



Council Offices, Almada Street
Hamilton, ML3 0AA

Tuesday, 24 January 2023

Dear Councillor

Executive Committee

The Members listed below are requested to attend a meeting of the above Committee to be held as follows:-

Date: Wednesday, 01 February 2023
Time: 10:00
Venue: Hybrid - Council Chamber, Council Offices, Almada Street, Hamilton, ML3 0AA

The business to be considered at the meeting is listed overleaf.

Yours sincerely

Cleland Sneddon
Chief Executive

Members

Joe Fagan (Chair/ex officio), Gerry Convery (Depute Chair), Alex Allison, John Anderson, Robert Brown, Andy Carmichael, Maureen Chalmers, Ross Clark, Margaret Cooper, Andrea Cowan, Maureen Devlin, Gladys Ferguson-Miller, Mark Horsham, Martin Lennon, Eileen Logan, Katy Loudon, Hugh Macdonald, Ian McAllan, Catherine McClymont, Kenny McCreary, Lesley McDonald, Mark McGeever, Davie McLachlan, Richard Nelson, Mo Razzaq, Kirsten Robb, John Ross, David Shearer, Margaret B Walker

Substitutes

John Bradley, Walter Brogan, Poppy Corbett, Margaret Cowie, Graeme Horne, Martin Hose, Susan Kerr, Ross Lambie, Elaine McDougall, Norman Rae, Dr Ali Salamati, Graham Scott, David Watson

BUSINESS

1 Declaration of Interests

- 2 Minutes of Previous Meeting** 5 - 14
Minutes of the meeting of the Executive Committee held on 30 November 2022 submitted for approval as a correct record. (Copy attached)

Monitoring Item(s)

- 3 Revenue Budget Monitoring for Period 10 - 1 April to 29 December 2022** 15 - 28
Report dated 16 January 2023 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 4 Capital Programme 2022/2023 Update and Monitoring for Period 10 – 1 April 2022 to 29 December 2022** 29 - 40
Report dated 11 January 2023 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 5 Additional Funding from Scottish Government and Other External Sources** 41 - 44
Report dated 9 January 2023 by the Executive Director (Finance and Corporate Resources). (Copy attached)

Item(s) for Decision

- 6 Developing an Age Friendly South Lanarkshire** 45 - 48
Report dated 11 January 2023 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 7 Fair Work First Statement** 49 - 54
Report dated 23 December 2022 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 8 Land and Property Transfers and Disposals** 55 - 58
Report dated 29 December 2022 by the Executive Director (Housing and Technical Resources). (Copy attached)
- 9 External Representation on the Education Resources Committee - Update** 59 - 62
Joint report dated 4 January 2023 by the Executive Directors (Education Resources) and (Finance and Corporate Resources). (Copy attached)
- 10 Recommendations Referred by Housing and Technical Resources Committee** 63 - 66
Report dated 23 January 2023 by the Chief Executive. (Copy attached)

Item(s) for Noting

- 11 Representation on Outside Organisations** 67 - 68
Report dated 5 January 2023 by the Chief Executive. (Copy attached)

Urgent Business

12 Urgent Business

Any other items of business which the Chair decides are urgent.

For further information, please contact:-

Clerk Name:	Pauline MacRae
Clerk Telephone:	07385 370044
Clerk Email:	pauline.macrae@southlanarkshire.gov.uk

EXECUTIVE COMMITTEE

2

Minutes of meeting held via Confero and in the Council Chamber, Council Offices, Almada Street, Hamilton on 30 November 2022

Chair:

Councillor Joe Fagan (ex officio)

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor Walter Brogan (*substitute for Councillor Eileen Logan*), Councillor Robert Brown, Councillor Maureen Chalmers, Councillor Ross Clark, Councillor Gerry Convery (Depute), Councillor Margaret Cooper, Councillor Andrea Cowan, Councillor Maureen Devlin, Councillor Gladys Ferguson-Miller, Councillor Lynsey Hamilton, Councillor Mark Horsham, Councillor Katy Loudon, Councillor Hugh Macdonald, Councillor Ian McAllan, Councillor Kenny McCreary, Councillor Lesley McDonald, Councillor Mark McGeever, Councillor Davie McLachlan, Councillor Richard Nelson, Councillor Mo Razzaq, Councillor Kirsten Robb, Councillor Dr Ali Salamati (*substitute for Councillor John Ross*), Councillor David Shearer, Councillor Margaret B Walker

Councillors' Apologies:

Councillor Andy Carmichael, Councillor Eileen Logan, Councillor Catherine McClymont, Councillor John Ross

Attending:

Chief Executive's Service

C Sneddon, Chief Executive

Community and Enterprise Resources

D Booth, Executive Director; S Keating, Property Development Manager

Education Resources

T McDaid, Executive Director

Finance and Corporate Resources

P Manning, Executive Director; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; P MacRae, Administration Adviser; K McLeod, Administration Assistant; K McVeigh, Head of Personnel Services

Housing and Technical Resources

S Gibson, Executive Director; A Finnan, Head of Housing Services; J Read, Strategy and Policy Advisor

Health and Social Care/Social Work Resources

S Sengupta, Director, Health and Social Care

Chair's Opening Remarks

The Chair, on behalf of the Committee, welcomed Stephen Gibson, Executive Director (Housing and Technical Resources) to his first meeting of the Executive Committee.

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Executive Committee held on 2 November 2022 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring for Period 8 - 1 April to 4 November 2022

A report dated 14 November 2022 by the Executive Director (Finance and Corporate Resources) was submitted on the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April to 4 November 2022.

At 4 November 2022, the position on the General Fund Revenue Account was a net overspend of £0.039 million. The overspend was mainly within:-

- ◆ Community and Enterprise Resources relating to cost pressures associated with Electric Vehicle (EV) charging
- ◆ Social Work Resources (Children and Families)

The overspend position was partially offset by an underspend in:-

- ◆ Performance and Support
- ◆ Justice and Substance Misuse
- ◆ Adults and Older People as a result of vacancies across Social Workers, Day Care and Residential Homes

The Adults and Older People budget formed part of the delegated Health and Social Care Partnership (HSCP) budget. The core Council position, without the HSCP underspend, was an overspend of £0.807 million.

As part of the funding for the Scottish Government Pay Award 2022/2023, the Scottish Government had agreed to allocate £120 million nationally per annum (for 2022/2023 and 2023/2024) to cover part of the additional costs. The Council had been allocated £7.077 million which would be paid as part of the General Capital Grant allocation. The Convention of Scottish Local Authorities (COSLA) and the Scottish Government had been in discussion with councils as to how they could convert this General Capital Grant to pay for revenue expenditure.

The Housing Revenue Account showed a breakeven position at 4 November 2022, as detailed in Appendix 2 of the report.

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that the overspend of £0.039 million on the General Fund Revenue Account at 4 November 2022 within Community and Enterprise Resources and Social Work Resources (Children and Families) and partially offset by the underspend on the Adults and Older People budget delegated to the Health and Social Care Partnership, as detailed in section 4 and Appendix 1 of the report, be noted; and
- (2) that the breakeven position on the Housing Revenue Account at 4 November 2022, as detailed in section 5 and Appendix 2 of the report, be noted.

[Reference: Minutes of 2 November 2022 (Paragraph 3)]

4 Capital Programme 2022/2023 Update and Monitoring for Period 8 – 1 April to 4 November 2022

A report dated 15 November 2022 by the Executive Director (Finance and Corporate Resources) was submitted on progress of the General Fund Capital Programme and the Housing Capital Programme for the period 1 April to 4 November 2022.

At its meeting on 2 November 2022, the Committee had approved a General Fund Capital Programme for 2022/2023 totalling £95.880 million. A revised programme of £78.272 million was now anticipated which included proposed adjustments to the programme totalling a net decrease of £17.608 million. £1.408 million of that sum was as a result of the profiling adjustments proposed in Appendix 1 of the report.

The remainder of the reduction of £17.608 million related to the 2022/2023 allocations for the following 3 significant projects:-

- ◆ Clyde Bridge (reduction of 2022/2023 budget by £5.4 million)
- ◆ Larkhall Leisure Centre (reduction of 2022/2023 budget by £9 million)
- ◆ Levelling Up Fund match funding (reduction of 2022/2023 budget by £1.8 million)

At 4 November 2022, £29.530 million had been spent on the General Fund Capital Programme, an overspend of £0.597 million, and actual funding received to 4 November 2022 totalled £59.741 million. The programme spend and funding for the General Fund for the period was detailed in appendices 2 and 3 of the report.

The Housing Capital Programme 2022/2023, approved by the Executive Committee at its meeting on 24 August 2022, totalled £66.361 million. Details of the position of the programme at 4 November 2022 were provided in Appendix 4 of the report.

At 4 November 2022, expenditure on the Housing Capital Programme amounted to £30.739 million and actual funding received to 4 November 2022 totalled £30.783 million.

Officers:-

- ◆ responded to members' questions on various aspects of the report
- ◆ provided an update on the position in relation to Larkhall Leisure Centre
- ◆ undertook to submit a report to a future meeting on provision within Strathaven Cemetery

The Committee decided:

- (1) that the Period 8 position at 4 November 2022 of the General Fund Capital Programme, as detailed at appendices 1 to 3 of the report, and the Housing Capital Programme, as detailed at Appendix 4 of the report, be noted;
- (2) that the adjustments to the General Fund programme, as detailed at Sections 4.3, 4.4 and Appendix 1 of the report, be approved; and
- (3) that the revised programmes be monitored by the Financial Resources Scrutiny Forum.

[Reference: Minutes of 24 August 2022 (Paragraph 4) and 2 November 2022 (Paragraph 4)]

5 Additional Funding from Scottish Government and Other External Sources

A report dated 16 November 2022 by the Executive Director (Finance and Corporate Resources) was submitted on additional funding, totalling £2.487 million, which had been made available to the Council by the Scottish Government and other external sources.

The funding had been allocated as follows:-

Revenue Funding

Resource	2022/2023
	(£m)
Social Work	2.138
Total	2.138
Resource	2023/2024 to 2026/2027
	(£m)
Social Work	0.349
Total	0.349
Overall Total	2.487

The Committee decided: that the report be noted.

[Reference: Minutes of 2 November 2022 (Paragraph 5)]

6 South Lanarkshire Local Housing Strategy 2022 to 2027

A report dated 22 November 2022 by the Executive Director (Housing and Technical Resources) was submitted on:-

- ◆ findings from the consultation and engagement carried out in relation to the Local Housing Strategy (LHS) 2022 to 2027
- ◆ the finalised Local Housing Strategy 2022 to 2027
- ◆ monitoring, reporting and governance arrangements for the Local Housing Strategy 2022 to 2027

To assist with the development of the LHS, the Council had adopted a co-production approach through pre-consultation engagement with a range of partners and stakeholder groups to determine key housing priorities and actions. The outcome of this work had been used to develop a draft LHS 2022 to 2027 for consultation, which was made available on the Council's website between August and October 2022. The key outcomes from the consultation process were detailed in the report.

To support the delivery of the LHS over the next 5 years, there were 8 priority outcomes, that covered the 5 themes of:-

- ◆ housing supply, affordability, and choice
- ◆ housing quality, energy efficiency and decarbonisation
- ◆ specialist provision and supporting independent living
- ◆ addressing homelessness
- ◆ sustainable places

Details of the 8 priority outcomes for the 2022 to 2027 Strategy were provided in the report.

The LHS document was attached as an appendix to the report and a summary of the LHS, including key outcomes and Housing Supply Targets, was provided. Taking account of current fiscal and market pressures within the construction industry, the target range provided for the Housing Supply Targets for 2022 to 2027 aimed to provide flexibility over the 5 year period.

At its meeting on 5 October 2022, the Housing and Technical Resources Committee approved the Strategic Housing Investment Plan (SHIP) 2023 to 2028 which set out 72 sites with an estimated total capacity for the delivery of up to 2,562 new affordable homes over the five-year period to 31 March 2028. The capacity detailed within the SHIP aligned with the Housing Supply Targets proposed within the LHS.

Details were provided on governance arrangements in relation to the LHS and progress reports on the 2022 to 2027 Strategy would be submitted to this Committee on an annual basis.

There followed a full discussion during which officers:-

- ◆ responded to members' questions on various aspects of the report
- ◆ undertook to provide information on long term empty properties as part of the reporting process included within the Strategic Housing Investment Plan (SHIP) or similar reports

It was proposed that an annual review be conducted and reported to the Executive Committee on progress against the actions and measures contained in the Strategy.

If approved, the Strategy would be published on the Council's website and promoted to housing, homelessness and health and social care partners across South Lanarkshire.

