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|---|---|
| Agenda Item | **6.b** |
| Report No | **RES/31/26** |

**THE HIGHLAND COUNCIL**

| | |
|---|---|
| **Committee:** | **Corporate Resources Committee** |
| **Date:** | **27th August 2026** |
| **Report Title:** | **Corporate Capital Monitoring – Out-turn for 2025/26 and Quarter 1 for 2026/27** |
| **Report By:** | **Chief Officer – Corporate Finance** |

## 1. Purpose/Executive Summary

1.1 This report provides Members with the near final (subject to audit) corporate capital monitoring statement for the 2025/26 financial year and the corporate capital monitoring statement for the first quarter of the 2026/27 financial year (actuals to 31st May 2026), which presents a summary of the actual spend together with a forecast 2026/27 year-end outturn position.

The 2026/27 budget figures within this report take account of the updated Highland Investment Plan as reported to Council in June 2026.

1.2 Net spend on capital projects in 2025/26 totalled £116.818m for the Highland Investment Plan against a net budget figure of £171.088m, thus reflecting a net underspend of £54.270m. Net spend on capital projects for the Housing Revenue Account (HRA) in 2025/26 totalled £51.719m against a net budget figure of £75.399m, thus reflecting a net underspend of £23.680m. This report also highlights how 2025/26 capital expenditure was funded. Underspends in 25/26 have been carried forward and added to the 26/27 budgets and thus do not reflect any loss of budget overall.

1.3 Net spend on capital projects to the end of Q1 2026/27 totalled £9.416m for the Highland Investment Plan against a net annual budget figure of £169.243m. Net spend on capital projects for the Housing Revenue Account (HRA) totalled £3.853m against a net annual budget figure of £83.603m.

1.4 The forecast net outturn for the Highland Investment Plan for 2026/27 totals £137.807m and this would give rise to a forecast net underspend of £31.436m. The forecast net outturn for the HRA for 2026/27 totals £77.487m and this would give rise to a forecast net underspend of £6.116m.

1.5 The report also highlights how the planned capital expenditure for 2026/27 will be funded, with borrowing being a major source across both the Highland Investment Plan and HRA.

1.6 The Council has commissioned a review which is underway, into capital project monitoring, governance and delivery arrangements, the recommendations from which will be considered when available. The expectation is that recommendations will assist with enhancing and improving current arrangements, and amongst other objectives will consider how to improve the monitoring of and mitigating of expenditure slippage.

## 2. Recommendations

2.1 Members are asked to:

i. **Scrutinise and consider** the near final outturn for the 2025/26 financial year and the funding profile.
ii. **Scrutinise and consider** the net spend for Q1 2026/27, the forecast year end outturn and the funding profile.
iii. **Note** the review underway in relation to capital project monitoring, governance and delivery arrangements.

## 3. Implications

3.1 **Resource**: The Capital Monitoring reports, and the financial information contained therein, represent detailed information relating to the Council's financial activity. The reports present the current and forecast financial positions with no specific resource implications arising. Detailed reporting on the outturn figures and specific projects will be considered through the relevant Strategic Committees as is normal practice.

3.2 **Legal:** The contents of this report and the annual accounts aim to satisfy the requirement of Sections 6 and 7 of the CIPFA Financial Management Code - 'Monitoring financial performance' and 'External financial reporting'.

3.3 **Risk**: Risk implications to the budget position, and budget assumptions, will be kept under regular review and any project-specific risks identified will be reported to future Committees. The affordability of the Highland Investment Plan and HRA Capital Programme as a whole is subject to variations in construction industry inflation, changes in interest rates, emerging essential works and other factors.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people):** An important aspect of continued capital investment relates to managing health and safety risk. The requirement to safely maintain and enhance Council assets, essential to the delivery of frontline services, remains an increasing challenge to the Council as a number of assets reach the end of their useful economic life.

3.5 **Gaelic:** There are no specific Gaelic implications arising as a direct result of this report.

## 4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is a monitoring and update report and therefore an impact assessment is not required.

## 5. General Fund Capital Monitoring 2025/26 Near Final

5.1 **Appendix 1** shows the Highland Investment Plan near final spend and income position for financial year 2025/26. The figures remain near final pending completion of the external statutory audit which is currently ongoing. The figures provided reflect the net project expenditure, i.e. project costs incurred less project-specific income received. The net budget for 2025/26 was £171.088m.

