

# Report

Report to:	<b>Community and Enterprise Resource Committee</b>
Date of Meeting:	<b>15 September 2020</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)</b>

Subject:	<b>Community and Enterprise Resources - Capital Budget Monitoring 2019/2020</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the progress of the capital programme for Community and Enterprise Resources for the period 1 April 2019 to 31 March 2020.

## 2. Recommendation(s)

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

- (1) that the Community and Enterprise Resources' capital programme of £40.538 million, and expenditure for the year of £35.783 million be noted.

## 3. Background

- 3.1. This is the sixth and final capital monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2019/20.
- 3.2. The budget reflects the approved programme for the year (Executive Committee, 29 May 2019). It also includes budget adjustments presented to the Executive Committee during 2019/20. There have been no changes since the last report to this Committee.
- 3.3. The report details the financial position for Community and Enterprise Resources in total in Appendix A.

## 4. Employee Implications

4.1. There are no employee implications as a result of this report.

## 5. Financial Implications

5.1. The total capital programme for Community and Enterprise Resources for 2019/2020 was £40.538 million.

### 5.2. 2019/20 Final Position

Total expenditure to the 31 March 2020 was £35.783 million, a difference of £4.755 million on the programme of £40.538 million.

- 5.3. The final position is lower than the outturn of £38.1 million reported to this Committee previously (16 June 2020), which mainly reflected the anticipated timing of spend on a number of projects including Extension of Cemeteries and Landworks, Electric Vehicle Charging, Horsley Brae, Lanark Park and Ride, Roads Investment Programme and the Glasgow City Region City Deal project at Greenhills Road.
- 5.4. This additional underspend is mainly due to the timing of spend in relation to a number of projects including: Greenhills Road (£0.9 million), Roads Improvement Programme (£0.8 million); Town Centre Regeneration Fund (£0.4 million); Cycling, Walking and Safer Streets (£0.1 million) and National Strategic Cycle Routes (£0.1 million). Funding for these projects will carry forward into next financial year.
- 5.5. The ongoing implications of COVID19, including the closure of construction sites in advance of the financial year end, have had an impact on the level of capital spend which has been achieved this financial year. This will continue to impact on the 2020/2021 Capital Programme. Funding will carry forward into next financial year and an update on the 2020/2021 programme is detailed in a separate report to this Committee.
- 5.6. **Accounting Adjustments** While sections 5.1 - 5.4 detail the position on the Capital Programme as set, 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 is in relation to assets that are not owned by the Council and where the spend must be classed as revenue. There is no operational impact for projects from this adjustment – it is an accounting entry only.
- 5.7. £0.826 million of capital spend is required to be recorded as revenue spend. Conversely, £0.398 million of revenue spend should be recorded as capital. The transfers above mean that for the purpose of publishing our Annual Accounts only, there is capital spend of £35.355 million.

## **6. Climate Change, Sustainability and Environmental Implications**

- 6.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

## **7. Other Implications**

- 7.1. The main risk associated with the Council's Capital Programme is that there 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 an overspend is managed through four weekly Investment Management Meetings.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

**Michael McGlynn**  
**Executive Director (Community and Enterprise Resources)**

31 August 2020

**Link(s) to Council Values/Ambitions/Objectives**

- Accountable, Effective, Efficient and Transparent

**Previous References**

- Executive Committee, 29 May 2019
- Community and Enterprise Resources Committee, 16 June 2020

**List of Background Papers**

- Financial ledger to 31 March 2020

**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 2019-2020  
Community and Enterprise Resources Programme  
For Period 1 April 2019 – 31 March 2020**

<b><u>Community and Enterprise Resources</u></b>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Fleet and Environmental	52	0	0	52	52	17
Facilities, Waste and Grounds	3,003	799	(291)	3,511	3,511	2,546
Planning & Economic Development	10,080	172	(3,789)	6,463	6,463	7,301
Roads	26,322	4,190	0	30,512	30,512	25,919
<b>RESOURCE TOTAL</b>	<b>39,457</b>	<b>5,161</b>	<b>(4,080)</b>	<b>40,538</b>	<b>40,538</b>	<b>35,783</b>

**Accounting Adjustments:**

Less Transfers to Revenue	(826)
Add; Transfers to Capital	398
<b>2019/20 Outturn Position (Accounting Basis Only)</b>	<b>35,355</b>