The Committee decided:

- (1) that the findings from consultation and engagement with stakeholders regarding the Local Housing Strategy 2022 to 2027, as detailed in section 4 of the report, be noted;
- (2) that the finalised Local Housing Strategy 2022 to 2027, attached as Appendix 1 to the report, including the Housing Supply Targets, as detailed at sections 5.5 to 5.8 of the report, be approved; and
- (3) that the proposed governance, monitoring and reporting arrangements, as detailed at section 6 of the report, be approved.

[Reference: Minutes of 30 August 2017 (Paragraph 10) and Minutes of Housing and Technical Resources Committee of 5 October 2022 (Paragraph 11)]

In terms of Standing Order No 14, the Chair adjourned the meeting at 11.20am for a 5 minute period. The meeting reconvened at 11.25am without the attendance of Councillor Nelson

7 South Lanarkshire Council Housing Supply Target

A report dated 22 November 2022 by the Executive Director (Housing and Technical Resources) was submitted on a new Council Housing Supply programme target to increase the total number of council homes in South Lanarkshire.

In addition to establishing the strategic housing priorities for the local authority area, the Local Housing Strategy (LHS) required to set out Housing Supply Targets (HSTs). The LHS 2022 to 2027 indicated that between 1,250 and 1,500 affordable homes should be delivered over the next 5 years within South Lanarkshire by the Council and other affordable housing providers.

The Strategic Housing Investment Plan (SHIP) 2023 to 2028 set out 72 sites with an estimated total capacity for the delivery of a programme of up to 2,562 new, affordable homes over the 5 year period to 31 March 2028. Of those, 34 were potential council sites with a capacity of 1,389 units.

To enable the Council to contribute to the HSTs contained within the LHS and use the capacity contained within the SHIP, it was proposed that a target of 1,300 additional council homes be introduced to the Home+ programme, to be achieved by 2027. As with the existing programme, this would be achieved through a flexible combination of new homes built on behalf of the Council on existing Council owned land, new homes purchased “off the shelf” from housing developers and the acquisition of suitable existing homes.

The existing Home+ programme had been delivered through a combination of Scottish Government grant funding, Housing Revenue Account capital investment and council borrowing. It was proposed that the same approach to funding be adopted for any new target implemented.

Updates on progress in relation to the target would be submitted to the Housing and Technical Resources Committee as part of the SHIP approval process. Wider progress in relation to the total number of additional affordable homes delivered in South Lanarkshire throughout the duration of the LHS 2022 to 2027 would be reported to the Executive Committee as part of the LHS annual review

The Committee decided: that the proposed target of 1,300 additional council homes, to be delivered by 31 March 2027, be approved.

8 South Lanarkshire Economic Strategy

A report dated 8 November 2022 by the Executive Director (Community and Enterprise Resources) was submitted on the South Lanarkshire Economic Strategy 2022 to 2027.

The new Economic Strategy, executive summary and associated Action Plan, attached as appendices to the report, had been drafted to take account of a rapidly changing economy at international, national and local levels which was increasingly influenced by a number of key economic policies and emerging funding streams at UK Government, Scottish Government and City Region level.

The draft Economic Strategy had been shared with partners and stakeholders within and outwith the Council. An online community consultation survey had been completed at the end of September 2022 and comments received had helped define the finalised document.

The Strategy took an evidence based approach to inform its actions and activity, including baseline data generated by the City Region Intelligence Hub. This would make the proposed Action Plan agile and responsive to accommodate changes in the economic landscape over the next 5 years. It promoted the unique selling points of South Lanarkshire as an outstanding place in which to live, work and visit.

It was intended that progress in delivering the Action Plan would be measured on a 6-monthly basis, with results reported annually to the relevant committees.

Officers responded to members’ questions on various aspects of the report.

The Committee decided: that the South Lanarkshire Economic Strategy 2022 to 2027 be approved.

[Reference: Minutes of South Lanarkshire Council of 15 June 2022 (Paragraph 8)]

9 Land and Property Transfers and Disposals

A report dated 22 November 2022 by the Executive Director (Housing and Technical Resources) was submitted on proposed actions in respect of land and property transactions.

The recommendations had been made in terms of agreed procedures for dealing with surplus land and property.

The Committee decided:

- (1) that the land detailed in Appendix A of the report be transferred to the Corporate Land Bank for future disposal; and
- (2) that the land and property detailed in Appendix B to the report be declared surplus to Council requirements.

10 2023 Review of UK Parliament Constituencies – Publication of Revised Proposals

A report dated 15 November 2022 by the Chief Executive was submitted on the Boundary Commission for Scotland's 2023 Review of UK Parliament Constituencies and the Publication of Revised Proposals.

Full reviews of UK Parliament Constituencies were undertaken every 5 years. The current review would conclude in July 2023 and public consultation had been ongoing since October 2021 on proposals for the constituency boundaries.

The UK Parliament had retained 650 constituencies for the review in 2023. In Scotland, it was proposed that the 59 existing Constituencies be reduced to 57. Two Scottish Constituencies, namely Western Isles and Orkney and Shetland, would not be affected by the proposals.

The initial proposed constituencies which covered the South Lanarkshire area were as follows:-

- ◆ Dumfriesshire, Clydesdale and Tweeddale
- ◆ East Kilbride and Strathaven
- ◆ Hamilton and Clyde Valley
- ◆ Motherwell and Clydesdale North
- ◆ Rutherglen

Details of the current and proposed Constituencies and South Lanarkshire Electoral Wards were provided in Appendix 1 to the report.

The Revised Proposals for those Constituencies remained unchanged from the Initial Proposal in relation to the South Lanarkshire area, although the southern boundary of Dumfriesshire, Clydesdale and Tweeddale had been slightly altered.

The proposals with a particular impact upon existing boundaries within the South Lanarkshire area were as follows:-

- ◆ Kirkmuirhill, Blackwood and Lesmahagow moved from the existing East Kilbride, Strathaven and Lesmahagow Constituency to the proposed Hamilton and Clyde Valley Constituency
- ◆ Bothwell and Uddingston moved from the existing Lanark and Hamilton East Constituency to the proposed Rutherglen Constituency
- ◆ Western part of Hamilton moved from existing Rutherglen and Hamilton West Constituency to the proposed Hamilton and Clyde Valley Constituency
- ◆ Carluke and Forth moved from existing Lanark and Hamilton East Constituency to proposed Motherwell and Clydesdale North Constituency

The Revised Proposals would be displayed in local libraries, at the Council's headquarters and on the Boundary Commission's website.

Details were provided on how comments could be made on the Revised Proposals before the deadline date of 5 December 2022.

The Committee decided:

- (1) that it be noted that the Boundary Commission for Scotland published its Revised Proposals for the UK Parliament Constituencies on Tuesday 8 November 2022;
- (2) that it be noted that the Revised Proposals were unchanged from the Initial Proposals published in October 2021 insofar as they related to the South Lanarkshire area;
- (3) that it be noted that the final consultation would be for a period of 4 weeks lasting until 5 December 2022; and
- (4) that the details to allow comments to be made on the Revised Proposals be noted.

[Reference: Minutes of 6 December 2017 (Paragraph 21)]

11 Cost of Living Crisis – Additional Supports

A report dated 7 November 2022 by the Chief Executive was submitted on action taken, in terms of Standing Order No 37(c) because of the timescales involved, by the Chief Executive, in consultation with the Chair and an ex officio member, to highlight the scale of cost of living challenges faced by households over the 2022/2023 winter period and agree a number of one off investments and initiatives targeted to alleviate the impact of those challenges on households in need. Those actions discharged the delegation by full Council at its meeting of 28 September 2022 to the Chief Executive to agree a set of additional cost of living measures in consultation with political group leaders.

The Chief Executive:-

- ◆ referred to the impacts of the cost of living crisis on all sectors of society but particularly on those with the lowest incomes
- ◆ advised of existing supports, as detailed in Appendix 1 of the report
- ◆ highlighted a range of measures by the UK and Scottish Governments to mitigate the impact of rising costs
- ◆ detailed the initiatives and investments to provide additional support to households over the period to the end of March 2023, as detailed in section 8 of the report
- ◆ provided an update on the Warm Welcome initiative

Officers responded to members' questions on various aspects of the report.

The Committee decided:

that the following action taken, in terms of Standing Order No 37(c), by the Chief Executive, in consultation with the Chair and an ex officio member, be noted:-

- ◆ approval of the initiatives outlined in section 8 of the report
- ◆ approval to meet the costs of those initiatives, totalling £4.680 million, from the existing budget for South Lanarkshire Leisure and Culture (SLLC) support (£1 million) and from uncommitted investment funding

12 Urgent Business

There were no items of urgent business.

Report

3

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Revenue Budget Monitoring for Period 10 - 1 April to 29 December 2022
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ advise the Committee on the overall financial position of the Council's General Fund Revenue Account and Housing Revenue Account for the period 1 April 2022 to 29 December 2022, and a projection for the year to 31 March 2023.

2. Recommendation(s)

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

- (1) that, including Resources, Corporate Items and Council Tax, and the proposed transfer to Reserves, the Council's outturn underspend of £4.696 million (section 4.2), be noted;
- (2) that the proposed transfers to reserves totalling £17.195 million (section 4.2), be approved;
- (3) that the non-recurring underspend of £1.423 million in the delegated budget to the IJB be held in reserves for their use in future years (section 4.6), be approved;
- (4) that the proposal to include within the transfer to Reserves the unplanned underspend in the current year of £5.635 million in the budget delegated to the IJB which will be retained by the Council to assist in managing pressures in Children and Families (section 4.7), be approved;
- (5) that £5.7 million of the retrospective benefit released by the implementation of the guidance on Accounting for Service Concessions be used to support the increased 2022/2023 Pay Award (section 4.10);
- (6) that the outturn underspend of £4.696 be transferred to reserves to assist in the 2023/2024 Budget Strategy (section 4.16);
- (7) that the underspend of £0.092 million on the General Fund Revenue Account at 29 December 2022 (section 5.1), be noted; and
- (8) that the breakeven position on the Housing Revenue Account at 4 November 2022 (section 6.1) and the forecast to 31 March 2022 of breakeven (section 6.2), be noted.

3. Background

3.1. This overview report will summarise the 2022/2023 Probable Outturn position for the Council's General Fund Revenue Account to 31 March 2023. Section 4 provides the summary of the General Fund outturn position including details of proposed transfers to Reserves. Sections 5 and 6 provide the position on the General Fund Account and the Housing Revenue Account for the current period 1 April 2022 to 29 December 2022 respectively.

3.2. Appendix 1 of the report provides details of the General Fund Probable Outturn for 2022/2023. When establishing the probable outturn position for the year, Resources were asked to take all known commitments into account. This report details the anticipated spend for the current year (Appendix 2) and proposes funds to be transferred to reserves for future commitments required in the next financial year (Appendix 3). Appendix 4 details those transfers to Reserves which have already been approved as part of the 2023/2024 Budget Strategy and the report will, therefore, detail the position after all transfers to reserves for known commitments (Appendix 5). Finally, Appendix 6 provides the Housing Revenue Account position.

4. 2022/2023 General Services Probable Outturn

4.1. This report and appendices provide a detailed analysis of the Council’s financial position. While the full detail and background is provided in the report, the summary position, including the key highlights, is detailed in this Executive Summary.

4.2. The final outturn position, after transfers to reserves is an underspend of £4.696 million. This is including new proposed transfers to reserves totalling £17.195 million (Appendix 3), as well as previously approved transfers of £17.420 million arising from the underspend in Loan Charges due to the timing of borrowing, increased deposit interest and the Loans Fund Review, which are earmarked for the Budget Strategy (Appendix 4). A summary of the Outturn is detailed in Table 1.

Table 1: Analysis of Outturn Position After Transfers to Reserves

	£m
Resource Position (section 4.4)	(0.335)
Loan Charges (section 4.8)	1.180
Corporate Items (section 4.9)	2.347
Council Tax (section 4.13)	1.504
Probable Outturn Position	4.696

4.3. Each of these items are detailed below.

4.4. **Resources:** As covered in Appendix 1 (section 1.2), Resources are reporting a combined overspend of £0.335 million. This Resource overspend position includes Transfers to Reserves totalling £8.405 million.

4.5. The overall Resource overspend includes a Housing and Technical Resources’ overspend of £0.342 million which includes a provision in respect of the management of the Estates’ function.

4.6. The overall Resource Position also includes a break-even position for Social Work Resources. In relation to Adults and Older People specifically, the position includes a £1.423 million commitment in relation to the element of the budget delegated to the Integrated Joint Board (IJB). This commitment reflects recommendation 3 where it is proposed that the Council allows the IJB to retain this non-recurring underspend within their reserves earmarked for future care costs, in line with the approach to integrating health and social care budgets.

