

Report

Report to:	Education Resources Committee
Date of Meeting:	14 February 2023
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Education Resources)

Subject:	Education Resources - Capital Budget Monitoring 2022/2023
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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 Education Resources for the period 1 April to 29 December 2022

2. Recommendation(s)

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

- (1) that the Education Resources' capital programme of £13.918 million, and expenditure to date of £7.730 million, be noted; and
- (2) that the projected outturn of £14.5 million be noted.

3. Background

3.1. This is the third capital monitoring report presented to the Education Resources Committee for the financial year 2022/2023. Further reports will follow throughout the year.

3.2. The revised budget for Education Resources is £13.918 million. This reflects the budget of £14.608 million reported to the last meeting of this Committee (15 November 2022), adjusted to reflect changes totalling a net decrease of £0.690 million approved by the Executive Committee on 30 November 2022.

3.3. The report details the financial position for Education 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 Education Resources is £13.918 million,

5.2. 2022/2023 Outturn

Work has been ongoing to monitor the predicted spend position for this financial year and current estimates from Education Resources suggest an outturn of £14.5 million, a net overspend of £0.582 million. This mainly relates to the timing of spend on the Jackton Primary School project, with funding for the overall spend on this project already identified into next financial year.

- 5.3. This additional in-year spend on the Jackton Primary School project is offset by reduced spend on Castlefield Primary School Extension, Clyde Terrace Nursery, Crawforddyke Adaptation of Nursery to Classrooms, and Uddingston Nursery Expansion, where the budget is now required in 2023/2024 rather than 2022/2023. Funding for these projects will carry forward into next financial year.

5.4. Period 10 Position

Anticipated spend to date was £8.028 million and spend to 29 December 2022 amounts to £7.730 million. This represents a position of £0.298 million behind profile mainly reflecting the timing of payments on a number of projects including the extension to Newton Farm Primary School, which is now complete and the Education ICT 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)

Tony McDaid

Executive Director (Education Resources)

18 January 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Executive Committee, 30 November 2022
- ◆ Education Resources Committee, 15 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 2022-23
Education Resources Programme
For Period 1 April 2022 – 29 December 2022**

<u>Education Resources</u>	Base Budget £000	Budget Adjustments £000	Slippage/ Acceleration £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Growth / Accommodation Pressures	7,852	1,380	(35)	9,197	5,349	5,196
1,140 Hours	3,771	(25)	(2,540)	1,206	320	322
Free School Meals	-	1,877	(1,577)	300	-	-
ICT Developments	3,211	-	-	3,211	2,358	2,210
Other	4	-	-	4	1	2
TOTAL	14,838	3,232	(4,152)	13,918	8,028	7,730

For Information Only

Budget Adjustments approved by Executive Committee, 30 November 2022:

Budget Adjustments

Crawforddyke Primary School – Conversion of Nursery to Classroom	£0.050m
Free School Meals Expansion – Additional Funding	£1.877m
Free School Meals Expansion – Slippage into 2023/2024	(£1.577m)
Early Years 1,140 Hours – Clyde Terrace, Bothwell	(£1.040m)

Total Budget Adjustments **(£0.690m)**