
Report To:	Policy & Resources Committee	Date:	13 November 2018
Report By:	Chief Financial Officer	Report No:	FIN/110/18/AP/MT
Contact Officer:	Matt Thomson	Contact No:	01475 712256
Subject:	2018/21 Capital Programme		

1.0 PURPOSE

- 1.1 The purpose of the report is to provide the Committee with the latest position of the 2018/21 Capital Programme.

2.0 SUMMARY

- 2.1 On 15 March 2018, the Council approved the 2018/21 Capital Programme which built on the previously approved 2017/20 Capital Programme.
- 2.2 The Capital Programme reflects the confirmed 2018/19 capital grant plus an estimate of capital grants for the period 2019/21 which includes the return of £1.4m re-profiled by the Government in 2016/17 and is in addition to the core annual allocations.
- 2.3 In order to fund increased investment in a number of areas, it was agreed to overprovide by up to 5% against available (non SEMP) resources in recognition of potential increase in resources or cost reductions in the future. As a result, the capital programme is reporting a deficit of £2.193m which represents 4.40% of the 2018/21 resources.
- 2.4 It can be seen from Appendix 2 that as at 30 September 2018, expenditure in 2018/19 was 42.86% of projected spend. Phasing and project spend have been reviewed by the budget holders and the relevant Corporate Director.
- 2.5 The position in respect of each individual Committee is reported in Appendix 2 and Section 5 of the report. Overall, Committees are projecting to outturn on budget. In the current year, net slippage of 4.15% is currently being reported. This is largely due to advancement within the Environment & Regeneration Committee (£0.204m) offset by slippage in Health & Social Care (£0.520m) and School estates (£0.783m).

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the current position of the 2018/21 Capital Programme and that officers are examining ways to reduce the current slippage.

4.0 BACKGROUND

- 4.1 On 15 March 2018, the Council approved the 2018/21 Capital Programme which built upon the previously approved 2017/20 Capital Programme to 2017/21.
- 4.2 The approved Capital Programme reflects the confirmed 2018/19 capital grant plus an estimate of capital grants for the period 2019/21 which includes the return of £1.4m re-profiled by the Government in 2016/17 and is in addition to the core annual allocations.
- 4.3 Over-provision of projects against estimated (non SEMP) resources of up to 5% has been made to allow for increased resources and/or cost reductions.

5.0 CURRENT POSITION

- 5.1 Appendix 1 shows that over the 2018/21 period the Capital Programme is reporting a £2.143 deficit. This is within an acceptable level of up to 5% over provision.
- 5.2 The position in respect of individual Committees for 2018/19 is as follows:

Health & Social Care

Net slippage of £0.520m (38.12%) is being reported with spend of £0.844m for the year. Slippage is projected within Crosshill Children's Home Replacement partly arising from tender returns being below budget.

Environment & Regeneration

Net advancement of £0.204m (2.77%) is being reported with spend of £14.746m for the year. Advancement is projected mainly within Clune Park (£0.250m) and Baker's Brae realignment (£0.404m) offset by slippage in King George VI refurbishment (£0.247m) and other minor slippages on various budgets across the Property Services annual allocations.

Education & Communities

Net slippage of £0.838m (7.23%) is being reported with spend of £10.751m for the year. The slippage is mainly due to the revised phasing of various projects within the School estates Management Plan (£0.783m) and Birkmyre Park Pitch Improvements (£0.055m).

Policy & Resources

Net slippage of £0.009m (1.8%) is being reported with spend of £0.491m for the year. The slippage is within the Modernisation Fund (£0.059m) partly offset by advancement within the PC Refresh and Server Replacement Programme (£0.050m).

- 5.3 Overall in 2018/19, expenditure is 42.86% of projected spend for the year and project slippage from the programme agreed in March 2018 is £1.163 million (4.15%). The Corporate Director Environment, Regeneration and Resources will continue to work with the rest of the corporate Capital Programme Officer Group to identify ways which will reduce any further slippage and potentially advance projects.

6.0 CONSULTATION

- 6.1 This report reflects the detail reported to Service Committees.

7.0 IMPLICATIONS

Finance

- 7.1 Financial Implications

All financial implications are shown in detail within the report and in Appendices 1 & 2.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

Legal

7.2 There are no legal implications.

Human Resources

7.3 There are no direct staffing implications in respect of this report and as such the Head of Organisational Development, HR & Communications has not been consulted.

Equalities

7.4 The report has no impact on the Council's Equalities policy.

Repopulation

7.5 The Council's continuing significant capital investment levels will have a positive impact on regeneration, job creation and hence repopulation.