4.7. There is a further underspend of £5.635 million relating to core Council funding passed over to the IJB. The IJB financial regulations entitle the Council to adjust its contributions in respect of unplanned underspends like this. The Council’s contribution can be reduced by this amount. This position relates to the financial year 2022/23. It is proposed that this underspend is retained by the Council to help cover the Children and Families’ budget pressures into 2023/2024. This will be facilitated via a transfer to Reserves which is why Adult’s and Older people budget shows a break-even position after transfers to Reserves (Appendix 1, sections 1.4 to 1.6). The

amount may be revisited if there is a change in financial outlook by the end of the financial year.

- 4.8. **Loan Charges:** There is an in-year underspend of £4.735 million. This is after the £17.420 million of budget for previously approved transfers to Reserves has been transferred to Corporate Items – Strategy to assist with the Budget Strategy for 2023/2024. Taking into account the previously proposed transfers to Reserves to assist in the 2023/2024 Budget Strategy, and the proposed transfers relating to Interest on Reserves, there is an in-year underspend of £1.180 million. (Appendix 1, sections 1.7 to 1.10).
- 4.9. **Corporate Items:** There is a net underspend of £4.572 million for corporate items which includes known commitments including the outstanding Pay Award and the Apprentice Levy. After proposed transfers to Reserves totalling £2.225 million, the underspend on corporate Items is £2.347 million (Appendix 1, sections 1.11 to 1.14).
- 4.10. It is noted that the budget for Corporate Items assumes a Transfer from Reserves of £5.700 million. This reflects the Council's contribution to the increased Pay Award for 2022/2023, and it is proposed that this is funded by the retrospective benefit released by implementing the new guidance on Accounting for Service Concessions (see Recommendation 5) detailed in the paper to Council on 18 January 2023.
- 4.11. **Corporate Items – 2023/2024 Strategy:** This line is currently showing a break-even position. This is after transfers to reserves totalling £17.420 million which form part of the previously approved Budget Strategy for 2023/2024 and are detailed in Appendix 4 for reference (Appendix 1, section 1.15).
- 4.12. **2021/2022 and 2022/2023 Investments:** As detailed in Appendix 1, section 1.16, the Investment budgets have been realigned during 2022/2023 and sit in Resources. The balance carried forward from 2021/2022 will be retained in Reserves for spend anticipated in future years. A break-even position is anticipated this year.
- 4.13. **Council Tax / Council Tax Reduction Scheme (CTRS):** After transfers to Reserves totalling £3.010 million, with £2.400 million of that proposed to assist in the 2023/2024 Budget Strategy (Executive Committee, 2 November 2022), there is a net over recovery of Council Tax / CTRS of £1.504 million (Appendix 1, section 1.17 to 1.18). The over recovery of Council Tax mainly reflects levels of in-year collection from properties.
- 4.14. **Summary of Overall Outturn Position:** As noted in section 4.2 and taking into account the detail in sections 4.2 to 4.13, the final outturn position is an underspend of £4.696 million. This is summarised in Table 2, showing the position before and after the transfers to Reserves.

Table 2: Summary of Overall Outturn Position

	£m
Position before Transfers:	
Resources Overspend (sections 4.4 – section 4.7)	8.070
Loan Charges Underspend (section 4.8)	4.735
Corporate Items Underspend (section 4.9)	4.572
Corporate Items – Strategy 2023/2024 (section 4.11)	17.420
Council Tax / CTRS Net Over Recovery (section 4.13)	4.514
Forecast Underspend Before Transfers to Reserves	39.311
Less:	
Proposed Transfers to Reserves (Appendix 3)	(17.195)
Less:	
Previously Approved Transfers to Reserves for 2022/2023 Strategy (Appendix 4)	(17.420)
Forecast Underspend AFTER Transfers to Reserves	4.696

4.15. Table 2 shows the outturn position before transfers to Reserves and then takes account of the proposed transfers to Reserves (Appendix 3) and the previously approved transfers (Appendix 4). Taking these into account leaves an underspend of £4.696 million. The outturn position after these transfers to Reserves is shown in Appendix 5.

4.16. It is proposed that the underspend of £4.696 million shown in Table 2, be considered to support the 2023/2024 Budget Strategy.

5. 2022/2023 General Services Monitoring Position

5.1. Financial Position as at 29 December 2022

As at 29 December 2022, the position on the General Services budget is a net underspend of £0.092 million, after transfers to Reserves. This is shown in Appendix 5.

5.2. **Scottish Government Funding – 2022/2023 Grant Redeterminations:** The Council received Finance Circular 11/2022 in late December. While this included information on the Government Grant allocations for 2023/2024, it also confirmed a number of 2022/2023 Grant Redeterminations for the current year. These are included in the relevant Resource positions with the commitments noted as appropriate.

6. Housing Revenue Account Position

6.1. **Financial Position as at 29 December 2022:** Appendix 6 of the report shows a breakeven position against the phased budget on the Housing Revenue Account. Levels of rent collection are regularly monitored by the Housing Services team and appropriate corrective action will be taken, as required.

6.2. **Probable Outturn Position:** Appendix 6 also shows the forecast position for the financial year, being a break-even position for the Housing Revenue Account.

7. Employee Implications

7.1. None.

8. Financial Implications

8.1. As detailed in sections 4 to 6 of the report.

9. Climate Change, Sustainability and Environmental Implications

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

10. Other Implications

- 10.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. Inflationary and budget pressures this year increase the risk of overspend, however, we have mitigated this going forward through providing additional funds in future years' budget strategy, and through the one-off use of reserves in the current year.
- 10.2. We will also continue to monitor the actual impact through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise included in this report ensures early warning for corrective action to be taken where appropriate.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. 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.
- 11.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

16 January 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ None

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 29 December 2022

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

Appendix 1

2022/2023 General Services Probable Outturn – Resources and Corporate Lines

- 1.1. **Total Resource Position:** The outturn position, before any transfers to reserves is an underspend of £8.070 million.
- 1.2. Resources are proposing transfers to reserves totalling £8.405 million. These are detailed in Appendix 3. Taking these transfers into account results in a net Resources' overspend of £0.335 million, mainly sitting with Housing and Technical Resources. Details across Resources are shown in Table 1.

Table 1: Resource Outturn

	Outturn Before Transfers to Reserves £m	Transfers to Reserves £m	Outturn After Transfers to Reserves £m	over/ under £m
Community and Enterprise	1.277	1.270	0.007	under
Education	1.500	1.500	0.000	-
Finance and Corporate	0.000	0.000	0.000	-
Housing and Technical	(0.342)	0.000	(0.342)	-
Social Work	5.635	5.635	0.000	-
Joint Boards	0.000	0.000	0.000	-
	(8.070)	8.405	(0.335)	over

- 1.3. The Housing and Technical Resources' overspend of £0.342 million includes a provision in respect of the management of the Estates' function.
- 1.4. The Social Work Resources' break-even position reflects an anticipated overspend in Children and Families (£1.156 million) which is offset by underspends in Performance and Support, and Justice and Substance Misuse. This overspend is the position after significant additional budget of £6.5 million was provided this year to support that budget.
- 1.5. The break-even position in the delegated Adults and Older People budget includes funding which is not anticipated to spend this financial year (£1.423 million). This treatment of this specific funding is reflected in Recommendation 3 of this paper and is that the Council allows the Integrated Joint Board (IJB) to retain this non-recurring underspend within their reserves earmarked for future care costs. This is in line with the approach to integrating health and social care budgets.
- 1.6. The Adults and Older People position includes a further underspend relating to core Council funding passed over to the IJB (£5.635 million). In 2021/2022, some of the core Adult and Older People budget underspend was retained by the Council to help cover the Children and Families' budget pressure. The same approach has been proposed to the Integrated Joint Board (IJB) for 2022/2023 and will be facilitated by a Transfer to Reserves allowing the monies to be used into 2023/2024 to support Children and Families' pressures, and is reflected in Recommendation 4 of this paper. After Transfers to Reserves, Adults and Older People show a break-even position.
- 1.7. **Loan Charges:** The loan charges budget outturn is showing an in-year underspend of £4.735 million before transfers to Reserves of £3.555 million. After transfers, the underspend is £1.180 million and is due to lower than anticipated interest costs as a result of taking a lower amount of long-term borrowing than previously anticipated during 2022/2023.

- 1.8. This position is after some elements of the budget have been transferred to Corporate Items – Strategy as part of the approved Budget Strategy for 2023/2024: the underspend due to the Loans Fund review and the underspend due to the timing of borrowing (see Corporate Items and Appendix 4). It is also after a further transfer to Reserves was proposed in relation to the underspend from an increased level of deposit interest anticipated this year (£1.000 million). As was noted in the Executive Committee paper in early November, the proposal was that this underspend is transferred to Reserves for use in future budget strategies. The position also includes transfers for Interest on Revenue Reserves (£0.573 million) which will be allocated at the end of the financial year. The proposed transfers are detailed in Appendix 3.
- 1.9. As noted in the Service Concessions paper (Council, 18 January 2023), the underspend in Loan Charges resulting from the implementation of the new guidance must be set aside to manage anticipated overspends in future years. This totals £1.982 million and is also included in the proposed transfers in Appendix 3.
- 1.10. The underspend position of £1.180 million is after the proposed transfers to Reserves in Table 2, totalling £3.555m (details in Appendix 3):

Table 2: Loan Charges – Transfers to Reserves

	£m
Underspend to manage future interest cost from the implementation of Service Concessions (Council, 18 January 2023)	1.982
2023/2024 Budget Strategy – underspend due to timing of borrowing (Executive Committee, 02 November 2022)	1.000
Interest on Reserves	0.573
Total Proposed Transfers to Reserves	3.555

- 1.11. **Corporate Items:** The outturn position before proposed transfers to reserves of £2.225 million (Appendix 3) is an underspend of £4.572 million. After transfers the outturn is an underspend of £2.347 million. In the main, the underspend relates to budget for Fuel which has not been required this year (£0.400 million), the balance on the National Insurance budget which is not required after the change in the rate (£1.225 million), and the Administration grant for the Cost-of-Living Payments which is being managed within normal budgets (£0.282 million).
- 1.12. It is noted that the budget for Corporate Items assumes a Transfer from Reserves of £5.700 million. This reflects the Council's contribution to the increased Pay Award for 2022/2023, and it is proposed that this is funded by the retrospective benefit released by the implementing the new guidance on Accounting for Service Concessions (see Recommendation 5) detailed in the paper to Council on 18 January 2023.
- 1.13. The Corporate Items underspend position is after taking account of estimated commitments in relation to significant items such as the Cost-of-Living Payments (£16.9 million), Pay Award (£9.3 million) and the Apprenticeship Levy (£2.4 million).
- 1.14. As noted, the position above is after the following proposed transfers to reserves totalling £2.225 million:
- ◆ **National Insurance (£0.500 million):** Budget was allocated to the Strategy for 2022/2023 for the National Insurance increase. Not all of this was required and, therefore, £0.500 million can be transferred to Reserves for use in the

2023/2024 Budget Strategy on a one-off basis. This is included in the proposed transfers to reserves (Appendix 3), to leave a breakeven position.

- ◆ **Wellbeing Day (£0.600 million):** As notified to Committee previously, an amount of £0.600 million has been set aside to fund the Wellbeing Day. It is proposed that this be transferred to Reserves for use into 2023/2024 as required.
- ◆ **Central Energy Efficiency Fund (£0.211 million):** Resources are allocated funding from the Central Energy Efficiency Fund (CEEF) Reserve to pay for spend to save projects. When the savings are generated from the project in future years, they repay the initial costs to the CEEF Reserve. This over recovery of income (£0.211 million) represents the repayment to be transferred to the CEEF Reserve in 2022/2023, and is included in the proposed transfers to reserves in Appendix 3. The position after this is break-even.
- ◆ **Finance Exercise (£0.914 million):** As part of the solutions identified to reduce the 2023/2024 Budget Gap, an exercise was undertaken to identify any one-off underspends and accounting transactions. An amount of £0.914 million has been identified and this is included in Appendix 3 for consideration.

1.15. **Corporate Items – 2023/2024 Budget Strategy:** As noted in section 1.8, this budget line holds monies previously transferred from Loan Charges and approved to be used to assist in the 2023/2024 Budget Strategy (Executive Committee, June 2022). This includes the Loans Fund Review underspend (£15.897m) and the previously anticipated loan charges underspend due to the timing of borrowing (£0.873m). These transfers are detailed in Appendix 4. The outturn, before transfers, is an underspend of £17.420 million, and after transfers is break-even.

