



Report

Report to:	Executive Committee
Date of Meeting:	6 November 2019
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget 2019/20 and Monitoring for Period 6 - 1 April to 13 September 2019
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ update the Executive Committee of progress on the General Fund Capital Programme and the Housing Capital Programme for the period 1 April to 13 September 2019.

2. Recommendation(s)

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

- (1) that the Period 6 position (ended 13 September 2019) of the General Fund Capital Programme itemised at Appendices 1 and 3 and the Housing Capital Programme at Appendix 4, be noted;
- (2) that the adjustments to the General Fund programme listed at Appendix 2, be approved; and
- (3) that the revised programmes be monitored by the Financial Resources Scrutiny Forum.

3. Background

3.1. The attached statements to this report provide a summarised monitoring position as at 13 September 2019. Spending has been split into two separate sections:

- ◆ General Fund Capital Programme including Education, Social Work, Roads and Transportation and General Services (Section 5.1)
- ◆ Housing Capital Programme (Section 5.2)

4. Employee Implications

None

5. Financial Implications

5.1. General Fund

5.1.1. 2019/2020 Budget

The budget agreed at Executive Committee on 25 September 2019 was £80.513 million. A revised budget of £80.569 million is presented in Appendix 1. This revised budget is after adjustments totalling an increase of £0.056 million, which are proposed at Appendix 2.

5.1.2. Period 6 Position

The programme spend and funding for the General Fund is summarised in Appendix 2. As noted in 5.1.1., the total capital spending programme for the year is £80.569 million.

5.1.3. Budget for the period is £22.274 million and spend to the 13 September 2019 is £21.878 million. This represents expenditure of £0.396 million behind profile and this mainly reflects the timing of spend across projects.

5.1.4. Actual funding received to 13 September 2019 is £49.312 million.

5.2. Housing Programme

5.2.1. 2019/20 Budget

Appendix 4 summarises the position on the Housing programme as at 13 September 2019. The capital programme for the year is £61.835 million. Programmed funding for the year also totals £61.835 million.

5.2.2. Period 6 Position

Budget for the period is £18.951 million and spend to 13 September 2019 amounts to £18.936 million.

5.2.3. As at 13 September 2019, £18.936 million of funding had been received.

5.2.4. 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 the Executive Committee.

6. Other Implications (Including Environmental and Risk Issues)

6.1. The main risk associated with the Council's Capital Programme is an overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project. The risk of overspend is managed through four weekly Investment management meetings.

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)

2 October 2019

Link(s) to Council Values/Ambitions/Objectives

♦ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee, 25 September 2019

List of Background Papers

- ◆ Capital Ledger prints to 13 September 2019

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

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2019/20
GENERAL FUND PROGRAMME
FOR PERIOD 1 APRIL 2019 TO 13 SEPTEMBER 2019

APPENDIX 1

£m

Total Revised Budget – Period 5	80.513
Proposed Adjustments – Period 6	0.056
Total Revised Budget	80.569

	<u>2019/20 Budget (from Period 5)</u>	<u>Period 6 Proposed Adjustments</u>	<u>Revised 2019/20 Budget</u>
<u>Resource</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Community & Enterprise	44.547	(0.244)	44.303
Education	24.934	0.300	25.234
Finance & Corporate	0.993	0.000	0.993
Housing & Technical	7.310	0.000	7.310
Social Work	2.729	0.000	2.729
Total	80.513	0.056	80.569

Proposed Adjustments (Period 6)**Community and Enterprise Resources****Sustrans – Various Projects**

Approval is sought to increase the 2019/20 Capital Programme by £0.056m to reflect funding awarded from Sustrans. The funding has been awarded to develop active travel proposals for Hamilton (£0.020m) and Carluke (£0.015m), as well as connecting the cycle network from the Raith Interchange to Uddingston (£0.010m), undertake design work for two cycle route projects with strategic links to railway stations in the Clydesdale area (£0.008m) and developing safer routes to schools (£0.003m).

£0.056m

Education Resources**Mobile Teaching Units**

As part of planning considerations for primary schools, a pattern of higher than anticipated pupil numbers has materialised within the catchment of Newton Farm Primary School. Whilst planning for future classroom requirements continues, it is proposed that the commissioning of two mobile classroom teaching (MTUs) units be progressed, to be situated at Newton Primary for August 2020.

£0.550m
(£0.550m)

Approval is sought to fund the estimated cost of the MTUs (£0.550m) from underspends within the current education capital programme in relation to lower than expected costs from the extension to Woodhead Primary School (£0.300m), and in relation to costs associated with the primary school modernisation team (£0.250m), which will be funded from revenue budgets.

Minor Adjustments £0.000m

TOTAL ADJUSTMENTS £0.056m

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2019/20
GENERAL FUND PROGRAMME
FOR PERIOD 1 APRIL 2019 TO 13 SEPTEMBER 2019

APPENDIX 3

Expenditure	<u>2019/20</u> <u>Original</u> <u>Estimate</u> <u>inc C/F</u> £m	<u>2019/20</u> <u>Revised</u> <u>Budget</u> £m	<u>2019/20</u> <u>Budget to</u> <u>13/09/19</u> £m	<u>2019/20</u> <u>Actual to</u> <u>13/09/19</u> £m
General Fund Programme	78.429	80.569	22.274	21.878
Income	<u>2019/20</u> <u>Original</u> <u>Budget</u> £m	<u>2019/20</u> <u>Revised</u> <u>Budget</u> £m		<u>2019/20</u> <u>Actual</u> <u>To</u> <u>13/09/19</u> £m
Prudential Borrowing	23.863	21.588		21.588
Developers Contributions	3.124	2.278		0.875
Lottery	0.000	0.465		0.000
Partners (Including SPT, High Blantyre Construction Ltd, Transport Scotland and Renewable Energy Fund)	1.331	3.982		0.705
Scottish Government:				
- Capital Grant	33.029	33.029		13.762
- Cycling, Walking and Safer Streets	0.520	0.520		0.000
- Vacant and Derelict Land	2.023	2.023		1.464
- Early Years 1,140 Hours	5.344	5.344		5.344
- Regeneration Capital Grant	1.100	1.190		1.107
-Town Centre Regeneration Fund	2.506	2.506		1.253
Glasgow City Region City Deal	1.940	4.430		0.000
Specific Reserves	2.149	2.914		2.914
Capital Receipts	1.500	0.300		0.300
TOTAL FUNDING	78.429	80.569		49.312

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2019/20
HOUSING PROGRAMME
FOR PERIOD 1 APRIL 2019 TO 13 SEPTEMBER 2019

APPENDIX 4

	<u>2019/20</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2019/20</u> <u>Budget to</u> <u>13/09/19</u> <u>£m</u>	<u>2019/20</u> <u>Actual to</u> <u>13/09/19</u> <u>£m</u>
EXPENDITURE			
2019/20 Budget incl carry forward from 2018/19	61.835	18.951	18.936
	<u>2019/20</u> <u>Annual</u> <u>Budget</u> <u>£m</u>		<u>2019/20</u> <u>Actual to</u> <u>13/09/19</u> <u>£m</u>
INCOME			
Capital Receipts – Land Sales	0.000		0.022
Capital Funded from Current Revenue	20.589		16.250
Prudential Borrowing	28.715		0.000
Scottish Government Specific Grant			
- New Build	10.611		2.154
- Open Market Purchase Scheme	1.800		0.510
- Mortgage to Rent	0.120		0.000
TOTAL FUNDING	61.835		18.936