



Council Offices, Almada Street  
Hamilton, ML3 0AA

Tuesday, 21 June 2022

Dear Councillor

## **Executive Committee**

The Members listed below are requested to attend a meeting of the above Committee to be held as follows:-

**Date:** Wednesday, 29 June 2022  
**Time:** 10:00  
**Venue:** By Microsoft Teams and Banqueting Hall,

The business to be considered at the meeting is listed overleaf.

Yours sincerely

**Cleland Sneddon**  
**Chief Executive**

### **Members**

Joe Fagan (Chair/ex officio), Gerry Convery (Depute Chair), Alex Allison, John Anderson, Robert Brown, Andy Carmichael, Maureen Chalmers, Ross Clark, Margaret Cooper, Andrea Cowan, Maureen Devlin, Gladys Ferguson-Miller, Lynsey Hamilton, Mark Horsham, Eileen Logan, Katy Loudon, Hugh Macdonald, Ian McAllan, Catherine McClymont, Kenny McCreary, Lesley McDonald, Mark McGeever, Davie McLachlan, Richard Nelson, Mo Razzaq, Kirsten Robb, John Ross, David Shearer, Margaret B Walker

### **Substitutes**

John Bradley, Walter Brogan, Poppy Corbett, Margaret Cowie, Graeme Horne, Martin Hose, Ross Lambie, Martin Lennon, Elaine McDougall, Norman Rae, Dr Ali Salamati, Graham Scott, David Watson

## BUSINESS

### 1 Declaration of Interests

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#### Monitoring Item(s)

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| <b>2</b> | <b>Revenue Budget Outturn 2021/2022</b><br>Report dated 6 June 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached)   | 5 - 16  |
| <b>3</b> | <b>Revenue Budget Monitoring for Period 1 April to 20 May 2022</b><br>Report dated 7 June 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached)                        | 17 - 22 |
| <b>4</b> | <b>Capital Budget Monitoring Final Outturn - 2021/2022</b><br>Report dated 7 June 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached)                                | 23 - 30 |
| <b>5</b> | <b>Capital Budget 2022/2023 and Monitoring for Period 2 - 1 April 2022 to 20 May 2022</b><br>Report dated 7 June 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached) | 31 - 42 |
| <b>6</b> | <b>Additional Funding from Scottish Government and Other External Sources</b><br>Report dated 1 June 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached)             | 43 - 46 |

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#### Item(s) for Decision

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| <b>7</b> | <b>Representation on the Education Resources Committee</b><br>Joint report dated 1 June 2022 by the Executive Directors (Finance and Corporate Resources) and (Education Resources). (Copy attached) | 47 - 50 |
| <b>8</b> | <b>Representation on Outside Organisations</b><br>Report dated 15 June 2022 by the Chief Executive. (Copy attached)  | 51 - 56 |

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#### Item(s) for Noting

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| <b>9</b> | <b>Strategic Environmental Assessment Progress 2021 to 2022</b><br>Report dated 8 June 2022 by the Executive Director (Community and Enterprise Resources). (Copy attached) | 57 - 60 |
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#### Urgent Business

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- 10 Urgent Business**  
Any other items of business which the Chair decides are urgent.

***For further information, please contact:-***

|             |                              |
|-------------|------------------------------|
| Clerk Name: | Pauline MacRae/Lynn Paterson |
|-------------|------------------------------|

|                  |  |
|------------------|--|
| Clerk Telephone: | 07385 370044 or 07385370031            |
| Clerk Email:     | pauline.macrae@southlanarkshire.gov.uk |



# Report

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|                  |   |
|------------------|---|
| To:              | <b>Executive Committee</b>                                  |
| Date of Meeting: | <b>29 June 2022</b>   |
| Prepared By:     | <b>Executive Director (Finance and Corporate Resources)</b> |

|          |   |
|----------|---|
| Subject: | <b>Revenue Budget Outturn 2021/2022</b> |
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ advise the Committee of the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April 2021 to 31 March 2022.

## 2. Recommendation(s)

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

- (1) that it be noted that across Resources, Corporate Items and Council Tax, the Council is showing a year end underspend of £6.109 million after proposed transfers to reserves (section 4 and Appendix 1);
- (2) that it be noted that the probable outturn transfers approved by members have now been revised to £55.062 million (previously £49.636 million) (Appendix 3);
- (3) that the Resources requests for transfers to reserves to spend on commitments against specific streams of funding during the final part of the year totalling £4.902 million (Appendix 4), be approved;
- (4) that the overfunding position on the IJB contribution as detailed at section 4.5 be noted;
- (5) that it be noted that after using Scottish Government funding and reserves brought forward from 2020/2021, the position on COVID expenditure is break-even (section 4.9);
- (6) that the £6.109 million underspend after proposed transfers to reserves, be allocated as detailed in section 4.12, resulting in a break-even position for the Council; and
- (7) that the break-even position on the Housing Revenue Account (section 5), be noted.

## 3. Background

- 3.1. This overview report will summarise the 2021/2022 Year-End position for the Council's General Fund Revenue Account and Housing Revenue Account.
- 3.2. Section 4 provides details the final position for the financial year, as well as the movement from the previously reported Probable Outturn position for the Council. The Housing Revenue position is shown in Section 5.
- 3.3. Appendix 1 to the report details the overall spend position for the current year. This position includes the cost of COVID as well as all proposed transfers to reserves: the transfers to Reserves approved at Probable (Executive Committee, February 2022)

are shown in Appendix 3 and those new proposed Transfers to Reserves requested by Resources at Year-End are shown in Appendix 4.

#### 4. General Services – 2021/2022 Year-End Position

- 4.1. For reference, the Council's overall probable outturn position for the year (including COVID and approved Transfers to Reserves), was last reported to Committee as an underspend of £4.794 million (Executive Committee, 2 March 2022). This assumed full funding of COVID expenditure and an underspend of £4.794 million on the Council's General Services.
- 4.2. The Year-End position is an underspend of £6.109 million. This is after proposed transfers to reserves. This final position also includes COVID expenditure and funding. This is shown in Table 1, along with the movement from Probable Outturn to Year-End – an improvement of £1.315 million (from an underspend of £4.794 million to an underspend of £6.109 million at financial Year-End).

**Table 1 – General Service Year-End 2021/2022  
(after Transfers to Reserves)**

|  | <b>Probable<br/>Outturn</b> | <b>Year-End</b> | <b>Movement<br/>from<br/>Probable<br/>to Outturn</b> |
|--|-----------------------------|-----------------|--|
|  | <b>£m</b>                   | <b>£m</b>       | <b>£m</b>  |
| Resource Position (Appendix 2, section 1 to 7) | (0.585)                     | <b>0.122</b>    | 0.707  |
| Loan Charges (Appendix 2, section 8)           | -                           | <b>0.049</b>    | 0.049  |
| Corporate Items (Appendix 2, sections 9 to 12) | 2.471                       | <b>2.880</b>    | 0.409  |
| Council Tax (Appendix 2, section 13)           | 2.908                       | <b>3.058</b>    | 0.150  |
| <b>General Services Underspend 2021/2022</b>   | <b>4.794</b>                | <b>6.109</b>    | <b>1.315</b>   |

- 4.3. This report and appendices provide a detailed analysis of the Council's financial position at the end of the year. Appendices 1 and 2 provide detail of the Year-End position with a summary of the £6.109 million noted in sections 4.4 to 4.13.
- 4.4. **Resources:** The underspend position of £0.122 million is after taking into account the Transfers to Reserves agreed at the Probable Outturn as well as the additional transfers being proposed by the Resources as part of the Year-End position. The Transfers at Probable Outturn and Year-End are detailed in Appendices 3 and 4 respectively. The Resources' Transfers to Reserves, agreed at Probable Outturn, were originally £8.420 million and are now £8.196 million, being a reduction of £0.224 million. This reflects the increase in spend achieved in year, and, therefore, a reduced level of budget to transfer to reserves.
- 4.5. The Resource position includes an underspend on core funding from the Council to the IJB, and it is proposed that this is dealt with as overfunding in year. This is permissible in the IJB financial regulations. It is proposed to transfer to reserves the over-provision of funding to the Integrated Joint Board of £2.051 million and that this money will be held in reserves and utilised to manage pressures within Children and Family Services. The Year-End position also includes an amount of specific funding received in relation to the IJB that will be retained in the Council's Balance Sheet and will be available for use by the IJB (£6.840 million) which includes funding from the Scottish Government for Care at Home, Delayed Discharge and Mental Health capacity.

- 4.6. **Loan Charges:** There is an underspend of £0.049 million after the proposed Transfers to Reserves approved at Year-End. This relates to additional interest received during the year.
- 4.7. **Corporate Items:** There is a net underspend of £2.880 million for Corporate Items after known commitments, which includes the underspend in relation to pay award reported at Probable Outturn. The improvement since the Probable Outturn is mainly due to the bad debt provision for the year being lower than anticipated.
- 4.8. **Council Tax:** The over recovery for the year is £3.058 million, representing an improvement of £0.150 million since the Probable Outturn. The increase comprises a reduction in the level of Council Tax Reduction Scheme expenditure.
- 4.9. **COVID Year-End:** The Year-End position includes COVID expenditure which has been funded by Scottish Government funding received and funding carried forward in reserves from 2020/2021. It also includes the transfer to reserves of unspent funding, resulting in a breakeven position. The funding carried forward will be used to manage the ongoing budget pressures resulting from COVID into 2022/2023.
- 4.10. **Transfers to Reserves:** The Year-End underspend of £6.109 million includes Transfers to Reserves of £59.964 million. This includes the Transfers to Reserves approved as part of the Probable Outturn (£49.636 million) adjusted for movements totalling £5.426 million to reflect the final position. The revision to the Probable Outturn Transfers are shown in Appendix 3 (giving a total of £55.062 million for Probable Outturn Transfers).
- 4.11. There are also additional Transfers to Reserves proposed at Year-End totalling £4.902 million. This reflects the carry forward of funding in Reserves to allow committed areas of spend to be incurred in 2022/2023. Details of these additional proposed transfers are detailed in Appendix 4. This takes the total Transfers to Reserves at Year-End to £59.964 million (being Probable Outturn Revised Transfers of £55.062 million and Year-End Transfers of £4.902 million).
- 4.12. The final underspend of £6.109 million is now confirmed and it is proposed that this is transferred to the Earmarked General Fund to be used in the 2023/2024 Revenue Budget Strategy.
- 4.13. If this proposal is agreed, then these monies will be Transferred to Reserves for use in future years' budget strategies, including 2023/2024, and will mean that the Council will return a break-even position for financial year 2021/2022.
- 5. Housing Revenue Account Outturn**
- 5.1. As at 31 March 2022, the position on the Housing Revenue Account is a breakeven position. This is after a transfer to the HRA Reserve of £2.917 million, which is £1.946 million higher than budgeted.
- 5.2. The details of the variances across the Housing Revenue Account are shown in Appendix 6 and, in the main, are the net of an underspend on Property Costs and an under-recovery of Income.
- 6. Employee Implications**
- 6.1. None.
- 7. Financial Implications**
- 7.1. As detailed in sections 4 to 5 of the report.

## **8. Climate Change, Sustainability and Environmental Implications**

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

## **9. Other Implications**

- 9.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.
- 9.2. There are no implications for sustainability in terms of the information contained in this report.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. 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.
- 10.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

6 June 2022

### **Link(s) to Council Values/Vision/Priorities**

- ◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ Financial Ledger and budget monitoring results to 31 March 2022

### **Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)





## Detail of Year-End Position Across Resources and Centrally Held Budgets

1. **Movement from Last Reported Position:** The previously reported position for General Services was an underspend of £4.794 million. At financial Year-End, the position is now an underspend of £6.109 million – an improvement of £1.315 million. This is made up of an improvement in Resources of £0.707 million, an improvement in the Centrally Held budgets of Corporate Items and Loan Charges (£0.458 million) and an increase in the over-recovery of Council Tax (£0.150 million). Each of the individual areas of the Council's General Services budgets are detailed in the remainder of this Appendix.
2. **Resources and Centrally Held Budgets:** Details of the Resource positions, including any assumptions are detailed below. These figures include the costs associated with COVID and include Transfers to Reserves.
3. **Community and Enterprise Resources:** The Year-End position after transfers to reserves is an overspend of £4.507 million. Removing the cost of COVID leaves an underspend of £0.515 million. This is an improved position of £0.495 million on the Resource's probable outturn position. This is mainly due to an over recovery of income for Planning and Building Standards applications and an improved spend position within the Fleet service.
4. **Education Resources:** The Year-End position after transfers to reserves is an overspend of £1.702 million. Removing the cost of COVID leaves a breakeven position which is comparable to the Resource's Probable Outturn position.
5. **Finance and Corporate Resources:** The Year-End position after transfers to reserves is an overspend of £8.229 million. Removing the cost of COVID leaves a breakeven position which is in line with the reported Probable Outturn position.
6. **Housing and Technical Resources:** The Year-End position after transfers to reserves is an overspend of £0.939 million. Removing the cost of COVID leaves a breakeven position which is in line with the reported Probable Outturn position.
7. **Social Work Resources:** The Year-End position is a net overspend of £2.967 million. Removing the cost of COVID leaves an overspend of £0.394 million which is an improved position of £0.211 million on the reported Probable Outturn overspend position of £0.605 million. This position includes the transfer to reserves of an over-provision of funding to the Integrated Joint Board. This money will be held in reserves and utilised to manage pressures within Children and Family Services (£2.051 million). In addition, the Year-End position also includes an amount of specific funding received in relation to the IJB that will be retained in the Council's Balance Sheet and will be available for use by the IJB (£6.840 million).
8. **Loan Charges:** After taking into account the £1.362 million agreed transfer to reserves (Executive Committee, 2 February 2022), the loan charges Year-End position is an underspend of £0.049 million.
9. **Corporate Items - Non COVID:** The Year-End position after proposed transfers to reserves is a net underspend of £2.880 million, including the commitment for Council Tax Second Homes.
10. **Corporate Items - COVID-19:** The underspend of £18.465 million represents the COVID funding held centrally to fund the COVID expenditure that is included within

Resource Year-End positions.