1.16. **Investments:** As noted in the last report to Executive Committee (30 November 2022), an exercise was undertaken to establish the current commitments and spend profile of the 2021/2022 and 2022/2023 investment funding which will incur spend across a number of financial years. As part of this exercise, an uncommitted element has been identified which, it has been agreed, can be used to manage the costs of the Warm Welcome Initiative. The last report noted that after realignment, this left £1.090 million of 2023/2023 budget to be carried forward. This has been offset against the monies previously brought forward from the 2021/2022 Reserves meaning that the monies now held in Reserves are earmarked for 2023/2024 and are no longer in the budget for 2022/2023.

1.17. **Council Tax including Council Tax Reduction Scheme (CTRS):**
The Net Council Tax / CTRS budget line is showing an over recovery of £4.514 million. After transfers to Reserves of £3.010 million (£0.610 million for second homes and agreed transfer to Reserves of £1.000 million from Council Tax and £1.400 million from CTRS as part of the 2023/2024 Budget Strategy approved in June 2022), the net over recovery is £1.504 million. This is made up of an over recovery of Council Tax of £1.641m and a CTRS overspend of £0.137 million.

1.18. The Council Tax over recovery of £1.641 million is due to:

- ◆ Empty Properties (£0.107 million) – higher than anticipated income from empty properties against an increased budget in 2022/2023 of £0.650 million.
- ◆ Arrears (£0.284 million) – higher than anticipated arrears income against an increased budget in 2022/2023 of £1.4 million based on the trend over the last few years.

- ◆ Additional properties (£1.250 million) – higher than anticipated income from additional in year properties now contributing to Council Tax income, and this is the position after a Transfer to Reserves of £1.000 million agreed as part of the 2023/2024 Budget Strategy (Executive Committee, 2 November 2022).

1.19. **Summary:** Taking into account the position detailed in sections 1.1 to 1.18 including the proposed transfers to Reserves (Appendix 3) and the previously approved transfers to Reserves (Appendix 4), leaves an underspend of £4.696 million.

11.3. It is proposed that the underspend of £4.696 million be considered to support the 2023/2024 Budget Strategy.

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report (BEFORE Transfers)
Period Ended 29 December 2022 (No.10)

<u>Committee</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion To 29/12/22	Actual to Period 10 29/12/22	Variance to 29/12/22	
Departments:	£m	£m	£m	£m	£m	£m	
Community and Enterprise Resources	128.915	127.638	1.277 under	87.338	86.356	0.982	under
Facilities, Waste and Grounds	75.626	73.869	1.757 under	52.027	50.641	1.386	under
Leisure and Culture Services	23.064	23.052	0.012 under	15.868	15.852	0.016	under
Planning and Regulatory Services	5.138	4.096	1.042 under	3.634	2.904	0.730	under
Enterprise and Sustainable Development	6.953	6.839	0.114 under	4.995	4.877	0.118	under
Roads, Transportation and Fleet	18.134	19.782	(1.648) over	10.814	12.082	(1.268)	over
Education Resources	396.815	395.315	1.500 under	273.544	272.390	1.154	under
Education	396.815	395.315	1.500 under	273.544	272.390	1.154	under
Finance and Corporate Resources	47.758	47.758	0.000	44.502	44.502	0.000	-
Finance Services - Strategy	2.129	2.141	(0.012) over	2.610	2.592	0.018	under
Finance Services - Transactions	23.530	23.036	0.494 under	19.066	18.561	0.505	under
Audit and Compliance Services	0.376	0.376	0.000	0.463	0.474	(0.011)	over
Information Technology Services	5.304	5.340	(0.036) over	7.696	7.721	(0.025)	over
Communications and Strategy Services	3.353	3.504	(0.151) over	2.482	2.579	(0.097)	over
Administration and Licensing Services	4.274	4.747	(0.473) over	3.568	3.918	(0.350)	over
Personnel Services	8.792	8.614	0.178 under	8.617	8.657	(0.040)	over
Housing and Technical Resources	19.145	19.487	(0.342) over	17.074	17.201	(0.127)	over
Housing Services	9.830	9.830	0.000	7.396	7.396	0.000	-
Property Services	9.315	9.657	(0.342) over	9.678	9.805	(0.127)	over
Social Work Resources	217.057	211.422	5.635 under	146.291	142.476	3.815	under
Performance and Support Services	7.126	6.447	0.679 under	5.146	4.584	0.562	under
Children and Families	43.767	44.923	(1.156) over	31.397	32.314	(0.917)	over
Adults and Older People	165.044	159.409	5.635 under	108.443	104.628	3.815	under
Justice and Substance Misuse	1.120	0.643	0.477 under	1.305	0.950	0.355	under
Joint Boards	2.152	2.152	0.000	1.577	1.577	0.000	-
	811.842	803.772	8.070 under	570.326	564.502	5.824	under

<u>Committee</u>	Annual Budget	Annual Forecast BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Budget Proportion To 29/12/22	Actual to Period 10 29/12/22	Variance to 29/12/22	
	£m	£m	£m	£m	£m	£m	
Service Departments Total	811.842	803.772	8.070 under	570.326	564.502	5.824	under
CFCR	0.514	0.514	0.000	0.000	0.000	0.000	-
Loan Charges	35.041	30.306	4.735 under	0.000	0.000	0.000	-
Corporate Items	27.461	22.889	4.572 under	0.056	0.056	0.000	-
Corporate Items – Strategy (Tfr to Reserves)	17.420	0.000	17.420 under	0.000	0.000	0.000	-
Investments – 2022/23 (Tfr to Reserves)	0.000	0.000	0.000	0.000	0.000	0.000	-
Total Expenditure	892.278	857.481	34.797 under	570.382	564.558	5.824	under
Council Tax	167.437	170.688	3.251 over	119.598	121.920	2.322	over
Less: Council Tax Reduction Scheme	(23.272)	(22.009)	1.263 under	(16.623)	(15.721)	0.902	under
Net Council Tax	144.165	148.679	4.514 over	102.975	106.199	3.224	over
General Revenue Grant	252.662	252.662	0.000	180.473	180.473	0.000	-
Non-Domestic Rates	422.591	422.591	0.000	301.851	301.851	0.000	-
Transfer from Reserves	72.860	72.860	0.000	72.860	72.860	0.000	-
Total Income	892.278	896.792	4.514 over	658.159	661.383	3.224	over
Net Expenditure / (Income)	0.000	(39.311)	39.311 under	(87.777)	(96.825)	9.048	under

Proposed Transfers to Reserves included in the Probable Outturn

Purpose / Description	Resource	Value £m
Resources		
Unbudgeted Waste Income Income from waste to be carried forward to meet the anticipated increase in cost of waste contracts in 2023/2024.	Community and Enterprise	1.080
Fleet Sinking Fund Annual contribution to the Fleet sinking fund to maintain the asset replacement programme.	Community and Enterprise	0.025
Year 3 of Electric Vehicle Payback Ring-fenced reserves used to manage purchase of electric vehicles in short term which have to be repaid over next few years. This contribution is the second repayment.		0.015
Crematorium Sink Fund Annual contribution to the Crematorium sinking fund to maintain asset replacement programme.	Community and Enterprise	0.050
Allotments This funding is required to support and pay for objectives and targets within the Food Growing Strategy and the Sustainable Development and Climate Change Strategy. This funding support the delivery of future allotment provision and food growing projects	Community and Enterprise	0.100
Total Community and Enterprise Resources		1.270
Pupil Equity Fund The funding received from the Government can be used up to the end of the school term (June 2023). The underspend reflects the element of the funding that will be utilised in April to June 2023.	Education	1.500
Total Education Resources		1.500
Children and Families In line with the proposal made to the IJB, unspent core Council funding for Adults and Older People will be carried forward to support the pressures in Children and Families into 2023/2024.	Social Work Resources	5.635
Total Social Work Resources		5.635
Total Resource Proposed Transfers to Reserves		8.405
Loan Charges		
Interest Costs Underspend to manage future interest cost from the implementation of Service Concessions (Council, 18 January 2023)	Loan Charges	1.982
Loan Charges Underspend Underspend generated by an increase in Deposit Interest to be used to support the 2023/2024 Budget Strategy (Executive Committee, 2 November 2022) ALREADY PROPOSED IN BUDGET STRATEGY	Loan Charges	1.000
IORB on Reserves	Loan Charges	0.573
Total Loan Charges Proposed Transfers to Reserves		3.555
Corporate Items		
2023/2024 Budget Strategy – National Insurance Underspend National Insurance Underspend in 2022/2023 to be used for the 2023/2024 Budget Strategy (Executive Committee, 2 November 2022) ALREADY PROPOSED IN BUDGET STRATEGY	Corporate Items	0.500
Wellbeing Day Transfer the underspend in the Wellbeing Day budget to Reserves, to manage the costs anticipated into 2023/2024.	Corporate Items	0.600
Central Energy Efficiency Fund (CEEF) Resources are allocated funding from the CEEF Reserve to pay for spend to save projects which they repay over future years from the revenue savings generated by the project. This transfer represents the payback of savings from Resources and allows the Reserve to be regenerated for use on future projects.	Corporate Items	0.211
2023/2024 Budget Strategy – One-Off Underspend / Accounting Transactions Finance Exercise – for the 2023/2024 Budget Strategy (Executive Committee, 2 November 2022) taking these one-off or recurring underspends and accounting transactions to Reserves, will help offset increased costs into 2023/2024. ALREADY PROPOSED IN BUDGET STRATEGY	Corporate Items	0.914
Total Corporate Items Proposed Transfers to Reserves		2.225
Council Tax / CTRS		
2023/2034 Budget Strategy – Council Tax Over-Recovery of Council Tax to be used to support the Budget Strategy (Executive Committee, 2 November 2022). ALREADY PROPOSED IN BUDGET STRATEGY	Council Tax / CTRS	1.000
Council Tax Second Homes This transfer represents the over recovery of income from Council Tax on second homes included in the Council's Council Tax income line. This is required to be transferred to the Housing Revenue Account for use on social housing.	Corporate Items	0.610
2023/2034 Budget Strategy – CTRS Over-Recovery of CTRS to be used to support the Budget Strategy (Executive Committee, 2 November 2022). ALREADY PROPOSED IN BUDGET STRATEGY	Council Tax / CTRS	1.400
Total Council Tax / CTRS Proposed transfers to Reserves		3.010
Total Proposed Transfers		17.195

Previously Approved Transfers to Reserves included in the Probable Outturn

Purpose / Description	Resource	Value £m
Corporate Items – Strategy (previously approved)		
Loans Fund Review Use of underspend generated by the Loans Fund Review to support future Budget Strategies. (Executive Committee, June 2022)	Corporate Items – Strategy	15.897
Loan Charges Underspend Underspend generated by the timing of borrowing to be used to support the 2023/2024 Budget Strategy (Executive Committee, June 2022)	Corporate Items – Strategy	0.873
A&OP – Job Evaluation Budget Budget not Required therefore can be used to support the 2023/2024 Budget Strategy (Executive Committee, June 2022)	Corporate Items – Strategy	0.650
Total Corporate Items – Strategy Transfers to Reserves (previously approved)		17.420

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report (AFTER Transfers)
Period Ended 29 December 2022 (No.10)

<u>Committee</u>	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion To 29/12/22	Actual to Period 10 29/12/22	Variance to 29/12/22	
Departments:	£m	£m	£m	£m	£m	£m	
Community and Enterprise Resources	128.915	128.908	0.007 under	87.338	87.333	0.005	under
Facilities, Waste and Grounds	75.626	75.099	0.527 under	52.027	51.587	0.440	under
Leisure and Culture Services	23.064	23.052	0.012 under	15.868	15.852	0.016	under
Planning and Regulatory Services	5.138	4.096	1.042 under	4.995	4.877	0.118	under
Enterprise and Sustainable Development	6.953	6.839	0.114 under	3.634	2.904	0.730	under
Roads, Transportation and Fleet	18.134.	19.822	(1.688) over	10.814	12.113	(1.299)	over
Education Resources	396.815	396.815	0.000	273.544	273.544	0.000	-
Education	396.815	396.815	0.000	273.544	273.544	0.000	-
Finance and Corporate Resources	47.758	47.758	0.000	44.502	44.502	0.000	-
Finance Services - Strategy	2.129	2.141	(0.012) over	2.610	2.592	0.018	under
Finance Services - Transactions	23.530	23.036	0.494 under	19.066	18.561	0.505	under
Audit and Compliance Services	0.376	0.376	0.000	0.463	0.474	(0.011)	over
Information Technology Services	5.304	5.340	(0.036) over	7.696	7.721	(0.025)	over
Communications and Strategy Services	3.353	3.504	(0.151) over	2.482	2.579	(0.097)	over
Administration and Licensing Services	4.274	4.747	(0.473) over	3.568	3.918	(0.350)	over
Personnel Services	8.792	8.614	0.178 under	8.617	8.657	(0.040)	over
Housing and Technical Resources	19.145	19.487	(0.342) over	17.074	17.201	(0.127)	over
Housing Services	9.830	9.830	0.000	7.396	7.396	0.000	-
Property Services	8.792	9.657	(0.342) over	9.678	9.805	(0.127)	over
Social Work Resources	217.057	217.057	0.000	146.291	146.291	0.000	-
Performance and Support Services	7.126	6.447	0.679 under	5.146	4.584	0.562	under
Children and Families	43.767	44.923	(1.156) over	31.397	32.314	(0.917)	over
Adults and Older People	165.044	165.044	0.000	108.443	108.443	0.000	-
Justice and Substance Misuse	1.120	0.643	0.477 under	1.305	0.950	0.355	under
Joint Boards	2.152	2.152	0.000	1.577	1.577	0.000	-
	811.842	812.177	(0.335) over	570.326	570.448	(0.122)	over