5.2 Overall, there has been net expenditure of £116.818m which reflects project expenditure of £167.842m and project-specific income of £51.024m. This gives rise to an underspend against budget of £54.270m. Unless otherwise stated, an underspend against budget is typically due to changes to the expected spend profile, rather than an adjustment to overall project cost, and any underspend will be rolled over into the next financial year.

Project level variances have been reported to the relevant strategic committees.

5.4 **Appendix 2** presents how the Highland Investment Plan net capital expenditure for 2025/26 was funded. Borrowing continues to be the largest source of funding with £81.822m, amounting to 70% of total net capital expenditure. The amount of relevant funding from the General Capital Grant provided by the Scottish Government has been confirmed as £31.775m for 2025/26. The Highland Investment Plan programme included some projects that are either wholly or partly self-funded, meaning that the borrowing costs associated with the capital expenditure will be repaid either from income generation or savings within the service revenue budget. £2.453m of capital expenditure in 2025/26 was self-funded in this way.

5.5 Individual project spend forms the basis of the capital reports to Strategic Committees and links to those papers are provided below within the Background Papers section.

## 6. General Fund Capital Monitoring Q1 2026/27

6.1 **Appendix 3** shows the Highland Investment Plan, spend and income for Q1 of financial year 2026/27, along with the forecast outturn position to the end of the financial year. The actual figures provided reflect the net project expenditure, i.e. project costs incurred less project-specific income received. The net budget for 2026/27 is £169.243m. The forecast net expenditure is £137.807m resulting in an underspend of £31.436m. The forecast outturn is subject to change given it is still early in the financial year and pending future decisions taken as part of the Highland Investment Plan programme. The estimated outturn will continue to be monitored closely, and updates reported to future Committees.

Project level variances are reported to the relevant strategic committees.

6.2 Overall, there has been a net expenditure of £9.416m for Q1, which reflects 5.6% of the annual budget. These actuals are for the period to 31 May.

6.3 **Appendix 4** presents how the forecast Highland Investment Plan net capital expenditure for 2026/27 will be funded. Borrowing continues to be the largest source of funding with £107.472m forecast, amounting to 78% of forecast net capital expenditure. The General Capital Grant is expected to be £29.220m. The approved capital programme included some projects that are either wholly or partly self-funded, meaning that the borrowing costs associated with the capital expenditure will be repaid either from income generation or savings within the service revenue budget. It is forecast that £0.615m of capital expenditure in 2026/27 will be self-funded in this way.

6.4 Individual project spend forms the basis of the capital reports to Strategic Committees and links to those papers are provided below within the Background Papers section.

## 7. HRA Capital Monitoring 2025/26 Near Final

7.1 **Appendix 5** presents the near final outturn figures for the HRA Capital Programme for 2025/26. It reports a net outturn figure of £51.719m against a budget of £75.399m and thus an underspend of £23.680m. Underspends are reprofiled into the budget for the next financial year.

7.2 **Mainstream HRA Capital Programm**e:
On the mainstream capital programme for investment in existing housing stock, the final outturn was £23.420m against the budget of £34.217m. The underspend of £10.797m has been reprofiled into the next financial year.

7.3 **New Council House Build Programme:**
On the new build part of the capital programme, the final outturn was £28.299m against the budget of £41.182m.

7.4 **Appendix 6** presents how the HRA capital expenditure incurred in 2025/26 was funded. Borrowing makes up the largest source of funding with £26.044m, amounting to 50% of total net capital expenditure. The other major sources of funding include the Government Grants of £15.053m, Council's Landbank Fund of £3.066m and Contributions to Energy Efficiency Works £7.132m.

## 8. HRA Capital Monitoring Q1 2026/27

8.1 **Appendix 7** presents the net outturn figures for the HRA Capital Programme to the end of Q1 2026/27, along with the forecast net outturn to the end of the financial year. It reports a net expenditure figure of £3.853m which reflects 4.6% of the annual budget of £83.603m. The forecast annual net outturn to the end of 2026/27 is £77.487m which therefore projects an underspend of £6.116m against budget.

8.2 **Appendix 8** presents how the forecast HRA net capital expenditure for 2026/27 will be funded. Borrowing continues to be the largest source of funding with £49.658m forecast, amounting to 64% of forecast net capital expenditure. The other major sources of funding include Government Grants of £20.144m, Council's Landbank Fund of £2.672m, and capital funded from current revenue of £3.248m.