11. **Corporate Items - 2022/2023 Strategy:** The Executive Committee (24 June 2020) approved the transfer of funds totalling £13.550 million to reserves, from the Loans Fund Review for use in future strategies, leaving a breakeven position after transfers to reserves.
  12. **Investments 2021/2022:** The Executive Committee (2 February 2022) approved the transfer of funds totalling £5.443 million to reserves to reflect the commitments in relation to the 2021/2022 investments being incurred over 3 financial years, leaving a breakeven position after transfers. The final position is a transfer to reserves of £5.884 million, representing a net additional transfer of £0.441 million from probable.
  13. **Council Tax including Council Tax Reduction Scheme (CTRS):** The Council Tax is showing an over recovery of £3.058 million, comprising an over recovery of Council Tax of £2.592 million and an underspend on CTRS of £0.466 million. This is an increase of £0.150 million on the position reported as part of the Probable Outturn.
  14. The Council Tax over recovery of £2.592 million is due to the following:
    - Empty Property charges - £0.452 million,
    - Arrears collection - £1.086 million
    - Additional in-year properties - £1.062 million
    - Income from Council Tax Second Homes - (£0.008) million which is offset by a corresponding underspend on commitment in Corporate Items
  15. The underspend of £0.466 million on the CTRS reflects current demand for these payments.
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**Transfers to Reserves - Approved At Probable**

| <b>Purpose / Description</b>   | <b>Resource</b>          | <b>Value<br/>£m</b> |
|--|--------------------------|---------------------|
| <b>Resources</b>   |                          |                     |
| <b>Primary 4 and 5 Free School Meals</b><br>Funding to be carried forward to meet the expansion programme of FSM for P4 and P5 into 2022/2023 for April to June 2022.  | Community and Enterprise | 0.273               |
| <b>Good Food Nation / Food Development Officer</b><br>Funding required to support outcome of the new Good Food Nation's Bill introduced by the SG and the Food Development officer post.   | Community and Enterprise | 0.080               |
| <b>Crematorium Sink Fund</b><br>Annual contribution to the Crematorium sinking fund to maintain asset replacement programme.   | Community and Enterprise | 0.025               |
| <b>Electric Sweeper – Payback</b><br>Ring-fenced reserves used to manage purchase of electric vehicles in short term which have to be repaid over next few years. This contribution is the second repayment.   | Community and Enterprise | 0.015               |
| <b>Fleet Sinking Fund</b><br>Annual contribution to the Fleet sinking fund to maintain asset replacement programme.  | Community and Enterprise | 0.025               |
| <b>Legal Costs – Planning Building Standards</b><br>Funding to support exceptional legal costs as a result of public inquiries and planning appeals in 2022/23.  | Community and Enterprise | 0.075               |
| <b>Approved Building Standards Staffing Structure</b><br>This is funding required to fund the temporary staffing structure in Planning Building Standards service as approved at Community and Enterprise Committee December 2021.                               | Community and Enterprise | 0.230               |
| <b>Total Community and Enterprise Resources</b>  |                          | <b>0.723</b>        |
| <b>Adjust:</b> increase in transfer to reflect decreased spend achieved during the financial year.   |                          | 0.017               |
| <b>Revised Community and Enterprise Resources</b>  |                          | <b>0.740</b>        |
| <b>Pupil Equity Fund</b><br>The funding received from the Government can be used up to the end of the school term (June 2022). The underspend reflects the element of the funding that will be utilised in April to June 2022.                                   | Education                | 3.500               |
| <b>Early Years 1140</b><br>This transfer relates to the underspend on the current year specific grant allocation to be carried forward to meet the commitments in line with the spend profile of the project.  | Education                | 2.797               |
| <b>Additional Teachers Funding (April-June element)</b><br>This transfer relates to the underspend on the current year grant allocation to be carried forward to meet the cost of the additional teachers up to the end of the school term (April to June 2022). | Education                | 0.845               |
| <b>Child Disability Payment Support</b><br>The funding received covers the new burden associated with the introduction of Child Disability Payment with staffing not expected to be in post until 2022/23 following Committee approval in February 2022.         | Education                | 0.083               |
| <b>COVID – CO2 Monitors</b><br>The transfer relates to COVID funding received to assist with CO2 monitors in schools has not been fully utilised in the current year which requires to be carried forward to meet commitments in 2022/2023.                      | Education - COVID        | 0.070               |
| <b>Total Education Resources</b>   |                          | <b>7.295</b>        |
| <b>Adjust:</b> reduction in transfers to reflect increased spend achieved during the financial year.   |                          | (0.350)             |
| <b>Revised Education Resources</b>   |                          | <b>6.945</b>        |
| <b>Area Committee Grants</b><br>This transfer reflects the underspend in Area Grants monies in 2021/2022.  | Finance and Corporate    | 0.063               |
| <b>National Trauma Training Post</b><br>Funding from the Scottish Government for a post but due to timing of recruitment, post will not be filled in the current year and transfer is required to meet commitment in 2022/2023.                                  | Finance and Corporate    | 0.050               |
| <b>Total Finance and Corporate Resources</b>   |                          | <b>0.113</b>        |
| <b>Scheme of Assistance</b><br>The Scheme of Assistance funding was not fully utilised in 2021/2022, and it is proposed that the funding is carry forward to meet commitments in future years.   | Housing and Technical    | 0.289               |
| <b>Total Housing and Technical Resources</b>   |                          | <b>0.289</b>        |
| <b>Adjust:</b> reduction in transfers to reflect reduced spend achieved during the financial year.   |                          | 0.109               |
| <b>Revised Housing and Technical Resources</b>   |                          | <b>0.398</b>        |
| <b>Total Resource Transfers to Reserves</b>  |                          | <b>8.420</b>        |
| <b>Adjust:</b> Total reduction in transfers to reflect increased spend during the financial year.  |                          | <b>(0.224)</b>      |
| <b>Revised Resource Transfers to Reserves at Year-End</b>  |                          | <b>8.196</b>        |
|  |                          |                     |

|   |                 |               |
|---|-----------------|---------------|
| <b>Loan Charges</b>   |                 |               |
| <b>Loan Charges – Additional Underspend</b><br>In 2021/2022, there is an additional underspend due to lower than anticipated interest costs as a result of not taking any long-term borrowing during 2021/2022.   | Loan Charges    | 1.362         |
| <b>Interest on Revenue Balances – Reserves</b><br>This is the interest on Reserves balances and the transfer will be added to the balances on each Balance Sheet Reserve as appropriate.  | Loan Charges    | 0.005         |
| <b>Total Loan Charges Transfers to Reserves</b>   |                 | <b>1.367</b>  |
| <b>Adjust:</b> Total increase in transfers to reflect additional interest received during the financial year.   |                 | 0.005         |
| <b>Revised Loan Charges Transfers to Reserves</b>   |                 | <b>1.372</b>  |
| <b>Corporate Items</b>  |                 |               |
| <b>Utilities</b><br>An amount was included in the Strategy for anticipated increases in utility prices. Due the way that energy has been purchase, this funding is not required in the current year and the underspend will be carried forward to assist in managing price increases into 2022/2023.  | Corporate Items | 1.228         |
| <b>Business Rates Incentive Scheme</b><br>The Council has been notified of a refund in relation to the 2019/2020 Business Rates Incentive Scheme. The transfer is to allow this benefit to be used in the 2022/2023 Strategy.   | Corporate Items | 0.225         |
| <b>Central Energy Efficiency Fund (CEEF)</b><br>Resources are allocated funding from the CEEF Reserve to pay for spend to save projects which they repay over future years from the revenue savings generated by the project. This transfer represents the payback of savings from Resources and allows the Reserve to be regenerated for use on future projects. | Corporate Items | 0.222         |
| <b>Council Tax Second Homes</b><br>This transfer represents the over recovery of income from Council Tax on second homes included in the Council's Council Tax income line. This is required to be transferred to the Housing Revenue Account for use on social housing.  | Corporate Items | 0.570         |
| <b>Total Corporate Transfers to Reserves</b>  |                 | <b>2.245</b>  |
| <b>Adjust:</b> Total increase in transfers to reflect reduced income received during the year   |                 | (0.030)       |
| <b>Corporate Transfers to Reserves at Year-End</b>  |                 | <b>2.215</b>  |
| <b>Corporate Items - COVID</b>  |                 |               |
| <b>COVID - Non Specific Funding</b><br>The 2021/2022 costs of COVID recovery have been managed primarily using the funding in reserves carried forward from 2020/2021. This allows elements of the new funding received in 2021/2022 to be carried forward to meet the costs of recovery moving forward.  |                 | 15.600        |
| <b>COVID Specific Funding</b><br>Funding was received in 2021/2022 to assist with Education Recovery. This transfer represents the element required to assist with the costs for the remainder of the school year.  |                 | 3.011         |
| <b>Total Corporate Items - COVID Transfers to Reserves</b>  |                 | <b>18.611</b> |
| <b>Adjust:</b> Total increase in transfers to reflect reduced expenditure during the year   |                 | 5.234         |
| <b>Revised Corporate Items - COVID Transfers to Reserves</b>  |                 | <b>23.845</b> |
| <b>Corporate Items - 22/23 Strategy</b>   |                 |               |
| <b>Loans Funds Review</b><br>The Executive committee approved a transfer to reserves in respect of the Loans Fund Review.   |                 | 13.550        |
| <b>Total Corporate Items - 22/23 Strategy</b>   |                 | <b>13.550</b> |
| <b>Investments</b>  |                 |               |
| <b>Investments 2021/2022</b><br>A report to the Executive Committee (22 September 2021) highlighted that the investment monies would be spent across multiple years. This transfer is to meet the commitments in future years.  | Investments     | 5.443         |
| <b>Total Investments Transfers to Reserves</b>  |                 | <b>5.443</b>  |
| <b>Adjust:</b> Total increase in transfers to reflect reduced expenditure during the year   |                 | 0.441         |
| <b>Revised Investments Transfers to Reserves</b>  |                 | <b>5.884</b>  |
| <b>Total Transfers to Reserves Approved at Probable Year-End</b>  |                 | <b>49.636</b> |
| <b>Adjust:</b> Total net increase in transfers to reflect Year-End position (Resources and Corporate Items). This is the total of all the amounts under "adjust" in the table above   |                 | <b>5.426</b>  |
| <b>Revised Transfers to Reserves Approved at Probable Outturn</b>   |                 | <b>55.062</b> |

**Transfers to Reserves – Additional Proposed Transfers at Year-End**

| Purpose / Description  | Resource                 | Value<br>£m  |
|--|--------------------------|--------------|
| <b>Resources</b>   |                          |              |
| <b>Training Laptops</b><br>Transfer to fund the 101 training laptops for primary schools which were ordered in 2021/22 but due to COVID and supply chain delays, will not be delivered until 2022/23.  | Community and Enterprise | 0.062        |
| <b>Office Accommodation Moves – Montrose House Staff</b><br>Due to delay in the move to Almada Street by Montrose House staff due to vaccination centre and election accommodation requirements, planned repair works and equipment requirements have been delayed until July 2022.  | Community and Enterprise | 0.050        |
| <b>Chatelherault – Rock Slope Inspection</b><br>This is to fund inspection work on dangerous rock slopes within Chatelherault Country park. This is a contractual commitment.  | Community and Enterprise | 0.026        |
| <b>Lammermoor</b><br>Funding required to complete the contractual commitment in relation to upgrading of allotment works at Lammermoor.  | Community and Enterprise | 0.005        |
| <b>Environmental Flare System</b><br>This funding is required to meet the IT costs in relation to Environmental Services Flare system as a result of system upgrade and parallel running costs.  | Community and Enterprise | 0.030        |
| <b>Strategic Waste Fund</b><br>The contribution is the result of higher than anticipated income from Fibre and recycle contracts and is required to support future contract costs for waste streams in 2022/23.  | Community and Enterprise | 0.302        |
| <b>Total Community and Enterprise Resources Proposed Transfers</b>   |                          | <b>0.475</b> |
| <b>Teachers NQT Group 2</b><br>This transfer reflects the prepayment of funding in 2021/22 for Newly Qualified Teachers for the period April to June 2022.   | Education                | 0.293        |
| <b>School Support Job Evaluation</b><br>This transfer relates to funding required to support outcomes of the job evaluation in Support Services.   | Education                | 0.086        |
| <b>Education – Capital Items Replacement Fund</b><br>In line with Delegated School Management guidelines within schools, this reflects spend to be incurred up to the end of school term (June 2022) and contribution to the Replacement Equipment Fund. The transfer is required to allow the spend to be undertaken in April to June 2022.                 | Education                | 0.571        |
| <b>Total Education Resources Proposed Transfers</b>  |                          | <b>0.950</b> |
| <b>Employability Projects</b><br>Due to the timing of monies received and the timetable for project delivery, this external Employability Project funding requires to be carried forward to ensure the projects can continue in 2022/2023. The projects are No-one Left Behind £0.114m, Parental Employability Support £0.156m, and Youth Guarantee £0.490m. | Finance and Corporate    | 0.760        |
| <b>Total Finance and Corporate Resources Proposed Transfers</b>  |                          | <b>0.760</b> |
| <b>Adults and Older People</b><br>This transfer represents an over provision of funding to the Integrated Joint Board which will be transferred to reserves and utilised to manage pressures within Children and Family Services.  | Social Work              | 2.051        |
| <b>Total Social Work Resources</b>   |                          | <b>2.051</b> |
| <b>Total Resource Proposed Transfers to Reserves</b>   |                          | <b>4.236</b> |
|  |                          |              |
| <b>Corporate Items</b>   |                          |              |
| <b>Feed In Tariff</b><br>Carry forward income received from energy transferred back to the grid for use on future energy efficiency projects.  | Corporate Items          | 0.051        |
| <b>Renewable Heat Initiative Income</b><br>Carry forward subsidy income received from the Government for use on future energy efficiency related projects.   | Corporate Items          | 0.369        |
| <b>Whole of Family Wellbeing GRG</b><br>This transfer reflects General Revenue Grant received late in the financial year which requires to be carried forward to meet commitments in 2022/2023.  | Corporate Items          | 0.187        |
| <b>Telecare Fire Safety GRG</b><br>This transfer reflects General Revenue Grant received late in the financial year which requires to be carried forward to meet commitments in 2022/2023.   | Corporate Items          | 0.059        |
| <b>Total Corporate Items Proposed Transfers to Reserves</b>  |                          | <b>0.666</b> |
| <b>Total Proposed Transfers to Reserves at Year-End (Resources and Corporate Items)</b>  |                          | <b>4.902</b> |

