

FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held via Confero and in Committee Room 1, Council Offices, Almada Street, Hamilton on 30 November 2023

Chair:

Councillor Grant Ferguson

Councillors Present:

Councillor Mathew Buchanan, Councillor Colin Dewar, Councillor Elise Frame (*substitute for Councillor Carol Nugent*), Councillor Ross Gowland, Councillor Gavin Keatt, Councillor Richard Lockhart

Councillors' Apologies:

Councillor Julia Marrs (Depute), Councillor Monique McAdams, Councillor Carol Nugent

Attending:

Finance and Corporate Resources

E-A McGonigle, Administration Officer; S Jessup, Administration Assistant; L O'Hagan, Finance Manager (Strategy)

Housing and Technical Resources

D Craig, Property Manager (Commercial)

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Financial Resources Scrutiny Forum held on 2 November 2023 were submitted for approval as a correct record.

The Forum decided: that the minutes be approved as a correct record.

3a Capital Budget Monitoring 2023/2024 – General Fund Capital Programme

A report dated 13 November 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the General Capital Programme 2023/2024 for the period 1 April to 6 October 2023.

The revised General Fund Capital Programme for 2023/2024 totalled £78.901 million and that included an adjustment to the programme totalling a net increase of £1.455 million. This was detailed in Appendix A of the report. The adjustments reflected additional funding received from the Scottish Government's Community Bus Fund (£0.303 million) and from Transport Scotland for electric vehicle charging infrastructure and equipment (£0.276 million). Funding from the Council's Central Energy Efficiency Fund was also being used to undertake a further programme of energy efficiency projects this financial year amounting to £0.230 million. Those increases were offset by slippage on the window and roof replacement project at Lanark Library, Lindsay Institute of £0.464 million and match funding of £1.8 million into financial year 2024/2025.

The programme of £78.901 million included an allocation of £5.065 million to continue the expansion of free school meals. This was included as part of the settlement issued in January 2023 and was, therefore, added to the Council's budget plans. The Scottish Government had subsequently requested further information from local authorities on their spend requirements for the expansion of free school meals. This information had been submitted in late September 2023. This budget allocation had been held pending confirmation of the funding. Any delays in confirming the award would have an impact of the level of spend which could be achieved in this financial year due to timescales involved in procuring equipment and scheduling installations around school holidays. The position would be reviewed once the announcement was received and any slippage on the programme would be included in a future Capital Programme report to the Executive Committee.

The programme spend for the General Fund and a full breakdown of expenditure across Services were detailed in appendices B and C to the report. Total funding for the General Fund was summarised in Appendix D to the report.

Budget for the period was £24.144 million and spend to 6 October 2023 was £24.057 million, which was behind of programme by £0.087 million. This mainly reflected the timing of spend to the incurred date. Actual funding received at 6 October 2023 was £48.992 million.

The physical progress achieved with the General Fund Capital Programme 2023/2024 at 6 October 2023 was detailed in appendices E to G of the report.

The Forum decided: that the position on the General Fund Capital Programme as at 6 October 2023 be noted.

[Reference: Minutes of 2 November 2023 (Paragraph 3a) and Minutes of the Executive Committee of 22 November 2023 (Paragraph 4)]

3b Capital Budget Monitoring 2023/2024 – Housing Capital Programme

A report dated 13 November 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the Housing Capital Programme 2023/2024 for the period 1 April to 6 October 2023 (Period 7).

The revised Housing Capital Programme for 2023/2024 totalled £67.443 million which reflected a decrease of £2.153 million as approved by the Executive Committee on 22 November 2023. The adjustment of £2.153 million reflected a delay in the development at Brackenhill Farm, Hamilton, where it was anticipated that 50 units, equating to £5.502 million, would be completed this financial year. The developer had advised that utility delays had impacted progress with construction and the estimated site completion date was October 2024.

Budget for the period was £23.016 million and spend to 6 October 2023 was £23.513 million, which represented an overspend of £0.497 million, as detailed in Appendix A to the report. Actual funding received at 6 October 2023 was £23.513 million.

The physical progress achieved with the Housing Capital Programme 2023/2024 at 6 October 2023 was detailed in Appendix B to the report.

The Property Manager (Commercial) responded to members' questions in relation to:-

- ◆ the nature of the utility delays that were impacting progress at the Brackenhill Farm development
- ◆ the delay incurred by the discovery of bats at Kilncroft Terrace, Douglas

The Forum decided: that the position on the Housing Capital Programme as at 6 October 2023 be noted.

[Reference: Minutes of 2 November 2023 (Paragraph 3b) and Minutes of the Executive Committee of 22 November 2023 (Paragraph 4)]

4 Revenue Budget Monitoring 2023/2024

A report dated 24 October 2023 by the Executive Director (Finance and Corporate Resources) was submitted on the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April to 6 October 2023.

At 6 October 2023, the position on the General Fund Revenue Account was breakeven. Details were given on:-

- ◆ budget pressures within Children and Families Services
- ◆ the position within the Adult and Older People Service following the outcome of the job evaluation exercise for Home Carers
- ◆ maintenance of teacher and pupil support numbers

The Housing Revenue Account showed a breakeven position at 6 October 2023, as detailed in Appendix 2 to the report. This breakeven position included a higher than budgeted for transfer to reserves which was due to the increased level of costs experienced. The Resource was looking at options to manage those increased costs and would report back to the Forum as part of the probable outturn exercise.

The Forum decided:

- (1) that the breakeven position on the General Fund Revenue Account at 6 October 2023, detailed in section 4 and Appendix 1 of the report, be noted; and
- (2) that the breakeven position on the Housing Revenue Account at 6 October 2023, detailed in section 5 and Appendix 2 of the report, be noted.

[Reference: Minutes of 2 November 2023 (Paragraph 4) and Minutes of the Executive Committee of 22 November 2023 (Paragraph 3)]

5 Revenue Budget Monitoring 2023/2024 – Detailed Resource Analysis

A report dated 24 October 2023 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure against budgeted expenditure for the period 1 April to 6 October 2023 (Period 7).

Appendices A to F to the report provided the following information for each Resource and the Housing Revenue Account:-

- ◆ an Executive Summary showing the top-level position for each of the Services within the Resource and the Housing Revenue Account as at 6 October 2023
- ◆ details of the most significant variances within Resources and the Housing Revenue Account across subjective headings and across Services as at 6 October 2023
- ◆ a line by line trend analysis of the total Resources' expenditure and income across subjective headings as at 6 October 2023

The Forum decided: that the position as at 6 October 2023 (Period 7) be noted.

[Reference: Minutes of 2 November 2023 (Paragraph 5)]

6 Urgent Business

There were no items of urgent business.