

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	20 March 2019
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)

Subject:	Capital Budget Monitoring 2018/2019 - Housing and Technical Resources (excl HRA)
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide information on the progress of the capital programme for Housing and Technical Resources (excl HRA) for the period 1 April 2018 to 1 February 2019

2. Recommendation(s)

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

- (1) that the Housing and Technical Resources (excl HRA) capital programme of £7.351 million, and expenditure to date of £4.878 million be noted.

3. Background

- 3.1. This is the fourth capital monitoring report presented to the Housing and Technical Resources Committee for the financial year 2018/2019.
- 3.2. The budget reflects the approved programme for the year (Council, 28 February 2018), exceptions approved during 2017/2018 and monies carried forward for projects from 2017/2018. It also includes budget adjustments approved by the Executive Committee during 2018/2019 up to and including its meeting on 13 March 2019.
- 3.3. The report details the financial position for Housing and Technical Resources (excl HRA) in Appendix A.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. The original budget for 2018/2019 included an allocation of £4.551 million for Planned Asset Management. However, following a review of this programme of works to date, it has been identified that some of this expenditure cannot be classed as capital. Therefore, budget of £1.022 million has been transferred to Housing and Technical Resources' Revenue budget. The total overall expenditure on Planned Asset Management, across capital and revenue, remains at £4.551 million.

- 5.2. The revised total capital programme for Housing and Technical Resources (excl HRA) for 2018/2019, taking account of the adjustment included at 5.1. above, is £7.351 million.
- 5.3. 2018/2019 Outturn
Work has been ongoing to clarify the predicted spend position for this financial year and current estimates from Property Services suggest an outturn of £6.992 million. This is an underspend of £0.359 million and mainly reflects the anticipated timing of spend in relation to the Civic Centre Fabric Upgrade and Headquarters Fabric Upgrade projects. Funding for these projects will carry forward into next financial year.
- 5.4. 2018/2019 Monitoring
The initial forecast of spend to date was £4.929 million, and £4.878 million has been spent. This represents expenditure of £0.051 behind profile. This underspend relates to project programming and the timing of the actual spend on various projects.
- 6. Other Implications**
- 6.1. The main risk associated with the Council's Capital Programme is that there is an overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project. The risk of overspend is managed through four weekly Investment management meetings.
- 6.2. There are no implications for sustainability in terms of the information contained in this report.
- 7. Equality Impact Assessment and Consultation Arrangements**
- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to 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)

Daniel Lowe
Executive Director (Housing and Technical Resources)

12 March 2019

Link(s) to Council Values/Ambitions/Objectives

- Accountable, Effective, Efficient and Transparent

Previous References

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

List of Background Papers

- Financial ledger to 1 February 2019

Contact for Further Information

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

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**South Lanarkshire Council
Capital Expenditure 2018/19
Housing and Technical Resources Programme (excl HRA)
For Period 1 April 2018 – 1 February 2019**

<u>Housing and Technical Resources (excl HRA)</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Office Accommodation	7,951	(1,249)	0	6,702	4,694	4,661
Private Housing Scheme of Assistance	0	0	0	0	0	0
Other Housing	398	251	0	649	235	217
TOTAL	8,349	(998)	0	7,351	4,929	4,878

For Information Only

Budget Adjustments approved at Executive Committee 13 February 2019.

- Planned Asset Management – transfer to Revenue (£1.022m)