

Report

Report to:	Executive Committee
Date of Meeting:	11 October 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget 2023/2024 and Monitoring for Period 6 - 1 April 2023 to 8 September 2023
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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 2023 to 8 September 2023

2. Recommendation(s)

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

- (1) that the adjustments to the General Fund programme, listed at Appendix 1, be approved;
- (2) that the period 6 position (ended 8 September 2023) of the General Fund Capital Programme detailed in Appendices 2 to 3 and the Housing Capital Programme at Appendix 4, be noted; 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 8 September 2023. Spending has been split into two separate sections:-

- ◆ General Fund Capital Programme including Education, Social Work, Roads and Transportation and General Services (Section 4).
- ◆ Housing Capital Programme (Section 5).

4. General Fund Capital Programme

4.1. **2023/2024 Budget:** The budget agreed at Executive Committee on 13 September 2023 was £80.262 million. A revised programme of £80.356 million is now anticipated, which includes an adjustment to the programme totalling an increase of £0.094 million. The adjustment reflects additional funding received to install floodlights at Douglas Primary School. This proposal is detailed in Appendix 1.

4.2. The funding available to support the overall 2023/2024 Capital Programme also totals £80.356 million.

- 4.3. **General Fund – Period 6 Position:** As noted in section 4.1, the total capital spending programme for the year is £80.356 million. The detailed programme and spend for the General Fund are shown in Appendices 2 and 3.
- 4.4. Appendix 3 also shows budget for the period of £17.884 million and spend to the 8 September 2023 of £17.898 million. The General Services Programme is, therefore, slightly ahead of programme by £0.014 million, and this reflects the timing of spend incurred to date.
- 4.5. Actual funding received to 8 September 2023 is £48.282 million. Relevant officers will continue to closely monitor the generation of all income, including receipts.
- 5. Housing Capital Programme**
 - 5.1. **2023/24 Budget:** Appendix 4 summarises the position on the Housing programme as at 8 September 2023. The revised capital programme for the year is £69.596 million, as approved by the Executive Committee on 16 August 2023.
 - 5.2. Programmed funding for the year also totals £69.596 million. The funding sources are detailed in Appendix 4.
 - 5.3. **Period 6 Position:** Budget for the period is £21.298 million and spend to 8 September 2023 amounts to £19.378 million. This results in the Housing Programme being £1.920 million behind programme. This is due to a number of external fabrics projects being re-programmed to take account of new, more effective, procurement routes and delays experienced to allow further consideration of technical options for some works.
 - 5.4. As at 8 September 2023, £19.378 million of funding had been received.
- 6. Employee Implications**
 - 6.1. There are no employee implications as a result of this report.
- 7. Financial Implications**
 - 7.1. The General Services and Housing Programmes and their spend position to 8 September 2023 are detailed in sections 4 and 5 respectively.
 - 7.2. 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 this Committee.
- 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. Climate Change, Sustainability and Environmental Implications**
 - 9.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 10. Equality Impact Assessment and Consultation Arrangements**
 - 10.1. 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.

10.2. 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)

20 September 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee, 13 September 2023

List of Background Papers

- ◆ Capital Ledger prints to 8 September 2023

Contact for Further Information

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

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Proposed Adjustments**Community and Enterprise Resources****Douglas Primary School – Floodlights**

Glenbuck and Douglas Football Academy have been awarded £0.094m from Clyde Windfarm and the Renewable Energy Fund to install floodlights at Douglas Primary School, following the completion of the feasibility and design report in financial year 2022/2023. Approval is sought to increase the 2023/2024 Capital Programme by £0.094m to allow these works to progress.

£0.094m

Minor Adjustments

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TOTAL ADJUSTMENTS**£0.094m**

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2023/24
 GENERAL FUND PROGRAMME
 FOR PERIOD 1 APRIL 2023 TO 8 SEPTEMBER 2023

£m

Total Base Budget (including carry forward from 2022/2023)	80.262
Proposed Adjustments – Period 6	0.094
Total Revised Budget	80.356

<u>Resource</u>	<u>2023/24 Budget</u>	<u>Period 6 Proposed Adjustments</u>	<u>Revised 2023/24 Budget</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Community & Enterprise	39.508	0.094	39.602
Education	19.333	-	19.333
Finance & Corporate	5.333	-	5.333
Housing & Technical	12.258	-	12.258
Social Work	2.030	-	2.030
Other Match Funding	1.800	-	1.800
TOTAL CAPITAL PROGRAMME	80.262	0.094	80.356

Appendix 3

SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2023/24
GENERAL FUND PROGRAMME
FOR PERIOD 1 APRIL 2023 TO 8 SEPTEMBER 2023

	<u>2023/24</u> <u>Original</u> <u>Estimate inc</u> <u>C/F</u>	<u>2023/24</u> <u>Revised</u> <u>Budget</u>	<u>2023/24</u> <u>Budget to</u> <u>08/09/23</u>	<u>2023/24</u> <u>Actual to</u> <u>08/09/23</u>
Expenditure	£m	£m	£m	£m
General Fund Programme	77.849	80.356	17.884	17.898
Income	<u>2023/24</u> <u>Budget</u>	<u>2023/24</u> <u>Revised</u> <u>Budget</u>		<u>2023/24</u> <u>Actual</u> <u>To</u> <u>08/09/23</u>
	£m	£m		£m
Prudential Borrowing	24.959	28.525		28.525
Developers Contributions	7.658	0.906		0.000
Partners (Including SPT, Clyde Windfarm and Transport Scotland)	2.157	3.393		0.549
Scottish Government:				
- Capital Grant	33.985	34.527		12.594
- Cycling, Walking and Safer Routes	1.632	2.284		0.232
- Road Safety Improvement	0.000	0.475		0.000
- Vacant and Derelict Land	2.019	2.019		1.334
- Regeneration Capital Grant	0.737	1.726		0.745
- Place Based Investment	1.510	2.723		2.723
Programme				
-Inspiring School Age Childcare Spaces Programme	0.000	0.234		0.000
Glasgow City Region City Deal	0.000	0.000		0.000
Capital Receipts	2.000	2.000		0.036
Specific Reserves	1.192	1.192		1.192
Revenue Contribution	0.000	0.352		0.352
TOTAL FUNDING	77.849	80.356		48.282

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2023/24
 HOUSING PROGRAMME
 FOR PERIOD 1 APRIL 2023 TO 8 SEPTEMBER 2023

	<u>2023/24</u> <u>Original</u> <u>Budget</u> £m	<u>2023/24</u> <u>Revised</u> <u>Budget</u> £m	<u>2023/24</u> <u>Budget to</u> <u>08/09/23</u> £m	<u>2023/24</u> <u>Actual to</u> <u>08/09/23</u> £m
Expenditure				
2023/24 Budget	63.916	69.596	21.298	19.378

	<u>2023/24</u> <u>Original</u> <u>Budget</u> £m	<u>2023/24</u> <u>Revised</u> <u>Budget</u> £m	<u>2023/24</u> <u>Actual to</u> <u>08/09/23</u> £m
Income			
Capital Receipts	0.000	1.683	1.901
Capital Receipts – Land Sales	0.000	0.000	0.016
Capital Funded from Current Revenue	27.162	27.162	11.500
Prudential Borrowing	17.302	23.331	0.000
Scottish Government Specific Grant:			
- New Build	16.632	12.036	5.830
- Open Market Purchase Scheme	2.700	5.264	0.000
- Mortgage to Rent	<u>0.120</u>	<u>0.120</u>	<u>0.131</u>
	<u>63.916</u>	<u>69.596</u>	<u>19.378</u>