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Year Ended 31 March 2022**  
**Housing Revenue Account**

| <b>Budget Category</b>           | <b>Annual Budget</b> | <b>Forecast for Year BEFORE Transfers</b> | <b>Annual Forecast Variance BEFORE Transfers</b> | <b>Annual Forecast Variance AFTER Transfers</b> | <b>Budget Proportion 31/03/22</b> | <b>Actual 31/03/22</b> | <b>Variance 31/03/22</b> |                | <b>% Variance 31/03/22</b> | <b>Notes</b> |
|----------------------------------|----------------------|---|--|---|-----------------------------------|------------------------|--------------------------|----------------|----------------------------|--------------|
| Employee Costs                   | 14.090               | 13.842                                    | 0.248  | 0.248   | 14.090                            | 13.957                 | 0.133                    | under          | 0.9%                       | 1            |
| Property Costs                   | 46.061               | 45.666                                    | (0.605)  | (0.605)   | 46.061                            | 46.893                 | (0.832)                  | over           | (1.8%)                     | 2            |
| Supplies & Services              | 0.879                | 0.841                                     | 0.038  | 0.038   | 0.879                             | 0.701                  | 0.178                    | under          | 20.3%                      |              |
| Transport & Plant                | 0.195                | 0.167                                     | 0.028  | 0.028   | 0.195                             | 0.153                  | 0.042                    | under          | 21.5%                      |              |
| Administration Costs             | 5.465                | 5.633                                     | 0.012  | 0.012   | 5.465                             | 5.485                  | 0.160                    | under          | 2.8%                       |              |
| Payments to Other Bodies         | 3.076                | 3.113                                     | (0.037)  | (0.037)   | 3.076                             | 3.130                  | (0.054)                  | over           | (1.8%)                     |              |
| Payments to Contractors          | 0.100                | 0.097                                     | 0.003  | 0.003   | 0.100                             | 0.069                  | 0.031                    | under          | 31.0%                      |              |
| Transfer Payments                | 0.000                | 0.000                                     | 0.000  | 0.000   | 0.000                             | 0.000                  | 0.000                    | -              | 0.0%                       |              |
| Financing Charges                | 19.637               | 19.662                                    | (0.025)  | (0.025)   | 19.637                            | 19.744                 | (0.107)                  | over           | (0.5%)                     |              |
| <b>Total Controllable Exp.</b>   | 89.683               | 90.021                                    | (0.338)  | (0.338)   | 89.683                            | 90.132                 | (0.449)                  | over           | (0.5%)                     |              |
| Total Controllable Inc.          | (106.485)            | (106.823)                                 | 0.338  | 0.338   | (106.485)                         | (108.765)              | 2.280                    | over recovered | 2.1%                       | 3            |
| Transfer to/(from) Balance Sheet | 0.971                | 0.971                                     | 0.000  | 0.000   | 0.971                             | 2.917                  | (1.946)                  | over           | 200.4%                     | 4            |
| <b>Net Controllable Exp.</b>     | (15.831)             | (15.831)                                  | 0.000  | 0.000   | (15.831)                          | (15.716)               | (0.115)                  | over           | (0.7%)                     |              |
| Loan Charges                     | 15.831               | 15.831                                    | 0.000  | 0.000   | 15.831                            | 15.716                 | 0.115                    | under          | 0.7%                       |              |
| <b>Net Controllable Exp.</b>     | 0.000                | 0.000                                     | 0.000  | 0.000   | 0.000                             | 0.000                  | 0.000                    | -              | 0.0%                       |              |

**Variance Explanations**

**1. Employee Costs**

This underspend reflects higher than anticipated staff turnover within the Service, partially offset by the additional costs of the agreed pay award.

**2. Property Costs**

This overspend reflects demand in relation to repairs and grounds maintenance.

**3. Income**

This over recovery reflects income from house rents being higher than anticipated and also income from repairs and insurance recoveries, offset by additional expenditure.

**4. Transfer to / (from) Balance Sheet**

The net overspend across expenditure has resulted in a lower transfer to reserves being anticipated to date, mainly due to the additional costs of the agreed pay award.





# Report

3

|                  |   |
|------------------|---|
| Report to:       | <b>Executive Committee</b>                                  |
| Date of Meeting: | <b>29 June 2022</b>   |
| Report by:       | <b>Executive Director (Finance and Corporate Resources)</b> |

|          |  |
|----------|--|
| Subject: | <b>Revenue Budget Monitoring for Period 1 April to 20 May 2022</b> |
|----------|--|

## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ advise the Committee on the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April 2022 to 20 May 2022.

## 2. Recommendation(s)

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

- (1) that the underspend of £0.261 million on the General Fund Revenue Account at 20 May 2022, relating to the delegated IJB budget, (section 4 and Appendix 1), be noted;
- (2) that the transfers to Reserves detailed in sections 4.2 to 4.6, be noted, and
- (3) that the breakeven position on the Housing Revenue Account at 20 May 2022 (section 5 and Appendix 2 of the report), be noted.

## 3. Background

### 3.1. General Fund Position

This overview report will summarise the actual expenditure and income to 20 May 2022 compared with the budget for the same period for both the Council's General Fund (section 4) and for the Housing Revenue Account (section 5).

## 4. 2022/2023 General Services Position

### 4.1. General Services Current Position as at 20 May 2022

As at 20 May 2022, the position on the General Services budget is an underspend of £0.261 million (Appendix 1). The underspend lies mainly within Social Work Resources (Adults and Older People) as a result of vacancies across Social Workers, Day Care and Residential homes. This is part of the delegated IJB budget. The core Council position, without the IJB underspend, is break even.

4.2. **Loans Fund Review:** The proposal to implement a Loans Fund Review was part of the Revenue Budget Strategy paper presented to the Executive Committee on 24 June 2020. The Committee agreed to implement the Loans Fund Review and noted that the benefit each year will be realised through an underspend in Loan Charges which would be taken to reserves for use in future years budget strategies. Through the changes introduced as part of the Loans Fund Review, Loan Charges will underspend by £15.897 million in 2022/2023. This underspend will be treated as a transfer to Reserves and has been moved to the budget line Corporate Items - Budget Strategy.

- 4.3. **Loan Charges:** As noted in the 2023/2024 Budget Strategy presented to the Council on 15 June 2022, the Council's Loan Charges Strategy is based on the level of borrowing required and assumes that this borrowing is taken at the start of the financial year. Taking account of delays in borrowing in 2021/2022, and the required level of borrowing in 2022/2023, and by taking the total borrowing required across the financial year, interest costs can be reduced by £0.873 million. In line with the Strategy, this £0.873 million will be transferred to Reserves at the start of 2022/2023, and set-aside to assist in funding the 2023/2024 Strategy on a temporary basis.
- 4.4. **2021/2022 Investments:** As was originally intended, the spend profile of the 2021/2022 Investment monies (£10.054 million) will cover multiple years. Spend of £4.170 million was incurred in 2021/2022 and the remainder (£5.884 million) transferred to Reserves at the year-end for use in future years. It is anticipated that of this balance of £5.884 million, £3.352 million will be spent in 2022/2023 and has been included in the 2022/2023 Budget in Appendix 1. The balance of £2.532 million will remain in Reserves for use into 2023/2024.
- 4.5. **2022/2023 Investments:** The investment monies for 2022/2023 total £7.042 million. £1.400 million of this has been used to reduce the Council Tax budget into 2022/2023, and given the nature of the spend, the remaining £5.642 million will be spent across multiple years: £3.942 million in 2022/2023, £1.397 million in 2023/2024 and the balance, £0.303 million in 2024/2025. The balance of funds required for the two future years (£1.700 million) will be transferred to Reserves to be utilised in future years.
- 4.6. **Job Evaluation Underspend:** As noted in the 2023/2024 Budget Strategy presented to the Council on 15 June 2022, the 2022/2023 Budget included an allocation of £0.650 million for the cost of Job Evaluation for Residential and Day Care staff. These costs are now being managed by the IJB and the Council does not now need to provide for them. An underspend will be realised in 2022/2023 and in line with the 2023/2024 Budget Strategy, the underspend will be transferred to Reserves to support the 2023/2024 Budget Strategy. The budget allocation itself will be removed from the 2023/2024 budget on a permanent basis.
- 4.7. **Accounting Requirements:** As has been the case in previous years, it has been identified that to comply with accounting rules, some project expenditure should be reported through the revenue budget as it cannot be classed as capital. Budget of £4.000 million will be transferred to Resources' Revenue budgets, in respect of the £1.000 million of funding for Private Housing Scheme of Assistance project and £3.000 million of the Planned Asset Management budget. In relation to Planned Asset Management, the total overall budget of £4.8 million across capital and revenue, remains unchanged. This will continue to be reviewed to ensure that it is classed appropriately (as revenue or capital), and any further movement reported to a future meeting.
- 4.8. Conversely, it is proposed that roads carriageways revenue budget totalling £1.531 million be transferred to the 2022/2023 Capital Programme. The total overall budget for both Roads Carriageways across capital and revenue remains unchanged.
- 4.9. The adjustments detailed in sections 4.2 to 4.7 are included in the figures in Appendix 1.

## **5. Housing Revenue Account Position**

- 5.1. As at 20 May 2022, Appendix 2 of the report shows a breakeven position against the phased budget on the Housing Revenue Account.

## **6. Employee Implications**

- 6.1. None.

## **7. Financial Implications**

- 7.1. As detailed in sections 4 to 5 of the report.

## **8. Climate Change, Sustainability and Environmental Implications**

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

## **9. Other Implications**

- 9.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. 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.
- 10.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

7 June 2022

## **Link(s) to Council Values/Vision/Priorities**

- ◆ Accountable, Effective, Efficient and Transparent

## **Previous References**

- ◆ None

## **List of Background Papers**

- ◆ Financial Ledger and budget monitoring results to 20 May 2022

## **Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 20 May 2022 (No.2)**

| <u>Committee</u>                          | Annual Budget  | Annual Forecast | Annual Forecast Variance | Budget Proportion To 20/05/22 | Actual to Period 2 20/05/22 | Variance to 20/05/22 |              |
|---|----------------|-----------------|--------------------------|-------------------------------|-----------------------------|----------------------|--------------|
| Departments:                              | £m             | £m              | £m                       | £m                            | £m                          | £m                   |              |
| <b>Community and Enterprise Resources</b> | <b>122.737</b> | <b>122.737</b>  | <b>0.000</b>             | <b>10.126</b>                 | <b>10.127</b>               | <b>(0.001)</b>       | <b>over</b>  |
| Facilities, Waste and Grounds             | 76.038         | 76.038          | 0.000                    | 2.740                         | 2.702                       | 0.038                | under        |
| Fleet, Environmental and Projects         | 0.830          | 0.830           | 0.000                    | (0.726)                       | (0.685)                     | (0.041)              | over         |
| Leisure and Culture Services              | 21.078         | 21.078          | 0.000                    | 5.529                         | 5.529                       | 0.000                | -            |
| Planning and Economic Development         | 3.558          | 3.558           | 0.000                    | (0.922)                       | (0.958)                     | 0.036                | under        |
| Roads                                     | 21.233         | 21.233          | 0.000                    | 3.505                         | 3.539                       | (0.034)              | over         |
| <b>Education Resources</b>                | <b>374.377</b> | <b>374.377</b>  | <b>0.000</b>             | <b>50.279</b>                 | <b>50.279</b>               | <b>0.000</b>         | <b>-</b>     |
| Education                                 | 374.377        | 374.377         | 0.000                    | 50.279                        | 50.279                      | 0.000                | -            |
| <b>Finance and Corporate Resources</b>    | <b>38.612</b>  | <b>38.612</b>   | <b>0.000</b>             | <b>1.560</b>                  | <b>1.543</b>                | <b>0.017</b>         | <b>under</b> |
| Finance Services - Strategy               | 2.023          | 2.023           | 0.000                    | 0.362                         | 0.359                       | 0.003                | under        |
| Finance Services - Transactions           | 16.760         | 16.760          | 0.000                    | (3.026)                       | (3.027)                     | 0.001                | under        |
| Audit and Compliance Services             | 0.355          | 0.355           | 0.000                    | 0.066                         | 0.064                       | 0.002                | under        |
| Information Technology Services           | 5.095          | 5.095           | 0.000                    | 2.299                         | 2.292                       | 0.007                | under        |
| Communications and Strategy Services      | 3.043          | 3.043           | 0.000                    | 0.400                         | 0.398                       | 0.002                | under        |
| Administration and Licensing Services     | 4.113          | 4.113           | 0.000                    | 0.735                         | 0.733                       | 0.002                | under        |
| Personnel Services                        | 7.223          | 7.223           | 0.000                    | 0.724                         | 0.724                       | 0.000                | -            |
| <b>Housing and Technical Resources</b>    | <b>17.288</b>  | <b>17.288</b>   | <b>0.000</b>             | <b>2.665</b>                  | <b>2.665</b>                | <b>0.000</b>         | <b>-</b>     |
| Housing Services                          | 8.481          | 8.481           | 0.000                    | 1.935                         | 1.935                       | 0.000                | -            |
| Property Services                         | 8.807          | 8.807           | 0.000                    | 0.730                         | 0.730                       | 0.000                | -            |
| <b>Social Work Resources</b>              | <b>210.777</b> | <b>210.777</b>  | <b>0.000</b>             | <b>22.548</b>                 | <b>22.303</b>               | <b>0.245</b>         | <b>under</b> |
| Performance and Support Services          | 8.399          | 8.399           | 0.000                    | 0.905                         | 0.844                       | 0.061                | under        |
| Children and Families                     | 35.293         | 35.293          | 0.000                    | 4.607                         | 4.668                       | (0.061)              | over         |
| Adults and Older People                   | 165.357        | 165.357         | 0.000                    | 16.697                        | 16.446                      | 0.251                | under        |
| Justice and Substance Misuse              | 1.728          | 1.728           | 0.000                    | 0.339                         | 0.345                       | (0.006)              | over         |
| <b>Joint Boards</b>                       | <b>2.152</b>   | <b>2.152</b>    | <b>0.000</b>             | <b>0.351</b>                  | <b>0.351</b>                | <b>0.000</b>         | <b>-</b>     |
|   | <b>765.943</b> | <b>765.943</b>  | <b>0.000</b>             | <b>87.529</b>                 | <b>87.268</b>               | <b>0.261</b>         | <b>under</b> |

