

# North Lanarkshire Council Report

## Housing Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref GT/JM

Date

08/05/24

## Enterprise & Communities – Capital Monitoring Report

**From** Andrew McPherson, Depute Chief Executive

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### Executive Summary

This report highlights the financial performance of 2023/24 Enterprise and Communities capital programme for the period ended 1 March 2024 (Period 12).

In summary the Service has a total capital budget of £128.449m. At this stage in the financial year the service expects expenditure to be £6.169m lower than current programme.

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

### Recommendations

It is recommended that the Housing Committee:

- (1) Acknowledges the financial position of the 2023/24 Enterprise and 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
Programme of Work	Statutory / corporate / service requirement

## **1. Background**

- 1.1 Financial year 2023/24 is the third year of the 5 year capital programme which was initially approved by the Policy and Strategy Committee on 18 March 2021.
- 1.2 The Enterprise and Communities 2023/24 capital programme of £190.796m was approved by the Policy and Strategy Committee on 16 March 2023. The programme has since been increased by £22.403m relating to carry forwards from 2022/23 and reduced external funding £10.803m. Reprofiting of £55.049m to future years was approved at the Housing Committee on 30 August 2023 and then a reprofile of a further £19.098m was approved by Strategic Capital Delivery Group (SCDG) on the 8 December 2023. A further transfer between services of £0.200m was actioned. This results in a revised working capital budget of £128.449m.
- 1.3 The Council's approved Financial Regulations required services to remain within their approved budgetary provision, and to report all significant deviations – defined as the higher of £0.100m or 5% - within their budget monitoring reports. Where significant deviations were identified, services 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.

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## **2. Report**

- 2.1 At Period 12 the service is projecting that expenditure will be £6.169m less than budget for the current financial year. Capital budgets and expenditure are summarised into Project/Themes (see Appendix A).

### **Assets & Procurement (£1.076m over budget)**

- 2.2 The Town and Community hubs theme is forecasting to be £1.826m over budget this financial year as the contractor on the Orbiston project has made good progress over the winter months. The project is still projected to be within its budget overall across the whole project life.
- 2.3 There are a number of timing issues where projects will now span into 2024/24 including within Sustainable Estate (£0.800m), where the physical delivery of modular accommodation is now anticipated to be in 2024/25; ASN rationalisation (£0.273m) where Netherton, Children's Houses and Seven Day Centre are expected to move into the 2024/25 financial year; Carbon Management (£0.395m) for NDEE projects which are contractually committed; and Outdoor Education and Outdoor spaces (£0.102m). These are partially offset by increased expenditure in Maintaining Existing Assets (£0.222m), Office Rationalisation (£0.180m) and Design Fees (£0.427m).

### **Community Operations (£2.186m under budget)**

- 2.4 Street Lighting is forecast to £0.494m under budget due to a delay in the procurement for design works resulting in some installation works now completing in 2024/25. The LED Infrastructure works are also now confirmed to be less than the original forecast resulting in a saving of £0.105m. Expenditure on vehicle restraint system has also been delayed due to delays in procurement of designs (£0.408m).
- 2.5 There are a number of projects within Parks Master plan, Country Parks Infrastructure and Bellshill Cycle Gateway which have been committed, but will not be fully spent this financial year, giving rise to projected slippage of £0.394m.

- 2.6 There is a timing variance of £0.637m within the Vehicle Replacement theme. The vehicles will now be procured / delivered in 2024/25.
- 2.7 With the Bellshill Depot nearing completion, £0.296m of expenditure is expected to now be into 2024/25. Additional skips at HWRC sites (£0.106m) will be offset and funded by the Vehicle Replacement Programme.

**Place (£5.059m less than budget)**

- 2.8 Growth is currently expecting to spend £3.738m less than budget principally at Braidhurst Industrial Estate, where external funding is being maximised this financial year, and Cumbernauld Town Centre where demolition work has slipped into next year.
- 2.9 £1.161m of City Deal works originally planned for 2023/24 will now be completed in 2024/25.
- 2.10 Within the Infrastructure & Transportation theme the main variance relates to Bridge Safety works (£0.103m) which are contractually committed but now forecast to be completed in 2024/25.

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**3. Measures of success**

- 3.1 The Service aim is to be in a balanced budget position at financial year-end and will take current reprofile requests to Committee.

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**4. Supporting documentation**

- 4.1 Appendix 1 Summary Expenditure by Project/Theme



**Andrew McPherson**  
**Depute Chief Executive**

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## 5. Impacts

<b>5.1 Public Sector Equality Duty and Fairer Scotland Duty</b> Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?  If Yes, has an assessment been carried out and published on the council's website? <a href="https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments">https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</a> Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>5.2 Financial impact</b> Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?  The Service aims to operate within approved funding levels and utilise budget virements to support emerging issues and mitigate variances across budget heads.
<b>5.3 HR policy impact</b> Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
<b>5.4 Legal impact</b> Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
<b>5.5 Data protection impact</b> Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to <a href="mailto:dataprotection@northlan.gov.uk">dataprotection@northlan.gov.uk</a> Yes <input type="checkbox"/> No <input type="checkbox"/>

**5.6 Technology / Digital impact**

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes ☐ No ☐

**5.7 Environmental / Carbon impact**

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact?

**5.8 Communications impact**

Does the report contain any information that has an impact on the council's communications activities?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact?

