

Report

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| Report to: | Finance and Corporate Resources Committee |
| Date of Meeting: | 15 February 2023 |
| Report by: | Executive Director (Finance and Corporate Resources) |

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| Subject: | Capital Budget Monitoring 2022/2023 - Finance and Corporate Resources |
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the progress of the capital programme for Finance and Corporate Resources for the period 1 April 2022 to 29 December 2022

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Finance and Corporate Resources capital programme of £3.695 million, and expenditure to date of £2.832 million, be noted; and
- (2) that the projected outturn of £4.4 million be noted.

3. Background

- 3.1. This is the third capital monitoring report presented to the Finance and Corporate Resources Committee for the financial year 2022/2023. Further reports will follow throughout the year.
- 3.2. The budget of £3.695 million for Finance and Corporate Resources is based on the overall Capital Programme for 2022/2023, which was approved by the Executive Committee on 29 June 2022. There has been no change to this budget since the last report to this Committee (16 November 2022).
- 3.3. The report details the financial position for Finance and Corporate Resources in Appendix A.

4. Employee Implications

- 4.1. There are no employee implications as a result of this report.

5. Financial Implications

5.1. 2022/2023 Budget

As detailed in Section 3.2, the 2022/2023 capital programme for Finance and Corporate Resources is £3.695 million.

5.2. 2022/2023 Outturn

Work has been ongoing to monitor the predicted spend position for this financial year and current estimates from Finance and Corporate Resources suggest an outturn of £4.4 million, an overspend of £0.705 million. This mainly relates to the timing of spend on the Oracle Fusion project, with funding for the overall spend on this project already identified into next financial year.

5.3. Period 10 Position

Anticipated spend to date was £2.247 million and spend to 29 December 2022 amounts to £2.832 million, an overspend of £0.585 million. Again, this mainly reflects the timing of spend on the Oracle Fusion project.

6. Climate Change, Sustainability and Environmental Implications

- 6.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

7. Other Implications

- 7.1. The main risk associated with the Council's Capital Programme is an overspend. There are detailed project management plans prepared and the risk of overspend on each project is monitored through four weekly investment management meetings.
- 7.2. The Council continues to experience material shortages, longer lead times and extraordinary inflationary price increases and it is anticipated that this will continue to impact the supply chain for the foreseeable future. The impact of this will continue to be monitored through the four weekly investment management meetings. Further updates will be reported in the coming months with any significant increases in contract values being brought to members' attention.

8. Equality Impact Assessment and Consultation Arrangements

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

Paul Manning

Executive Director (Finance and Corporate Resources)

17 January 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee, 29 June 2022
- ◆ Finance and Corporate Resources Committee, 16 November 2022

List of Background Papers

- ◆ Financial ledger to 29 December 2022

Contact for Further Information

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

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South Lanarkshire Council
Capital Expenditure 2022-2023
Finance and Corporate Resources Programme
For Period 1 April 2022 – 29 December 2022

| <u>Finance and Corporate Resources</u> | Total Original Budget £000 | Budget Adjustments £000 | Slippage £000 | Total Budget £000 | Budget to Date £000 | Actual Expenditure £000 |
|---|-------------------------------|----------------------------|------------------|----------------------|------------------------|----------------------------|
| Information Technology Services | 3,695 | - | - | 3,695 | 2,247 | 2,832 |
| TOTAL | 3,695 | - | - | 3,695 | 2,247 | 2,832 |