M per Counterparty if higher)**

As arranged

**Category 5 Money Market Funds - 10% of Investment Total (or £10M per Counterparty if higher)**

(Minimum rating required Fitch AAA)

Aberdeen Standard Investments	UK	AAA
Aviva Investors Liquidity Fund	UK	AAA
Federated Sterling Liquidity Fund (Class 3)	UK	AAA
Insight Sterling Liquidity Fund (Class 5)	UK	AAA

**Note:**

(1) - Standard &amp; Poor's credit ratings shown, as no Fitch credit rating available

(2) - All Sovereign credit ratings for above Countries are AAA, unless stated otherwise.

(3) - Banks are part/majority owned by the UK government

(4) - UK Sovereign Rating is AA (Fitch and Standard &amp; Poor's)

(5) - NRFB = Non Ring Fenced Bank, RFB = Ring Fenced B

Last Updated: 03-Apr-23

**PERTH AND KINROSS COUNCIL**  
**PRUDENTIAL INDICATORS - QUARTER ENDING 31 MARCH 2023**

**1 Financing Costs: Net Revenue Stream**

The ratio of Capital Financing Costs (Loan Charges) to the Council's net revenue stream shall not exceed the following limits, which are based on historic levels, and allow some headroom for movement in interest rates. The estimated Financing Costs below are based on the latest monitoring figures.

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Prudential Limit - General Fund	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Estimated Ratio of Financing Costs to Revenue	6.44%	6.99%	8.27%	9.20%	9.46%	9.31%
Prudential Limit - HRA	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Estimated Ratio of Financing Costs to Revenue	23.09%	23.06%	24.12%	24.28%	23.36%	23.79%

**2 Gross & Net Borrowing and Capital Financing Requirements**

For prudence, net external borrowing must not exceed the total capital financing requirement, thus ensuring that over the medium term, borrowing is only undertaken for capital purposes. The estimated total net borrowing and Capital Financing Requirement at the end of each of the years are as follows:

	Actual as at 31-Mar-23	Projected 31-Mar-24	Projected 31-Mar-25	Projected 31-Mar-26	Projected 31-Mar-27	Projected 31-Mar-28
Net External Borrowing*	556,428,000	635,505,000	851,723,000	946,240,000	1,000,758,000	1,046,000,000
Gross External Borrowing*	730,078,000	769,155,000	980,373,000	1,074,890,000	1,129,408,000	1,174,650,000
Capital Financing Requirement	686,809,000	831,024,000	998,696,000	1,095,645,000	1,150,574,000	1,195,330,000

\*For the purpose of this indicator, Borrowing includes the outstanding liability under PPP/PFI contracts.

**3 Estimates of Gross Capital Expenditure**

The total estimated Capital Expenditure contained within the Council's Budgets for each year is as follows, based on updated monitoring figures.

Composite Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Current estimate	116,091,000	199,696,000	196,624,000	111,024,000	67,408,000	48,605,000
Original Budget Estimate (including Budget Motion)	176,562,000	173,493,000	126,749,000	61,376,000	52,519,000	43,737,000
Movement in Estimated Capital Expenditure	(60,471,000)	26,203,000	69,875,000	49,648,000	14,889,000	4,868,000

The Original Budget Estimates are those per the 2022/23 to 2027/28 Composite Capital Budget Report on 23 February 2022

The latest estimates for Capital Expenditure are based on the F&R Capital Monitoring Report No 4 on 26 April 2023.

HRA Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Current estimate	18,180,000	20,422,000	13,853,000	15,519,000	19,044,000	16,500,000
Original Budget Estimate	17,299,000	15,983,000	13,886,000	20,085,000	16,044,000	16,500,000
Movement in Estimated Capital Expenditure	881,000	4,439,000	(33,000)	(4,566,000)	3,000,000	0

The Original Budget Estimates are those per the 2020/21 Housing & Communities Budget Report on 24 January 2022.

The latest estimates for Capital Expenditure are based on the F&R Capital Monitoring Report No 4 on 26 April 2023.

**PERTH AND KINROSS COUNCIL**  
**PRUDENTIAL INDICATORS - QUARTER ENDING 31 MARCH 2023**

**APPENDIX IV**

**4 Estimate of Capital Financing Requirement**

The estimate (as at April 2023) of the Capital Financing Requirement (ie new borrowing requirement for Capital Expenditure) for each year based on these plans is as follows:

Composite Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Current Estimated Capital Financing Requirement	71,510,000	150,387,000	176,527,000	92,516,000	46,776,000	25,377,000
Original Budget Estimate (including Budget Motion)	140,264,000	137,906,000	106,775,000	41,581,000	34,804,000	26,067,000
Movement in Estimated Capital Financing Requirement	(68,754,000)	12,481,000	69,752,000	50,935,000	11,972,000	(690,000)

The Original Budget Estimates are those per the 2022/23 to 2027/28 Composite Capital Budget Report on 23 February 2022  
The latest estimates for Capital Expenditure are based on the F&R Capital Monitoring Report No 4 on 26 April 2023.

