

# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>11 May 2011</b>
Report by:	<b>Chief Executive</b>

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

1.1. The purpose of the report is to:-

- ◆ Consolidate capital budget monitoring to give a Council-wide summary
- ◆ Provide information on the progress of the Capital Programme for the period 1 April 2010 to 18 March 2011.

## 2. Recommendation(s)

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

- (1) that the position of the General Fund capital programme itemised at Appendix 2, the HRA programme at Appendix 3 and the Hamilton Ahead programme itemised at Appendix 4, be noted; and
- (2) 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 18 March 2011. Spending has been split into three separate sections:

- ◆ General Fund Capital Programme including Education, Social Work, Roads and Transportation and General Services (including the former Fairer Scotland Fund Programme)
- ◆ Housing Capital Programme
- ◆ Hamilton Ahead.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. The revised programme for the General Fund is £128.517m as shown in Appendix 1. This consists of the base budget plus carry forward projects and previous adjustments to the programme which have been approved by the Executive Committee throughout 2010/11.

- 5.2. The programme spend and funding for the General Fund is summarised in Appendix 2. The total capital spending programme for the year is £128.517m. Current estimates from Housing & Technical Resources suggest an outturn for the financial year of £122m.

Budget for the period is £125.096m and spend to the 18 March 2011 is £107.068m (83.31%). This represents spend of £18.028m behind profile, and in the main this can be attributed to underspends within Education Resources, Enterprise Resources and Housing and Technical Resources. At this point last year £111.537m had been spent, 74.25% of the programme.

- 5.3. Actual funding received to 18 March 2011 is £122.000m (94.93%).
- 5.4. Relevant officers will continue to closely monitor the generation of all income including receipts.

5.5. **Housing Programme**

Appendix 3 summarises the position on the Housing programme as at 18 March 2011. The revised capital programme for the year is £42.033m. This consists of the base budget plus carry forward projects.

Budget for the period is £42.033m and spending to 18 March 2011 amounts to £33.997m (80.88%). This time last year £34.031m was spent (84.15%).

Programmed funding for the year totals £42.033m, as at 18 March 2011 £33.997m had been received.

Housing and Technical Resources have advised that an underspend of £1.329m is anticipated in 2010/2011 following the bad weather conditions in November, December and January. This has impacted on the Kitchen and Bathroom, External Fabric and New Council House Build Programmes. This is an increase to the previously reported position of £1.329m under budget.

5.6. **Hamilton Ahead**

The current year programme for Hamilton Ahead is summarised at Appendix 4. The budgeted expenditure for 2010/11 totals £0.020m with £0.014m being spent by 18 March 2011.

Programmed funding for the year totals £0.020m, as at 18 March 2011 £0.115m had been received. This over recovery relates to unbudgeted amounts of income which will be utilised in future years.

- 5.7. Relevant officials are working on all programmes in order to maximise expenditure and funding packages.

6. **Other Implications**

- 6.1. The main risk associated with the Council's Capital Programme is failure to manage the projects resulting in 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 an overspend is managed through 4 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.

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

25 March 2011

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

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

### **Previous References**

- ◆ Executive Committee, 23 March 2011

### **List of Background Papers**

- ◆ Capital ledger prints for the period 1 April 2010 to 18 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 2010-11  
GENERAL FUND PROGRAMME

	£m
Revised Approved Programme (Executive Committee 14 February 2008)	112.471
Adjustments approved in 2009/10	57.382
Carry Forward Adjustment from 2009/10	17.443
Previously Approved Adjustments	(58.779)
<b>Revised Programme including Carry Forward</b>	<b>128.517</b>

<u>Resource</u>	<u>Approved 10/11 Budget £000</u>	<u>Adjustments Approved in 2009/10</u>	<u>C/F From 2009/10 £000</u>	<u>Total Original 2010/11 Budget</u>	<u>Previously Approved Adjustments in 2010/11 £000</u>	<u>Revised 2010/11 Budget Total £000</u>
Community	3.500	<b>21.799</b>	3.290	28.589	(14.166)	<b>14.423</b>
Corporate	3.000	<b>(0.470)</b>	0.282	2.812	(2.812)	<b>0.000</b>
Education	93.955	<b>18.649</b>	9.492	122.096	(49.329)	<b>72.767</b>
Enterprise	6.525	<b>13.210</b>	3.936	23.671	3.769	<b>27.440</b>
Finance & IT	0.222	<b>0.451</b>	0.249	0.922	(0.419)	<b>0.503</b>
Housing & Tech	0.000	<b>0.883</b>	0.616	1.499	5.442	<b>6.941</b>
Social Work	5.269	<b>2.860</b>	(0.422)	7.707	(1.264)	<b>6.443</b>
<b>Total</b>	<b>112.471</b>		<b>17.443</b>	<b>187.296</b>	<b>(58.779)</b>	<b>128.517</b>
		57.382				

