



Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	24 August 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget Monitoring 2022/2023 - General Fund Capital Programme
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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 2022 to 31 March 2023.

2. Recommendation(s)

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

- (1) that the final outturn position on the 2022/2023 General Fund Capital Programme be noted.

3. Background

3.1. The Capital reports attached provide detail on the position as at 31 March 2023 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 2023/24 will be picked up as part of the new year monitoring report.

4. General Fund Capital Programme Final Outturn 2022/2023

4.1. The General Services Capital Programme for 2022/2023 totalled £78.396 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 29 March 2023.

4.2. The total expenditure on the General Services Capital Programme of £65.736 million is shown in Appendix A. This is compared to the budget of £78.396 million and results in an underspend of £12.660 million. This underspend relates to projects within Community and Enterprise Resources (£12.121m) and Housing and Technical Resources (£3.553m) with greater spend than anticipated achieved within Education Resources (£1.424m), Finance and Corporate Resources (£1.283m) and Social Work Resources (£0.307m).

4.3. Overall, the programme underspend reflects the timing of spend across financial years. The main projects responsible for the overall programme underspend of £12.660 million are detailed in Appendix B. This appendix provides a list of the continuing projects into 2023/2024, along with their estimated completion dates.

- 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, £3.128 million of capital spend is required to be recorded as Revenue spend. Conversely, £0.364 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 £62.972 million. The funding sources for this spend are detailed in Appendix A.
- 4.6. **Carry Forward to 2023/2024:** As noted in 4.2, the year-end underspend is £12.660 million. This £12.660 million will carry forward into financial year 2023/2024.
- 4.7. The overall base programme for 2023/2024 including this carry forward of £12.660 million is included in a further 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)

7 August 2023

Link(s) to Council Values/Priorities/Outcomes

- Accountable, Effective, Efficient and Transparent

Previous References

- Executive Committee, 21 June 2023

List of Background Papers

- Capital Ledger prints to 31 March 2023

Contact for Further Information

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

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APPENDIX A
(Page 1)

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2022/23
GENERAL FUND PROGRAMME
FOR PERIOD 1 APRIL 2022 TO 31 MARCH 2023

<u>Resource Name</u>	<u>Annual Budget £000</u>	<u>2021/ 2022 C/F £000</u>	<u>Previous Slippage /Adjs £000</u>	<u>Total Original Budget £000</u>	<u>2022/ 2023 Adjs £000</u>	<u>2022/ 2023 Slippage £000</u>	<u>Total Budget £000</u>	<u>Estimate to Date £000</u>	<u>Actual £000</u>
<u>Community & Enterprise</u>									
Facs, Waste & Grounds	1,406	529	14	1,949	1,288	(683)	2,554	2,554	1,218
Planning & Reg	0	0	0	0	0	0	0	0	0
Enterprise & Sustainable Dev	23,844	3,376	215	27,435	2,368	(10,670)	19,133	19,133	14,098
Roads, Transport & Fleet	21,651	3,252	5,094	29,997	2,652	(5,892)	26,757	26,757	21,008
Resource Total	46,901	7,157	5,323	59,381	6,308	(17,245)	48,444	48,444	36,324
<u>Education</u>									
Growth / Accommodation Pressures	7,043	715	94	7,852	1,380	(35)	9,197	9,197	10,407
Free School Meals	-	-	-	-	1,877	(1,577)	300	300	231
1,140 Hours	3,145	378	248	3,771	(25)	(2,540)	1,206	1,206	1,072
ICT Developments	3,180	31	-	3,211	0	0	3,211	3,211	3,620
Other	-	(3)	7	4	0	0	4	4	12
Resource Total	13,368	1,121	349	14,838	3,232	(4,152)	13,918	13,918	15,342
<u>Finance & Corporate</u>									
IT Services	2,444	1,251	-	3,695	0	0	3,695	3,695	4,977
Resource Total	2,444	1,251	-	3,695	0	0	3,695	3,695	4,977
<u>Housing and Technical</u>									
Office Accom	9,748	949	(2,939)	7,758	138	0	7,896	7,896	4,601
Private Housing Scheme of Assistance	1,000	0	(1,000)	0	0	0	0	0	0
Other Housing	0	367		367	173	0	540	540	282
Resource Total	10,748	1,316	(3,939)	8,125	311	-	8,436	8,436	4,883
<u>Social Work</u>									
Care Facilities	2,571	131	0	2,702	40	0	2,742	2,742	2,742
Other	4,452	169	70	4,691	40	(3,570)	1,161	1,161	1,468
Resource Total	7,023	300	70	7,393	80	(3,570)	3,903	3,903	4,210
Other Match Funding	1,800	-	-	1,800	-	(1,800)	-	-	-
Overall Total	82,284	11,145	1,803	95,232	9,931	(26,767)	78,396	78,396	65,736

