

# North Lanarkshire Council Report

## Housing and Regeneration Committee

approval  noting

Ref RS/GT/JM

Date 09/09/20

## Enterprise and Communities – Capital Monitoring Report

**From** Robert Steenson, Executive Director (Enterprise & Communities)

**Email** telferg@northlan.gov.uk

**Telephone** Greg Telfer, Business  
Finance Manager, 01698  
302836

### Executive Summary

This report highlights the financial performance of the 2020/21 Enterprise & Communities capital programme for period ended 24 July 2020 (Period 4).

In summary the Service has a total capital budget of £69.409m across all the work streams (Composite programme £41.494m, Enterprise Projects £4.435m, Schools and Centres Modernisation £7.360m, Early Years Expansion £14.619m and Community Investment Fund £1.501m). The Service is currently forecasting a break-even position.

Further explanation of project variances and management action taken by the Service is included in the main report and attached Appendices.

### Recommendations

It is recommended that Committee:

- (1) Notes the financial position of the 2020/21 Enterprise & Communities capital programme

### The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning

## **1. Background**

- 1.1 Financial year 2020/21 is the third year of the 5 year capital programme. However, it was approved at the Strategic Capital Delivery Group (SCDG) on 15 July 2020 that the Group will commence works to develop a revised 5 year capital programme for 2021/22 to 2025/26.
- 1.2 The Enterprise and Communities Composite capital programme of £45.667m was approved by the Policy and Strategy Committee on 19 March 2020. Following a review of the capital programme in light of the financial challenges facing the Council and consideration of project delivery given the COVID-19 lockdown period, the programme has since been reduced by £4.173m resulting in a revised Composite capital programme of £41.494m.

In addition to the Composite programme the Service is responsible for the delivery of the following work streams: Enterprise Projects capital programme including City Deal and Ravenscraig Active Travel Links (£4.435m); the Schools and Centres Modernisation capital programme (£7.360m); Early Years Expansion capital programme (£14.619m) and Community Investment Fund (£1.501m).

Overall the total Enterprise and Communities capital programme is £69.409m with Appendix 1 detailing in year budget movements.

- 1.3 The Council's approved Financial Regulations required Executive Directors to remain within their approved budgetary provision, and to report all significant deviations – defined as the higher of £100,000 or 5% - within their budget monitoring reports. Where significant deviations were identified, Executive Directors must provide explanatory commentary, outline the action required to rectify such deviations and where relevant, must also highlight the impact this has on other budget headings.

---

## **2. Report**

- 2.1 The Service is projecting a break-even position across all of the capital streams of work. Capital budgets and expenditure are summarised into Thematic Categories (see Appendix 2) and Divisional Themes (see Appendix 3). The outturn includes estimates for work in progress, retention payments and contractor claims.
- 2.2 Each of the divisions remain on target at this early stage in the financial year given the significant programme realignment that was recently approved by SCDG. However, Committee is being provided with an update on the delivery of the Early Years Expansion Programme.
- 2.2.1 Early Years Expansion (On Target)

The ELC Expansion (1140 Hours) capital programme has been allocated £20.350m from the Scottish Government by way of a multi-year Capital Grant. In the previous financial year, the SCDG allocated a further £2.200m effective from 1 April 2019 specifically for Forgewood FLC coupled with a revenue contribution (CFCR) of £0.148m. Forgewood FLC was previously included in the 600 hours nursery roll out and has subsequently been integrated within the 1140 Hours programme. The programme is projecting an overall overspend of £1.039m on final completion of all work streams with projected expenditure of £23.737m relative to aggregate resources of £22.698m.

An in-year balanced budget position is expected, with the anticipated programme overspend being reflected in financial year 2021/22 in accordance with updated project completion timelines.

In addition there are facilities included in the original approved programme that are subject to ongoing review due to a number of site and operational issues. These facilities include Heathery Park FLC, Cumbernauld Village FLC and St Stephens/Carnbroe & Sikeside. Any alteration to the original plans for these sites would alter the overall programme costs and delivery timeline. Regular updates on the progress on the 1140 Hours capital programme will continue to be provided to the Early Years Expansion Delivery Board, the SCDG and to Education and Families Committee in the current committee cycle.

