

Report

Report to:	Community and Enterprise Resource Committee
Date of Meeting:	29 August 2023
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Capital Budget Monitoring 2022/2023 - Community and Enterprise 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 Community and Enterprise Resources for the period 1 April 2022 to 31 March 2023

2. Recommendation(s)

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

- (1) that the Community and Enterprise Resources' capital programme of £48.444 million, and expenditure for the year of £36.324 million be noted.

3. Background

3.1. This is the final capital monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2022/2023.

3.2. As noted in the last report to this Committee (14 March 2023), the budget for Community and Enterprise Resources for financial year 2022/2023 was £48.444 million. There have been no changes to this budget allocation since that meeting.

3.3. The report details the financial position for Community and Enterprise Resources in total in Appendix A.

4. Employee Implications

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

5. 2022/2023 Capital Programme – Final Position

5.1. As detailed in Section 3.3, the total capital programme for Community and Enterprise Resources for 2022/2023 was £48.444 million. Total expenditure to the 31 March 2022 was £36.324 million, a difference of £12.120 million in comparison to the programme of £48.444 million.

5.2. The programme underspend of £12.120 million is mainly due to the timing of project spend on a number of projects. The main projects which are responsible for the underspend are detailed in Appendix A for information.

- 5.3. Any underspend on these projects, along with the funding, will carry forward into next financial year as required. An update on the 2023/2024 programme is detailed in a separate report to this Committee.
- 5.4. **Accounting Adjustments** While sections 5.1 to 5.3 detail the position on the Capital Programme as set, Accounting Regulations mean that adjustments are required to report spend correctly as either Capital or Revenue for the purposes of publishing our Annual Accounts. This includes where spend is in relation to assets that are not owned by the Council and where the spend must be classed as Revenue. There is no operational impact for projects from this adjustment – it is an accounting entry only.
- 5.5. £3.076 million of Capital spend is required to be recorded as Revenue spend. Conversely, £0.349 million of Revenue spend should be recorded as Capital. The transfers above mean that for the purpose of publishing our Annual Accounts only, there is Capital spend of £33.597 million.
- 6. Financial Implications**
- 6.1. The financial implications are detailed in section 5 of this report.
- 7. Climate Change, Sustainability and Environmental Implications**
- 7.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 8. Other Implications**
- 8.1. The main risk associated with the Council's Capital Programme is that there is an 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 four weekly Investment Management Meetings.
- 9. Equality Impact Assessment and Consultation Arrangements**
- 9.1. 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.
- 9.2. 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)

David Booth
Executive Director (Community and Enterprise Resources)

9 August 2023

Link(s) to Council Values/Priorities/Outcomes

- ♦ Accountable, effective, efficient and transparent

Previous References

- ♦ Community and Enterprise Resources Committee, 14 March 2023

List of Background Papers

- Financial ledger to 31 March 2023

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
Community and Enterprise Resources Programme
For Period 1 April 2022 – 31 March 2023**

<u>Community and Enterprise Resources</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Facilities, Waste and Grounds	1,949	1,108	(503)	2,554	2,554	1,218
Enterprise and Sustainable Development	27,435	2,368	(10,670)	19,133	19,133	14,098
Roads, Transport and Fleet	29,997	2,652	(5,892)	26,757	26,757	21,008
TOTAL	59,381	6,128	(17,065)	48,444	48,444	36,324

Accounting Adjustments

Less Transfers to Revenue	(3,076)
Add Transfers to Capital	349
2021/22 Outturn Position (Accounting Basis Only)	33,597

Main Projects with Underspends in 2022/2023

Project Name	U/spend Value £000	Project Name	U/spend Value £000
Library IT Infrastructure Upgrade Phase 2 – Desktop Refresh	146	Roads Investment Programme	667
Phillipshill Cemetery – Extension	162	Clyde Bridge	539
Chatelherault Allotments	120	Roads Depots – Modular Accommodation	513
Play Parks – Various	540	Footpaths and Roads Improvement Fund	485
Larkhall Leisure Centre – Design	469	SPT – Lanark Park and Ride	306
Lanark Library, Lindsay Institute – Roof and Windows	264	Cycling, Walking and Safer Routes	222
Hamilton Palace Grounds Sports Pitches	117	Daer Bridge	176
Place Based Investment Programme	1,119	Roads Depots Salt Barns – Hawbank	302
Town Centre Regeneration Fund	500		
New Cross Shopping Centre	342		
East Kilbride Town Centre	302		
<u>City Deal:</u>			
Greenhills Road (Landscaping / Restoration)	1,322		
Cathkin Bypass (Grant Payments only)	772		
Secondary School Expansion – Calderside Academy / Holy Cross	443		
Lanark Road Signalisation	406		
Glengowan Extension	359		