

To: POLICY AND RESOURCES (FINANCE & CUSTOMER SERVICES) SUB-COMMITTEE		Subject: COMPOSITE CAPITAL PROGRAMME 2012/2013 MONITORING REPORT 1 APRIL 2012 TO 20 JULY 2012 (PERIOD 4)
From: EXECUTIVE DIRECTOR OF FINANCE & CUSTOMER SERVICES		
Date: 15 August 2012	Ref: PH/LM/CW	

1 Purpose of Report

1.1 The purpose of this report is to provide an update on the movement in resources and expenditure on the 2012/13 budget for the Composite Capital Programme and to give a summary of the financial performance to date. The report also shows the projected year-end outturn position and resultant variances. Information on expenditure is up to and including 20 July 2012 (Period 4).

2 Background

2.1 The current Composite Capital Budget is £77.961m. Comprised of the P&R approved 2012/13 Capital Budget of £66.450m, the carry forward from the 2011/12 programme of £7.963m, Vacant & Derelict Land Fund grant of £1.703m, £1.365m of grants from Strathclyde Partnership for Transport, a contribution of £0.136m from North Lanarkshire Leisure Trust, a contribution from NHS Lanarkshire of £0.180m and other contributions totalling £0.164m.

3 Budget Monitoring Summary – Period 4 (20 July 2012)

3.1 The projected position of the Composite Programme can be summarised as follows: -

Expenditure	Current Programme £000s	Projected Outturn £000s	Outturn Variance £000s
Corporate Services	1,326	1,326	0
Environmental Services	28,848	28,848	0
Finance & Customer Services	949	949	0
Social Work Services	5,327	3,917	1,410
Learning & Leisure Services	11,766	11,766	0
Schools & Centres 21	29,745	29,745	0
Total Expenditure	77,961	76,551	1,410

3.2 Actual expenditure to 20 July 2012 is £13.552m, and committed expenditure is £55.074m, 70.6% of the current programme. Excluding Schools and Centres 21 projects, which are fully committed, the programme is 52.5% committed, this is an improvement on last year's Period 4 figure of 50.1%. An analysis of actual expenditure to date is contained at Appendix 1.

4 Projected Outturn at 20 July 2012 (Period 4)

4.1 The projected outturn on the programme is £76.551m, £1.410m less than the current expenditure budget. The variance is contained in the Social Work programme, the main issues are highlighted below:

- Slippage of £0.763m on the new build day centre in Motherwell where foundations and piling issues have pushed back the start on site date to November 2012.
- Slippage of £0.095m on the refurbishment and extension of the Buchanan Children's Home in Coatbridge, work started on site in June 2012.
- Following initial substructure issues with the Cumbernauld day care centre additional budget of £0.255m will be made available in 2013/14. Slippage of £0.171m is now expected in 2012/13, work is due to commence on site 27 August 2012.
- The new build day centre in Airdrie is currently projected to slip £0.380m into 2013/14. The programme has received a contribution of £0.180m from NHS Lanarkshire to fund the alterations to the design to accommodate NHS staff in the centre. Housing services have recently registered an interest in pursuing the creation of a communal area with the Meadowside Gardens Sheltered Housing complex which sits adjacent to site. This is being supported in line with the Council's strategic priorities for this area. This will however mean that Design Services need to redesign the project brief and will result in the programme slippage. Further updates on timescales and details of the new brief will be reported when available.

5 Recommendations

Committee is asked to:

- 5.1 Note the financial position of the Capital Programme as at 20 July 2012.



Executive Director of Finance & Customer Services