Designation: Chief Officer – Corporate Finance

Date: 6th August 2026

Authors:
Brian Porter - Chief Officer – Corporate Finance
Alistair Dempsey-Reid – Principal Accountant
Darryl Urquhart – Senior Accountant

**Background Papers:**

*Housing & Property Committee, Property Capital Monitoring Report:*
*https://www.highland.gov.uk/download/meetings/id/87309/7.%2520Property%2520Capital%2520Monitoring%2520Statement*

*Housing & Property Committee, Housing Revenue Account (HRA) Capital Monitoring:*
https://www.highland.gov.uk/download/meetings/id/87311/9.%2520HRA%2520Capital%2520Monitoring

*Economy and Infrastructure Committee, IEE Capital Monitoring Report:*
*Link not yet available.*

*Communities and Place Committee, C&P Capital Monitoring Report:*
*https://www.highland.gov.uk/download/meetings/id/87288/7.%2520Capital%2520Monitoring%2520Report%2520%25E2%2580%2593%2520Final%2520Outturn%25202025-26%2520and%2520Q1%2520Monitoring%2520to%252031%2520May%25202026-27*

Highland Council, Highland Investment Plan Update:
https://www.highland.gov.uk/download/meetings/id/87164/Item%25205%2520-%2520Highland%2520Investment%2520Plan%2520Update

Appendices:
Appendix 1: Capital Expenditure Monitoring GF 2025/26 Near Final
Appendix 2: Capital Expenditure Funding GF 2025/26 Near Final
Appendix 3: Capital Expenditure Monitoring GF Q1 2026/27
Appendix 4: Capital Expenditure Funding GF Q1 2026/27
Appendix 5: Capital Expenditure Monitoring HRA 2025/26 Near Final
Appendix 6: Capital Expenditure Funding HRA 2025/26 Near Final
Appendix 7: Capital Expenditure Monitoring HRA Q1 2026/27
Appendix 8: Capital Expenditure Funding HRA Q1 2026/27

THE HIGHLAND COUNCIL

APPENDIX 1

MONITORING OF CAPITAL EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2026

SERVICE: GENERAL FUND

| Project Description | BUDGET<br>2025/26 Capital Budget | ACTUAL<br>2025/26 Actual Expenditure | 2025/26 Actual Income | 2025/26 Actual Net Year to Date | VARIANCE<br>2025/26 Variance F'cast v Budget | 2025/26 Reprofile to Next Financial Year | 2025/26 Overspend / (Underspend) |
|---|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| LEARNING ESTATE | 66,366 | 57,438 | (2,195) | 55,243 | (11,123) | (11,123) | 0 |
| PROPERTY STRATEGIC ASSET MANAGEMENT | 5,857 | 14,309 | (1,578) | 12,731 | 6,874 | 6,874 | 0 |
| HEALTH & SOCIAL CARE PROGRAMME | 1,212 | 1,391 | (957) | 434 | (778) | (778) | 0 |
| COMMUNITY AND LEISURE FACILITIES | 710 | 229 | 0 | 229 | (481) | (481) | 0 |
| ROADS AND BRIDGES | 31,479 | 31,768 | (4,488) | 27,280 | (4,199) | (4,082) | (117) |
| ACTIVE TRAVEL & TRANSPORT | 3,947 | 9,130 | (6,114) | 3,016 | (931) | (931) | 0 |
| PARKING | 792 | 476 | (218) | 258 | (534) | (534) | 0 |
| LIGHTING & COMMUNICATIONS | 404 | 1,085 | (583) | 502 | 98 | 98 | 0 |
| FLOOD PROTECTION | 2,277 | 845 | 0 | 845 | (1,432) | (1,432) | 0 |
| HARBOURS & FERRIES | 2,720 | 8,464 | (15,032) | (6,568) | (9,288) | (9,288) | 0 |
| VISITOR MANAGEMENT | 0 | 330 | (322) | 8 | 8 | 8 | 0 |
| WASTE MANAGEMENT | 4,652 | 4,433 | (636) | 3,797 | (855) | (855) | 0 |
| BEREAVEMENT SERVICES | 3,815 | 2,675 | 0 | 2,675 | (1,140) | (1,140) | 0 |
| PLAY PARKS AND COMMUNITY SPACES | 2,295 | 1,018 | (196) | 822 | (1,473) | (1,473) | 0 |
| PUBLIC CONVENIENCES | 1 | 1 | 0 | 1 | 0 | 0 | 0 |
| ICT | 4,564 | 5,124 | (1,547) | 3,577 | (987) | (987) | 0 |
| CONTINGENCY | 1,276 | 0 | 0 | 0 | (1,276) | (1,276) | 0 |
| VEHICLES & PLANT | 3,238 | 3,095 | (563) | 2,532 | (706) | (706) | 0 |
| PLANNING, DEVELOPMENT & REGENERATION | 5,208 | 19,323 | (14,233) | 5,090 | (118) | (118) | 0 |
| ENERGY EFFICIENCY | 0 | 194 | (194) | 0 | 0 | 0 | 0 |
| NON-HRA HOUSING | 4,945 | 4,377 | (2,168) | 2,209 | (2,736) | (2,736) | 0 |
| HIGHLAND INVESTMENT PLAN PROJECTS | 25,330 | 2,137 | 0 | 2,137 | (23,193) | (23,193) | 0 |
| **OVERALL TOTAL** | **171,088** | **167,842** | **(51,024)** | **116,818** | **(54,270)** | **(54,153)** | **(117)** |

