

# Report

Report to:	<b>Education Resources Committee</b>
Date of Meeting:	<b>24 April 2018</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Executive Director (Education Resources)</b>

Subject:	<b>Education Resources - Capital Budget Monitoring 2017/2018</b>
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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 2017 to 2 February 2018.

## **2. Recommendation(s)**

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

- (1) that the Education Resources' capital programme of £40.417 million, and expenditure to date of £23.903 million, be noted.

## **3. Background**

3.1. This is the fourth capital monitoring report presented to the Education Resources Committee for the financial year 2017/2018.

3.2. The budget reflects the approved programme for the year, as approved at the Council meeting on 16 February 2017, exceptions approved during 2016/17 and monies carried forward for projects from 2016/17. It also includes budget adjustments approved by the Executive Committee during 2017/2018 up to and including its meeting on 28 March 2018.

3.3. The report details the financial position for Education Resources in Appendix A.

## **4. Employee Implications**

4.1. None

## **5. Financial Implications**

5.1. The total capital programme for Education Resources for 2017/2018 is £40.417 million.

5.2. Work has been ongoing to clarify the predicted spend position for this financial year and current estimates from Housing and Technical Resources suggest an outturn for Education Resources of £31.871 million. This is an underspend of £8.546 million and mainly relates to the expected timing of project spend within the Primary Schools' Modernisation Programme. Funding will carry forward into next financial year.

- 5.3. Anticipated spend to date was £28.091 million with £23.903 million of expenditure being incurred (59.14% of full budget). This represents a position of £4.188 million behind profile. This is mainly due to timing of spend on the Council's Primary Schools' Modernisation Programme.
- 5.4. During the construction phase of various projects in the Primary Schools' Modernisation Programme there have been technical issues encountered which have delayed work programmes and have led to a reduction in spend in the current financial year. These projects are progressing in line with the completion dates agreed with Education Resources. The timing of receipt of external funding in relation to schools has also contributed to the requirement to carry funds forward.
- 6. Other Implications**
- 6.1. The main risk associated with the Council's Capital Programme 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)**

**Tony McDaid**  
**Executive Director (Education Resources)**  
21 February 2018

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Value: Accountable, Effective, Efficient and Transparent

**Previous References**

- ◆ Council meeting, 16 February 2017
- ◆ Executive Committee, 28 March 2018

**List of Background Papers**

- ◆ Financial ledger to 2 February 2018

**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 2017-18  
Education Resources Programme  
For Period 1 April 2017 – 2 February 2018**

<b><u>Education Resources</u></b>	<b>Budget £000</b>	<b>Budget b/f £000</b>	<b>Total Original Budget £000</b>	<b>Budget Adjustments £000</b>	<b>Slippage/ Acceleration £000</b>	<b>Total Budget £000</b>	<b>Budget to Date £000</b>	<b>Actual Expenditure £000</b>
Primary School Modernisation Programme	36,952	(4,822)	32,130	4,882	(2,390)	34,622	25,608	20,850
ICT Developments	1,750	893	2,643	0	(943)	1,700	1,683	1,048
Other	1,647	441	2,088	2,007	0	4,095	800	2,005
<b>TOTAL</b>	<b>40,349</b>	<b>(3,488)</b>	<b>36,861</b>	<b>6,889</b>	<b>(3,333)</b>	<b>40,417</b>	<b>28,091</b>	<b>23,903</b>