---

### **3. Equality and Diversity**

#### **3.1 Fairer Scotland Duty**

There were no specific impacts on Fairer Scotland.

#### **3.2 Equality Impact Assessment**

There were no specific Equality Impact Assessments to note.

---

### **4. Implications**

#### **4.1 Financial Impact**

The Service aims to operate within approved funding levels and utilise budget virements to support emerging issues and mitigate variances across budget heads.

#### **4.2 HR/Policy/Legislative Impact**

There were no specific HR/Policy/Legislative impacts.

#### **4.3 Environmental Impact**

There were no specific environmental impacts.

#### **4.4 Risk Impact**

4.4.1 All activities undertaken by the Council are subject to risk, and in acknowledging the Council's approved Risk Management Strategy, Services managed these as part of their overall corporate and service planning processes. The current economic climate, in particular, has the potential to impact upon the Council's ability to provide quality services within approved budget levels.

4.4.2 To minimise risk this report was prepared by service based Financial Solutions personnel in consultation with budget managers, in accordance with the Financial Regulations.

4.4.3 The Service continues to monitor all projects over the winter period to manage any impact on progress throughout this time of year.

---

**5. Measures of success**

5.1 The Service aim is to be in a balanced budget position at financial year-end.

---

**6. Supporting documents**

6.1	Appendix 1	Budget Movements
	Appendix 2	Summary Expenditure by Thematic Category
	Appendix 3	Summary Expenditure by Division



**Robert Steenson**  
**Executive Director (Enterprise & Communities)**

## Enterprise &amp; Communities Capital Programme - Budget Movements 2020/21

1st April 2020 - 24th July (PERIOD 4)	£	£	£	£	£	£
	Composite Programme Budget	Enterprise Projects	Schools & Centres 21	Early Years Expansion	Community Investment Fund	Total
Council Funding Approved at Policy & Strategy	33,809,086	524,711	3,102,320	(3,097,168)	2,619,000	36,957,949
Additional Resources Approved at Policy & Strategy	11,857,612	4,227,289	789,680	12,680,168	-	29,554,749
<b>Total Capital Budget Approved at Policy &amp; Strategy</b>	<b>45,666,698</b>	<b>4,752,000</b>	<b>3,892,000</b>	<b>9,583,000</b>	<b>2,619,000</b>	<b>66,512,698</b>
Final 2019/20 Budget Adjustments	1,679,325	320,589	643,115	5,069,702	0	7,712,731
Impact of 2019/20 Carry Forward	4,538,083	0	0	0	334,922	4,873,005
<b>Total 2020/21 Movements</b>	<b>6,217,408</b>	<b>320,589</b>	<b>643,115</b>	<b>5,069,702</b>	<b>334,922</b>	<b>12,585,736</b>
<b>Revised 2020/21 Budget</b>	<b>51,884,105</b>	<b>5,072,589</b>	<b>4,535,115</b>	<b>14,652,702</b>	<b>2,953,922</b>	<b>79,098,433</b>

## Management Action for Noting

## Movements to 2020/21 Composite Programme Budget

(i) Budget Adjustments

Adjustments agreed at SCDG 15th July 20	(10,868,105)	0	2,825,000	0	(1,452,961)	(9,496,066)
	<b>(10,868,105)</b>	<b>0</b>	<b>2,825,000</b>	<b>0</b>	<b>(1,452,961)</b>	<b>(9,496,066)</b>

(ii) Budget Transfers (to)/from other Services

Accommodation Investment from Social Work	53,097	0	0	0	0	53,097
	<b>53,097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>53,097</b>

(iii) Additional Funding

Ravenscraig Active Travel Links - Sustrans Funding	0	108,000	0	0	0	108,000
Additional Resources Adjustments 2020/21	424,999	(745,332)	0	(33,763)	0	(354,096)
	<b>424,999</b>	<b>(637,332)</b>	<b>0</b>	<b>(33,763)</b>	<b>0</b>	<b>(246,096)</b>

<b>Sub Total of Budget Movements</b>	<b>(10,390,009)</b>	<b>(637,332)</b>	<b>2,825,000</b>	<b>(33,763)</b>	<b>(1,452,961)</b>	<b>(9,689,065)</b>
<b>REVISED BUDGET TOTAL</b>	<b>41,494,096</b>	<b>4,435,257</b>	<b>7,360,115</b>	<b>14,618,939</b>	<b>1,500,961</b>	<b>69,409,368</b>