  

| <u>Committee</u>                                  | Annual Budget  | Annual Forecast Transfers | Annual Forecast Variance Transfers | Budget Proportion to 20/05/22 | Actual to Period 2 20/05/22 | Variance to 20/05/22 |              |
|---|----------------|---------------------------|------------------------------------|-------------------------------|-----------------------------|----------------------|--------------|
|   | £m             | £m                        | £m                                 | £m                            | £m                          | £m                   |              |
| Service Departments Total                         | 765.943        | 765.943                   | 0.000                              | 87.529                        | 87.268                      | 0.261                | under        |
| CFCR  | 0.361          | 0.361                     | 0.000                              | 0.000                         | 0.000                       | 0.000                | -            |
| Loan Charges                                      | 35.111         | 35.111                    | 0.000                              | 0.000                         | 0.000                       | 0.000                | -            |
| Corporate Items                                   | 33.679         | 33.679                    | 0.000                              | 0.017                         | 0.017                       | 0.000                | -            |
| Corporate Items – Strategy (transfer to Reserves) | 17.420         | 17.420                    | 0.000                              | 0.017                         | 0.017                       | 0.000                | -            |
| 2022/2023 Investments – T/f to Reserves           | 1.700          | 1.700                     | 0.000                              | 0.000                         | 0.000                       | 0.000                | -            |
| <b>Total Expenditure</b>                          | <b>854.214</b> | <b>854.214</b>            | <b>0.000</b>                       | <b>87.546</b>                 | <b>87.285</b>               | <b>0.261</b>         | <b>over</b>  |
| Council Tax                                       | 167.437        | 167.437                   | 0.000                              | 23.920                        | 23.920                      | 0.000                | -            |
| Less: Council Tax Reduction Scheme                | (23.263)       | (23.263)                  | 0.000                              | (3.323)                       | (3.323)                     | 0.000                | -            |
| Net Council Tax                                   | 144.174        | 144.174                   | 0.000                              | 20.597                        | 20.597                      | 0.000                | -            |
| General Revenue Grant                             | 234.116        | 234.114                   | 0.000                              | 33.445                        | 33.445                      | 0.000                | -            |
| Non-Domestic Rates                                | 422.591        | 422.591                   | 0.000                              | 60.370                        | 60.370                      | 0.000                | -            |
| Transfer from Reserves                            | 53.333         | 53.333                    | 0.000                              | 49.981                        | 49.981                      | 0.000                | -            |
| <b>Total Income</b>                               | <b>854.214</b> | <b>854.214</b>            | <b>0.000</b>                       | <b>164.393</b>                | <b>164.393</b>              | <b>0.000</b>         | <b>-</b>     |
| <b>Net Expenditure / (Income)</b>                 | <b>0.000</b>   | <b>0.000</b>              | <b>0.000</b>                       | <b>(76.847)</b>               | <b>(77.108)</b>             | <b>0.261</b>         | <b>under</b> |

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 20 May 2022 (No.2)**

| <b><u>Budget Category</u></b>                     | <b>Annual<br/>Budget</b> | <b>Annual<br/>Forecast</b> | <b>Annual<br/>Forecast<br/>Variance</b> | <b>Budget<br/>Proportion<br/>To 20/05/22</b> | <b>Actual<br/>to<br/>Period 2<br/>20/05/22</b> | <b>Variance<br/>to<br/>20/05/22</b> |                  |
|---|--------------------------|----------------------------|---|--|--|-------------------------------------|------------------|
|   | £m                       | £m                         | £m                                      | £m   | £m   | £m                                  |                  |
| <b>Service Departments:</b>                       |                          |                            |   |  |  |                                     |                  |
| <b><u>Expenditure</u></b>                         |                          |                            |   |  |  |                                     |                  |
| Employee Cost                                     | 572.786                  | 572.786                    | 0.000                                   | 68.272                                       | 67.417   | 0.855                               | under            |
| Property Costs                                    | 55.226                   | 55.226                     | 0.000                                   | 5.152  | 5.220  | (0.068)                             | over             |
| Supplies and Services                             | 62.541                   | 62.541                     | 0.000                                   | 5.204  | 5.115  | 0.089                               | under            |
| Transport Costs                                   | 42.674                   | 42.674                     | 0.000                                   | 6.491  | 6.641  | (0.150)                             | over             |
| Administration Costs                              | 13.615                   | 13.615                     | 0.000                                   | 1.632  | 1.653  | (0.021)                             | over             |
| Payments to Other Bodies                          | 77.991                   | 77.991                     | 0.000                                   | 11.914                                       | 11.944   | (0.030)                             | over             |
| Payments to Contractors                           | 227.490                  | 227.490                    | 0.000                                   | 19.917                                       | 20.033   | (0.116)                             | over             |
| Transfer Payments                                 | 5.690                    | 5.690                      | 0.000                                   | 0.933  | 0.934  | (0.001)                             | over             |
| Housing Benefits                                  | 69.107                   | 69.107                     | 0.000                                   | 5.116  | 5.116  | 0.000                               | -                |
| Financing Charges (controllable)                  | 2.171                    | 2.171                      | 0.000                                   | 0.463  | 0.460  | 0.003                               | under            |
| <b>Total</b>                                      | <b>1,129.291</b>         | <b>1,129.291</b>           | <b>0.000</b>                            | <b>125.094</b>                               | <b>124.533</b>                                 | <b>0.561</b>                        | <b>under</b>     |
| Service Departments Total                         | 1,129.291                | 1,129.291                  | 0.000                                   | 125.094                                      | 124.533  | 0.561                               | under            |
| CFCR  | 0.361                    | 0.361                      | 0.000                                   | 0.000  | 0.000  | 0.000                               | -                |
| Loan Charges                                      | 35.111                   | 35.111                     | 0.000                                   | 0.000  | 0.000  | 0.000                               | -                |
| Corporate Items                                   | 33.679                   | 33.679                     | 0.000                                   | 0.017  | 0.017  | 0.000                               | -                |
| Corporate Items – Strategy                        | 17.420                   | 17.420                     | 0.000                                   | 0.000  | 0.000  | 0.000                               | -                |
| 22/23 Investments – T/f to Reserves               | 1.700                    | 1.700                      | 0.000                                   | 0.000  | 0.000  | 0.000                               | -                |
| <b>Total Expenditure</b>                          | <b>1,217,562</b>         | <b>1,217,562</b>           | <b>0.000</b>                            | <b>125.111</b>                               | <b>124.550</b>                                 | <b>0.561</b>                        | <b>under</b>     |
| <b>Income</b>                                     |                          |                            |   |  |  |                                     |                  |
| Housing Benefit Subsidy                           | 64.158                   | 64.158                     | 0.000                                   | 9.507  | 9.507  | 0.000                               | -                |
| Other Income                                      | 299.190                  | 299.190                    | 0.000                                   | 28.058                                       | 27.758   | (0.300)                             | under rec        |
| Council Tax (Net of Council Tax Reduction Scheme) | 144.174                  | 144.174                    | 0.000                                   | 20.597                                       | 20.597   | 0.000                               | -                |
| General Revenue Grant                             | 234.116                  | 234.116                    | 0.000                                   | 33.445                                       | 33.445   | 0.000                               | -                |
| Non Domestic Rates                                | 422.591                  | 422.591                    | 0.000                                   | 60.370                                       | 60.370   | 0.000                               | -                |
| Transfer from Reserves                            | 53.333                   | 53.333                     | 0.000                                   | 49.981                                       | 49.981   | 0.000                               | -                |
| <b>Total Income</b>                               | <b>1,217.562</b>         | <b>1,217.562</b>           | <b>0.000</b>                            | <b>201.958</b>                               | <b>201.658</b>                                 | <b>(0.300)</b>                      | <b>under rec</b> |
| <b>Net Expenditure / (Income)</b>                 | <b>0.000</b>             | <b>0.000</b>               | <b>0.000</b>                            | <b>(76.847)</b>                              | <b>(77.108)</b>                                | <b>0.261</b>                        | <b>under</b>     |

**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**  
**Period Ended 20 May 2022 (No.2)**  
**Housing Revenue Account**

|                                  | Annual Budget | Forecast for Year | Annual Forecast Variance | Budget Proportion to 20/05/22 | Actual to Period 2 20/05/22 | Variance to 20/05/22 |                 | %       | Note |
|----------------------------------|---------------|-------------------|--------------------------|-------------------------------|-----------------------------|----------------------|-----------------|---------|------|
|                                  | £m            | £m                | £m                       | £m                            | £m                          | £m                   |                 |         |      |
| Employee Costs                   | 13.914        | 13.914            | 0.000                    | 1.575                         | 1.584                       | (0.009)              | over            | (0.6%)  |      |
| Property Costs                   | 46.906        | 46.906            | 0.000                    | 6.684                         | 6.693                       | (0.009)              | over            | (0.1%)  |      |
| Supplies & Services              | 0.609         | 0.609             | 0.000                    | 0.023                         | 0.026                       | (0.003)              | over            | (13.0%) |      |
| Transport & Plant                | 0.195         | 0.195             | 0.000                    | 0.023                         | 0.019                       | 0.004                | under           | 17.4%   |      |
| Administration Costs             | 5.644         | 5.644             | 0.000                    | 0.893                         | 0.881                       | 0.012                | under           | 1.3%    |      |
| Payments to Other Bodies         | 3.030         | 3.030             | 0.000                    | 0.301                         | 0.301                       | 0.000                | -               | 0.0%    |      |
| Payments to Contractors          | 0.100         | 0.100             | 0.000                    | 0.017                         | 0.021                       | (0.004)              | over            | (23.5%) |      |
| Transfer Payments                | 0.000         | 0.000             | 0.000                    | 0.000                         | 0.000                       | 0.000                | -               | n/a     |      |
| Financing Charges                | 26.050        | 26.050            | 0.000                    | 3.283                         | 3.283                       | 0.000                | -               | 0.0%    |      |
| Total Controllable Expenditure   | 96.448        | 96.448            | 0.000                    | 12.799                        | 12.808                      | (0.009)              | over            | (0.1%)  |      |
| Total Controllable Income        | (112.000)     | (112.000)         | 0.000                    | (9.933)                       | (9.925)                     | (0.008)              | under recovered | (0.1%)  |      |
| Transfer to/(from) Balance Sheet | (2.773)       | (2.773)           | 0.000                    | (0.462)                       | (0.479)                     | 0.017                | under           | 3.7%    |      |
| Net Controllable Expenditure     | (18.325)      | (18.325)          | 0.000                    | 2.404                         | 2.404                       | 0.000                | -               | 0.0%    |      |
| Add: Non Controllable Budgets    |               |                   |                          |                               |                             |                      |                 |         |      |
| Financing Charges                | 18.325        | 18.325            | 0.000                    | 0.000                         | 0.000                       | 0.000                | -               | 0.0%    |      |
| Total Budget                     | 0.000         | 0.000             | 0.000                    | 2.404                         | 2.404                       | 0.000                | -               | 0.0%    |      |
|                                  |               |                   |                          |                               |                             |                      |                 |         |      |

# Report

**4**

|                  |   |
|------------------|---|
| Report to:       | <b>Executive Committee</b>                                  |
| Date of Meeting: | <b>29 June 2022</b>   |
| Report by:       | <b>Executive Director (Finance and Corporate Resources)</b> |

|          |  |
|----------|--|
| Subject: | <b>Capital Budget Monitoring Final Outturn – 2021/2022</b> |
|----------|--|

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ advise Committee of the outturn position of the General Services and Housing Capital Programmes for the year ended 31 March 2022
- ◆ advise of the projects expressed in financial terms, which have been carried forward into year 2022/23.

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

2.1. The Executive Committee is asked to approve the following recommendations:-

- (1) that the outturn on the 2021/2022 General Services Programme of £61.587 million (section 4.1), be noted;
- (2) that the carry forward of 2021/2022 projects into the 2022/2023 General Services Capital Programme totalling £11.145 million (section 4.6), be approved;
- (3) that the outturn on the 2021/2022 Housing Capital Programme of £73.181 million (section 4.8), be noted;
- (4) that it be noted that there is a carry forward of £11.434 million of 2021/2022 projects into future years' Housing Capital Programmes (section 4.10), and that the reprofiling of the budget for future years Housing Capital Programmes (section 4.11), be approved; and
- (5) that it be noted that the level of overall spend anticipated in 2022/2023, for both General Services and Housing Programmes, is the subject of a separate report to this Committee (sections 4.7 and 4.11).

## **Background**

- 3.1. The General Services Capital Programme for 2021/2022 totalled £72.732 million. This revised programme consists of the base budget plus carry forward projects and adjustments which have been agreed by the Executive Committee up to and including its meeting on 2 March 2022.
- 3.2. The Housing Capital Programme for 2021/2022 totalled £79.640 million. This was approved by the Executive Committee on 22 September 2021.
- 3.3. Section 4 of this report will provide a final outturn position on the 2021/2022 General Services and Housing Capital Programmes and will update members on the carry forward into the new financial year.

#### **4. Financial Implications**

4.1. **General Services:** Appendix 1 shows the total expenditure of £61.587 million on the General Fund Capital Programme for year 2021/2022. This is compared to the budget of £72.732 million and results in an underspend of £11.145 million. This underspend relates to projects within Community and Enterprise Resources (£7.218m), Education Resources (£1.121m), Finance and Corporate Resources (£1.190m), Housing and Technical Resources (£1.317m) and Social Work Resources (£0.299m).

4.2. Overall, the programme underspend is due to the timing of project spend. A list of the main projects which are responsible for the underspend are detailed below:

**Community and Enterprise Resources:** Place Based Investment Programme (£1.617m), Hamilton HUB – New Cross Shopping Centre (£0.970m), Vacant and Derelict Land (£0.563m), Contribution to Horsley Brae (£0.400m), Roads Participatory Budgeting (£0.329m), Roads Structures (Mousemill Rd, Clyde, Ponfeigh, Daer and Scrogton) (£0.473m), Cycling, Walking and Safer Streets (£0.238m), Cathkin Bypass (£0.328m) and Greenhills Road (£1.081m).