THE HIGHLAND COUNCIL

APPENDIX 2

FUNDING OF CAPITAL EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2026

SERVICE: GENERAL FUND

| Funding | 2025/26 Capital Budget | 2025/26 Actual Net Year to Date | 2025/26 Variance F'cast Outturn v Budget | 2025/26 Reprofile to Next Financial Year | 2025/26 Overspend / (Underspend) |
|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 |
| General Capital Grant | 31,775 | 31,775 | 0 | 0 | 0 |
| Capital Receipts | 500 | 768 | 268 | 0 | 268 |
| Self Funded Projects* | 3,068 | 2,453 | (615) | (615) | 0 |
| Borrowing | 135,745 | 81,822 | (53,923) | (53,538) | (385) |
| **TOTAL FUNDING** | **171,088** | **116,818** | **(54,270)** | **(54,153)** | **(117)** |

*To reflect project budgets that are either wholly or partly self-funded (ie from income generated or savings).

THE HIGHLAND COUNCIL

**APPENDIX 3**

MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2026 TO 31ST MAY 2026 (Q1 2026/27)

SERVICE: GENERAL FUND

| Project Description | BUDGET | ACTUAL | | | FORECASTS | | | VARIANCE | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026/27 Capital Budget | 2026/27 Actual Expenditure | 2026/27 Actual Income | 2026/27 Actual Net Year to Date | 2026/27 Forecast Expenditure | 2026/27 Forecast Income | 2026/27 Forecast Outturn | 2026/27 Variance F'cast v Budget | 2026/27 Reprofile to Next Financial Year | 2026/27 Overspend / (Underspend) |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| LEARNING ESTATE | 48,666 | 5,158 | (594) | 4,564 | 36,015 | (594) | 35,421 | (13,245) | (13,245) | 0 |
| PROPERTY STRATEGIC ASSET MANAGEMENT | 10,529 | 662 | (276) | 386 | 11,005 | (476) | 10,529 | 0 | 0 | 0 |
| HEALTH & SOCIAL CARE PROGRAMME | 2,317 | 2 | 0 | 2 | 1,500 | 0 | 1,500 | (817) | (817) | 0 |
| COMMUNITY AND LEISURE FACILITIES | 1,017 | 0 | 0 | 0 | 650 | 0 | 650 | (367) | (367) | 0 |
| ROADS AND BRIDGES | 37,266 | 2,949 | (292) | 2,657 | 33,492 | (2,935) | 30,557 | (6,709) | (6,802) | 93 |
| ACTIVE TRAVEL & TRANSPORT | 3,147 | 324 | (39) | 285 | 8,211 | (5,185) | 3,026 | (121) | (28) | (93) |
| PARKING & VISITOR MANAGEMENT | 557 | 102 | 15 | 117 | 1,424 | (1,027) | 397 | (160) | (160) | 0 |
| LIGHTING & COMMUNICATIONS | 342 | 69 | 0 | 69 | 609 | (273) | 336 | (6) | (6) | 0 |
| FLOOD PROTECTION | 4,538 | 21 | 0 | 21 | 3,179 | 0 | 3,179 | (1,359) | (1,359) | 0 |
| HARBOURS & FERRIES | 17,084 | 1,661 | 613 | 2,274 | 29,803 | (17,067) | 12,736 | (4,348) | (4,348) | 0 |
| WASTE MANAGEMENT | 4,176 | 7 | 0 | 7 | 1,040 | 0 | 1,040 | (3,136) | (3,136) | 0 |
| BEREAVEMENT SERVICES | 3,356 | 452 | 0 | 452 | 3,581 | 0 | 3,581 | 225 | 225 | 0 |
| PLAY PARKS AND COMMUNITY SPACES | 1,473 | 123 | (138) | (15) | 1,000 | (294) | 706 | (767) | (767) | 0 |
| ICT | 3,187 | 160 | (2) | 158 | 3,418 | 0 | 3,418 | 231 | 231 | 0 |
| VEHICLES & PLANT | 3,300 | 202 | (37) | 165 | 3,560 | (250) | 3,310 | 10 | 10 | 0 |
| PLANNING, DEVELOPMENT & REGENERATION | 390 | 1,689 | (4,475) | (2,786) | 18,080 | (15,191) | 2,889 | 2,499 | 2,499 | 0 |
| ENERGY EFFICIENCY | 0 | 1 | (1) | 0 | 412 | (412) | 0 | 0 | 0 | 0 |
| NON-HRA HOUSING | 5,274 | 228 | (57) | 171 | 6,549 | (2,994) | 3,555 | (1,719) | (1,719) | 0 |
| HIGHLAND INVESTMENT PLAN PROJECTS | 17,780 | 889 | 0 | 889 | 16,508 | 0 | 16,508 | (1,272) | (1,272) | 0 |
| CONTINGENCY | 4,844 | 0 | 0 | 0 | 4,469 | 0 | 4,469 | (375) | (375) | 0 |
| **OVERALL TOTAL** | **169,243** | **14,699** | **(5,283)** | **9,416** | **184,505** | **(46,698)** | **137,807** | **(31,436)** | **(31,436)** | **0** |

