

# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>1 July 2010</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources)</b>

Subject:	<b>Capital Budget Monitoring 2010-11</b>
----------	--

## 1. Purpose of Report

1.1 The purpose of the report is to:-

- ◆ update members of the Financial Resources Scrutiny Forum of progress on the Council's capital programmes for the period covering 1 April 2010 to 14 May 2010.

## 2. Recommendation(s)

2.1 The Budget Scrutiny Forum is asked to approve the following recommendation(s):-

- (1) that the progress of the Housing Capital Programme is noted and
- (2) that the progress of the General Fund Capital Programme is noted,

## 3. Background

3.1 The Capital reports attached provide detail on the position as at 14 May 2010 from both a financial and physical perspective.

3.2 The papers have been split into separate sections detailing financial progress and physical progress as shown below:

- Appendix A – Housing Capital Programme, Financial Information
- Appendix B – Housing Capital Programme, Physical Progress
- Appendix C – General Services Capital Programme, Financial Information
- Appendix D – General Services Capital Programme, Build Physical Progress
- Appendix E – General Services Capital Programme, Non-Build Physical Progress
- Appendix F – General Services Capital Programme, Roads Physical Progress
- Appendix G – General Services Exception Report (approved at Executive Committee on 23 June 2010)

## 4. Employee Implications

4.1 None.

## 5. Financial Implications

5.1 The outturn on all of the Council's four Capital Programmes for financial year 2009-10 has been provided in a separate report to this Forum.

5.2 Approval for the 2010 -11 General Fund Capital Programme was granted at the Executive Committee on 14 February 2008, approving projects totalling £112.471m.

- 5.3 In addition, during 2009-10, Executive Committee approved increases to the 2010-11 programme of £16.188m and these are noted below:
- ◆ In relation to the Roads and Rural Investment Plan, the spend profile for the long term programme of works was approved at the Executive Committee on 30 April 2008 with £12.75m of works programmed for 2010-11. In relation to the Roads and Rural Investment Plan, the spend profile for the long term programme of works was approved at the Executive Committee on 30 April 2008 - £12.750m;
  - ◆ Budget provision was secured at Executive Committee on 27 August 2008 for £1.100m on the Loch Park Stadium; and
  - ◆ Stonehouse Integrated Community Facility – additional funding of £2.338m was approved at the Executive Committee on 27 August 2008 to allow completion of the facility.
- 5.4 Further adjustments to the programme were approved by Executive Committee throughout 2009-10, resulting in net slippage of £41.194m into 2010-11. This is after deducting acceleration of £4.950m for Udston Primary School from 2010/11 into 2009/10.
- 5.5 Based on the final year end position, the financial effect of the 2009-10 General Fund outturn is that projects with an estimated value of £17.443m have been carried forward to the new year 2010-11.
- 5.6 Taking into account the original programme and the proposed adjustments noted in 5.3 – 5.5, the revised General Fund programme for 2010-11 is £187.296m.
- 5.7 **2010/11 Proposed Budget**  
In the first two months of financial year 2010/11, amendments to the Capital Programme were approved by Executive Committee on 23 June 2010 totalling a net decrease of £24.216m. These have been included in this report at Appendix G. The total capital spending programme for the year is now £163.080m. It should be noted that £26.078m of slippage in the Primary School Modernisation Programme is reflected in this revised position.

## **6. Other Implications**

- 6.1 The main risk associated with the Council's Capital Programme is failure to manage the projects resulting in a significant overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project. The risk of an overspend is managed through 4 weekly Investment Management Meetings.

## **7. Equality Impact Assessment and Consultation Arrangements**

- 7.1 This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore no impact assessment is required.
- 7.2 There was also no requirement to undertake any consultation in terms of the information contained in this report.

**Linda Hardie**

**Executive Director (Finance & Information Technology Resources)**

10 June 2010

**Link(s) to Council Values and Objectives****Value:**

- ◆ Accountable, Effective and Efficient

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ Capital Ledger prints to 14 May 2010

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan, Accounting & Budgeting Manager

Ext: 4617 (Tel: 01698 454617)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)