**Education Resources:** St Charles' Primary School Extension (£0.141m), Newton Farm Primary School Extension (£0.475m), St Mark's Primary School, Hamilton – Extension (£0.152m), Early Years 1,140 Hours (£0.379m)

**Finance and Corporate Resources:** IT Infrastructure Refresh (£0.401m), Digital Connectivity (£0.275m), Caird Data Centre (£0.174m), Audio Visual Upgrade (£0.389m), Climate Change / Digital Transformation Fund (£0.325m) and offset by better than anticipated progress on Oracle Fusion (£0.790m)

**Housing and Technical Resources:** Prioritised Urgent Investment (£0.249m), Lifecycle Replacement Schools (£0.246m), Community Facilities Fund (£0.100m), Civic Centre Fabric Upgrade (£0.317m) and Central Energy Efficiency Fund (£0.367m).

**Social Work Resources:** Care Home Replacement – Blantyre (£0.131m), Community Alarms (£0.021m) and Replacement SwIS Plus System (£0.148m).

4.3. The majority of these projects will continue into 2022/2023. These projects are listed in Appendix 2.

4.4. **Year End and Accounting Adjustments:** 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 from the Capital Programme is on assets that are not owned by the Council (for example Shawfield Industrial Estate spend) or where spend must be classed as Revenue due to the nature of the spend. This adjustment has no physical impact on projects – it is an accounting entry only.

4.5. From reviewing the Council's Revenue and Capital spend, £1.627 million of capital spend is required to be recorded as Revenue spend. Conversely, £0.378 million of revenue spend should be recorded as Capital. These transfers mean that for the purpose of publishing our Annual Accounts only, there is capital spend of £60.338 million. The funding sources for this spend are detailed in Appendix 1.

4.6. **Carry Forward to 2022/2023:** As noted in 4.1, the year-end underspend is £11.145 million. This £11.145 million will carry forward into financial year 2022/23.



- 4.7. The overall base programme for 2022/2023, including this carry forward of £11.145 million, is included in a separate report to this meeting. This separate report reviews the programme for the coming year detailing the overall level of spend achievable.
- 4.8. **Housing Programme** Appendix 3 shows the budget for the year of £79.640 million. The actual expenditure on the Housing programme was £73.181 million, a net underspend of £6.459 million. The delivery of the Housing Capital Programme for 2021/2022 has been affected by the pandemic. Part of this underspend relates to the New Housing Supply Programme and this was solely due to the volume of buy backs, which was lower than targeted levels due to current market conditions. The remainder of the underspend relates to our ongoing investment in stock, which has been affected by the Covid-19 restrictions.
- 4.9. Housing and Technical Resources have also received additional one-off income totalling £6.166 million in relation to Renewable Heating Initiative / Feed in Tariffs, land sales, developer contributions and Scottish Government Grants. This will be added to the overall funding available for the Housing Programme.
- 4.10. Taking into account the year-end underspend position of £6.459 million (section 4.8) and the additional income of £6.166 million (section 4.9), means a carry forward of £12.625 million. The timing of the New Housing Supply Programme works means that £1.191 million of this carry forward will be required in 2022/2023. This leaves slippage of £11.434 million which will fall into future financial years, the timing of which has still to be finalised.
- 4.11. The budgeted programme for 2022/2023 is £52.230 million. The Service is still expecting to spend to that level, however, work will continue to monitor achievable spend. Any revisions will be presented to a future meeting of this Committee for approval.
- 5. Employee Implications**
- 5.1. None.
- 6. Financial Implications**
- 6.1. Financial implications are contained within Section 4 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 an overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project. The risk of overspend is managed through four weekly Investment management meetings.
- 8.2. The Coronavirus (COVID-19) Pandemic has led to materials shortages, longer lead times and steep price increases and this will continue to impact the supply chain for the foreseeable future. The impact of this will 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.
- 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 existing policy, function or strategy and, therefore, no impact assessment is required.
- 9.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

7 June 2022

**Link(s) to Council Values/Vision/Priorities**

- Accountable, Effective, Efficient and Transparent

**Previous References**

- Executive Committee, 22 September 2021
- Executive Committee, 2 March 2022

**List of Background Papers**

Capital Ledger prints to 31 March 2022

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:  
Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601(Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2021/22  
GENERAL FUND PROGRAMME  
FOR PERIOD 1 APRIL 2021 TO 31 MARCH 2022

| <b>Expenditure</b>  | <b><u>2021/22</u><br/><u>Revised</u><br/><u>Budget</u><br/>£m</b> | <b><u>2021/22</u><br/><u>Actual to</u><br/><u>31/03/22</u><br/>£m</b> |
|---|---|---|
| <b>General Fund Programme</b> (from Appendix 1)                               | 72.732  | 61.587  |
| <u>Accounting Adjustments</u> (Sections 4.4 and 4.5):                         |   |   |
| Less: Transfers to Revenue  |   | (1.627)   |
| Add: Year End Transfers to Capital  |   | 0.378   |
| <b>2021/2022 Outturn Position</b> (Accounting Basis only)                     | <b><u>72.732</u></b>  | <b><u>60.338</u></b>  |
| <b>Income</b>   |   | <b><u>2021/22</u><br/><u>Actual to</u><br/><u>31/03/22</u><br/>£m</b> |
| Prudential Borrowing  |   | 10.196  |
| Developer Contributions   |   | 2.738   |
| Partners (Including SPT, Sustrans, Clyde Wind Farm and Renewable Energy Fund) |   | 5.133   |
| Scottish Government:  |   |   |
| - Capital Grant   |   | 24.174  |
| - Cycling, Walking and Safer Routes   |   | 1.162   |
| - Vacant and Derelict Land  |   | 0.018   |
| - Early Years 1,140 Hours   |   | 2.024   |
| - Regeneration Capital Grant  |   | 0.510   |
| - Town Centre Regeneration Fund   |   | 1.597   |
| - Place Based Investment Programme  |   | 0.161   |
| - Gaelic Capital Fund   |   | 0.038   |
| - Electric Vehicle Infrastructure   |   | -   |
| - Gypsy Travellers  |   | 0.107   |
| - CO <sub>2</sub> Monitors  |   | 0.299   |
| - NSS Tec   |   | 0.040   |
| Glasgow City Region City Deal   |   | 9.780   |
| Specific Reserves   |   | 0.618   |
| Revenue Contribution  |   | 1.743   |
| <b>TOTAL FUNDING</b>  |   | <b>60.338</b>   |

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2021/2022  
GENERAL FUND PROGRAMME  
FOR PERIOD 1 APRIL 2021 TO 31 MARCH 2022

| <b>Projects which will Carry Forward into 2022/23</b>                           |                         |
|---|-------------------------|
| <b>Project Name</b>   | <b>Project Type</b>     |
| <b>Community and Enterprise Resources</b>                                       |                         |
| Allotments  | Infrastructure          |
| Allotment & Raised Beds, Strathaven   | Infrastructure          |
| Alexander Hamilton Memorial Park – Woodland Management                          | Infrastructure          |
| Greenhall Replacement Bridge  | Infrastructure          |
| Switched On Fleet   | Infrastructure          |
| Place Based Investment Programme  | Regeneration            |
| Hamilton HUB - New Cross Shopping Centre  | Regeneration            |
| Abington Campus for Enterprise  | Regeneration            |
| Vacant and Derelict Land (mainly Cunningar and Cunningar Allotments)            | Regeneration            |
| Glengowan Primary School Extension<br>(Glasgow City Region City Deal Programme) | Extension /Adaptations  |
| Calderside Academy<br>(Glasgow City Region City Deal Programme)                 | Extension / Adaptations |
| Lanark Road Signalisation<br>(Glasgow City Region City Deal Programme)          | Roads                   |
| Uddingston Grammar<br>(Glasgow City Region City Deal Programme)                 | Extension               |
| Horsley Brae  | Roads                   |
| Roads Structures (Mousemill Rd, Kirkfieldbank, Clyde, Daer & Scrogton)          | Roads                   |
| Participatory Budgeting   | Roads                   |
| Cambuslang Station Park and Ride  | Roads                   |
| Cycling Walking & Safer Routes  | Roads                   |
| Sustrans - Various  | Roads                   |
| Electric Vehicle Charging Infrastructure  | Charging Stations       |
| Cathkin Bypass<br>(Glasgow City Region City Deal Programme)                     | Compensation Only       |
| Stewartfield Way<br>(Glasgow City Region City Deal Programme)                   | Roads                   |
| Greenhills Road<br>(Glasgow City Region City Deal Programme)                    | Roads                   |
| <b>Education Resources</b>  |                         |
| St Charles Primary School – Extension   | Extension               |
| Newton Farm Primary School – Extension  | Extension               |
| St Mark's Primary School, Hamilton – Extension                                  | Extension               |
| Lightburn ELC<br>(previously Mill Road, Cambuslang)                             | Parking Only            |
| Clyde Terrace, Bothwell   | New Build               |

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2021/2022  
GENERAL FUND PROGRAMME  
FOR PERIOD 1 APRIL 2021 TO 31 MARCH 2022

| <b>Projects which will Carry Forward into 2022/23</b>        |                     |
|--|---------------------|
| <b>Project Name</b>  | <b>Project Type</b> |
| <b>Finance and Corporate Resources</b>                       |                     |
| IT Infrastructure Refresh                                    | Infrastructure      |
| Digital Connectivity   | Infrastructure      |
| Caird Data Centre  | Infrastructure      |
| Audio Visual Upgrade - Council Chambers and Committee Room 1 | Infrastructure      |
| Climate Change / Digital Transformation Fund                 | Infrastructure      |
| <b>Housing and Technical Resources</b>                       |                     |
| Prioritised Urgent Investment                                | Refurbishment       |
| Lifecycle Replacement Schools                                | Refurbishment       |
| Principal Offices – Fabric and Service Investment            | Refurbishment       |
| Communities Facilities Fund                                  | Refurbishment       |
| Civic Centre Fabric Upgrade                                  | Refurbishment       |
| Central Energy Efficiency Fund                               | Refurbishment       |
| <b>Social Work Resources</b>                                 |                     |
| Care Home Replacement – Blantyre                             | New Build           |
| Community Alarms   | Infrastructure      |
| Replacement SWIS Plus  | Infrastructure      |

**APPENDIX 3**

SOUTH LANARKSHIRE COUNCIL  
 CAPITAL EXPENDITURE 2021/22  
 HOUSING PROGRAMME  
 FOR PERIOD 1 APRIL 2021 TO 31 MARCH 2022

|  | <u>2021/22</u><br><u>Annual</u><br><u>Budget</u><br><u>£m</u> | <u>2021/22</u><br><u>Actual to</u><br><u>31/03/22</u><br><u>£m</u> |
|--|---|--|
| <b>EXPENDITURE</b>                                       |   |  |
| <b>2021/22 Budget</b><br>incl carry forward from 2020/21 | 79.640  | 73.181   |
|  |   | <u>2021/22</u><br><u>Actual to</u><br><u>31/03/22</u><br><u>£m</u> |
| <b>INCOME</b>  |   |  |
| Land Sales   |   | 1.536  |
| Capital Funded from Current Revenue                      |   | 19.637   |
| Prudential Borrowing                                     |   | 39.942   |
| Scottish Government Specific Grant:                      |   |  |
| – New Council Houses                                     |   | 5.385  |
| – Land Purchases   |   | 0.850  |
| – Open Market Purchase Scheme                            |   | 1.995  |
| – Mortgage to Rent                                       |   | 0.056  |
| Miscellaneous Income                                     |   | 3.780  |
| <b>TOTAL FUNDING</b>                                     |   | <b>73.181</b>  |



# Report

# 5

|                  |   |
|------------------|---|
| Report to:       | <b>Executive Committee</b>                                  |
| Date of Meeting: | <b>29 June 2022</b>   |
| Report by:       | <b>Executive Director (Finance and Corporate Resources)</b> |

|          |   |
|----------|---|
| Subject: | <b>Capital Budget 2022/2023 and Monitoring for Period 2 - 1 April 2022 to 20 May 2022</b> |
|----------|---|

## 1. Purpose of Report

### 1.1. The purpose of the report is to:

- ♦ consolidate the capital budget monitoring to give a Council-wide summary of the 2022/2023 Capital Programme including 2021/2022 carry forward. It includes information on two programmes: the General Fund Programme (being Education, Social Work, Roads and Other General Services) and the Housing Investment Programme, which covers all investment in relation to the Councils Housing stock.
- ♦ update members of progress on the Capital Programme for the period 1 April 2022 to 20 May 2022.

## 2. Recommendation(s)

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

- (1) that the position of the General Fund Capital Programme detailed in Appendices 2 to 3 and the Housing Capital Programme at Appendix 4 be approved;
- (2) that the adjustments to the General Fund programme, listed at Appendix 1, be approved; and
- (3) that the revised programmes be monitored by the Financial Resources Scrutiny Forum.

## 3. Background

- 3.1. South Lanarkshire Council (23 February 2022) approved a General Services base budget of £82.284 million for financial year 2022/2023. Since the approval of this programme, the financial year end and additional funding received will mean an adjustment to the 2022/23 Capital Programme set.
- 3.2. A total Housing Capital Programme budget for 2022/2023 was also approved by Council in February 2022. This included funding carried forward from previous years and gave a total programme of £52.230 million.

- 3.3. The attached statements to this report provide an update on the Capital programmes as well as a summarised monitoring position as at 20 May 2022 (Period 2). Spending has been split into two separate sections below:
- ◆ General Fund Capital Programme inc. Education, Social Work, Roads and General Services (Section 4)
  - ◆ Housing Capital Programme (Section 5)
4. **2022/2023 Capital Programmes**
- 4.1. **General Fund – 2022/23 Budget:** Section 3.1 notes that the base programme for the General Fund is £82.284 million, as approved by Council in February 2022. This will be affected by the adjustments detailed below.
- 4.2. **2021/22 Carry Forward:** As reported in the Final Outturn Report for 2021/2022, a separate report to this meeting, a carry forward total of £11.145 million will ensure sufficient budget is available to conclude ongoing projects within the General Fund Capital Programme.
- 4.3. **Additional Funding (2021/2022):** At the end of 2021/2022, additional funding was received and used to fund expenditure incurred in that year. This includes additional developer contributions for projects, funding for contractor claims and revenue funding for projects. The net total of this is an increase to the programme of £0.772 million and this needs to be added to the overall expenditure budget being carried into 2022/2023.
- 4.4. **Transfers to/from Revenue:** The original budget for 2022/23 included an allocation of £1.000 million for Private Housing Scheme of Assistance and £4.8 million for Planned Asset Management. Following a review of these programmes of works, it has been identified that some of the expenditure cannot be classed as Capital. Therefore, it is proposed that budget of £4.000m will be transferred to Housing and Technical Resource's Revenue budget and details of these are included in the bullets below.
- Planned Asset Management (£3.000m of the £4.8 million)
  - Private Housing Scheme of Assistance project (the total of £1.000m)
- 4.5. The total overall budget for Planned Asset Management, across capital and revenue, remains at £4.8 million. While current estimates show that £3.000 million of the Planned Asset Management requires to be classified as Revenue, the remaining spend across the year will be reviewed to ensure it is classed appropriately (as Revenue or Capital), and any further movement reported to a future meeting.
- 4.6. Conversely, expenditure in relation to investment in roads carriageways is currently funded through the Roads Services Revenue budget but should be categorised as capital spend. It is proposed that budget totalling £1.531million be transferred to the 2022/2023 Capital Programme. As with Planned Maintenance, the total overall budget for carriageways across capital and revenue remains unchanged.
- 4.7. The result of the adjustments noted at sections 4.4 to 4.6 is a net transfer to Revenue of £2.469 million. Capital expenditure can be funded by Revenue monies, however, Revenue spend cannot be paid for from Capital funding. The Council's Capital programme includes funding that can be used for revenue spend, such as contributions from the Revenue budget. We are, therefore, able to move funding



between the Capital and Revenue Programmes and deliver all the projects as planned. This is an accounting transaction only.