8.0 BACKGROUND PAPERS

8.1 None.

Capital Programme - 2018/19 - 2020/21Available Resources

	A	B	C	D	E
	2018/19	2019/20	2020/21	future	Total
	£000	£000	£000	£000	£000
Government Capital Support	8,282	9,500	8,500	-	26,282
Less: Allocation to School Estate	(4,300)	(4,300)	(3,000)	-	(11,600)
Capital Receipts (Note 1)	389	247	543	-	1,179
Capital Grants (Note 2)	1,861	260	-	-	2,121
Prudential Funded Projects (Note 3)	5,590	5,345	2,621	350	13,906
Balance B/F From 17/18 (Exc School Estate)	12,167	-	-	-	12,167
Capital Funded from Current Revenue	5,305	448	406	-	6,159
	<u>29,294</u>	<u>11,500</u>	<u>9,070</u>	<u>350</u>	<u>50,214</u>

Overall Position 2018/21

Available Resources (Appendix 1, Column E)	<u>£000</u>
	50,214
Projection (Appendix 2, Column B-E)	<u>52,407</u>
(Shortfall)/Under Utilisation of Resources	<u>(2,193)</u>

Notes to Appendix 1

All notes exclude School Estates

Note 1 (Capital Receipts)

	2018/19	2019/20	2020/21	future	Total
	£000	£000	£000	£000	£000
Sales	389	247	543	-	1,179
Contributions/Recoveries	-	-	-	-	-
	<u>389</u>	<u>247</u>	<u>543</u>	<u>-</u>	<u>1,179</u>

Note 2 (Capital Grants)

	2018/19	2019/20	2020/21	future	Total
	£000	£000	£000	£000	£000
Cycling, Walking & Safer Streets	108	-	-	-	108
SPT	1,600	-	-	-	1,600
Historic Scotland	65	260	-	-	325
Big Lottery Fund	88	-	-	-	88
	<u>1,861</u>	<u>260</u>	<u>-</u>	<u>-</u>	<u>2,121</u>

Notes to Appendix 1Note 3 (Prudentially Funded Projects)

	2018/19	2019/20	2020/21	future	Total
	£000	£000	£000	£000	£000
Additional ICT - Education Whiteboard & PC Refresh	30	-	-	-	30
Vehicle Replacement Programme	989	1,288	1,633	-	3,910
Asset Management Plan - Offices	-	22	-	-	22
Asset Management Plan - Depots	1,379	828	590	-	2,797
Capital Works on Former Tied Houses	70	26	50	350	496
Waterfront Leisure Complex Combined Heat and Power Plant	4	-	-	-	4
CCTV	201	-	-	-	201
Clune Park Regeneration	250	750	-	-	1,000
Neil Street Childrens Home Replacement	49	-	-	-	49
Crosshill Childrens Home Replacement	291	943	294	-	1,528
Modernisation Fund	40	(45)	54	-	49
Watt Complex Refurbishment	903	329	-	-	1,232
Roads Asset Management Plan	1,384	1,204	-	-	2,588
	<u>5,590</u>	<u>5,345</u>	<u>2,621</u>	<u>350</u>	<u>13,906</u>

Capital Programme - 2018/19 - 2020/21Agreed Projects

	A	B	C	D	E	F	G	H	I
Committee	Prior Years	2018/19	2019/20	2020/21	Future	Total	Approved Budget	(Under)/Over	2018/19 Spend To 30/09/18
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Policy & Resources	24	491	468	417	-	1,400	1,400	-	303
Environment & Regeneration	45,988	14,746	18,125	11,268	350	90,477	90,477	-	4,277
Education & Communities (Exc School Estate)	2,432	1,622	2,394	420	-	6,868	6,868	-	968
HSCP	214	844	968	294	-	2,320	2,320	-	72
Sub -Total	48,658	17,703	21,955	12,399	350	101,065	101,065	-	5,620
School Estate (Note 1)	19,549	9,129	12,378	5,476	50	46,582	46,582	-	5,880
Total	68,207	26,832	34,333	17,875	400	147,647	147,647	-	11,500

Note 1Summarised SEMP Capital Position - 2018/21

	2018/19	2019/20	2020/21
Capital Allocation	4,300	4,300	3,000
Scottish Government School Grant (estimate)	1,900	2,200	1,500
Surplus b/fwd	9,197	6,268	390
Prudential Borrowing	-	-	-
Available Funding	15,397	12,768	4,890
<u>Projects</u>	9,129	12,378	5,476
Total	9,129	12,378	5,476
Surplus c/fwd	6,268	390	(586)