

# Report

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Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>6 July 2011</b>
Report by:	<b>Chief Executive</b>

Subject:	<b>Capital Budget Monitoring Final Outturn 2010-2011</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Advise Committee of the outturn position of the capital programme for the year ended 31 March 2011
- ◆ Advise Committee of the proportion of the programme, expressed in financial terms, which has been carried forward as a financial commitment for year 2011-12.

## 2. Recommendation(s)

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

- (1) that the outturn on the 2010-11 capital programme, be noted;
- (2) that the carry forward of projects from the 2010-11 programme into the 2011-12 capital programme, be approved.

## 3. Background

- 3.1. The revised budgeted programme for 2010-11 totalled £128.517 million. This was originally agreed by the Executive Committee on 14 February 2008. The programme has subsequently been amended through regular monitoring reports to Committee throughout 2010-11.
- 3.2. The complete 2011-12 General Fund Capital Programme is the subject of a separate report to this Committee.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

- 5.1. Appendix 1 summarises the total expenditure of £122.011million on the General Fund capital programme for year 2010-11 and provides details of the funding sources for that spending.
- 5.2. The difference between the revised programme of £128.517million and the actual spend of £122.011million is £6.506million and this represents an underspend of 5.06%. The main reasons for the underspend are as follows:
- Education Resources – underspend of £1.655m on projects within the Schools Modernisation Programme.
  - Enterprise Resources – underspend of £0.943m on projects including Peacock Cross and Hamilton Bus Station Interchange Development.

- Housing and Technical Resources – underspend of £3.112m on projects including Major Maintenance and the Private Housing Scheme of Assistance.
- 5.3. During the year 2010-11, Committee agreed a net budget movement of £61.404m to the 2011-12 programme. This is made up of Primary Schools Modernisation Programme slippage of £40.599m and other general services net slippage of £20.805m.
- 5.4. In addition, the financial effect of the 2010-11 General Fund outturn is that projects totalling £4.576million will carry forward into 2011-12 to be managed as part of the 2011-12 programme. These projects will be financed from funding carried forward.
- 5.5. **Housing Programme**  
Appendix 2 summarises actual expenditure of £40.628million measured against a budget of £42.033million on the Housing programme and provides details of the funding of this programme. The underspend is mainly as a result of the bad winter weather conditions which impacted on the delivery of the Kitchen and Bathroom, External Fabric and New Council House Build programmes. The monies not used in 2010-11 will be carried into 2011-12 for utilisation in ongoing projects.
- 5.6. **Hamilton Ahead**  
Appendix 3 summarises expenditure of £0.014million on the Hamilton Ahead programme matched by funding.
- 6. Other Implications**
- 6.1. The main risk associated with the Council's Capital Programme during the year is that there is a significant 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 and the outturn report shows an underspend at financial year end.
- 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.

**Archibald Strang**  
**Chief Executive**

8 June 2011

**Link(s) to Council Values/Improvement Themes/Objectives**

- ◆ **Value:** Accountable, Effective and Efficient

**Previous References**

- ◆ Executive Committee, 10 February 2011
- ◆ Corporate Management Team, 7 April 2011

### **List of Background Papers**

- ◆ Capital ledger prints for the period 1 April 2010 to 31 March 2011

### **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 2010-2011  
 GENERAL FUND PROGRAMME  
 FOR PERIOD 1 APRIL 2010 TO 31 MARCH 2011

**APPENDIX 1**

**EXPENDITURE**

	2010-11 REVISED BUDGET	2010-11 ACTUAL to 31/03/11
	£m	£m
GENERAL FUND PROGRAMME (including adjustments agreed)	128.517	122.011
	<b><u>128.517</u></b>	<b><u>122.011</u></b>

<b>Income</b>	<b>Actual to 31/03/11 £m</b>
Core Borrowing funded in Revenue Support Grant	16.027
Prudential Borrowing	70.440
Contribution from Fairer Scotland Fund	0.001
Heritage Lottery/ SportsScotland Grant	0.058
European Regional Development Fund	0.181
Planning Gain	0.143
Partners (Including SPT, Historic Scotland, ADAT, Clyde Gateway URC, Rutherglen Common Good)	3.786
Scottish Government:	
- School Buildings Improvement Fund	6.000
- Contaminated Land	0.256
- Efficiency and Reform	0.072
- Information & Communication Technology	0.900
- Capital Grant	4.550
- Countryside Ranger Service	0.020
- Private Sector Housing Grant	1.163
- Gypsy Travellers	0.092
- Zero Waste Fund	0.049
- Vacant and Derelict Land	2.176
- Cycling, Walking and Safer Streets	0.514
Capital Receipts	8.430
Capital Financed From Revenue	5.018
Specific Reserves	0.459
Repairs and Renewals Fund	1.676
<b>TOTAL FUNDING</b>	<b>122.011</b>

SOUTH LANARKSHIRE COUNCIL  
 CAPITAL EXPENDITURE 2010-11  
 HOUSING PROGRAMME  
 FOR PERIOD 1 APRIL 2010 TO 31 MARCH 2011

**APPENDIX 2**

**EXPENDITURE**

2010-11 REVISED BUDGET	2010-11 ACTUAL to 31/03/11
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£m

£m

2009-10 CARRY FORWARD PROJECTS  
 PLUS NEW PROJECTS APPROVED  
 IN 2010-11  
 (including previously approved adjustments)

**42.033**

**40.628**

**INCOME**

2010-11 ACTUAL to 31/03/11 £m
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HOUSE SALES  
 LAND SALES  
 SPECIFIC GRANT  
 CAPITAL FUNDED FROM CURRENT REVENUE  
 PRUDENTIAL BORROWING

4.651

1.004

1.927

13.169

19.877

**40.628**

SOUTH LANARKSHIRE COUNCIL  
CAPITAL EXPENDITURE 2010-11  
HAMILTON AHEAD  
FOR PERIOD 1 APRIL 2010 TO 31 MARCH 2011

**APPENDIX 3**

<b>EXPENDITURE</b>	2010-11 REVISED BUDGET	2010-11 ACTUAL to 31/03/11
	£m	£m
2010-11 PROGRAMME	<b><u>0.020</u></b>	<b><u>0.014</u></b>

<b>INCOME</b>	2010-11 ACTUAL to 31/03/11 £m
EXTERNAL INCOME	0.014
	<b><u>0.014</u></b>