<u>Committee</u>	Annual Budget	Annual Forecast AFTER Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion To 29/12/22	Actual to Period 10 29/12/22	Variance to 29/12/22	
	£m	£m	£m	£m	£m	£m	
Service Departments Total	811.842	812.177	(0.335) over	570.326	570.448	(0.122)	over
CFCR	0.514	0.514	0.000	0.000	0.000	0.000	-
Loan Charges	35.041	33.861	1.180 under	0.000	0.000	0.000	-
Corporate Items	27.461	25.114	2.347 under	0.056	0.056	0.000	-
Corporate Items – Strategy (Tfr to Reserves)	17.420	17.420	0.000	0.000	0.000	0.000	-
Investments – 2022/23 (Tfr to Reserves)	0.000	0.000	0.000	0.000	0.000	0.000	-
Total Expenditure	892.278	889.086	3.192 under	570.382	570.504	(0.122)	over
Council Tax	167.437	169.078	1.641 over	119.598	120.310	0.712	over
Less: Council Tax Reduction Scheme	(23.272)	(23.409)	(0.137) over	(16.623)	(17.121)	(0.498)	over
Net Council Tax	144.165	145.669	1.504 over	102.975	103.189	0.214	-
General Revenue Grant	252.662	252.662	0.000	180.473	180.473	0.000	-
Non-Domestic Rates	422.591	422.591	0.000	301.851	301.851	0.000	-
Transfer from Reserves	72.860	72.860	0.000	72.860	72.860	0.000	-
Total Income	892.278	893.782	1.504 over	658.159	658.373	0.214	over
Net Expenditure / (Income)	0.000	(4.696)	4.696 under	(87.777)	(87.869)	0.092	under

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report
Period Ended 29 December 2022 (No.10)
Housing Revenue Account

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion to 29/12/22	Actual to Period 10 29/12/22	Variance to 29/12/22		%	Note
	£m	£m	£m	£m	£m	£m			
Employee Costs	14.641	14.140	0.501	10.838	10.548	0.290	under	2.7%	1
Property Costs	46.906	53.424	(6.518)	34.450	36.391	(1.941)	over	(5.6%)	2
Supplies & Services	0.609	1.021	(0.412)	0.306	0.308	(0.002)	over	(0.7%)	
Transport & Plant	0.195	0.183	0.012	0.089	0.079	0.010	under	11.2%	
Administration Costs	5.644	5.593	0.051	0.338	0.289	0.049	under	14.5%	3
Payments to Other Bodies	3.030	3.054	(0.024)	2.118	2.137	(0.019)	over	(0.9%)	
Payments to Contractors	0.100	0.080	0.020	0.100	0.142	(0.042)	over	(42.0%)	
Transfer Payments	0.000	0.000	0.000	0.000	0.000	0.000	-	0.0%	
Financing Charges	26.050	26.050	0.000	26.116	26.116	0.000	-	0.0%	
Total Controllable Expenditure	97.175	103.545	(6.370)	74.355	76.010	(1.655)	over	(2.2%)	
Total Controllable Income	(112.000)	(112.475)	0.475	(77.409)	(77.686)	0.277	over	0.4%	
Transfer to/(from) Balance Sheet	(3.500)	(5.840)	2.340	(2.691)	(4.069)	1.378	over recovered	51.2%	4
Net Controllable Expenditure	(18.325)	(14.770)	(3.555)	(5.745)	(5.745)	0.000	-	0.0%	
Add: Non Controllable Budgets									
Financing Charges	18.325	14.770	(3.555)	0.000	0.000	0.000	-	0.0%	
Total Budget	0.000	0.000	0.000	(5.745)	(5.745)	0.000	-	0.0%	

Variance Explanations

- 1. Employee Costs**
The underspend is due to higher than anticipated staff turnover to date.
- 2. Property Costs**
The net overspend reflects the current cost and volume of repairs and maintenance.
- 3. Administration Costs**
The underspend reflects the demand led nature of legal activity.
- 4. Income**
The net combined underspend to date allows for a lower than anticipated transfer from reserves.

Report

4

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Programme 2022/2023 Update and Monitoring for Period 10 – 1 April 2022 to 29 December 2022
----------	---

1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ update the Executive Committee of progress on the General Fund Capital Programme and the Housing Capital Programme for the period 1 April 2022 to 29 December 2022

2. Recommendation(s)

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

- (1) that the Period 10 position (ended 29 December 2022) of the General Fund Capital Programme itemised at Appendices 1 to 4 and the Housing Capital Programme at Appendix 5, be noted;
- (2) that the adjustments to the General Fund programme listed at Sections 4.2 and Appendix 1, be approved; and
- (3) 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 29 December 2022. Spending has been split into two separate sections:

- ◆ General Fund Capital Programme including Education, Social Work, Roads and Transportation and General Services (Section 4)
- ◆ Housing Capital Programme (Section 5)

4. General Fund Capital Programme

4.1. **2022/2023 Budget:** The budget agreed at Executive Committee on 30 November 2022 was £78.272 million. This revised programme consists of the base budget plus carry forward projects and adjustments which have been agreed by the Executive Committee up to and including this meeting on 30 November 2022.

4.2. The total programme of £78.272 million includes new adjustments to the programme, which are proposed in this report at Appendix 1. These adjustments total £0.531 million and include additional funding for new projects. Due to the timing of project spend, it is anticipated that this funding will slip into 2023/2024 and the net impact on the 2022/2023 Capital Programme is therefore nil.

- 4.3. The revised Programme, including the movement from the last report, is detailed in Appendix 2.
- 4.4. Programmed funding for the year also totals £78.272 million. The funding available to support the programme is detailed in Appendix 3. Since the last report to this Committee, there has been a change to the funding package and this is detailed in section 4.5 below:
- 4.5. **General Capital Grant:** In December 2022, the Scottish Government revised our 2022/2023 General Capital Grant allocation to £32.074 million, an increase of £0.202 million. Given the late notification of this additional funding, any new projects are unlikely to be designed and completed prior to the end of this financial year. As a result, this additional allocation of £0.202 million will be used to fund the existing Capital Programme and reduce the Council's level of borrowing.
- 4.6. **2022/2023 Outturn**
Work has been ongoing to clarify the predicted spend position for the General Services Capital Programme for this financial year and this is detailed in sections 4.7 to 4.9.
- 4.7. Current estimates from Resources suggest an outturn of £73 million. Against the revised budget of £78.272 million this outturn means a net underspend across Resources of £5.3 million. This is made up of project underspends totalling £9.7 million offset by projects with greater than anticipated spend of £4.4 million.
- 4.8. The majority of the variance is due to the timing of spend, resulting in budget required in 2023/2024 rather than 2022/2023. The progression of a number of projects has been impacted by current market conditions, resulting in material shortfalls and longer lead in times. These underspends have been partially offset by a few projects where there are budget overspends predicted this financial year (Jackton Primary School and Oracle Fusion). Again, this is a timing issue only with funding for the overall spend on these projects already identified into the next financial year.
- 4.9. In addition, £0.150 million relates to savings achieved on works completed within the Lanark Interchange Park and Ride project this financial year. As this project has been funded by Strathclyde Passenger Transport (SPT), this saving will be returned to SPT.
- 4.10. A list of the main projects with anticipated underspends which are responsible for the overall underspend of £9.7 million, as detailed in section 4.7, and which will now complete in 2023/24 is included in Appendix 4, along with their anticipated completion dates.
- 4.11. **Period 10 Position:** The programme spend and funding for the General Fund is included in Appendix 3. As noted in 4.1, the total capital spending programme for the year is £78.272 million.
- 4.12. Appendix 3 also shows budget for the period of £36.049 million and spend to 29 December 2022 of £37.238 million, an overspend of £1.189 million. This is mainly due to the timing of spend in relation to the Jackton Primary School project (£1.2m), within Community and Enterprise Resources) and the Oracle Fusion project within Finance and Corporate Resources (£0.699m). This is offset by a number of smaller underspends across the rest of the Programme.
- 4.13. Actual funding received to 29 December 2022 is £60.718 million.

4.14. Relevant officers will continue to closely monitor the generation of all income.

5. Housing Capital Programme

5.1. **2022/23 Budget:** Appendix 5 summarises the position on the Housing programme as at 29 December 2022. The revised capital programme for the year was £66.361 million, as approved by the Executive Committee on 24 August 2022. There are no new adjustments proposed in this report.

5.2. Programmed funding for the year also totals £66.361 million. The funding sources are also detailed in Appendix 4.

5.3. **2022/23 Outturn:** Current estimates from Housing and Technical Resources suggest an outturn of £66.361 million. It should be noted there is potential for an underspend within the Housing Capital Programme due to the extreme weather experienced in December 2022, which caused flooding damage to a number of Council properties. As a result, operatives from Property Services have been diverted away from capital investment to tackle urgent repairs.

5.4. **Period 10 Position:** Budget for the period is £40.639 million and spend to 29 December 2022 amounts to £40.525 million, an overspend of £0.114 million.

5.5. As at 29 December 2022, £40.525 million of funding had been received.

5.6. Regular monitoring of both the General Fund Programme and the Housing Programme will be carried out in detail by the Financial Resources Scrutiny Forum and reported on a regular basis to the Executive Committee.

6. Employee Implications

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

7. Financial Implications

7.1. The financial implications are contained in sections 4 and 5 of the report for the General Services and Housing capital programmes respectively.

8. Climate Change, Sustainability and Environmental Implications

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

9. Other Implications

9.1. The main risk associated with the Council's Capital Programme is an overspend. There are detailed project management plans prepared and the risk of overspend on each project is monitored through four weekly investment management meetings.

9.2. The Council continues to experience material shortages, longer lead times and extraordinary inflationary price increases and it is anticipated that this will continue to impact the supply chain for the foreseeable future. The impact of this will continue to be monitored through the four weekly investment management meetings. Further updates will be reported in the coming months with any significant increases in contract values being brought to members' attention.

10. Equality Impact Assessment and Consultation Arrangements

10.1. 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.

10.2. 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)

11 January 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Executive Committee, 24 August 2022
- ◆ Executive Committee, 30 November 2022

List of Background Papers

Capital Ledger prints to 29 December 2022

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 2022/23
 GENERAL SERVICES PROGRAMME
 FOR PERIOD 1 APRIL 2022 TO 29 DECEMBER 2022

Proposed Adjustments

Community and Enterprise Resources

Gilmourton Play Park, Sandford - Redevelopment

Approval is sought to increase the 2022/23 Capital Programme by £0.102 million to £0.102m
 redevelop the existing Gilmourton Play Area, in partnership with Sandford and
 Upper Avon Community Council.

Funding contributions totalling £0.102 million have been secured from the
 Renewable Energy Fund (£0.061m), EB Scotland (£0.025m), Banks Renewable
 (£0.010m) and Snabe Quarry (£0.006m).

Due to the lead-in times associated with the supply of play equipment, approval is (£0.102m)
 sought to slip this funding into financial year 2023/2024.

Libberton Primary School - Outdoor Play

Approval is sought to increase the 2022/2023 Capital Programme by £0.052 million
 to enable the development of an outdoor play area at Libberton Primary School. £0.052m
 The project will be funded by a contribution from Clyde Windfarm (£0.052m).

Due to the lead in times associated with the supply of play equipment, approval is (£0.052m)
 sought to slip this funding into financial year 2023/2024.

Symington Play Park Redevelopment

Approval is sought to increase the 2022/2023 Capital Programme by £0.123 million
 to enable the redevelopment of Symington Play Park, in partnership with Symington
 Community Council. The project will be funded by Clyde Windfarm (£0.123m). £0.123m

Due to the lead in times associated with the supply of play equipment, approval is (£0.123m)
 sought to slip this funding into financial year 2023/2024.