SOUTH LANARKSHIRE COUNCIL
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Expenditure	<u>2022/2023</u> <u>Revised</u> <u>Budget</u> £m	<u>2022/2023</u> <u>Actual to</u> <u>31/03/23</u> £m
General Fund Programme (Section 4.2)	78.396	65.736
<u>Accounting Adjustments</u> (Sections 4.4 and 4.5):		
Less: Transfers to Revenue		(3.128)
Add: Year End Transfers to Capital		0.364
2022/2023 Outturn Position (Accounting Basis only)	<u>78.396</u>	<u>62.972</u>
Income		<u>2022/2023</u> <u>Actual to</u> <u>31/03/23</u> £m
Prudential Borrowing		19.042
Developer Contributions		0.059
Partners (Including SPT, REF, Clyde Wind Farm and Energy Saving Trust)		2.655
Scottish Government:		
- Capital Grant		32.074
- Cycling, Walking and Safer Routes		2.665
- Vacant and Derelict Land		0.060
- Regeneration Capital Grant		1.096
- Town Centre Regeneration Fund		0.087
- Place Based Investment Programme		0.857
- Electric Vehicle Infrastructure		0.209
- NSS Tec		0.040
Glasgow City Region City Deal		3.254
Specific Reserves		0.874
Revenue Contribution		-
TOTAL FUNDING		62.972

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2022/2023
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Projects with Underspends in 2022/2023 which will Carry Forward into 2023/2024		
Project Name	Project Type	Est. Completion Date
Community and Enterprise Resources		
Library IT Infrastructure Upgrade Phase 2 – Desktop Refresh	Infrastructure	Summer 2023
Phillipshill Cemetery – Extension	Infrastructure	March 2024
Springhall Urban Greenspace Development (Springhall Cage) – Play Equipment	Equipment	Summer 2023
Halfway Park Play Area – Redevelopment	Infrastructure	April 2023
Bin Storage Areas	Infrastructure	March 2024
Chatelherault Allotments	Infrastructure	July 2023
Play Parks – Various	Infrastructure	Throughout 2023/2024 and beyond
Greenhall Replacement Bridge – Design	Infrastructure	March 2024
Alexander Hamilton Memorial Park Woodland Management	Infrastructure	Throughout 2023/2024
Larkhall Leisure Centre – Design (Place Based Investment Funding)	New Build	Throughout 2023/2024
Lanark Library, Lindsay Institute – Roof and Windows	Improvements	Throughout 2023/2024
Hamilton Palace Grounds Sports Pitches	Infrastructure	June 2023
Priory Changing Pavilion, Blantyre	Refurbishment	March 2024
Town Centre Regeneration Fund	Regeneration	Throughout 2023/2024
Rural Development Centre – Lanark Racecourse	Regeneration	March 2024
New Cross Shopping Centre – Vaccination Centre	Regeneration	July 2023
East Kilbride Town Centre	Regeneration	Throughout 2023/2024
2022/2023 Place Based Investment Fund	Regeneration	September 2023
Vacant & Derelict Land – Cuningar Loop Phase 3 Greening	Regeneration	February 2024
City Deal – Calderside Academy	Adaptations	October 2025
City Deal – Holy Cross High	Adaptations	October 2025
City Deal – Lanark Road Signalisation	Infrastructure	December 2023
City Deal – Cathkin Bypass – Grant Payments Only	Grants	Throughout 2023/2024
City Deal – Stewartfield Way	Infrastructure	Throughout 2023/2024
City Deal – Greenhills Road – Landscaping / Rest	Infrastructure	September 2023
Roads Investment Programme	Infrastructure	June 2023
Footpaths and Roads Improvement Fund	Infrastructure	June 2023
Clyde Bridge	Infrastructure	Throughout 2023/2024
Sustrans Projects – Various	Infrastructure	Summer 2023
Daer Bridge	Infrastructure	December 2023
Roads Depots Salt Barns – Hawbank	Improvements	December 2023
SPT – Lanark Park and Ride	Resurfacing	Summer 2023
Cycling, Walking and Safer Routes	Infrastructure	Summer 2023

APPENDIX B
(Page 2)

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GENERAL FUND PROGRAMME
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Projects with Underspends in 2022/2023 which will Carry Forward into 2023/2024		
Project Name	Project Type	Est. Completion Date
Education Resources		
Castlefield Primary School Extension	Extension	July 2023
Crawforddyke adaptation of nursery to classrooms	Adaptations	June 2023
Uddingston Nursery Expansion	Adaptations	August 2024
Woodside Primary School	Adaptations	August 2024
First Steps Nursery, Hamilton	Adaptations	May 2024
2022/2023 Free School Meals	Adaptations	Throughout 2023/2024
Clyde Terrace Early Years	New Build	November 2023
St Andrews and St Brides High School - Design	Extension	June 2024
Small Scale Adaptations	Adaptations	Throughout 2023/2024
Finance and Corporate Resources		
IT Infrastructure Refresh	Infrastructure	Throughout 2023/2024
Digital Tools	Infrastructure	Throughout 2023/2024
Digital Connectivity	Infrastructure	Throughout 2023/2024
Digital Transformation	Infrastructure	Throughout 2023/2024
Housing and Technical Resources		
Prioritised Urgent Investment	Refurbishment	Throughout 2023/2024
Principal Offices - Fabric and Service Investment	Refurbishment	Throughout 2023/2024
Lifecycle Replacement Schools	Refurbishment	Throughout 2023/2024
Lock Up Areas	Infrastructure	Throughout 2023/2024
New Cross Shopping Centre - Roof	Refurbishment	December 2023
Council Offices – Brandon Gate	Infrastructure	December 2023
Civic Centre Fabric Upgrade	Refurbishment	Throughout 2023/2024
Communities Facilities Fund	Refurbishment	Throughout 2023/2024
CEEF Programme	Refurbishment	Throughout 2023/2024