THE HIGHLAND COUNCIL

APPENDIX 4

FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2026 TO 31ST MAY 2026 (Q1 2026/27)

SERVICE: GENERAL FUND

| Funding | 2026/27 Capital Budget | 2026/27 Actual Net Year to Date | 2026/27 Forecast Outturn | 2026/27 Variance F'cast Outturn v Budget | 2026/27 Reprofile to Next Financial Year | 2026/27 Overspend / (Underspend) |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| General Capital Grant | 29,220 | 6,032 | 29,220 | 0 | 0 | 0 |
| Capital Receipts | 500 | 35 | 500 | 0 | 0 | 0 |
| Self Funded Projects* | 615 | 32 | 615 | 0 | 0 | 0 |
| Borrowing | 138,908 | 3,317 | 107,472 | (31,436) | (31,436) | 0 |
| **TOTAL FUNDING** | **169,243** | **9,416** | **137,807** | **(31,436)** | **(31,436)** | **0** |

*To reflect project budgets that are either wholly or partly self-funded (ie from income generated or savings).

THE HIGHLAND COUNCIL

**APPENDIX 5**

**MONITORING OF CAPITAL EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2026**

**SERVICE: HOUSING REVENUE ACCOUNT**

| Project Description | Revised Net Budget | Actual Net Year to Date | Year End Estimated Net Outturn | Year End Net Variance | (Reprofiling)/ Acceleration Net |
|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 |
| **Capital Programme 2025/26** | | | | | |
| | | | | | |
| Equipment and Adaptations | 1,124 | 968 | 968 | (156) | (156) |
| Major Component Replacement | 3,386 | 2,514 | 2,514 | (872) | (872) |
| Heating/Energy Efficiency | 23,375 | 16,849 | 16,849 | (6,526) | (6,526) |
| External Fabric (Major Component Replacement) | 723 | 590 | 590 | (133) | (133) |
| External Fabric (Environmental Improvements) | 2,472 | 839 | 839 | (1,633) | (1,633) |
| Healthy, Safe and Secure | 4,659 | 1,638 | 1,638 | (3,021) | (3,021) |
| Contingencies/Retentions | (1,522) | 22 | 22 | 1,545 | 1,545 |
| | | | | | |
| **Total 2025/26 Programme** | **34,217** | **23,420** | **23,420** | **(10,797)** | **(10,797)** |
| | | | | | |
| | | | | | |
| **Council House Building Capital Programme** | | | | | |
| | | | | | |
| New Council House Buildings | 36,189 | 24,767 | 24,767 | (11,422) | (11,422) |
| Individual House Purchases | 4,993 | 3,532 | 3,532 | (1,461) | (1,461) |
| | | | | | |
| **Total Council Building Programme** | **41,182** | **28,299** | **28,299** | **(12,883)** | **(12,883)** |
| | | | | | |
| | | | | | |
| **OVERALL TOTAL** | **75,399** | **51,719** | **51,719** | **(23,680)** | **(23,680)** |