SOUTH LANARKSHIRE COUNCIL  
 CAPITAL EXPENDITURE 2010-11  
 GENERAL FUND PROGRAMME  
 FOR PERIOD 1 APRIL 2010 TO 18 MARCH 2011

APPENDIX 2

	<u>2010-11</u> <u>Original</u> <u>Estimate</u> <u>inc C/F</u>	<u>2010-11</u> <u>Revised</u> <u>Budget</u>	<u>2010-11</u> <u>Budget</u> <u>to 18/03/11</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u>
<b>Expenditure</b>	£m	£m	£m	£m
<b>General Fund Programme</b>	187.296	128.517	125.096	107.068
<b>Income</b>		<u>2010-11</u> <u>Budget</u>	<u>2010-11</u> <u>Revised</u> <u>Budget</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u>
		£m	£m	£m
Core Borrowing funded in Revenue Support Grant		16.027	16.027	16.027
Prudential Borrowing		118.167	80.948	76.951
Contribution from Fairer Scotland Fund		0.092	0.001	0.001
Heritage Lottery/ Sportsotland Grant		0.273	0.074	0.017
European Regional Development Fund		0.005	0.000	0.088
Planning Gain		0.144	0.336	0.155
Partners (Including SPT, Historic Scotland, ADAT, Clyde Gateway URC, Rutherglen Common Good)		<b>0.542</b>	<b>2.798</b>	1.228
Scottish Government:				
- School Buildings Improvement Fund		<b>6.000</b>	<b>6.000</b>	6.000
- Contaminated Land		<b>0.281</b>	<b>0.281</b>	<b>0.281</b>
- Efficiency and Reform		<b>0.222</b>	<b>0.072</b>	<b>0.072</b>
- Information & Communication Technology		<b>0.900</b>	<b>0.900</b>	<b>0.900</b>
- Capital Grant		<b>2.358</b>	<b>2.753</b>	<b>2.753</b>
- Countryside Ranger Service		<b>0.000</b>	<b>0.020</b>	<b>0.020</b>
- Private Sector Housing Grant		<b>0.000</b>	<b>2.861</b>	<b>2.861</b>
- Gypsy Travellers		<b>0.000</b>	<b>0.095</b>	<b>0.095</b>
- Zero Waste Fund		<b>0.000</b>	<b>0.053</b>	<b>0.053</b>
- Vacant and Derelict Land		<b>0.143</b>	<b>2.176</b>	<b>2.176</b>
- Cycling, Walking and Safer Streets		<b>0.544</b>	<b>0.544</b>	<b>0.000</b>
Capital Receipts		<b>14.475</b>	<b>4.211</b>	3.955

Capital Financed From Revenue	<b>2.443</b>	<b>2.560</b>	2.560
Specific Reserves	0.513	0.476	0.476
Repairs and Renewals Fund	24.167	5.331	5.331
<b>TOTAL FUNDING</b>	<b>187.296</b>	<b>128.517</b>	<b>122.000</b>

SOUTH LANARKSHIRE COUNCIL  
 CAPITAL EXPENDITURE 2010-11  
 HOUSING PROGRAMME  
 FOR PERIOD 1 APRIL 2010 TO 18 MARCH 2011

**APPENDIX 3**

**EXPENDITURE**

	<u>2010-11</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2010-11</u> <u>Estimate</u> <u>to 18/03/11</u> <u>£m</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u> <u>£m</u>
2009/10 Carry Forward projects,	<b>42.033</b>	<b>42.033</b>	<b>33.997</b>
plus new projects approved in 2010/11			

**INCOME**

	<u>2010-11</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u> <u>£m</u>
Capital Receipts – House Sales	4.170	4.469
Capital Receipts – Land Sales	1.500	1.033
Capital Funded by Current Revenue	9.727	9.727
Prudential Borrowing	25.111	18.062
Specific Grant	1.525	0.706
	<b>42.033</b>	<b>33.997</b>

SOUTH LANARKSHIRE COUNCIL  
 CAPITAL EXPENDITURE 2010-11  
 HAMILTON AHEAD  
 FOR PERIOD 1 APRIL 2010 TO 18 MARCH 2011

**APPENDIX 4**

	<u>2010-11</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2010-11</u> <u>Estimate</u> <u>to 18/03/11</u> <u>£m</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u> <u>£m</u>
<b>EXPENDITURE</b>			
2010-11 Programme	0.020	0.020	0.014
	<u>2010-11</u> <u>Annual</u> <u>Budget</u> <u>£m</u>	<u>2010-11</u> <u>Estimate</u> <u>to 18/03/11</u> <u>£m</u>	<u>2010-11</u> <u>Actual</u> <u>to 18/03/11</u> <u>£m</u>
<b>INCOME</b>			
Capital Receipt	0.020	0.020	0.115