HRA Programme	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Current Estimated Capital Financing Requirement	15,528,000	18,367,000	11,935,000	13,271,000	16,524,000	13,750,000
Original Budget Estimate	14,685,000	13,338,000	10,557,000	16,125,000	11,765,000	12,000,000
Movement in Estimated Capital Financing Requirement	843,000	5,029,000	1,378,000	(2,854,000)	4,759,000	1,750,000

The Original Budget Estimates are those per the 2020/21 Housing & Communities Budget Report on 24 January 2022.  
The latest estimates for Capital Expenditure are based on the F&R Capital Monitoring Report No 4 on 26 April 2023.

**5 External Debt (Gross and Net)**

External Borrowing	As at 31-Mar-23	Projected 31-Mar-24	Projected 31-Mar-25	Projected 31-Mar-26	Projected 31-Mar-27	Projected 31-Mar-28
Public Works Loan Board	560,000,000	605,000,000	822,000,000	922,000,000	982,000,000	1,032,000,000
Market Bonds (LOBOs)	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000	43,200,000
Project Borrowing	140,000	0	0	0	0	0
Special Loans	2,293,508	2,293,508	2,293,508	2,293,508	2,293,508	2,293,508
Temporary Loans/Other Borrowing	3,117,401	2,817,401	2,517,401	2,517,401	2,517,401	2,517,401
Other Long Term Liabilities (PPP/PFI)	121,326,977	115,844,477	110,361,977	104,879,477	99,396,977	94,639,577
<b>Total Gross External Debt</b>	<b>730,077,885</b>	<b>769,155,385</b>	<b>980,372,885</b>	<b>1,074,890,385</b>	<b>1,129,407,885</b>	<b>1,174,650,485</b>
Short Term Investments	(173,650,000)	(133,650,000)	(128,650,000)	(128,650,000)	(128,650,000)	(128,650,000)
Long Term Investments	0	0	0	0	0	0
<b>Total Net External Debt</b>	<b>556,427,885</b>	<b>635,505,385</b>	<b>851,722,885</b>	<b>946,240,385</b>	<b>1,000,757,885</b>	<b>1,046,000,485</b>
<b>Note:</b>						
Operational Boundary	730,000,000	769,000,000	980,000,000	1,075,000,000	1,129,000,000	1,175,000,000
Authorised Limit	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000

The Operational Boundary and Authorised Limit are based on Gross External Debt.

**6 Principal Sums Invested Longer Than 365 Days**

The Upper Limit for sums invested for over 1 year up to 3 years is £45 million. There were no amounts invested within this period as at the end of the quarter.

**7 MATURITY STRUCTURE**

The lower and upper limit for the proportion of the Council's total-long term debt which matures in each of the time bandings below, and is therefore subject to refinancing at the prevailing market rates, is as follows:

Borrowing Maturity Structure	Lower Limit	Upper Limit	Estimated
Under 12 months	0%	35%	0.76%
over 12 months and < 24 months	0%	35%	1.45%
over 2 years and < 5 years	0%	50%	6.02%
over 5 years and < 10 years	0%	75%	7.58%
over 10 years	10%	95%	84.20%

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The maturity profile for the Council's current long-term portfolio as at 31st December 2022, measured from the start of the financial year, is as follows:

	Less 1 Year	1 - 2 Years	2 - 5 Years	5 - 10 Years	10 - 20 Years	20 - 30 Years	30 - 40 Years	40 - 50 Years	Over 50 Years	Total
PWLB	0	5,000,000	23,000,000	27,500,000	5,000,000	0	40,500,000	459,000,000	0	560,000,000
LOBOs	0	0	0	0	0	13,000,000	25,200,000	5,000,000	0	43,200,000
Other	0	0	140,000	0	0	0	0	0	0	140,000
PPP/PFI Liability	5,482,500	5,482,500	20,479,800	27,435,800	62,446,377	0	0	0	0	121,326,977
Total	5,482,500	10,482,500	43,619,800	54,935,800	67,446,377	13,000,000	65,700,000	464,000,000	0	724,666,977
Percentage	0.76%	1.45%	6.02%	7.58%	9.31%	1.79%	9.07%	64.03%	0.00%	100.00%

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