

Report

Report to:	Community and Enterprise Resources Committee
Date of Meeting:	16 June 2020
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Community and Enterprise Resources)

Subject:	Community and Enterprise Resources - Capital Budget Monitoring 2019/2020
----------	---

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 28 February 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 to date of £31.082 million, be noted; and
- (2) that the projected outturn of £38.1 million be noted.

3. Background

3.1. This is the fifth capital monitoring report presented to the Community and Enterprise Resources Committee for the financial year 2019/2020.

3.2. The budget reflects the approved programme for the year (Executive Committee, 29 May 2019). It also includes budget adjustments approved by the Executive Committee during 2019/2020. There has been no change since the last report to this Committee.

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

4. Employee Implications

4.1. None

5. Financial Implications

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

5.2. 2019/2020 Outturn

As at period 12, the predicted spend position for this financial year was anticipated to be an outturn of £38.1 million. This would be an underspend of £2.4 million. As reported to this Committee previously this mainly reflects 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. Funding for these projects will carry forward into next financial year.

- 5.3. The year-end position is currently being finalised and this will be reported to the Executive Committee on 24 June 2020. The ongoing implications of COVID-19, including the closure of construction sites in advance of the financial year end, have impacted on the level of capital spend achieved this financial year. This will be reported to the next Committee.
- 5.4. It was previously reported to the Executive Committee (29 January 2020) that the ongoing land negotiations associated with Lanark Park and Ride (£0.3 million) meant that grant from Strathclyde Partnership for Transport (SPT) was unlikely to be claimed in 2019/2020. Discussions during early March 2020 indicated a more positive outlook in terms of completing the land acquisition and claiming the grant in 2019/2020. However, the COVID-19 situation has meant that the legal process cannot be concluded at this point in time. Therefore, SPT funding will not be provided in 2019/2020 but will be considered by SPT for 2020/2021 and officers are in discussion with SPT in that respect.
- 5.5. 2019/2020 Monitoring
Anticipated spend to date was £30.793 million and £31.082 million has been spent. This represents a position of £0.289 million ahead of profile. This is a timing issue only with an underspend anticipated by the end of the financial year. This is reflected in the outturn position identified at 5.2. above.

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 was also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

Michael McGlynn

Executive Director (Community and Enterprise Resources)

27 May 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee 29 May 2019

List of Background Papers

- ◆ Financial ledger to 28 February 2020

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: lorraine.o'hagan@southlanarkshire.gov.uk

South Lanarkshire Council
Capital Expenditure 2019-2020
Community and Enterprise Resources
For Period 1 April 2019 – 28 February 2020

<u>Community and Enterprise Resources</u>	Base Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000	2019/20 Outturn £000
Fleet and Environmental	52	0	0	52	52	17	20
Facilities, Waste and Grounds	3,003	799	(291)	3,511	2,490	2,297	2,770
Planning and Economic Development	10,080	172	(3,789)	6,463	5,751	7,085	7,320
Roads	26,322	4,190	0	30,512	22,500	21,683	27,990
TOTAL	39,457	5,161	(4,080)	40,538	30,793	31,082	38,100