Synthetic and Grass Pitches - Hamilton Palace Grounds Sports Pitches

The 2022/2023 Capital Programme already includes an allocation (£0.301m) to
 renovate and re-configure the existing pitches at Hamilton Palace Sports Ground.
 The tender exercise is now complete and further developer contributions of £0.029
 million which have already been received for the Hamilton Area, have been £0.029m
 identified to augment the existing budget allocation. This will allow the project to
 progress.

Due to the profiling of project expenditure, this element of funding will not be
 required until 2023/2024. Approval is sought to slip this additional funding of £0.029 (£0.029m)
 million into the 2023/2024 Capital Programme.

Priory Changing Pavilion, Blantyre

Approval is sought to increase the 2022/23 Capital Programme by £0.275 million to £0.275m
 replace the existing changing pavilion at the Priory, Blantyre with new modular (£0.050m)
 accommodation. This will be funded by developer contributions from the Blantyre

area (£0.225m), which have already been received by the Council, and augmented by a contribution of £0.050 million from the Prioritised Urgent Investment Fund. (£0.225m)
Due to the project timescales, the majority of this funding will slip into financial year 2023/2024.

TOTAL ADJUSTMENTS -

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2022/23
 GENERAL FUND PROGRAMME
 FOR PERIOD 1 APRIL 2022 TO 29 DECEMBER 2022

£m

Total Budget (Executive Committee – 30 November 2022)	78.272
Proposed Adjustments – Period 10 (Section 4.2 and Appendix 1)	-
Total Revised Budget (Executive Committee – 1 February 2023)	78.272

<u>Resource</u>	<u>2022/23 Budget</u>	<u>Period 10 Proposed Adjustments</u>	<u>Revised 2022/23 Budget</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Community & Enterprise	48.270	0.050	48.320
Education	13.918	-	13.918
Finance & Corporate	3.695	-	3.695
Housing & Technical	8.486	(0.050)	8.436
Social Work	3.903	-	3.903
Other Match Funding	-	-	-
TOTAL CAPITAL PROGRAMME	78.272	-	78.272

APPENDIX 3

**SOUTH LANARKSHIRE COUNCIL
CAPITAL EXPENDITURE 2022/23
GENERAL FUND PROGRAMME
FOR PERIOD 1 APRIL 2022 TO 29 DECEMBER 2022**

	<u>2022/23</u> <u>Original</u> <u>Estimate inc</u> <u>C/F</u>	<u>2022/23</u> <u>Revised</u> <u>Budget</u>	<u>2022/23</u> <u>Budget to</u> <u>29/12/22</u>	<u>2022/23</u> <u>Actual to</u> <u>29/12/22</u>
Expenditure	£m	£m	£m	£m
General Fund Programme	95.232	78.272	36.049	37.238
Income	<u>2022/23</u> <u>Budget</u>	<u>2022/23</u> <u>Revised</u> <u>Budget</u>		<u>2022/23</u> <u>Actual</u> <u>To</u> <u>29/12/22</u>
	£m	£m		£m
Prudential Borrowing	55.416	30.260		30.260
Developers Contributions	6.552	0.058		0.058
Partners (Including High Blantyre Construction, SPT, Sustrans, and CARES)	1.745	3.865		1.511
Scottish Government:				
- Capital Grant	22.424	32.074		21.658
- Cycling, Walking and Safer Routes	2.154	2.887		0.000
- Vacant and Derelict Land	1.820	1.228		0.728
- Regeneration Capital Grant	1.720	1.370		0.157
- Town Centre Regeneration Fund	0.101	0.101		0.101
- Place Based Investment Programme	1.617	3.357		3.357
- Electric Vehicle Charging Infrastructure	0.118	0.118		0.089
- NSS Tec	0.000	0.040		0.040
Glasgow City Region City Deal	0.000	0.000		0.000
Capital Receipts	1.000	1.000		0.845
Specific Reserves	0.534	1.400		1.400
Revenue Contribution	0.031	0.514		0.514
TOTAL FUNDING	95.232	78.272		60.718

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2022/23
 GENERAL FUND PROGRAMME
 FOR PERIOD 1 APRIL 2020 TO 29 DECEMBER 2022

Projects with Projected Underspends in 2022/23 which will Carry Forward into 2023/2024		
Project Name	Project Type	Completion Date
Community and Enterprise Resources		
Library IT Infrastructure Upgrade Phase 2 – Desktop Refresh	Infrastructure	Summer 2023
Phillipshill Cemetery - Extension	Infrastructure	March 2024
Springhall Urban Greenspace Development (Springhall Cage) - Play Equipment	Equipment	Summer 2023
Halfway Park Play Area - Redevelopment	Infrastructure	April 2023
Chatelherault Allotments	Infrastructure	March 2024
Play Parks - Various	Infrastructure	Throughout 2023/24 and beyond
Greenhall Replacement Bridge - Design	Infrastructure	March 2024
Alexander Hamilton Memorial Park Woodland Management	Infrastructure	Throughout 2023/2024
Larkhall Leisure Centre - Design (Place Based Investment Funding)	New Build	Throughout 2023/2024
Lanark Library, Lindsay Institute – Roof and Windows	Improvements	July 2023
Town Centre Regeneration Fund	Regeneration	Throughout 2023/24
Vacant & Derelict Land - Cuningar Loop Phase 3 Greening	Regeneration	February 2024
City Deal - Calderside Academy	Adaptations	October 2025
City Deal - Holy Cross High	Adaptations	October 2025
City Deal - Lanark Road Signalisation	Infrastructure	December 2023
City Deal - Cathkin Bypass – Grant Payments Only	Grants	Throughout 2023/24
Daer Bridge	Infrastructure	December 2023
Education Resources		
Castlefield Primary School Extension	Extension	July 2023
Crawforddyke adaptation of nursery to classrooms	Adaptations	June 2023
Uddingston Nursery Expansion	Adaptations	August 2024
Clyde Terrace Early Years	New Build	November 2023
Small Scale Adaptations	Adaptations	Throughout 2023/24
Finance and Corporate Resources		
Digital Tools	Infrastructure	Throughout 2023/24
Digital Connectivity	Infrastructure	Throughout 2023/24
Digital Transformation	Infrastructure	Throughout 2023/24

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2022/23
 GENERAL FUND PROGRAMME
 FOR PERIOD 1 APRIL 2020 TO 29 DECEMBER 2022

Projects with Projected Underspends in 2022/23 which will Carry Forward into 2023/2024		
Project Name	Project Name	Project Name
Housing and Technical Resources		
Prioritised Urgent Investment	Refurbishment	Throughout 2023/24
Principal Offices - Fabric and Service Investment	Refurbishment	Throughout 2023/24
Lifecycle Replacement Schools	Refurbishment	Throughout 2023/24
New Cross Shopping Centre - Roof	Refurbishment	Throughout 2023/24
Civic Centre Fabric Upgrade	Refurbishment	Throughout 2023/24
Communities Facilities Fund	Refurbishment	Throughout 2023/24
CEEF Programme	Refurbishment	Throughout 2023/24

APPENDIX 5

SOUTH LANARKSHIRE COUNCIL
 CAPITAL EXPENDITURE 2022/23
 HOUSING PROGRAMME
 FOR PERIOD 1 APRIL 2022 TO 29 DECEMBER 2022

	<u>2022/23</u> <u>Original</u> <u>Budget</u> £m	<u>2022/23</u> <u>Revised</u> <u>Budget</u> £m	<u>2022/23</u> <u>Budget to</u> <u>29/12/22</u> £m	<u>2022/23</u> <u>Actual to</u> <u>29/12/22</u> £m
Expenditure				
2022/23 Budget Incl. adjustment from 2021/22	52.230	66.361	40.639	40.525

	<u>2022/23</u> <u>Original</u> <u>Budget</u> £m	<u>2022/23</u> <u>Revised</u> <u>Budget</u> £m	<u>2022/23</u> <u>Actual to</u> <u>29/12/22</u> £m
INCOME			
Capital Receipts	0.000	7.311	6.314
Capital Receipts - Land Sales	0.000	0.000	0.018
Capital Funded from Current Revenue	26.050	26.050	26.050
Prudential Borrowing	22.018	26.462	3.440
Scottish Government Specific Grant:			
- New Build	2.242	4.048	4.648
- Open Market Purchase Scheme	1.800	2.370	0.000
- Mortgage to Rent	0.120	0.120	0.055
	<u>52.230</u>	<u>66.361</u>	<u>40.525</u>

Report

5

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Additional Funding from Scottish Government and Other External Sources
----------	---

1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ advise Members of additional funding that has been made available to the Council by the Scottish Government and other external sources since the last report to this Committee (30 November 2022).

2. Recommendation(s)

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

- (1) that the additional funding totalling £4.057 million, as detailed at Appendices 1 and 2 of the report, be noted.

3. Background

3.1. The Council is periodically advised of additional funding which is made available from the Scottish Government and other sources to enable various initiatives to be undertaken.

3.2. Additional funding may either be paid through the General Revenue Grant mechanism or by the completion of appropriate grant claims.

3.3. Details of the additional funding are attached at Appendices 1 and 2 to the report. The report details additional funding that has been reported by Resources as part of the additional resources notification process, as well as any additional funding that has increased the Council's budget by more than £0.100 million.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. Additional revenue funding of £3.855 million has been identified for 2022/2023, as a result of the redeterminations noted in Finance Circular 11/2022. Likewise, additional capital funding of £0.202 million has been identified for 2022/2023. Total funding identified is £4.057 million.

5.2. Resource budgets will be updated to reflect this additional funding as required and, where appropriate, details of spending plans will be presented to Resource Committees for approval.

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. There are no other implications in terms of the information contained in this report.

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 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.

Paul Manning

Executive Director (Finance and Corporate Resources)

9 January 2023

Link(s) to Council Vision/Priorities/Outcomes

◆ Accountable, Effective, Efficient and Transparent

Previous References

◆ Executive Committee, 30 November 2022

List of Background Papers

Local Government Finance Circular 11/2022

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

Additional Revenue Funding

Resource	Description	2022/2023 £m	Total £m	Method
Education Resources	Teachers' Induction Scheme	1.875	1.875	Scottish Government
Finance and Corporate	Child Bridging Payments	1.980	1.980	Scottish Government
	TOTAL REVENUE FUNDING	3.855	3.855	

Additional Capital Funding

Resource	Description	2022/2023 £m	Total £m	Method
General	General Capital Grant	0.202	0.202	Scottish Government
	TOTAL CAPITAL FUNDING	0.202	0.202	

Report

6

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Developing an Age Friendly South Lanarkshire
----------	---

1. Purpose of Report

1.1. The purpose of the report is to: -

- ◆ provide summary information on developing an Age Friendly Community and the stages required to achieve this status
- ◆ advise on the role of the Council in supporting this development should it wish to go ahead in South Lanarkshire with this initiative
- ◆ provide an update on the work already undertaken by Seniors Together in South Lanarkshire with this programme and connections made with officers in other Age Friendly Communities and supporting UK organisations
- ◆ advise on the actions required by the Council to assist the process move forward

2. Recommendation(s)

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

- (1) that the Council makes a formal written commitment to making South Lanarkshire an Age-Friendly Community – ‘a great place to grow older’
- (2) that the Council works with interested partners to develop an Age Friendly action plan
- (3) that the voice of older people is represented in the Community Planning Partnership, via Seniors Together

3. Background

3.1. An Age-Friendly Community is one in which people of all ages can actively participate in activities and where everyone is treated with respect, regardless of their age. It is a place that makes it easy for older people to stay connected to people that are important to them and it helps people stay healthy and active even at the oldest ages and provides appropriate support to those who can no longer look after themselves.

Ageism is the most prevalent form of discrimination in the UK and the development of an Age Friendly Community would go a long way to remove this discrimination in South Lanarkshire.

Being an Age-Friendly Community is about taking the decision to make improvements to your place at whatever pace you can. Being Age-Friendly means designing services and facilities with older people, not for them. The World Health Organisation’s Age Friendly Communities framework acts as a guide for communities to achieve this goal.

3.2. There are eight domains that make an Age Friendly Community. They are:-

- ◆ Community and Health Care
- ◆ Transport
- ◆ Housing
- ◆ Social participation
- ◆ Outdoor spaces and buildings
- ◆ Respect and social inclusion
- ◆ Civic participation and employment
- ◆ Communication and information

4. Current Position

4.1. Many residents had adjustments to make during lockdown, such as reducing car journeys to work, meeting friends in outdoor public spaces, and spending extended periods of time at home. Those have made people of all ages more aware of the restrictions and difficulties that an 'age-hostile' environment can create for people in later life.

Ideas such as 'liveable neighbourhoods' – limiting traffic and creating more spaces for neighbours to sit and children to play, and 'fifteen-minute neighbourhoods' – ensuring residents can access daily needs within a safe short walk, benefit people of all ages. They also align with the World Health Organisation's identified features of age-friendly cities.