- 4.8. **Footpaths and Roads Improvement Fund:** As part of the 2022/2023 Revenue Budget, members approved investment in a Footpaths and Roads Improvement Fund totalling £2.500 million. This needs to be added to the Capital Programme.
- 4.9. **Clyde Bridge Replacement:** The capital cost of replacing Clyde Bridge is estimated at £7.250 million. The Council has already provided funding of £3.500 million for this project and a Section 36c report approved the balance of £3.750 million, of which £2.491 million is already included within the approved 2022/2023 Capital Programme. Of the remaining funding of £1.259 million, £1.000 million is income from a developer in relation to works delivered and funded by the Council in 2019. This £1.000 million will be added to the 2022/2023 Capital Programme. The balance of £0.259 million (if required) will be met from the Roads Carriageways and Associated Infrastructure Capital allocation into 2023/2024.
- 4.10. **2022/2023 General Services Base Budget Position:** Taking into account the movements noted in 4.2 to 4.9, the General Services Programme for 2022/2023 is now £95.232 million. This is the base budget for the financial year. This is summarised in Table 1 and is shown, in detail, in Appendices 2 and 3 to this report.

**Table 1 – 2022/2023 General Services Base Budget**

|  | <b>2022/23<br/>£m</b> |
|--|-----------------------|
| <b>Approved Programme – 23 February 2022 (Section 3.1)</b>                                   | <b>82.284</b>         |
|  |                       |
| 2021/22 Carry Forward (Section 4.2)  | 11.145                |
| 2021/2022 Additional Funding Received (Section 4.3)  | 0.772                 |
| Transfers to Revenue (Section 4.4 – 4.5)   | (4.000)               |
| Transfers from Revenue (Section 4.6)   | 1.531                 |
| Footpaths and Roads Improvement Fund (Section 4.8)   | 2.500                 |
| Standing Order Section 36c – Approved March 2022<br>- Clyde Bridge Replacement (Section 4.9) | 1.000                 |
|  |                       |
| <b>2022/2023 General Services Base Budget</b>  | <b>95.232</b>         |

- 4.11. **General Fund – Period 2 Position:** Since the budget was approved in February 2022, additional funding of £6.372 million has been awarded to the Council. In addition, Social Work Resources have also proposed a profiling adjustment of £2.070 million to reflect the timing of spend on the Community Alarm project. These adjustments total a net increase of £4.302 million and are included in Appendix 1 for approval. If these proposals are approved, the total capital spending programme for the year will be £99.534 million.
- 4.12. The programme spend and funding for the General Fund is summarised in Appendix 2. As noted in Section 4.11, the total Capital Programme for the year is £99.534 million. Budget for the period is £2.098 million and spend to the 20 May 2021 is £2.098 million.
- 4.13. Actual funding received to 20 May 2020 is £68.567 million. Relevant officers will continue to closely monitor the generation of all income, including receipts.

## **5. 2022/2023 Housing Programme**

5.1. **Housing Programme – 2022/2023 Budget:** As detailed at Section 3.2, the total Housing Capital programme for the year is £52.230 million, as approved by the Council in February 2022. Programme funding for the year also totals £52.230 million. Appendix 5 summarises the position on the Housing programme as at 20 May 2022. The Resource is still expecting to spend to this level, however, work will continue to monitor achievable spend in the coming months.

5.2. **Housing Programme – Period 2 Position:** Budget for the period is £3.289 million and spend to 20 May 2022 amounts to £3.289 million. As at 20 May 2022, £3.289 million of funding had been received.

## **6. Employee Implications**

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

## **7. Financial Implications**

7.1. The General Services and Housing Programme Programmes and their spend position to 20 May 2022 are detailed in sections 4 and 5 respectively.

7.2. Regular monitoring of both the General Fund Programme and the Housing Programme will be carried out in detail by the Financial Resources Scrutiny Forum and reported on a regular basis to this Committee.

## **8. Other Implications**

8.1. 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 overspend is managed through four weekly Investment management meetings.

8.2. The Coronavirus (COVID-19) Pandemic has led to materials shortages, longer lead times and steep price increases and this will continue to impact the supply chain for the foreseeable future. The impact of this will 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.

## **9. Climate Change, Sustainability and Environmental Implications**

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

## **10. Equality Impact Assessment and Consultation Arrangements**

10.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and, therefore, no impact assessment is required.

10.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

7 June 2022

**Link(s) to Council Vision/Priorities/Values**

- ◆ Accountable, Effective, Efficient and Transparent

**Previous References**

- ◆ South Lanarkshire Council (Special), 23 February 2022

**List of Background Papers**

- ◆ Capital Ledger prints to 20 May 2022

**Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

## **Proposed Adjustments**

### **Community and Enterprise Resources**

#### **Renewal of Play Parks**

As reported to Executive Committee (September 2021), the Scottish Government have allocated £60 million of capital funding to Local Authorities to renew play parks across Scotland. The second £5 million has been allocated in 2022/2023 and South Lanarkshire's share of this is £0.296 million, which will be distributed via the General Capital Grant. Distribution of the remaining £50 million funding in future years has still to be confirmed.

Approval is sought to increase the 2022/2023 Capital Programme by £0.296 million, reflecting South Lanarkshire's in-year allocation. A report will be presented to the Community and Enterprise Resources Committee in October 2022 providing an update on how this funding could be allocated to projects. £0.296m

#### **Nature Restoration Fund**

Scottish Government have confirmed the next phase of Nature Restoration Fund (NRF) capital funding of £5 million to be spent in 2022/2023 to support new, or to enhance existing, approaches to restoring biodiversity across Scotland. South Lanarkshire have been allocated £0.188 million in 2022/2023, which will be distributed via the General Capital Grant. £0.188m

Approval is sought to increase the 2022/2023 Capital Programme by £0.188 million and officers are currently working to identify proposals for projects which could be delivered in-year.

#### **Springhall Cage – Additional Play Equipment**

Approval is sought to increase the 2022/23 Capital Programme by £0.020 million for the addition of a new piece of play equipment at the Springhall Cage play area. This will be funded by a contribution from the Big Lottery Fund. £0.020m

#### **Coronation Crescent – Play Equipment**

Approval is sought to increase the 2022/23 Capital Programme by £0.010 million to allow the addition of new play equipment and safer surfacing. The project will be funded by a contribution from the Strutherill and Birkenshaw Our Place Our Plan Community Group. £0.010m

#### **Place Based Investment Programme**

Funding from the Scottish Government of £1.740m has been confirmed for the next phase of the Place Based Investment Programme. In line with previous years the funds are open to communities to bid for grants to support projects. £1.740m

Approval is sought to increase the 2022/2023 Capital Programme by £1.740 million. The allocation of this funding to specific projects will be undertaken by the Executive Director of Community and Enterprise, through delegated authority as approved by the Community and Enterprise Resources Committee in December 2021. An update will be presented in a separate report to the next Community and Enterprise Resources Committee in August 2022.

### Hamilton HUB

Approval is sought to increase the 2022/23 Capital Programme by £0.300m to reflect an additional award received from the Scottish Government's Regeneration Capital Grant Fund towards the new Hamilton Hub project at the New Cross Centre in Hamilton. This will augment the original allocation from the Regeneration Capital Grant Fund (£0.720m) and contributions from the Town Centre Regeneration Fund (£0.250m) and Place Based Investment Fund (£0.300m) which were added to the Capital Programme previously and results in total investment of £1.570 million. £0.300m

### Strathclyde Partnership for Transport (SPT)

Strathclyde Partnership for Transport have awarded this Council £1.695 million to progress a number of schemes during 2022/2023: £1.695m

|   |                |
|---|----------------|
| Bus Infrastructure Improvements         | £0.158m        |
| National Strategic Cycle Routes         | £0.400m        |
| Route Action Plans                      | £0.200m        |
| Bus Route Congestion Reduction Measures | £0.415m        |
| Hairmyres Station Park and Ride         | £0.081m        |
| Lanark Interchange                      | <u>£0.441m</u> |
| <b>Total</b>                            | <b>£1.695m</b> |

The above allocations are net of funding of £0.080 million carried forward from 2021/2022. Approval is sought to increase the 2022/2023 Capital Programme by £1.695 million.

### Electric Vehicle Charging Infrastructure

Funding has been made available to develop a public electric vehicle charging network. Approval is sought to increase the 2022/23 Capital Programme by £0.060 million which will be funded by a contribution from Transport Scotland. This will fund the development of a Public Electric Vehicle Charging Strategy and Infrastructure Expansion Plan. £0.060m

### Cycling Walking and Safer Routes

The Council's Cycling, Walking and Safer Routes grant allocation from the Scottish Government for 2022/2023 has now been confirmed as £2.054 million. This is an increase of £0.650 million from the funding advised previously and included in the 2022/2023 Capital Programme (£1.404m - approved 23 February 2022). This will be used to deliver road safety and infrastructure improvement schemes including road safety schemes at schools, route action plans and new walking & cycling facilities infrastructure. £0.650m

### Local Authority Direct Resource Grant

The Scottish Government have provided specific grant funding to help local authorities address some of the delivery challenges associated with active travel schemes, to help evidence the value of active travel schemes locally and show progress in increasing active travel nationally. Approval is sought to increase the 2022/2023 Capital Programme by a further £0.083 million. £0.083m

This funding will be used to develop Active Travel Plans (ATP) within the Lesmahagow/Kirkmuirhill Area, Biggar/Symington Area, Forth/Carnwath Area and Douglas/Abington/Crawford Area. These ATP's will complement existing ATP's.

## **Education Resources**

### **Education ASN Adaptations / Mainstream Growth**

Education Resources have identified a number of essential adaptations totalling £0.500 million, which will provide additional accommodation for ASN pupils and to accommodate for mainstream pupil growth. These works are considered necessary in advance of the new session commencing in August 2022 and will be funded from Reserves. £0.500m

### **Castlefield Primary School – Extension**

The 2022/23 capital programme includes an allocation of £0.250 million to allow a two-classroom extension to Castlefield Primary School to commence on site early in 2023. £0.750m

Approval is sought to increase the 2022/23 Capital Programme by a further £0.750m to allow the project to commence on site earlier than previously anticipated, during Summer 2022. The project will be funded from developer's contributions.

### **Larkhall Academy – Adaptations**

There is currently an allocation of £0.300m included within the 2022/2023 Capital Programme to undertake adaptations to Larkhall Academy to increase capacity of the ASN Base. The project was delayed from financial year 2021/22 due to the impact of Covid-19 on the provision of materials. The project has now been re-tendered at a revised cost of £0.340 million. £0.040m

It is proposed that the 2022/2023 Capital Programme be increased by a further £0.040 million to allow this project to be undertaken during Summer 2022. This increase will be funded by developers' contributions from the Larkhall Community Growth Area.

## **Social Work Resources**

### **Community Alarms Replacement**

The Scottish Government have awarded grant funding of £0.080 million towards the costs of service development for the transition of Telecare Services from analogue to digital. £0.040 million of this funding was received and utilised in financial year 2021/2022. Approval is sought to increase the 2022/2023 Capital Programme by £0.040 million to reflect the remaining funding received. £0.040m

In addition to the above, the 2022/23 Capital Programme includes an allocation of £2.741 million to progress the replacement of Community Alarms. The first batch of alarms are being purchased now, with further roll out into 2023/24. Approval is sought to allow slippage of £2.070 million into the 2023/24 Capital Programme, based on the timing of costs now that the project team are in place. (£2.070m)

Minor Adjustments

-

**TOTAL ADJUSTMENTS**

**£4.302m**

## APPENDIX 2

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2022/23  
GENERAL FUND PROGRAMME  
FOR PERIOD 1 APRIL 2022 TO 20 MAY 2022

£m

**Total Base Budget** (including carry forward from 2021/2022) **95.232**

Proposed Adjustments – Period 2 (Appendix 1) 4.302

**Total Revised Budget** **99.534**

|                                | <u>2022/23</u><br><u>Budget</u> | <u>Period 2</u><br><u>Proposed</u><br><u>Adjustments</u> | <u>Revised</u><br><u>2022/23</u><br><u>Budget</u> |
|--------------------------------|---------------------------------|--|---|
| <u>Resource</u>                | <u>£m</u>                       | <u>£m</u>  | <u>£m</u>   |
| Community & Enterprise         | 59.381                          | 5.042  | 64.423  |
| Education                      | 14.838                          | 1.290  | 16.128  |
| Finance & Corporate            | 3.695                           | -  | 3.695   |
| Housing & Technical            | 8.125                           | -  | 8.125   |
| Social Work                    | 7.393                           | (2.030)  | 5.363   |
| Other Match Funding            | 1.800                           | -  | 1.800   |
| <b>TOTAL CAPITAL PROGRAMME</b> | <b>95.232</b>                   | <b>4.302</b>   | <b>99.534</b>                                     |

