

Report

Report to:	Community and Enterprise Resource Committee
Date of Meeting:	19 March 2019
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Community and Enterprise Resources - Capital Budget Monitoring 2018/2019
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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 2018 to 1 February 2019.

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 £35.819 million and expenditure to date of £23.320 million be noted.

3. Background

3.1. This is the fourth capital monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2018/2019.

3.2. The budget reflects the approved programme for the year (Executive Committee, 28 February 2018), exceptions approved during 2017/2018 and monies carried forward for projects from 2017/2018. It also includes budget adjustments approved by the Executive Committee during 2018/2019 up to and including its meeting on 13 March 2019.

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

4. Employee Implications

4.1. None

5. Financial Implications

5.1. The total capital programme for Community and Enterprise Resources for 2018/2019 is £35.819 million.

5.2. 2018/2019 Outturn

Work has been ongoing to clarify the predicted spend position for this financial year and current estimates from Community and Enterprise Resources suggest an outturn of £32.987 million. This is an underspend of £2.832 million and relates to project savings and changes to the timing of spend and these are detailed in sections 5.3. to 5.6. below:

- 5.3. A saving of £0.389 million is anticipated in the Roads Improvement Programme (Rutherglen and Cambuslang Area) which will be carried forward into next year.
- 5.4. Negotiations around the purchase of land are not expected to conclude this year but will continue into next financial year for the Lanark Park and Ride project, resulting in the additional funding award from SPT unable to be utilised (£0.300 million). Timescales for the contract award resulted in the Traffic Signal project at Caird Street/Bothwell Road (£0.316 million) commencing in late February 2019. £0.181 million of this underspend is funded by SPT and will not be utilised this year. Initial discussions with SPT have indicated that any underspends on SPT funded projects will be considered for continued support next financial year.
- 5.5. The outturn also reflects savings achieved through mini tender exercises on a number of park and ride and transport studies (£0.080 million). These projects have been tendered under budget with any unspent allocation to be returned to funding providers (SPT/Sustrans).
- 5.6. Underspends on projects were also noted where timing of spend means the budget is required next year including Demolition Programme (£0.143 million), Upgrades to Community Infrastructure (£0.090m), Hamilton International Technology Park (£0.375 million) and Vacant and Derelict Land projects (£0.233 million).
- 5.7. 2018/2019 Monitoring
Anticipated spend to date was £27.804 million, and £23.320 million has been spent. This represents spend of £4.484 million behind profile. This is mainly due to timing of spend within Roads Services (£3.2 million) of which £2.4 million relates to the Roads Improvement Programme and Roads Refurbishment projects, primarily as a result of the movements detailed at sections 5.3. to 5.6. above.

6. Other Implications

- 6.1. 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.
- 6.2. There are no implications for sustainability in terms of the information contained in this report.

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 an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. 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)

Michael McGlynn
Executive Director (Community and Enterprise Resources)

11 March 2019

Link(s) to Council Values/Ambitions/Objectives

- Accountable, Effective, Efficient and Transparent

Previous References

- Executive Committee, 28 February 2018
- Executive Committee, 13 March 2019

List of Background Papers

- Financial ledger to 1 February 2019

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 2018-2019
Community and Enterprise Resources Programme
For Period 1 April 2018 – 1 February 2019**

<u>Community and Enterprise Resources</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Fleet and Environmental	133	52	(52)	133	133	38
Facilities, Waste and Grounds	1,749	260	(805)	1,204	928	839
SLL and Cultural	1,194	802	(1,022)	974	713	559
Support Services	428	50	(50)	428	413	74
Regeneration	8,866	359	(2,450)	6,775	4,563	4,030
Roads	24,937	1,988	(620)	26,305	21,054	17,780
RESOURCE TOTAL	37,307	3,511	(4,999)	35,819	27,804	23,320

For Information Only

Budget Adjustments approved at Executive Committee 13 February 2019

- Rural Development Centre, Lanark (£0.800m)