Seniors Together is currently liaising with the Centre for Ageing Better and the Scottish Older People's Assembly (SOPA), who have been providing support and guidance to assist them in developing their knowledge and understanding of the process required to develop an age friendly South Lanarkshire.

They have access to resources and templates that have helped them in their engagement and research so far, and they have undertaken an audit of initiatives and services to identify their own age friendly activities that are currently delivered by the project.

4.2. SOPA has received funding, for one year, to employ a project lead who will assist the development of Age Friendly Communities in Scotland. This lead officer is currently working with Seniors Together and has set up a national steering group that Seniors Together are represented on. The aim is to work with local authorities who are in the development stage and assist them through the process. The project lead will work with these new Age Friendly Communities to form a network in Scotland and that will link to the National Age Friendly Communities Network and the Centre for Ageing Better.

5. Proposals

5.1. Providing a place to a representative from Seniors Together, on the Community Planning Partnership Board as a voice for older people, would assist the Council to take this work forward in the manner that other Age Friendly communities across the UK have delivered their action plans. This would also ensure that older people's voices are represented. The knowledge and learning they have gained would assist in developing the action plan and taking the process forward.

- 5.2. Case studies developed by Seniors Together are available to demonstrate what an age friendly activity looks like. The South Lanarkshire Men's Shed Project would be an example of one that is commonly known.
- 5.3. It is likely that in South Lanarkshire, our programmes for older people will take us quite a bit along the journey that is required to develop an Age Friendly Community and an audit of our age friendly activity across our services might highlight just how far we already are and what still needs to be done.
- 5.4. Making a strategic plan where all stakeholders develop a shared vision to determine the priorities for action and to plan and resource how South Lanarkshire will achieve its age-friendly outcomes will mean that the Community Planning Partnership will be the co-ordinating group best placed to drive forward the delivery of the age friendly community. The audit, mentioned at 4.1 above, would assist with the development of the strategic plan. Seniors Together have learned from their research that this is the format followed by other local authorities who are members of the UK Centre for ageing better.
- 5.5. From the information available, implementing an age-friendly action plan is at the heart of creating an Age-Friendly Community. Our next steps as a Council would be:-
 1. Letter of Commitment to World Health Organisation (WHO) from Leader of the Council.
 2. South Lanarkshire Council forms an Action Planning Group, supported by Seniors Together, made up of representatives of our Community Planning Partnership. This Action Plan would develop tasks and actions relating to the 8 domains outlined in 3.2.
 3. Reports on progress would be made to the Community Partnership Planning Board

6 Employee Implications

- 6.1. There are no employee implications from this report,

7 Financial Implications

- 7.1. There are no financial implications at this stage,

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no Climate Change, Sustainability and Environmental Implications arising from the information presented in this report

9. Other Implications

- 9.1. There are no risk implications in terms of the information contained within this report.

10 Equality Impact Assessment and Consultation Arrangements

- 10.1. Initial consultation has taken place with members of Seniors Together and associated representative groups in South Lanarkshire

Paul Manning
Executive Director (Finance and Corporate Resources)

11 January 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent
- ◆ Fair, open and sustainable
- ◆ Improve life and prospects for everyone
- ◆ Ensuring inclusion, equity and equality
- ◆ Focused on people and their needs
- ◆ Working with and respecting others

Previous References

- ◆ None

List of Background Papers

- ◆ Building a city for all ages: A Strategy for an Age Friendly Bristol 2022

<https://www.ageuk.org.uk/wp-assets/globalassets/bristol/services/age-friendly/final-age-friendly-bristol-strategy.pdf>

Contact for Further Information

If you would like further information, please contact: -

Kay McVeigh, Head of Personnel Services

Ext: : 4330 (Tel: 01698 454330)

E-mail: kay.mcveigh@southlanarkshire.gov.uk

Report

7

Report to:	Executive Committee
Date of Meeting:	01 February 2023
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Fair Work First Statement
----------	----------------------------------

1. Purpose of Report

1.1. The purpose of the report is to: -

- ◆ note the requirement to advance Fair Work First criteria as part of the Scottish Government grant conditions and seek approval from the committee on a Fair Work First statement for inclusion on the council website

2. Recommendation(s)

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

- (1) that the content of this report be noted: and
- (2) that the statement attached at Appendix 1 be approved for publication on the Council website

3. Background

- 3.1. On 6 December 2022, the Scottish Government announced that organisations applying for public sector grants would be required to pay at least the real Living Wage and provide appropriate channels for effective workers' voice by July 2023.
- 3.2. This new requirement formed part of the Scottish Government and the Scottish Green Party Parliamentary Group Bute House Agreement, a plan to build a fairer and more equal economy.

4. Current Position

- 4.1. The requirement for organisations to have a public statement on supporting the advancement Fair Work First criteria is now featuring in Scottish Government grant application conditions. This condition also applies to councils applying for grants.
- 4.2. The Council meets the Fair Work First criteria as an organisation and publishing a statement to that effect on the Council website will demonstrate that in any grant application process. The statement attached at Appendix 1 has been jointly developed with our Trade Unions.
- 4.3. The Council also has a role in both procurement and grant awards, and, as such, the statement at Appendix 1 includes the referencing of criteria in those processes, as appropriate, in relation to Fair Work First.

5. Employee Implications

5.1. There are no employee implications arising from this report.

6. Financial Implications

6.1. There are no additional financial implications arising from this report.

7. Climate Change, Sustainability and Environmental Implications

7.1. There are no Climate Change, Sustainability and Environmental Implications arising from the information presented in this report.

8. Other Implications

8.1. There are no risk implications in terms of the information contained within this report.

9. Equality Impact Assessment and Consultation Arrangements

9.1. There is no requirement to carry out an equality impact assessment in respect of this report.

9.2. Consultation has taken place with the Trade Unions on the Fair Work First statement, and it has been jointly agreed.

Paul Manning

Executive Director (Finance and Corporate Resources)

23 December 2022

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, effective, efficient and transparent
- ◆ Fair, open and sustainable
- ◆ Ambitious, self-aware and improving
- ◆ Excellent employer
- ◆ Focused on people and their needs
- ◆ Working with and respecting others

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

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

Kay McVeigh, Head of Personnel Services

Ext: 4330 (Tel: 01698 454330)

E-mail: kay.mcveigh@southlanarkshire.gov.uk

Appendix 1

Fair Work First

South Lanarkshire Council is committed to advancing the Fair Work First criteria, specifically:

1. We have an appropriate channel for effective employee voice

- We work with our recognised trade unions in a Partnership Working Charter which provides a framework for consultation structures at all levels across the council. This framework enables employee voice and engagement for all employees, trade unions and leaders.
- We recognise Trade Unions across all employee groups for the purpose of collective bargaining and encourage membership.
- We provide facility time to support regular engagement between the council, our Trade Unions and their members.
- We engage in constructive dialogue with our employees and their Trade Union representatives to address workplace issues and disputes with a common goal to seek resolution at an early stage.
- Employees are offered support through regular meetings with their supervisor and access to the employee assistance program.
- We have measures in place to support employees in the workplace and have zero tolerance of bullying and other forms of abuse and harassment.

2. We invest in workforce development

- Our strategic workforce and learning and development plans link to the Council Connect plan.
- Our Behaviours Framework sets out how all employees are expected to behave at work, creating a better working environment for all and includes an appraisal process to identify individual development needs
- We are committed to providing learning opportunities for employees at all levels in the Council
- Formal and informal learning is offered and encouraged across the workforce, relating to specific roles as well as wider development
- We survey staff regularly to inform policy priorities and development

3. We do not use zero hours contracts inappropriately

- Supply and casual contracts are only used when necessary and workers on these contracts are not obliged to accept work when this is offered
- We do not use supply and casual contracts to fill longer term vacancies

- We regularly review this area and move from a supply/casual contract to a temporary contract where a longer-term need for the work has been identified

4. We take action to tackle the gender pay gap and create a more diverse and inclusive workplace

- Mainstreaming equalities progress report 2019–2021 and Mainstreaming equalities report 2021-2025 are published on the Council website which demonstrate our commitment to tackling the gender pay gap and creating a more inclusive and diverse workforce
- Our equality outcomes support a number of actions to ensure we continue to understand any perceived barriers to employment with the Council and address these
- We gather data to understand our workforce diversity and pay gap information
- We support flexible working across the Council, offering a wide range of flexible working patterns
- We are a Carer Positive employer showing our commitment to a working environment where carers are valued and supported
- We recognise our role as a Corporate Parent and support Care Experienced Young people into employment
- We are a signatory to the Armed Force Covenant and support opportunities for serving members of the armed forces and veterans
- We have received recognition for our commitment to supporting our armed forces community, holding the Ministry of Defence's Employer Defence Recognition Scheme Silver Award.
- We are a Disability Confident employer, encouraging the employment and retention of disabled people and those with health conditions.
- We are a signatory to the Pregnancy Loss Pledge and offer Parental Bereavement Leave, committing to support employees through miscarriage at any stage of gestation
- We utilise Tailored Adjustment Agreements, making reasonable adjustments for employees with a disability or who have a shorter long-term impairment that could affect their ability to work

5. We commit to paying the Real Living Wage

- We are an accredited Living Wage employer and are recognised as an Anchor Organisation
- We lead the pan Lanarkshire Living Wage campaign group

6. We offer flexible and family friendly working practices for all workers from day one of employment

These include:

- Part time and term time working arrangements
- Flexible working patterns
- Special Leave
- Parental Leave
- Neonatal Leave
- Parental Bereavement Leave (including those who have a miscarriage and partners)
- Career Break

7. We oppose the use of fire and rehire practice

- We only consider effecting change where there is a legitimate business need, and this is done consultation with Trade Unions
- We strive to achieve change through agreement
- We are committed to working with our Trade Unions partners to ensure there is effective consultation and negotiation relating to change

The Fair Work First criteria are also referenced in our procurement contracts and grant award processes, to encourage third party providers to adopt positive fair work practices. Where relevant and proportionate to do so, this may factor into the tender evaluation process and is subject to monitoring through contract management/service level agreements.

Report

8

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Land and Property Transfers and Disposals
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Executive Committee of the actions required in respect of land and property transactions

2. Recommendation(s)

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

- (1) that the land detailed in Appendix A and Appendix B be declared surplus to Council requirements in order that Property Services (Estates) can conclude negotiations for their disposal.

3. Background

3.1. The site detailed on Appendix A is the subject of a negotiated transaction where the land requires to be declared surplus in order that Property Services (Estates) can conclude negotiations for its disposal. The land comprises a flat and grassed area to the rear of an existing retail unit, owned by the proposed purchaser, and is held in the Housing Revenue account. The purchaser proposes to extend and alter this building, and the land in the Council's ownership will be sold for the provision of car parking spaces associated with the development.

3.2. Transactions where there is a requirement to declare land surplus to enable negotiations for minor or adjoining sales to progress are detailed on Appendix B.

3.2. These transactions are only included in the report after successful consultation with the Holding Resource(s) and Planning.

4. Employee Implications

4.1. There are no employee implications arising from this report.

5. Financial Implications

5.1. The disposals will generate capital receipts for the Housing Revenue Account.

6. Climate Change, Sustainability and Environmental Implications

6.1. This report does not introduce a new policy, function or strategy which impacts on the natural environment, climate change or sustainability.

7. Other Implications

7.1. There is a low risk that the capital receipts anticipated as a result of declaring properties surplus may not be realised if, for reasons outwith the Council's control, the purchasers choose not to proceed with the transactions. However, the procedures and consultations described in Sections 3 of this report have been implemented to minimise this risk.

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. Consultation was undertaken with Planning, Roads, Community, and Housing Services.

Stephen Gibson

Executive Director (Housing and Technical Resources)

29 December 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent
- ◆ Good quality, suitable and sustainable places to live

Previous References

- ◆ None

List of Background Papers

- ◆ Plans of the land and property referred to in this report

Contact for Further Information

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

Joanne Forbes, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

E-mail: joanne.forbes@southlanarkshire.gov.uk

APPENDIX A

Area	Description	Holding Account	Proposal	Value Banding
546 sq m	Site at Five Ways Road, Netherburn	Housing	Car Parking for adjacent redevelopment	4

APPENDIX B

Area	Description	Holding Account	Proposal	Value Banding
28 sq m	16 Tantallon Park, East Kilbride	Housing	Garden Ground/Footpath.	4

Value Bands

- 1 – over £1 million
- 2 – £500,000 to £999,999
- 3 – £100,000 to £499,999
- 4 – less than £100,000

Report

9

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Executive Director (Education Resources) Executive Director (Finance and Corporate Resources)

Subject:	External Representation on the Education Resources Committee - Update
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on the arrangements for the appointment of representatives other than councillors to serve on the Education Resources Committee

2. Recommendation(s)

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

- (1) that the appointment of Jennifer Gaffney and Joan Lennon as the new Teacher representatives on the Education Resources Committee be confirmed; and
- (2) that the progress on the appointment of the 2 new Parent Council representatives and the 1 remaining religious representative on the Education Resources Committee be noted.