**Enterprise & Communities Capital Programme 2020 - 2021 Thematic Category**

**APPENDIX 2**

**1st April 2020 - 24th July (PERIOD 4)**

Thematic Category	Budget £	YTD					OUTTURN	
		Actual £	Actual %	Committed £	Committed %	Uncommitted £	Projected Outturn £	Outturn variance £
<b>Core Capital Programme</b>								
Unavoidable	13,485,312	402,279	3%	8,486,160	63%	4,999,152	13,485,312	0
Key Ambition	3,781,213	371,046	10%	2,792,133	74%	989,080	3,781,213	0
External Funding	9,261,448	44,652	0%	6,178,625	67%	3,082,823	9,261,448	0
Statutory Obligation	8,629	1,705	20%	0	0%	8,629	8,629	0
Building Asset Expenditure	3,536,599	87,058	2%	3,536,599	100%	0	3,536,599	0
Revenue Savings	4,713,127	812,662	17%	817,298	17%	3,895,829	4,713,127	0
Road Asset Expenditure	5,406,791	89,671	2%	576,643	11%	4,830,148	5,406,791	0
Local Development Plan	1,300,979	114,324	9%	796,355	61%	504,625	1,300,978	(0)
	41,494,098	1,923,398	5%	23,183,811	56%	18,310,286	41,494,096	(0)
Enterprise Projects	4,435,257	251,951	6%	1,161,640	26%	3,273,617	4,435,256	0
Schools & Centres 21	7,360,115	558,610	8%	4,416,661	60%	2,943,454	7,360,115	0
Early Years Expansion	14,618,939	232,325	2%	9,031,857	62%	5,587,082	14,618,939	(0)
Community Investment Fund	1,500,961	14,709	1%	95,000	6%	1,405,961	1,500,961	0
<b>Total</b>	<b>69,409,370</b>	<b>2,980,993</b>	<b>4%</b>	<b>37,888,968</b>	<b>55%</b>	<b>31,520,400</b>	<b>69,409,367</b>	<b>(0)</b>

