

Report

Report to:	Community and Enterprise Resource Committee
Date of Meeting:	9 August 2022
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Community and Enterprise Resources - Capital Budget Monitoring 2021/2022
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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 2021 to 31 March 2022

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 £41.903 million, and expenditure for the year of £34.685 million be noted.

3. Background

3.1. This is the final capital monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2021/2022.

3.2. As noted in the last report to this Committee (7 December 2021), the budget for Community and Enterprise Resources for financial year 2021/2022, including carry forward, was £44.115 million.

3.3. Since that meeting, the Executive Committee (2 February 2022) has also agreed changes to the Community and Enterprise Resources' Capital Programme totalling a net decrease of £2.212 million. The details are shown in Appendix A. This takes the Community and Enterprise Resources' Programme for 2021/2022 to £41.903 million.

3.4. The report details the financial position for Community and Enterprise Resources in total in Appendix A.

4. 2021/2022 Capital Programme – Final Position

4.1. As detailed in Section 3.3, the total capital programme for Community and Enterprise Resources for 2021/2022 was £41.903 million. Total expenditure to the 31 March 2022 was £34.685 million, a difference of £7.218 million in comparison to the programme of £41.903 million.

4.2. The programme underspend of £7.218 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: Place Based Investment Programme (£1.617m), Hamilton HUB –

New Cross Shopping Centre (£0.970m), Vacant and Derelict Land (£0.563m), Contribution to Horsley Brae (£0.400m), Roads Participatory Budgeting (£0.329m), Roads Structures (Mousemill Rd, Clyde, Ponfeigh, Daer and Scrogton) (£0.473m), Cycling, Walking and Safer Streets (£0.238m), Cathkin Bypass (£0.328m) and Greenhills Road (£1.081m) along with a number of other minor movements.

- 4.3. 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.
- 4.4. **Accounting Adjustments** While sections 4.1 to 4.3 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.
- 4.5. £1.567 million of capital spend is required to be recorded as revenue spend. Conversely, £0.138 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 £33.256 million.
- 5. Employee Implications**
 - 5.1. There are no employee implications as a result of this report.
- 6. Financial Implications**
 - 6.1. The financial implications are detailed in section 4 of this report.
- 7. Climate Change, Sustainability and Environmental Implications**
 - 7.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 8. Other Implications**
 - 8.1. 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.
- 9. Equality Impact Assessment and Consultation Arrangements**
 - 9.1. 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.
 - 9.2. 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)

David Booth
Executive Director (Community and Enterprise Resources)

20 July 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Community and Enterprise Resources Committee, 7 December 2021
- ◆ Executive Committee, 2 February 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
Community and Enterprise Resources Programme
For Period 1 April 2021 – 31 March 2022**

<u>Community and Enterprise Resources</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Anticipated Spend £000	Actual Expenditure £000
Facilities, Waste and Grounds	3,375	1,350	(1,748)	2,977	2,977	2,176
Enterprise and Sustainable Development	13,099	200	(2,916)	10,383	10,383	7,217
Roads, Transport and Fleet	30,261	1,691	(3,409)	28,543	28,543	25,292
TOTAL	46,735	3,241	(8,073)	41,903	41,903	34,685

Accounting Adjustments

Less Transfers to Revenue	(1,567)
Add Transfers to Capital	138
2021/22 Outturn Position (Accounting Basis Only)	33,256

For Information Only

Budget Adjustments presented to Executive Committee, 2 February 2022:

Budget Adjustments

Additional Funding

Electric Vehicle Charging Infrastructure	£0.048m
Roads – Structures	£1.721m
Switched on Fleet	£0.171m
Abington Campus for Enterprise	£0.200m
Strathclyde Passenger Transport (SPT) – Bus Infrastructure	£0.020m
Cambuslang Park & Ride	£0.060m
Law Football Pavilion Upgrade and drainage to Sports Pitches	£0.015m

Slippage

Roads – Structures	(£1.591m)
Switched on Fleet	(£0.213m)
Country Parks – Horseshoe Bridge, Calderglen	(£0.150m)
White Bridge Replacement, Chatelherault Country Park	(£0.221m)
Abington Campus for Enterprise	(£0.150m)
Leisure Centres	(£0.480m)
Hamilton Palace Grounds – Play Area	(£0.184m)
Renewal of Play Parks	(£0.268m)
Cycling, Walking and Safer Routes	(£0.512m)
City Deal – Cathkin Bypass	(£0.678m)

Total Budget Adjustments **(£2.212m)**