THE HIGHLAND COUNCIL

# APPENDIX 6

**FUNDING OF CAPITAL EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2026**

**SERVICE: HOUSING REVENUE ACCOUNT**

| Funding | Revised Net Budget | Actual Net Year to Date | Year End Estimated Net Outturn | Year End Net Variance |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| | | | | |
| Government Grant | 14,795 | 15,053 | 15,053 | 258 |
| Contribution to Energy Efficiency Works | 7,132 | 7,132 | 7,132 | 0 |
| Miscellaneous Income | 258 | 258 | 258 | 0 |
| Landbank | 2,084 | 3,066 | 3,066 | 982 |
| Capital from Current Revenue | 167 | 167 | 167 | 0 |
| Borrowing | 50,963 | 26,044 | 26,044 | (24,919) |
| | | | | |
| **GROSS FUNDING** | **75,399** | **51,719** | **51,719** | **(23,680)** |

THE HIGHLAND COUNCIL

# APPENDIX 7

**MONITORING OF CAPITAL EXPENDITURE - 1ST APRIL 2026 TO 31 MAY 2026 (Q1 2026/27)**

**SERVICE: HOUSING REVENUE ACCOUNT**

| Project Description | Revised Net Budget | Actual Net Year to Date | Year End Estimated Net Outturn | Year End Net Variance | (Reprofiling)/ Acceleration Net |
|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 |
| **Capital Programme 2026/27** | | | | | |
| | | | | | |
| Equipment and Adaptations | 1,156 | 162 | 1,025 | (132) | (132) |
| Major Component Replacement | 3,331 | 313 | 2,911 | (420) | (420) |
| Heating/Energy Efficiency | 20,437 | 698 | 18,771 | (1,666) | (1,666) |
| External Fabric (Major Component Replacement) | 552 | 35 | 401 | (151) | (151) |
| External Fabric (Environmental Improvements) | 2,784 | 84 | 1,619 | (1,165) | (1,165) |
| Healthy, Safe and Secure | 5,487 | 100 | 3,010 | (2,477) | (2,477) |
| Contingencies/Retentions | 407 | 60 | 301 | (106) | (106) |
| | | | | | |
| **Total 2026/27 Programme** | **34,153** | **1,453** | **28,037** | **(6,116)** | **(6,116)** |
| | | | | | |
| | | | | | |
| **Council House Building Capital Programme** | | | | | |
| | | | | | |
| New Council House Buildings | 46,450 | 1,844 | 46,450 | 0 | 0 |
| Individual House Purchases | 3,000 | 555 | 3,000 | 0 | 0 |
| | | | | | |
| **Total Council House Building Capital Programme** | **49,450** | **2,399** | **49,450** | **0** | **0** |
| | | | | | |
| **OVERALL TOTAL** | **83,603** | **3,853** | **77,487** | **(6,116)** | **(6,116)** |

THE HIGHLAND COUNCIL

# APPENDIX 8

**FUNDING OF CAPITAL EXPENDITURE - 1ST APRIL 2026 TO 31 MAY 2026 (Q1 2026/27)**

**SERVICE: HOUSING REVENUE ACCOUNT**

| Funding | Revised Net Budget | Actual Net Year to Date | Year End Estimated Net Outturn | Year End Net Variance |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| | | | | |
| Government Grant | 20,144 | 1,967 | 20,144 | 0 |
| Contribution to Energy Efficiency Works | 1,300 | 0 | 1,300 | 0 |
| Miscellaneous Income | 465 | 0 | 465 | 0 |
| Landbank | 2,672 | 0 | 2,672 | 0 |
| Capital from Current Revenue | 3,248 | 0 | 3,248 | 0 |
| Borrowing | 55,774 | 1,886 | 49,658 | (6,116) |
| | | | | |
| **GROSS FUNDING** | **83,603** | **3,853** | **77,487** | **(6,116)** |