Theme	Revised Budget £	YTD			OUTTURN	
		Actual £	Committed £	Uncommitted £	Projected Outturn £	Outturn variance £
<b>PLANNING &amp; REGENERATION</b>						
<b>Unavoidable</b>						
Coatbridge Cars	0	0	0	0	0	0
Antonine Wall Project	20,000	0	20,000	0	20,000	0
<b>Key Ambition</b>						
Regeneration and Town Centres	2,863,161	333,086	1,874,081	989,080	2,863,161	0
<b>External Funding</b>						
RCGF Fund	1,613,930	0	1,613,930	0	1,613,930	0
Vacant & Derelict Land Fund	5,621,600	44,652	2,814,695	2,806,905	5,621,600	0
Town Centre Fund	2,025,918	0	1,750,000	275,918	2,025,918	0
<b>TOTAL PLANNING &amp; REGENERATION</b>	<b>12,144,609</b>	<b>377,738</b>	<b>8,072,706</b>	<b>4,071,903</b>	<b>12,144,609</b>	<b>0</b>
<b>ASSET &amp; PROCUREMENT</b>						
<b>Unavoidable</b>						
Energy Efficiency	0	25,065	0	0	0	0
Demolitions	297,545	1,099	30,015	267,530	297,545	0
Asbestos Management	0	0	0	0	0	0
Health and Safety	163,970	0	0	163,970	163,970	0
Condition Surveys	50,000	15	50,000	0	50,000	0
Re-wiring Contracts	187,748	117,563	187,748	0	187,748	0
Boiler Upgrade and Replacement	100,000	14,584	100,000	0	100,000	0
Re-Roofing Contracts	430,836	1,723	111,526	319,310	430,836	(0)
Window Replacements	50,000	0	0	50,000	50,000	0
Internal and External Works	477,281	118,069	181,153	192,293	373,446	103,835
Estates - Capital Delivery	125,000	0	125,000	0	125,000	0
Core Works	0	101	0	0	0	0
Kilbowie	0	0	0	0	0	0
Community Facilities - Condition Survey Works	523,842	2,135	192,442	331,400	523,842	0
Libraries	397,754	5,320	0	397,754	397,754	0
Museums Arts - Air Conditioning Unit	36,677	0	0	36,677	36,677	0
Culture NL Venues	247,387	0	0	247,387	247,387	0
NLL Condition Surveys	181,193	12,719	181,193	0	181,193	0
NLL Health & Safety	87,016	0	87,016	0	87,016	0
<b>Key Ambition</b>						
AMP Transformation	0	11,571	0	0	0	0
Additional Support Needs	15,129	19,614	15,129	0	15,129	0
Curriculum Development	522,923	1,275	522,923	0	522,923	0
ASN	0	0	0	0	0	0
Pitches - Former Education	0	0	0	0	0	0
NLL Sports Pitches	380,000	5,500	380,000	0	380,000	0
<b>Statutory Obligation</b>						
Disability Access DDA	8,629	100	0	8,629	8,629	0
Health and Safety	0	1,605	0	0	0	0
Community Facilities - Fire Safety	0	0	0	0	0	0
<b>Building Asset Expenditure</b>						
Floor Coverings and Decoration	0	0	0	0	0	0
Toilet Refurbishments	0	1,575	0	0	0	0
Civic Centre Refurbishment	230,449	4,850	230,449	0	230,449	(0)
Office Accommodation	0	20	0	0	0	0
Refurbishment of Dining Counter Server Areas	0	0	0	0	0	0
Estates - CGA	62,000	38,021	62,000	0	62,000	0
Environmental Assets - Building Improvements	20,325	33,806	20,325	0	20,325	0
Sustainable Estate	2,985,045	8,787	2,985,044	0	2,985,044	(0)
NLL Major Maintenance	238,780	0	238,780	0	238,780	0
<b>Revenue Savings</b>						
Renewal of Building Cleaning Equipment	407,000	10,115	10,115	396,885	407,000	0
Renewal of Catering Equipment	52,000	383	383	51,617	52,000	0
<b>Design Fees</b>						
Design Fees	1,250,085	0	1,353,920	0	1,353,920	(103,835)
<b>TOTAL ASSET &amp; PROCUREMENT</b>	<b>9,528,614</b>	<b>435,615</b>	<b>7,065,161</b>	<b>2,463,452</b>	<b>9,528,613</b>	<b>(0)</b>
<b>ENVIRONMENTAL ASSETS</b>						
<b>Unavoidable</b>						
Street Lighting Infrastructure/Carbon Restructure	3,777,450	27,792	1,205,242	2,572,208	3,777,450	0
Infrastructure Improvements - Roads (essential)	4,814,565	53,478	4,586,541	228,024	4,814,565	0
Infrastructure Improvements to Land – Cemetery Works	0	0	0	0	0	0
7 Lochs project	77,630	0	51,749	25,881	77,630	0
<b>Road Asset Expenditure</b>						
Infrastructure Improvements - Roads	1,424,654	29,881	145,093	1,279,561	1,424,654	0
Other Infrastructure Heath and Wellbeing projects (walking & cycling network, sustainable travel)	2,285,730	13,950	129,247	2,156,483	2,285,730	0
Gartcosh/Glenboig Community Growth Area						
Infrastructure Improvements to Land	1,020,961	35,711	245,561	775,400	1,020,961	0
Other Infrastructure Heath and Wellbeing projects (parks, woodlands and local nature reserves)	675,446	10,130	56,742	618,704	675,446	0
<b>Revenue Savings</b>						
Plant, Machinery and Vehicles - Land Management Machinery and Vehicles	273,403	1,619	1,619	271,784	273,403	0
Plant, Machinery and Vehicles - Woodland Management	0	0	0	0	0	0
Plant, Machinery and Vehicles - Country Parks Equipment	71,747	0	0	71,747	71,747	0
<b>TOTAL ENVIRONMENTAL ASSETS</b>	<b>14,421,586</b>	<b>172,560</b>	<b>6,421,793</b>	<b>7,999,792</b>	<b>14,421,586</b>	<b>(0)</b>