## APPENDIX 3

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2022/23  
GENERAL FUND PROGRAMME  
FOR PERIOD 1 APRIL 2022 TO 20 MAY 2022

|   | <u>2022/23</u><br><u>Original</u><br><u>Estimate inc</u><br><u>C/F</u> | <u>2022/23</u><br><u>Revised</u><br><u>Budget</u> | <u>2022/23</u><br><u>Budget to</u><br><u>20/05/22</u> | <u>2022/23</u><br><u>Actual to</u><br><u>20/05/22</u>           |
|---|--|---|---|---|
| <b>Expenditure</b>  | £m   | £m  | £m  | £m  |
| <b>General Fund Programme</b>                                     | 95.232   | 99.534  | 2.098   | 2.098   |
| <b>Income</b>   | <u>2022/23</u><br><u>Budget</u>  | <u>2022/23</u><br><u>Revised</u><br><u>Budget</u> |   | <u>2022/23</u><br><u>Actual</u><br><u>To</u><br><u>20/05/22</u> |
|   | £m   | £m  |   | £m  |
| Prudential Borrowing  | 58.888   | 56.878  |   | 56.878  |
| Developers Contributions  | 4.116  | 4.906   |   | 1.264   |
| Partners (Including High Blantyre Construction, SPT and Sustrans) | 1.265  | 2.990   |   | 1.665   |
| Scottish Government:  |  |   |   |   |
| - Capital Grant   | 22.424   | 22.908  |   | 3.787   |
| - Cycling, Walking and Safer Routes                               | 2.058  | 2.791   |   | 0.000   |
| - Vacant and Derelict Land  | 1.820  | 1.820   |   | 1.083   |
| - Regeneration Capital Grant                                      | 1.000  | 1.300   |   | 0.807   |
| - Town Centre Regeneration Fund                                   | 0.101  | 0.101   |   | 0.101   |
| - Place Based Investment Programme                                | 1.617  | 3.357   |   | 1.617   |
| - Electric Vehicle Charging Infrastructure                        | 0.207  | 0.207   |   | 0.089   |
| - NSS Tec   | 0.000  | 0.040   |   | 0.040   |
| Glasgow City Region City Deal                                     | 0.000  | 0.000   |   | 0.000   |
| Capital Receipts  | 1.000  | 1.000   |   | 0.000   |
| Specific Reserves   | 0.705  | 1.205   |   | 1.205   |
| Revenue Contribution  | 0.031  | 0.031   |   | 0.031   |
| <b>TOTAL FUNDING</b>  | <b>95.232</b>  | <b>99.534</b>                                     |   | <b>68.567</b>   |



SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2022/23  
HOUSING PROGRAMME  
FOR PERIOD 1 APRIL 2022 TO 20 MAY 2022

|   | <u>2022/23</u><br><u>Annual</u><br><u>Budget</u><br>£m | <u>2022/23</u><br><u>Budget to</u><br><u>20/05/22</u><br>£m | <u>2022/23</u><br><u>Actual to</u><br><u>20/05/22</u><br>£m |
|---|--|---|---|
| <b>Expenditure</b>                              |  |   |   |
| 2021/22 Budget<br>Incl. adjustment from 2020/21 | 52.230   | 3.289   | 3.289   |
|   |  |   |   |
|   | <u>2022/23</u><br><u>Annual</u><br><u>Budget</u><br>£m |   | <u>2022/23</u><br><u>Actual to</u><br><u>20/05/22</u><br>£m |
| <b>INCOME</b>                                   |  |   |   |
| Capital Receipts – Land Sales                   | 0.000  |   | 0.007   |
| Capital Funded from Current Revenue             | 26.050   |   | 3.282   |
| Prudential Borrowing                            | 22.018   |   | 0.000   |
| Scottish Government Specific Grant:             |  |   |   |
| - New Build                                     | 2.242  |   | 0.000   |
| - Open Market Purchase Scheme                   | 1.800  |   | 0.000   |
| - Mortgage to Rent                              | 0.120  |   | 0.000   |
|   | <u>52.230</u>  |   | <u>3.289</u>  |



# Report

6

|                  |   |
|------------------|---|
| Report to:       | <b>Executive Committee</b>                                  |
| Date of Meeting: | <b>29 June 2022</b>   |
| Report by:       | <b>Executive Director (Finance and Corporate Resources)</b> |

|          |   |
|----------|---|
| Subject: | <b>Additional Funding from Scottish Government and Other External Sources</b> |
|----------|---|

## 1. Purpose of Report

1.1. The purpose of the report is to:

- ♦ advise Members of additional funding that has been made available to the Council by the Scottish Government and other external sources since the last report to this Committee (2 March 2022).

## 2. Recommendation(s)

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

- (1) that the additional funding totalling £6.385 million, as detailed at Appendix 1 of the report, be noted.

## 3. Background

- 3.1. The Council is periodically advised of additional funding which is made available from the Scottish Government and other sources to enable various initiatives to be undertaken.
- 3.2. Additional funding may either be paid through the General Revenue Grant mechanism or by the completion of appropriate grant claims.
- 3.3. Details of the additional funding are attached at Appendix 1 to the report. The report details additional funding that has been reported by Resources as part of the additional resources notification process, as well as any additional funding that has increased the Council's budget by more than £0.100 million.

## 4. Employee Implications

4.1. None.

## 5. Financial Implications

- 5.1. Additional revenue funding of £1.726 million has been identified for 2022/2023. In addition, capital funding of £4.659 million has been identified for 2022/2023. Total funding identified is £6.385 million.
- 5.2. Resource budgets will be updated to reflect this additional funding as required, and where appropriate, details of spending plans will be presented to Resource Committees for approval.

## **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. There are no other implications in terms of the information contained in this report.

## **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 existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

1 June 2022

### **Link(s) to Council Vision/Priorities/Values**

- ◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

- ◆ Executive Committee, 2 March 2022

### **List of Background Papers**

- ◆ Additional Funding Reports:-  
10 February 2022 to 1 June 2022

### **Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

Additional Revenue Funding

| <b>Resource</b>          | <b>Description</b>  | <b>2022/2023<br/>£m</b> | <b>2023/2024<br/>£m</b> | <b>Total<br/>£m</b> | <b>Method</b>       |
|--------------------------|---|-------------------------|-------------------------|---------------------|---------------------|
| Community and Enterprise | Scottish Milk and Healthy Snack Scheme  | 0.886                   | -                       | <b>0.886</b>        | Scottish Government |
| Education                | Summer Holiday Food and Childcare Programme for Primary School Children - Summer 2022 | 0.577                   | -                       | <b>0.577</b>        | Scottish Government |
| Education                | Easter Study Support  | 0.263                   | -                       | <b>0.263</b>        | Scottish Government |
|                          | <b>TOTAL REVENUE FUNDING</b>  | <b>1.726</b>            | <b>-</b>                | <b>1.726</b>        |                     |

### Additional Capital Funding

| Resource                 | Description   | 2022/2023<br>£m | 2023/2024<br>£m | Total<br>£m  | Method                                      |
|--------------------------|---|-----------------|-----------------|--------------|---|
| Community and Enterprise | Renewal of Playparks 2022/2023  | 0.296           | -               | <b>0.296</b> | Scottish Government                         |
| Community and Enterprise | Strathclyde Partnership for Transport (SPT) Capital Funding 2022/2023 | 1.775           | -               | <b>1.775</b> | Strathclyde Partnership for Transport (SPT) |
| Community and Enterprise | Place Based Investment  | 1.740           | -               | <b>1.740</b> | Scottish Government                         |
| Community and Enterprise | Cycling Walking and Safer Streets                                     | 0.650           | -               | <b>0.650</b> | Scottish Government                         |
| Community and Enterprise | Nature Restoration Fund   | 0.198           | -               | <b>0.198</b> | Scottish Government                         |
|                          | <b>TOTAL CAPITAL FUNDING</b>  | <b>4.659</b>    | <b>-</b>        | <b>4.659</b> |   |

# Report

7

|                  |  |
|------------------|--|
| Report to:       | <b>Executive Committee</b>   |
| Date of Meeting: | <b>29 June 2022</b>  |
| Report by:       | <b>Executive Director (Finance and Corporate Resources)<br/>Executive Director (Education Resources)</b> |

|          |  |
|----------|--|
| Subject: | <b>Representation on the Education Resources Committee</b> |
|----------|--|

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise on the arrangements for the appointment of representatives other than Councillors to serve on the Education Resources Committee.

## 2. Recommendation(s)

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

- (1) that the proposals outlined in paragraph 4 to obtain external representation on the Education Resources Committee be actioned:
  - ◆ 2 teacher representatives
  - ◆ 2 parent/carers representatives
  - ◆ 3 church/religious representatives
- (2) that the appointments of Mrs Coulter and Mr Mulligan as the nominated religious representatives from the Church of Scotland and the Roman Catholic Church respectively, be confirmed; and
- (3) that the current appointments of the remaining external representation on the Education Resources Committee be extended until new appointments are confirmed.

## 3. Background

- 3.1. A local authority, when establishing an Education Resources Committee, is required to invite representatives from Church organisations to act as religious representatives on the Education Resources Committee.
- 3.2. The Education Resources Committee, at its meeting held on 1 July 2003, approved arrangements for the appointment of representatives to serve on the Education Resources Committee.

## 4. Proposals

- 4.1. It is proposed that steps be taken in line with the arrangements established in 2003 to obtain external representation on the Education Resources Committee as follows:-
  - ◆ 2 teacher representatives
  - ◆ 2 parent/carers representatives
  - ◆ 3 Church/religious representatives

#### 4.2 **Church/Religious Representatives**

In terms of the Local Government (Scotland) Act 1973, an education authority must appoint:-

- ◆ a representative from the Church of Scotland
- ◆ a representative of the Roman Catholic Church
- ◆ a third religious representative having regard to:-
  - ◆ representation from the churches referred to above
  - ◆ the comparative strength within their area of all the churches and denominational bodies having duly constituted charges or other regularly appointed places of worship there

The Church of Scotland have confirmed that they would wish Mrs Gillian Coulter to continue to serve as the religious adviser and the Roman Catholic Church have confirmed that they would wish Mr John Mulligan to continue to serve as religious adviser on the Education Resources Committee. As there is no specified method detailed in the appropriate legislation for selecting a third religious representative to serve on the Education Resources Committee, it is proposed that an advertisement, as has been the case in previous years, be placed in local newspapers requesting nominations for a person interested in the promotion of religious and moral education. Should there be more than one nomination at the closure of the nomination period, it is proposed that the Executive Director (Education Resources), in consultation with the Chair of the Education Resources Committee and the Education Operations Manager, interview the nominees who have expressed an interest in being a member of the Education Resources Committee.

#### 4.3 **Teacher Representatives**

It is proposed that two teacher representatives be nominated through a nomination process on the following basis:-

- ◆ that all teachers permanently employed in educational establishments under the management of the Council and registered with the General Teaching Council would be eligible for nomination and be entitled to vote for two candidates
- ◆ that any nomination form would require to be signed by the nominee and a witness to take part in the election process. A statement of support from each nominee should accompany the nomination and would be circulated to everyone entitled to vote
- ◆ notice of the ballot would be advertised in all schools in South Lanarkshire and copies of the notice would be sent to the relevant Trade Unions and posted via social media
- ◆ the Executive Director (Finance and Corporate Resources) to make arrangements to issue ballot papers to all persons entitled to vote through the head teacher of each educational establishment. Ballot papers would be returned to the Head of Administration and Legal Services through head teachers.
- ◆ the Executive Director (Finance and Corporate Resources) would arrange the count and report the result of the election process to the Council, giving the name of each candidate and the number of votes cast for each candidate.



#### **4.4 Parent/Carer Representation**

It is proposed that two parent/carers representatives be nominated, through a selection process, from Parent Councils. This would be done on the following basis:-

- ◆ the Executive Director (Finance and Corporate Resources) would write to the Chairs of all Parent Councils asking that they draw to the attention of their Parent Council that nominations are being invited for 2 elected parent/carers members to serve on the Education Resources Committee of the Council
- ◆ each Parent Council within the authority could nominate one member provided that the nomination was proposed and agreed at a formal meeting of the Parent Council
- ◆ each nominee be invited to provide a statement of support

At the closure of the nomination period, it is proposed that the Executive Director (Education Resources), in consultation with the Chair of the Education Resources Committee and the Education Operations Manager interview a shortlist of up to 6 nominees and recommend the appointment of two parent/carers representatives to the Education Resources Committee.

- 4.5 It is recommended that the appointments of Mrs Coulter and Mr John Mulligan as religious representatives from the Church of Scotland and the Roman Catholic Church respectively, be confirmed and that the current appointments of the remaining external representation on the Education Resources Committee be extended until new appointments are confirmed.

#### **5. Employee Implications**

- 5.1. There are no major personnel implications. However, it should be noted that the appointment of 2 Teacher representatives will mean that appropriate cover arrangements when meetings take place will be required.

#### **6. Financial Implications**

- 6.1. The appointment of representatives to serve on the Education Resources Committee can be met from within existing resources.

#### **7. Other Implications**

- 7.1. There are no risks associated with this report.
- 7.2. There are no sustainability issues in connection with the recommendations contained within this report.

#### **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. Consultation has taken place with the appropriate Church organisations and the trade unions and further consultation will take place on selection procedures.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

**Tony McDaid**  
**Executive Director (Education Resources)**

1 June 2022

**Link(s) to Council Values/Vision/Priorities**  
Learning in the Community

**Previous References**

- ◆ Education Resources Committee – 26 June 2012

**List of Background Papers**

- ◆ Correspondence with Diocese of Motherwell – May 2022
- ◆ Correspondence with Church of Scotland –May 2022

**Contact for Further Information**

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

Lynn Paterson, Administration Officer

Ext: 4669 (Tel: 01698 454669)

E-mail: [lynn.paterson@southlanarkshire.gov.uk](mailto:lynn.paterson@southlanarkshire.gov.uk)

# Report

**8**

|                  |                            |
|------------------|----------------------------|
| Report to:       | <b>Executive Committee</b> |
| Date of Meeting: | <b>29 June 2022</b>        |
| Report by:       | <b>Chief Executive</b>     |

|          |  |
|----------|--|
| Subject: | <b>Representation on Outside Organisations</b> |
|----------|--|

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ♦ provide an update on member representation on outside organisations and partnership bodies

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

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

- (1) that the representation on certain outside organisations and partnership bodies, as detailed in Appendix 1, be approved;
- (2) that it be noted that Councillor Devlin is the Council's representative on the Scottish Joint Council for Local Authority Employees;
- (3) that it be noted that Councillor Kerr is the Council's representative on SEEMIS; and
- (4) that it be noted that those organisations which will no longer have elected member representation have been contacted as outlined in paragraph 4.4 of the report.

