

Report

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	7 September 2022
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget Monitoring 2021/2022 - Finance and Corporate Resources
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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 Finance and Corporate Resources for the period 1 April 2021 to 31 March 2022.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendations:-

- (1) that the Finance and Corporate Resources' capital programme of £3.176 million, and expenditure for the year of £1.926 million, be noted.

3. Background

- 3.1. This is the final capital monitoring report presented to the Finance and Corporate Resources Committee for the financial year 2021/2022.
- 3.2. As noted in the last report to this Committee (9 February 2022), the budget for Finance and Corporate Resources for financial year 2020/2021 was £3.176 million. There have been no other changes to this budget allocation since that meeting.
- 3.3. The report details the financial position for Finance and Corporate Resources in Appendix A.

4. Employee Implications

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

5. Financial Implications

5.1. 2021/2022 Capital Programme – Final Position

As detailed in Section 3.2, the total capital programme for Finance and Corporate Resources for 2021/2022 was £3.176 million. Total expenditure to the 31 March 2022 was £1.926 million, a difference of £1.250 million in comparison to the programme of £3.176 million.

5.2. The programme underspend of £1.250 million is mainly due to the timing of project spend on a number of projects. The main projects which are responsible for the underspend are the IT Infrastructure Refresh (£0.401 million) and Caird Centre project (£0.174 million) which reflects the timing of spend linked to the completion of the Caird

Centre changeover, and the timing of spend on the Audio-Visual Upgrade (£0.389 million).

5.3. Any underspend on these projects, along with the funding, will carry forward into next financial year as required. An update on the 2022/2023 programme is detailed in a separate report to this Committee.

5.4. **Accounting Adjustments** While sections 5.1 to 5.3 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.

5.5. £0.012 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 £1.938 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 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)

17 August 2022

Link(s) to Council Values/Priorities/Outcomes

♦ Accountable, effective, efficient and transparent

Previous References

- ♦ Finance and Corporate Resources Committee, 9 February 2022
- ♦ Executive Committee, 29 June 2022

List of Background Papers

- ♦ Financial ledger to 31 March 2022

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 2021/2022
Finance and Corporate Resources Programme
For Period 1 April 2021 to 31 March 2022**

<u>Finance and Corporate Resources</u>	Total Original Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Anticipated Spend £000	Actual Expenditure £000
Information Technology Services	2,776	400	-	3,176	3,176	1,926
TOTAL	2,776	400	-	3,176	3,176	1,926

Accounting Adjustments

Less Transfers to Revenue	-
Add Transfers to Capital	12
2021/22 Outturn Position (Accounting Basis Only)	1,938