Theme	Revised Budget £	YTD			OUTTURN	
		Actual £	Committed £	Uncommitted £	Projected Outturn £	Outturn variance £
<b>REGULATORY SERVICES &amp; WASTE SOLUTIONS</b>						
<b>Unavoidable</b>						
Contaminated Land and Air Quality Monitoring	189,333	22,615	22,615	166,718	189,333	0
<b>Revenue Savings</b>		0				
Investment in New Vehicles	3,581,491	772,448	772,448	2,809,043	3,581,491	0
Plant, Machinery and Vehicles - Workshop Equipment	145,566	8,708	8,708	136,858	145,566	0
Plant, Machinery and Vehicles - HWRC Machinery & Equipment	181,920	19,390	24,025	157,895	181,920	0
<b>TOTAL REGULATORY SERVICES &amp; WASTE SOLUTIONS</b>	<b>4,098,310</b>	<b>823,160</b>	<b>827,796</b>	<b>3,270,514</b>	<b>4,098,310</b>	<b>0</b>
<b>COMMUNITIES</b>						
Local Development Plan	1,300,979	114,324	796,355	504,625	1,300,978	(0)
<b>TOTAL COMMUNITIES</b>	<b>1,300,979</b>	<b>114,324</b>	<b>796,355</b>	<b>504,625</b>	<b>1,300,978</b>	<b>(0)</b>
<b>TOTAL COMPOSITE CAPITAL PROGRAMME</b>	<b>41,494,098</b>	<b>1,923,398</b>	<b>23,183,811</b>	<b>18,310,286</b>	<b>41,494,098</b>	<b>(0)</b>
<b>ENTERPRISE PROJECTS</b>						
<b>CITY DEAL</b>						
Pan Lanarkshire	3,916,691	236,780	1,144,836	2,771,855	3,916,691	0
A8/M8 Improvements	194,136	10,321	10,321	183,815	194,136	(0)
Gartcosh/Glenboig CGA	192,868	447	2,081	190,788	192,868	0
Benefits Realisation Monitoring	0	(0)	(0)	0	(0)	0
<b>TOTAL CITY DEAL</b>	<b>4,303,695</b>	<b>247,548</b>	<b>1,157,237</b>	<b>3,146,458</b>	<b>4,303,695</b>	<b>0</b>
<b>ENTERPRISE PROJECTS</b>						
Ravenscraig Active Travel Links	131,562	4,403	4,403	127,159	131,562	0
<b>TOTAL ENTERPRISE PROJECTS</b>	<b>4,435,257</b>	<b>251,951</b>	<b>1,161,640</b>	<b>3,273,617</b>	<b>4,435,257</b>	<b>0</b>
<b>SCHOOLS &amp; CENTRES MODERNISATION</b>						
<b>TOTAL SCHOOLS &amp; CENTRE MODERNISATION</b>	<b>7,360,115</b>	<b>558,610</b>	<b>4,416,661</b>	<b>2,943,454</b>	<b>7,360,115</b>	<b>0</b>
<b>EARLY YEARS EXPANSION</b>						
<b>TOTAL EARLY YEARS EXPANSION</b>	<b>14,618,939</b>	<b>232,325</b>	<b>9,031,857</b>	<b>5,587,083</b>	<b>14,618,940</b>	<b>(0)</b>
<b>COMMUNITY INVESTMENT FUND</b>						
Midforrest Community Growth Area	50,000	0	50,000	0	50,000	0
Palacerigg CGA	25,000	0	25,000	0	25,000	0
Local Development Plan	108,961	9,214	20,000	88,961	108,961	0
Bellside Bridge	0	0	0	0	0	0
Depot Rationalisation	0	0	0	0	0	0
Bellshill Complex Project	1,317,000	0	0	1,317,000	1,317,000	0
S/clyde Park Masterplan	0	0	0	0	0	0
Office Accommodation	0	5,495	0	0	0	0
Community Hubs	0	0	0	0	0	0
<b>TOTAL COMMUNITY INVESTMENT FUND</b>	<b>1,500,961</b>	<b>14,709</b>	<b>95,000</b>	<b>1,405,961</b>	<b>1,500,961</b>	<b>0</b>
<b>TOTAL ENTERPRISE AND COMMUNITIES</b>	<b>69,409,370</b>	<b>2,980,993</b>	<b>37,888,968</b>	<b>31,520,401</b>	<b>69,409,371</b>	<b>(0)</b>