



# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>1 September 2022</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Capital Budget Monitoring 2021/2022 - General Fund Capital Programme</b>
----------	---

## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ update members of the Financial Resources Scrutiny Forum on the final outturn position of the Council's General Fund Capital Programme for the period covering 1 April 2021 to 31 March 2022.

## 2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation:

- (1) that the final outturn position on the 2021/2022 General Fund Capital Programme be noted.

## 3. Background

3.1. The Capital reports attached provide detail on the position as at 31 March 2022 from a financial perspective.

3.2. Appendix A shows the financial position of the General Fund Capital Programme. Any physical progress update for projects carried forward into financial year 2022/23 will be picked up as part of the new year monitoring report.

## 4. General Fund Capital Programme Final Outturn 2021/2022

4.1. 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.

4.2. The total spend on Capital of £61.587 million is shown in Appendix A. 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).

4.3. 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).

- 4.4. The majority of these projects will continue into 2022/2023. These projects are listed in Appendix B.
- 4.5. **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.
- 4.6. 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 A (Page 2).
- 4.7. **Carry Forward to 2022/2023:** As noted in 4.2, the year-end underspend is £11.145 million. This £11.145 million will carry forward into financial year 2022/2023.
- 4.8. 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.

## **5. Employee Implications**

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

## **6. Financial Implications**

- 6.1. The financial implications are contained in 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.

## **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)**

16 August 2022

### **Link(s) to Council Values/Ambitions/Outcomes**

- Accountable, Effective, Efficient and Transparent

### **Previous References**

- Executive Committee, 2 March 2022
- Executive Committee, 29 June 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:-

Jackie Taylor, Head of Finance (Strategy)

Ext: 5637 (Tel: 01698 455637)

E-mail: [jackie.taylor@southlanarkshire.gov.uk](mailto:jackie.taylor@southlanarkshire.gov.uk)

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

<u>Resource Name</u>	<u>Annual Budget £000</u>	<u>2020/21 C/F £000</u>	<u>Previous Slippage /Adjs £000</u>	<u>Approved Budget £000</u>	<u>2021/22 Adjs £000</u>	<u>2021/22 Slippage £000</u>	<u>Total Budget £000</u>	<u>Estimate to Date £000</u>	<u>Actual £000</u>
<u>Community &amp; Enterprise</u>									
Facilities, Waste & Grounds	3,124	6,860	(6,609)	3,375	1,350	(1,748)	2,977	2,977	2,176
Enterprise and Sustainable Development	18,901	5,760	(11,502)	13,159	200	(2,916)	10,443	10,443	7,217
Roads, Transportation and Fleet	18,198	3,153	8,850	30,201	1,691	(3,409)	28,483	28,483	25,292
<b>Resource Total</b>	<b>40,223</b>	<b>15,773</b>	<b>(9,261)</b>	<b>46,735</b>	<b>3,241</b>	<b>(8,073)</b>	<b>41,903</b>	<b>41,903</b>	<b>34,685</b>
<u>Education</u>									
1,140 Hours	7,734	(1,379)	180	6,535	876	(3,750)	3,661	3,661	3,282
Community Growth Areas	5,091	(1,053)	(267)	3,771	-	(1,550)	2,221	2,221	2,076
Growth and Capacities	2,647	1,330	1,803	5,780	-	(550)	5,230	5,230	4,558
ICT Developments	1,905	1,599	356	3,860	732	(660)	3,932	3,932	3,901
Other	171	254	29	454	-	-	454	454	559
<b>Resource Total</b>	<b>17,548</b>	<b>751</b>	<b>2,101</b>	<b>20,400</b>	<b>1,608</b>	<b>(6,510)</b>	<b>15,498</b>	<b>15,498</b>	<b>14,376</b>
<u>Finance &amp; Corporate</u>									
IT Services	11,500	(6,938)	(1,786)	2,776	400	-	3,176	3,176	1,987
<b>Resource Total</b>	<b>11,500</b>	<b>(6,938)</b>	<b>(1,786)</b>	<b>2,776</b>	<b>400</b>	<b>-</b>	<b>3,176</b>	<b>3,176</b>	<b>1,987</b>
<u>Housing and Technical</u>									
Office Accom	7,710	2,076	(1,958)	7,828	(455)	(1,480)	5,893	5,893	4,943
Private Housing Scheme of Assistance	1,000	-	(1,000)	-	-	-	-	-	-
Other Housing	424	251	(116)	559	349	-	908	908	542
<b>Resource Total</b>	<b>9,134</b>	<b>2,327</b>	<b>(3,074)</b>	<b>8,387</b>	<b>(106)</b>	<b>(1,480)</b>	<b>6,801</b>	<b>6,801</b>	<b>5,485</b>
<u>Social Work</u>									
Care Facilities	6,539	215	(554)	6,200	-	(1,200)	5,000	5,000	4,869
Other	300	100	168	568	-	(214)	354	354	185
<b>Resource Total</b>	<b>6,839</b>	<b>315</b>	<b>(386)</b>	<b>6,768</b>	<b>-</b>	<b>(1,414)</b>	<b>5,354</b>	<b>5,354</b>	<b>5,054</b>
<b>Overall Total</b>	<b>85,244</b>	<b>12,228</b>	<b>(12,406)</b>	<b>85,066</b>	<b>5,143</b>	<b>(17,477)</b>	<b>72,732</b>	<b>72,732</b>	<b>61,587</b>

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> <u>Revised</u> <u>Budget</u> £m</b>	<b><u>2021/22</u> <u>Actual to</u> <u>31/03/22</u> £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> <u>Actual to</u> <u>31/03/22</u> £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 (Glasgow City Region City Deal Programme)	Extension /Adaptations
Calderside Academy (Glasgow City Region City Deal Programme)	Extension / Adaptations
Lanark Road Signalisation (Glasgow City Region City Deal Programme)	Roads
Uddingston Grammar (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 (Glasgow City Region City Deal Programme)	Compensation Only
Stewartfield Way (Glasgow City Region City Deal Programme)	Roads
Greenhills Road (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 (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