## **3 Background**

3.1 The Council, at its meeting on 18 May 2022, approved its representation on certain statutory joint boards and outside bodies. A report which provided an update on arrangements which were delegated to the Chief Executive to finalise was submitted to the Council on 15 June 2022. At that meeting, it was agreed that a report to consider any further representation on a number of other bodies be submitted to the Executive Committee.

## **4 Representation on Statutory Bodies and Other External Organisations**

4.1 Details of further representation on a number of outside bodies is attached as Appendix 1 to the report. It is proposed that, in respect of the remaining vacancies, delegated authority be given to the Chief Executive, in consultation with the Leaders of the relevant Groups, to confirm nominations.

4.2 COSLA representation allows for 1 elected member from the Council (and 1 substitute) to be appointed to the Scottish Joint Council for Local Government Employees. Councillor Devlin is the Council's representative on that body.

4.3 Similarly, an elected member represents the Council and serves as Chair of the SEEMIS LLP Group Board of Management. Councillor Susan Kerr is the Council's representative on that body.

4.4 Due to the large number of requests for elected member involvement received from organisations, the Council is not in a position to nominate a representative to every organisation which requests this. Those bodies to which it has not been possible to provide elected member representation have been advised accordingly and have been encouraged to raise specific Council related issues direct with the Chief Executive.

**5. Employee Implications**

5.1. None.

**6. Financial Implications**

6.1. None.

**7. Climate Change, Sustainability and Environmental Implications**

7.1. There are no climate change or environmental implications as a result of this report.

**8. Other Implications**

8.1. There are no issues in terms of risk arising from this report.

**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, therefore, no impact assessment is required.

9.2. Consultation on representation has taken place with the Leaders of the political and independent groups.

**Cleland Sneddon**  
**Chief Executive**

15 June 2022

**Link(s) to Council Vision/Priorities/Values**

Accountable, effective and efficient

**Previous References**

South Lanarkshire Council 18 May and 15 June 2022

**List of Background Papers**

None

**Contact for Further Information**

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

Pauline MacRae, Administration Adviser

Ext: 4108 (Tel: 01698 454108)

E-mail: pauline.macrae@southlanarkshire.gov.uk

| Body   | No of Places                    | Councillor Representation   |
|--|---------------------------------|---|
| Clyde Gateway Urban Regeneration Company Limited                           | 2                               | Robert Brown, Margaret Cowie  |
| Glasgow City Region Cabinet  | 1 (Leader)<br>plus 1 substitute | Councillor Fagan<br>Councillor Convery (substitute)   |
| Routes to Work (South) Limited   | 1                               | To be confirmed   |
| Safer South Lanarkshire Board<br>(Previously Community Safety Partnership) | 5                               | Eileen Logan, Davie McLachlan<br>2 SNP Members<br>1 Conservative Member   |
| South Lanarkshire Adoption and Fostering Panel                             | 3                               | Lynsey Hamilton<br>1 SNP Member<br>Conservatives/Lib Dems/Ind Group<br>and Member of Green Party to negotiate the remaining place |

## Section 4 – Outside Bodies

| Organisation  | No of Places | Councillor Representation                       |
|---|--------------|---|
| <b>Association for Public Service Excellence – Scottish Region:</b> |              |   |
| -Building and Housing Services Group                                | 1            | Davie McLachlan                                 |
| -Road and Lighting Services Group                                   | 1            | To be confirmed                                 |
| -Transport and Mechanical Services Group                            | 1            | To be confirmed                                 |
| -Waste and Recycling Services Group                                 | 1            | Mark McGeever                                   |
| -Parks, Grounds and Street Services Group                           | 1            | Maureen Devlin                                  |
| -Commercialisation Group  | 1            | Joe Fagan                                       |
| -Soft FM Service Group  | 1            | Mark McGeever                                   |
| -Renewables and Energy Efficiency Group                             | 1            | Davie McLachlan                                 |
| Business Gateway Steering Group                                     | 2            | Joe Fagan<br>Robert Brown                       |
| Cambuslang and Rutherglen Sports Council                            | 4            | Margaret Cowie<br>Robert Brown<br>2 SNP Members |
| Carluke Development Trust   | 2            | Eileen Logan<br>1 SNP Member                    |

| <b>Organisation</b>  | <b>No of Places</b>                     | <b>Councillor Representation</b>  |
|--|---|---|
| Clydesdale International Twinning Association                                    | 2                                       | Eileen Logan<br>1 SNP Member  |
| Clydesdale Sports Council  | 4                                       | Ross Gowland<br>Alex Allison<br>2 SNP Members   |
| East Kilbride Arts Council   | 3                                       | Graham Scott<br>1 SNP Member<br>Conservatives/Lib Dems/Ind Group and Member of Green Party to negotiate the remaining place |
| East Kilbride Citizens' Advice Bureau  | 1                                       | 1 SNP Member  |
| East Kilbride Fairtrade Group  | 2                                       | 2 SNP Members   |
| East Kilbride Sports Council   | 4                                       | David Watson<br>1 Labour Member<br>2 SNP Members  |
| Hagshawhill Windfarm Community Trust   | 3 (all Ward 4 Clydesdale South Members) | Ross Gowland<br>Mark Horsham<br>Ross Lambie   |
| Hamilton Sports Council  | 4                                       | Mark McGeever<br>Gavin Keatt<br>2 SNP Members   |
| Hamilton BID Limited   | 2                                       | Davie McLachlan<br>1 SNP Member   |
| Hamilton Citizens' Advice Bureau   | 1                                       | Celine Handibode  |
| Discover Lanark (Lanark BID)   | 2                                       | Richard Lockhart<br>1 SNP Member  |
| Lanark Heritage Centre Trust   | 2                                       | Catherine McClymont<br>1 SNP Member   |
| Lanarkshire Educational Trust  | 3                                       | Gavin Keatt, Eileen Logan, Catherine McClymont  |
| Lowland Reserve Forces and Cadets Association                                    | 1                                       | Mark Horsham  |
| National Association of Councillors  | 2                                       | Allan Falconer<br>1 SNP Member  |
| New Lanark Trust   | 1                                       | Richard Lockhart  |
| Rural Development Trust  | 2                                       | Ralph Barker<br>1 SNP Member  |
| Scottish Parliament Cross Party Group on the Armed Forces and Veterans           | 1                                       | Mark Horsham  |
| South Lanarkshire Sports Association for People with a Disability                | 4                                       | David Watson<br>Mo Razzaq<br>2 SNP Members  |
| Supplier Development Programme (Board of Directors)                              | 1                                       | Mark McGeever   |
| Tarbrax Common and Village Hall Trust  | 1                                       | Catherine McClymont   |
| The Levenseat Trust  | 1                                       | Catherine McClymont   |
| Strathaven Town Group  | 2                                       | Susan Kerr<br>Margaret Cooper   |
| Business Loans Scotland (previously known as West of Scotland Loan Fund Limited) | 1                                       | Joe Fagan   |

| Organisation                       | No of Places        | Councillor Representation |
|------------------------------------|---------------------|---------------------------|
| West of Scotland Road Safety Forum | 1 plus 1 substitute | To be confirmed           |





# Report

9

|                  |  |
|------------------|--|
| Report to:       | <b>Executive Committee</b>                                     |
| Date of Meeting: | <b>29 June 2022</b>  |
| Report by:       | <b>Executive Director (Community and Enterprise Resources)</b> |

|          |  |
|----------|--|
| Subject: | <b>Strategic Environmental Assessment Progress 2021 - 2022</b> |
|----------|--|

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ inform the Committee of the progress in carrying out Strategic Environmental Assessments (SEA) on the Council's policies, plans, programmes and strategies.

## 2. Recommendations

2.1. The Committee is asked to approve the following recommendations:-

- (1) that the statutory requirement for SEA to inform the development of Council led policies, plans, programmes and strategies be noted; and
- (2) that progress in conducting SEAs be noted.

## 3. Background

- 3.1. The Environmental Assessment (Scotland) Act 2005 requires the Council as a 'Responsible Authority' to carry out a Strategic Environmental Assessment of all its policies, plans, programmes and strategies (plans).
- 3.2. The SEA process helps to integrate environmental considerations into the preparation and adoption of plans. The SEA is carried out in a staged process alongside the preparation of the proposed plan. Throughout the process, the plan can be adjusted to mitigate negative, or enhance beneficial, environmental effects.
- 3.3. SEAs help to promote the Council's commitment to sustainability and is a key priority within the Sustainable Development and Climate Change Strategy. SEAs are a valuable resource in raising the profile of environmental considerations and for facilitating holistic approaches to address the climate and ecological emergencies.
- 3.4. The Corporate SEA Working Group continues to meet regularly to oversee the progression of SEAs across the Council. Its remit also includes development and mainstreaming of employee knowledge and understanding of the SEA process and development of the skills needed to undertake assessments. The Group is chaired by the Planning Officer (SEA).
- 3.5. The SEA process is further supported by the publication of the biennial South Lanarkshire State of the Environment Report which provides the baseline environmental data. The 2021 edition of this report was approved by the Executive Committee in March 2022.

- 3.6. As part of the SEA process, the Council is also required to formally consult with the statutory Consultation Authorities (Historic Environment Scotland, Scottish Environment Protection Agency and NatureScot). This is facilitated by the Scottish Government's SEA Gateway.
- 3.7. In March 2009, the Executive Committee delegated authority to the Chief Executive to make determinations on whether a Council led plan is exempt from SEA or if a full SEA would be carried out. In January 2020, the Chief Executive delegated this authority to the Executive Director (Community and Enterprise Resources). These determinations are collated by the SEA Gateway and issued to the statutory Consultation Authorities for consultation and agreement. This process is facilitated within the Council by the Planning Officer (SEA).
- 3.8. Although it is not a legal requirement to report on SEA progress to Committee, it is considered good practice to keep members informed.

#### **4. Progress in carrying out SEAs**

- 4.1. The Council has a statutory duty to consider and carry out an SEA for all its policies, plans, programmes and strategies as they are being developed or refreshed. During 2021/2022, a number of Council led plans were subject to SEA.
- 4.2. The SEA Act requires the Council to assess whether plans are within the scope of the legislation and whether SEA is required. This can be considered through either Pre-screening or Screening.
- 4.3. Four assessments of plans were completed at the Pre-screening stage. At this stage, the Council informed the Scottish Government's SEA Gateway of their opinion that these plans were exempt from SEA as their implementation would have no or minimal effect on the environment. These are detailed in Table 1.

**Table 1: Pre-screening completions 2020/2021**

| <b>Lead Resource</b>     | <b>Plans</b>  |
|--------------------------|---|
| Housing and Technical    | Anti-social Behaviour Policy                              |
| Community and Enterprise | Litter Strategy   |
| Social Work              | Community Justice, Communications and Engagement Strategy |
|                          | Strategic Commissioning Plan                              |

- 4.4. Two plans were finalised at Screening stage. A formal determination was made and agreed by the Consultation Authorities that further SEA work was not required for them. These are detailed in Table 2.

**Table 2: Screening completions 2021/2022**

| <b>Lead Resource</b>     | <b>Plans</b>  |
|--------------------------|---|
| Community and Enterprise | Supporting Planning Guidance: Carrying out development at a dwellinghouse |
|                          | Supporting Planning Guidance: Electric vehicle charge points              |

- 4.5. The new Community Plan and Council Plan are currently subject to a full SEA. In March 2022, workshops were held to facilitate the scope of their assessments. A

Scoping Report for each of these plans was prepared and submitted to the SEA Gateway for consideration by the Consultation Authorities thereafter. Both plans will be assessed, and the findings set out in Environmental Reports for consideration by the statutory Consultation Authorities in May/June 2022.

- 4.6. The Sustainable Development and Climate Change Strategy was subject to a full SEA in 2021/2022. The findings of the SEA were published in an Environmental Report and issued to the SEA Gateway in March 2022. Following approval of the Strategy by Committee, a Post Adoption Statement will be prepared setting out how the SEA findings have been taken account of in the final adopted Strategy.
- 4.7. The final stage of the SEA process is the preparation and submission of a Post Adoption Statement to the SEA Gateway. In 2021/2022, the Local Development Plan 2 was adopted in June 2021 and a Post Adoption Statement setting out how the findings of the SEA had been considered in the adopted Plan was prepared and submitted to the SEA Gateway as statutorily required.
- 4.8. In March 2021, it was ascertained that no further SEA work would be carried out for the current Air Quality Strategy and Contaminated Land Strategy as work on these strategies would begin afresh.
- 4.9. The Strategic Environmental Assessment work continues to promote the protection and enhancement of the South Lanarkshire environment for our people and communities.

## **5. Employee Implications**

- 5.1. SEAs are resourced by existing staff.

## **6. Financial Implications**

- 6.1. SEAs are resourced within existing budgets.

## **7. Other Implications**

- 7.1. Failure to make a formal determination in relation to a plan could result in the SEA process having to be restarted leading to a delay in the development of the plan. Council actions in relation to SEA are also open to legal challenge and it is, therefore, important to ensure compliance with the legislation.

## **8. Climate Change, Sustainability and Environmental Implications**

- 8.1. Strategic Environmental Assessment is a valuable tool for the Council and partners in strategic planning. It safeguards South Lanarkshire's natural and built environment and is a useful tool to help address both the climate and ecological emergencies.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. This report does not introduce a new policy, function or strategy or recommend a significant change to an existing policy, function or strategy and, therefore, no impact assessment is required. The report is for information only and consultation on its contents is not required.

**David Booth**  
**Executive Director (Community and Enterprise Resources)**

8 June 2022

**Link(s) to Council Values/Vision/Priorities**

- ◆ Fair, open and sustainable
- ◆ Make communities safer, stronger and sustainable

**Previous References**

- ◆ Executive Committee, 25 March 2009
- ◆ Executive Committee, 2 March 2022

**List of Background Papers**

- ◆ South Lanarkshire Council Sustainable Development Strategy 2017 – 2022 (approved by Executive Committee, December 2017)
- ◆ South Lanarkshire State of the Environment Report 2021 (approved by Executive Committee, March 2022)

**Contact for Further Information**

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

Jennifer Murphy  
Planning Officer (Strategic Environmental Assessment)  
Ext: 5742 Phone: 01698 455742  
Email: [jennifer.murphy@southlanarkshire.gov.uk](mailto:jennifer.murphy@southlanarkshire.gov.uk)