3. Background

3.1. At its meeting on 29 June 2022, the Committee agreed that the election and selection procedures to obtain specified categories of religious and parent/carer representation on the Education Resources Committee be approved.

4. Update on Appointment of 2 Teacher Representatives

4.1. All teachers permanently employed in educational establishments under the management of the Council and registered with the General Teaching Council were invited to apply to serve as a teacher representative on the Education Resources Committee, by the closing date of 13 October 2022.

4.2. At the close of nominations, 2 applications had been received. On that basis, it is proposed that the following 2 applicants be confirmed as the new teacher representatives on the Education Resources Committee:-

- ◆ Jennifer Gaffney, St Andrew's and St Bride's High School, East Kilbride
- ◆ Joan Lennon, Our Lady and St Anne's Primary School, Hamilton

5. Update on Appointment of 2 Parent/Carer Representatives

5.1. All Parent Councils were invited to submit nominations to serve on the Education Resources Committee by 31 October 2022.

- 5.2 Each Parent Council could nominate 1 member provided that the nomination was proposed at a formal meeting of the Parent Council.
- 5.3 Each nominee was invited to provide a statement of support.
- 5.4 At the close of nominations, 4 applications had been received for the 2 available places. Arrangements will be made for the Chair/Depute of the Education Resources Committee, Executive Director (Education Resources) and Operations Manager, Education Resources, to interview each nominee.
- 5.5 Details of the 2 applicants to be confirmed as the new Parent Council representatives on the Education Resources Committee will be reported to a future meeting of this Committee.

6 Update on Appointment of Third Religious Representative

- 6.1 At its meeting on 29 June 2022, the Committee was advised that the Church of Scotland had confirmed Mrs Gillian Coulter as the religious adviser and the Roman Catholic Church had confirmed that they would wish Mr John Mulligan to continue to serve as religious adviser on the Education Resources Committee. As there is no specified method detailed in the appropriate legislation for selecting a third religious representative to serve on the Education Resources Committee, an advertisement, as has been the case in previous years, was placed in local newspapers requesting nominations for a person interested in the promotion of religious and moral education. At the closure of the nomination period, 2 nominations had been received for the 1 remaining place and arrangements are currently ongoing regarding this appointment

7 Employee Implications

- 7.1 Appropriate cover arrangements for Teacher representatives when meetings are taking place will be required.

7 Financial Implications

- 7.1 The appointment of representatives to serve on the Education Resources Committee can be met from within existing resources.

8 Climate Change, Sustainability and Environmental Implications

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

9 Other Implications

- 9.1 There are no risk implications in terms of the information contained in this report.

10 Equality Impact Assessment and Consultation Arrangements

- 10.1 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 Information on the nomination process for Parent Council representation was issued to all Parent Councils.
- 9.3. Information on the nomination process for Teacher representation was issued to headteachers, heads of educational establishments and staff associations. Information was also contained in the Education newsletter.

Tony McDaid
Executive Director (Education Resources)

Paul Manning
Executive Director (Finance and Corporate Resources)

4 January 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient, transparent

Previous references

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

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

Pauline MacRae, Administration Adviser
Ext: 4108 (Tel: 01698 454108 or 07385 370044)
E-mail: pauline.macrae @southlanarkshire.gov.uk

Report

10

Report to: **Executive Committee**
Date of Meeting: **1 February 2023**
Report by: **Chief Executive**

Subject: **Recommendations Referred by Housing and Technical Resources Committee**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request approval of the undernoted recommendations referred to this Committee by the Housing and Technical Resources Committee at its meeting on 23 January 2023 (Special)

2. Recommendation(s)

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

- (1) that the proposed rent increase of 3.5% for all Council houses, Gypsy/Traveller sites, lockups and garage sites and the revenue estimate proposals for the Housing Revenue Account Budget 2023/2024 be endorsed and referred to the Council for approval; and
- (2) that, based on the rent increase of 3.5%, the 2023/2024 Housing Capital Programme, totalling £63.916 million, be endorsed and referred to the Council for approval.

3 Background

3.1. **Recommendations Referred by Housing and Technical Resources Committee of 23 January 2023 – Housing Revenue and Capital Account Budget 2023/2024 – Extract of Minute**

A joint report dated 12 January 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ the Revenue Estimate proposals for the Housing Revenue Account (HRA) for 2023/2024 which had been prepared in line with the 30-year Business Plan
- ◆ the 2023/2024 Housing Capital Programme totalling £63.916 million

The HRA revenue budget submission for 2023/2024 had been prepared in line with the 30-year HRA Business Plan, developed to reflect investment priorities of maintaining and improving the housing stock to the Scottish Housing Quality Standard (SHQS) and the updated Energy Efficiency Standard for Social Housing (ESSH2). The programme also included projects to increase the supply of Council housing as well as environmental works and legislative compliance programmes, to ensure that all safety requirement standards were met.

The movement, as compared to the existing 2022/2023 revenue budget, was outlined in Appendix 1 to the report. The movements were summarised in the report.

The 2023/2024 budget proposal also included a bad debt provision of £3.524 million which was required to continue to provide for the potential impact on rent collection and arrears. This included contingency for the ongoing uncertainty on rental collections in the coming year due to cost-of-living pressures and an allocation of £0.150 million for tenancy sustainment mitigation.

On 20 December 2022, the Scottish Government indicated that it intended to end the rent control provisions in the social rented sector from the end of March 2023. This position followed the agreement of a “statement of intent” by the Convention of Scottish Local Authorities (COSLA), confirming that local authorities were committed to keeping rent increases to an average of no more than £5 per week (exclusive of service charges) and that Scottish Federation of Housing Associations’ members were consulting on increases which would average at 6.1%. On 12 January 2023, the Scottish Government confirmed that the current rent control provisions for the social rented sector would no longer apply from 1 April 2023.

A 1 year rent increase of 3.5% was proposed for 2023/2024 and, to achieve this, a re-profiling of the long-term investment priorities had been undertaken. Short-term investment priorities and current service levels would be maintained. This equated to a weekly increase on the average Council rent of £2.67 which was significantly below the £5 maximum agreed by COSLA.

Based on the latest Scottish Social Housing Charter returns, the average rent charges for South Lanarkshire Council tenants remained affordable and were currently the 8th lowest of local authority landlords in Scotland. In addition, South Lanarkshire Council tenants’ rent charges were the lowest of all the social landlords operating in South Lanarkshire.

In line with the HRA Business Plan, a reduction of £0.278 million for efficiencies had been included within the Resource’s Supervision and Management budget which would not affect the delivery of services to tenants.

At its meeting on 18 January 2023, the Council noted a savings option in relation to the potential redirection of funds from second home council tax income to meet wider Council budget gaps. This option was part of the list of flexibilities presented by COSLA and local authorities to the Scottish Government in relation to specific Government policies which could be used to release funding to help with councils’ funding pressures. The Council would, at a future meeting, decide whether to agree this option.

Details of the proposed Housing Capital Programme, totalling £63.916 million, were provided in Appendix 2 to the report and information on how the Programme would be funded was summarised in the report. At the Executive Committee on 30 November 2022, a new Council House Supply programme target of 1,300 additional Council homes was approved.

The Budget Scrutiny Group (BSG) took a lead role in co-ordinating and delivering wide-ranging consultation with tenants and other stakeholders, including a Tenants’ Satisfaction Survey. The key issues and challenges facing the Council identified by the BSG were provided in the report.

During the initial meetings with both the BSG and the Tenant Participation Co-ordination Group (TPCG), there had been broad support of:-

- ◆ a further 1 year rent increase
- ◆ the proposed 3.5% increase in 2023/2024
- ◆ the Council maintaining its position as one of the most affordable local authority rents in Scotland

A summary of the feedback received from the consultation process, co-ordinated by the Tenants Information Service (TIS), was detailed in the report.

The Committee recommended to the Executive Committee:

- (1) that the proposed rent increase of 3.5% to all Council houses, Gypsy/Traveller sites, lockups and garage sites and the revenue estimate proposals for the HRA, as detailed in Appendix 1 to the report, be endorsed; and
- (2) that, based on the rent increase of 3.5%, the 2023/2024 Housing Capital Programme of £63.916 million, as detailed in Appendix 2 to the report, be endorsed.

[Reference: Minutes of the Executive Committee of 30 November 2022 (Paragraph 7) and Minutes of South Lanarkshire Council of 18 January 2023 (Paragraph 2)]

- 3.2. A link to the report submitted to the Special Housing and Technical Resources Committee of 23 January 2023 is provided below for information.

[V:\2022-2027\Housing and Technical Resources\230123 \(Sp\)\Housing Revenue and Capital Account Budget 2023-2024 - Final.doc](V:\2022-2027\Housing and Technical Resources\230123 (Sp)\Housing Revenue and Capital Account Budget 2023-2024 - Final.doc)

4. Employee Implications

- 4.1. Any employee implications were raised in the original report to the Housing and Technical Resources Committee.

5. Financial Implications

- 5.1. All financial implications have been highlighted as part of the original report to the Housing and Technical Resources Committee.

6. Other Implications

- 6.1. Any implications have been highlighted as part of the original report to the Housing and Technical Resources Committee.

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. No equality impact assessment or consultation is required in terms of the proposals contained within this report.
- 7.2. Consultation with both tenants and members to agree the annual rent rises required to fund the Housing Business Plan had previously taken place in terms of the recommendations considered by the Housing and Technical Resources Committee.

Cleland Sneddon
Chief Executive

23 January 2023

Link(s) to Council Values/Priorities /Outcomes

- ◆ Improve the availability, quality and access of housing
- ◆ Accountable, effective, efficient and transparent

Previous References

Executive Committee 30 November 2022

South Lanarkshire Council 18 January 2023

List of Background Papers

None

Contact for Further Information

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

Pauline MacRae, Administration Adviser

Ext: 4108 (Tel: 01698 454108)

E-mail: pauline.macrae@southlanarkshire.gov.uk

Report

11

Report to:	Executive Committee
Date of Meeting:	1 February 2023
Report by:	Chief Executive

Subject:	Representation on Outside Organisations
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise of member representation on the West of Scotland Road Safety Forum

2. Recommendation(s)

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

- (1) that it be noted that Councillor McLachlan is the Council's representative on the West of Scotland Road Safety Forum, with Councillor Cowie substituting as necessary.

3. Background

3.1. The Council, at its meeting on 18 May 2022, approved its representation on certain statutory joint boards and outside bodies. A report which provided an update on arrangements that were delegated to the Chief Executive to finalise was submitted to the Council on 15 June 2022. A further report to consider representation on a number of other bodies was submitted to the Executive Committee on 29 June 2022 at which time, in respect of the remaining vacancies, delegated authority was given to the Chief Executive, in consultation with the Leaders of the relevant Groups, to confirm nominations.

4. Representation on the West of Scotland Road Safety Forum

4.1. The Council is entitled to appoint 1 member and a substitute to the West of Scotland Road Safety Forum. It has been the practice to appoint the Chair of the Roads Safety Forum as the Council's representative on the West of Scotland Road Safety Forum

4.2. At the meeting of the Roads Safety Forum held on 1 November 2022, Councillor McLachlan was appointed as Chair of the Forum and Councillor Cowie was appointed as Depute Chair. As a result, in line with normal practice, Councillor McLachlan is the Council's representative on the West of Scotland Road Safety Forum with Councillor Cowie substituting as necessary.

5. Employee Implications

5.1. None.

6. Financial Implications

6.1. None.

7. Climate Change, Sustainability and Environmental Implications

7.1. There are no climate change or environmental implications as a result of this report.

8. Other Implications

8.1. There are no issues in terms of risk arising from this report.

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, therefore, no impact assessment is required.

9.2. Consultation on representation has taken place with the Leaders of the political and independent groups.

Cleland Sneddon
Chief Executive

5 January 2023

Link(s) to Council Values/Priorities/Outcomes

◆ Accountable, effective, efficient and transparent

Previous References

◆ South Lanarkshire Council 18 May and 15 June 2022

◆ Executive Committee 29 June 2022

List of Background Papers

◆ None

Contact for Further Information

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

Pauline MacRae, Administration Adviser

Ext: 4108 (Tel: 01698 454108)

E-mail: pauline.macrae@southlanarkshire.gov.uk