
Report To:	Policy & Resources Committee	Date:	17 September 2019
Report By:	Chief Financial Officer	Report No:	FIN/80/19/AP/MT
Contact Officer:	Matt Thomson	Contact No:	01475 712256
Subject:	2019/23 Capital Programme		

1.0 PURPOSE

- 1.1 The purpose of the report is to provide the Committee with the latest position of the 2019/23 Capital Programme.

2.0 SUMMARY

- 2.1 On March 21 2019 the Council approved the 2019/23 Capital Programme which built on the previously approved 2018/21 Capital Programme.
- 2.2 The Capital Programme reflects the confirmed 2019/20 capital grant plus an estimate of capital grants for the period 2020/23. The 2019/20 grant includes the return of £1.4m re-profiled by the Government in 2016/17 which is in addition to the core annual allocations.
- 2.3 An over provision of projects against estimated resources of up to 5% is considered acceptable to allow for increased resources and/or cost reductions. As a result the Capital Programme is reporting a shortfall in resources of £2.437m which represents 3.51% of the 2019/23 resources.
- 2.4 It can be seen from Appendix 2 that as at 31 July 2019 expenditure in 2019/20 was 17.3% of projected spend. Phasing and project spend has 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 8.28% is currently being reported. This is due to slippage within the Environment & Regeneration Committee (£1.022m) and School Estate (£1.145m) offset by minor advancement within the Policy & Resources Committee (£0.094m). Officers are identifying areas where expenditure can be accelerated in order to reduce any slippage.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the current position of the 2019/23 Capital Programme.

4.0 BACKGROUND

- 4.1 On March 21 2019 the Council approved the 2019/23 Capital Programme which built upon the previously approved 2018/21 Capital Programme.
- 4.2 The Capital Programme reflects the confirmed 2019/20 capital grant plus an estimate of capital grants for the period 2020/23. The 2019/20 grant includes the return of £1.4m re-profiled by the Government in 2016/17 which is in addition to the core annual allocations.
- 4.3 An over provision of projects against estimated resources of up to 5% is considered acceptable to allow for increased resources and/or cost reductions. As a result the Capital Programme is reporting a shortfall in resources of £2.437m which represents 3.51% of the 2019/23 resources.

5.0 CURRENT POSITION

- 5.1 Appendix 1 shows that over the 2019/23 period the Capital Programme is reporting a £2.437m deficit. This is considered to be within an acceptable level of up to 5% over provision.
- 5.2 The position in respect of individual Committees for 2019/20 is as follows:

Health & Social Care

No slippage is being reported with spend of £0.107m for the year to date.

Environment & Regeneration

Net slippage of £1.022m (8.16%) is being reported with spend of £1.258m for the year. Slippage is projected mainly within the Cremator replacement (£1.147m) however this is partially offset by minor advancements on various budgets across the RAMP and Property Services annual allocations.

Education & Communities

Net slippage of £1.145m (10.4%) is being reported with spend of £2.507m for the year. The slippage being reported is in connection with the pre-construction/design stage delays experienced on the Hillend Refurbishment project and the 1140hrs projects at Larkfield and Park Farm (Rainbow) which have been partially offset by projected acceleration of lifecycle expenditure.

Policy & Resources

Net advancement of £0.094m (22.65%) is being reported with spend of £0.096m for the year. The refresh is progressing well with potential further advancement in 2019/20.

- 5.3 Overall in 2019/20 expenditure is 17.3% of projected spend for the year and project slippage from the programme agreed in March 2019 is £2.073 million (8.28%). 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, Policy & 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 - 2019/20 - 2022/23

Available Resources

	A	B	C	D	E	F
	2019/20	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000	£000
Government Capital Support	9,390	8,100	8,100	8,100	-	33,690
Capital Receipts (Note 1)	282	543	148	95	-	1,068
Capital Grants (Note 2)	4,178	1,500	19	-	-	5,697
Prudential Funded Projects (Note 3)	4,227	3,999	463	332	230	9,251
Balance B/F From 17/18	17,735	-	-	-	-	17,735
Capital Funded from Current Revenue	1,108	933	233	-	-	2,274
	36,920	15,075	8,963	8,527	230	69,715

Overall Position 2019/23

Available Resources (Appendix 1, Column G)	£000	69,715
Projection (Appendix 2, Column B-F)		72,152
(Shortfall)/Under Utilisation of Resources		(2,437)

Notes to Appendix 1

All notes exclude School Estates

Note 1 (Capital Receipts)

	2019/20	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000	£000
Sales	247	543	148	95	-	1,033
Contributions/Recoveries	35	-	-	-	-	35
	282	543	148	95	-	1,068

Note 2 (Capital Grants)

	2019/20	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000	£000
Early Years	2,200	1,500	-	-	-	3,700
Town Centre Fund	660	-	-	-	-	660
Cycling, Walking & Safer Streets	-	-	-	-	-	-
SPT	1,110	-	-	-	-	1,110
HES - Watt Complex	175	-	-	-	-	175
Big Lottery Fund	-	-	-	-	-	-
Electric Vehicles	33	-	19	-	-	52
Grant - Branchton Play Area	-	-	-	-	-	-
	4,178	1,500	19	-	-	5,697

Notes to Appendix 1

Note 3 (Prudentially Funded Projects)

	2019/20	2020/21	2021/22	2022/23	future	Total
	£000	£000	£000	£000	£000	£000
Additional ICT - Education Whiteboard & PC Refresh	5	-	-	-	-	5
Vehicle Replacement Programme	1,021	1,768	403	272	-	3,464
Greenock Parking Strategy	-	-	-	-	-	-
Asset Management Plan - Offices	-	11	-	-	-	11
Asset Management Plan - Depots	404	805	-	-	-	1,209
Capital Works on Former Tied Houses	1	40	60	60	230	391
Waterfront Leisure Complex Combined Heat and Power Plant	-	-	-	-	-	-
Leisure & Pitches Strategy	-	-	-	-	-	-
CCTV	-	-	-	-	-	-
Clune Park Regeneration	469	-	-	-	-	469
Neil Street Childrens Home Replacement	-	-	-	-	-	-
Crosshill Childrens Home Replacement	943	171	-	-	-	1,114
Modernisation Fund	-	-	-	-	-	-
Roads Asset Management Plan	1,384	1,204	-	-	-	2,588
	4,227	3,999	463	332	230	9,251

Capital Programme - 2019/20 - 2022/23

Agreed Projects

	A	B	C	D	E	F	G	H	I	J
Committee	Prior Years	2019/20	2020/21	2021/22	2022/23	Future	Total	Approved Budget	(Under)/Over	2019/20 Spend To 31/07/2019
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Policy & Resources	522	509	369	363	363	-	2,126	2,126	-	96
Environment & Regeneration	53,840	11,507	19,121	6,973	6,420	230	98,091	98,091	-	1,258
School Estate	5,367	8,378	8,722	2,212	2,900	-	27,579	27,579	-	1,662
Education & Communities (Exc School Estate)	248	1,485	900	280	141	-	3,054	3,054	-	845
HSCP	582	1,093	186	-	-	-	1,861	1,861	-	107
Total	60,559	22,972	29,298	9,828	9,824	230	132,711	132,711	-	3,968