**5.9 Risk impact**

Is there a risk impact?

Yes ☒ No ☒

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

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.

**5.10 Armed Forces Covenant Duty**

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes ☐ No ☒

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

**5.11 Children's rights and wellbeing impact**

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

Enterprise & Communities Capital Programme 2023/24  
Theme Expenditure Summary  
1st April 2023 - 1st March 2024 (PERIOD 12)

Thematic Category	Revised Budget £	YTD			OUTTURN	
		Actual £	Committed £	Uncommitted £	Projected Outturn £	Outturn variance £
<b>ASSET &amp; PROCUREMENT SOLUTIONS</b>						
Maintaining Existing Assets - windows, re-roofing, re-wiring and condition survey works for the Council's building assets	13,640,231	12,248,558	13,793,993	67,971	13,861,964	(221,733)
Carbon Management	3,546,483	798,605	3,151,462	0	3,151,462	395,021
Office Rationalisation	649,714	650,441	799,483	30,000	829,483	(179,769)
Shared Campus	0	0	0	0	0	0
Leisure Development	1,612,423	1,494,138	1,624,060	0	1,624,060	(11,637)
Health & Wellbeing & Digital Classrooms	528,966	504,769	545,032	25,000	570,032	(41,066)
Rationalisation including ASN & Social Work	1,209,337	845,409	935,790	0	935,790	273,547
Curriculum Development	500,008	421,377	420,043	5,000	425,043	74,965
Sustainable Estate	2,368,025	1,180,208	1,497,474	70,264	1,567,738	800,287
Outdoor Education and Outdoor Spaces	631,824	456,299	529,641	0	529,641	102,183
Future Capital Receipts Investments	831,804	605,514	800,985	0	800,985	30,819
Design Fees	1,279,147	1,575,174	1,706,438	0	1,706,438	(427,291)
1140 Early Learning and Childcare Expansion	299,878	124,923	341,923	0	341,923	(42,045)
Demolitions	741,317	585,268	744,325	0	744,325	(3,008)
<b>TOTAL ASSET &amp; PROCUREMENT SOLUTIONS</b>	<b>27,839,157</b>	<b>21,490,683</b>	<b>26,890,649</b>	<b>198,235</b>	<b>27,088,884</b>	<b>750,273</b>
<b>TOWN AND COMMUNITY HUBS</b>						
Town and Community Hubs	20,923,203	20,565,194	22,660,460	89,233	22,749,693	(1,826,490)
<b>TOTAL TOWN AND COMMUNITY HUBS</b>	<b>20,923,203</b>	<b>20,565,194</b>	<b>22,660,460</b>	<b>89,233</b>	<b>22,749,693</b>	<b>(1,826,490)</b>
<b>COMMUNITY OPERATIONS</b>						
Contaminated Land and Pollution Control	301,752	252,707	266,056	23,944	290,000	11,752
Vehicle Replacement Programme	6,472,931	3,006,995	5,406,458	429,889	5,836,346	636,585
Depot Rationalisation and Investment	5,900,935	4,377,322	5,604,476	-	5,604,476	296,459
HWRC Equipment	269,923	241,532	376,232	-	376,232	(106,309)
Cemeteries/Tree Infrastructure	1,099,994	937,306	1,155,592	-	1,155,592	(55,598)
Road Asset Management including street lighting, road improvements and gateway signage	11,522,578	8,549,532	10,531,224	-	10,531,224	991,354
Greenspace Infrastructure Health & Wellbeing	1,239,719	727,298	1,240,419	4,347	1,244,766	(5,047)
Play Area Equipment and surface renewal	240,485	171,477	171,477	69,008	240,485	0
Bin rationalisation project and replacement	126,955	10,750	10,750	116,205	126,955	0
Replacement of Plant & Machinery	735,531	507,135	646,807	88,309	735,116	415
Parks Masterplans	1,313,833	676,096	897,061	-	897,061	416,772
<b>TOTAL COMMUNITY OPERATIONS</b>	<b>29,224,636</b>	<b>19,458,150</b>	<b>26,306,551</b>	<b>731,702</b>	<b>27,038,253</b>	<b>2,186,383</b>
<b>PLACE</b>						
Economic Regeneration	21,594,471	15,996,435	17,850,205	6,359	17,856,564	3,737,907
City Deal	16,620,277	12,256,845	14,231,876	1,253,522	15,485,398	1,134,879
Enterprise Projects	914,747	651,416	741,623	146,549	888,172	26,575
Infrastructure & Transportation Improvements	11,254,770	8,742,166	10,855,290	239,752	11,095,042	159,728
Antonine Wall Project	30,103	30,103	30,103	-	30,103	0
<b>TOTAL PLANNING &amp; REGENERATION</b>	<b>50,414,368</b>	<b>37,676,965</b>	<b>43,709,098</b>	<b>1,646,182</b>	<b>45,355,280</b>	<b>5,059,089</b>
<b>HOUSING PROPERTY &amp; PROJECTS</b>						
Water Quality / Ventilation	47,187	24,036	24,036	23,151	47,187	0
<b>TOTAL HOUSING PROPERTY &amp; PROJECTS</b>	<b>47,187</b>	<b>24,036</b>	<b>24,036</b>	<b>23,151</b>	<b>47,187</b>	<b>0</b>
<b>TOTAL ENTERPRISE &amp; COMMUNITIES</b>	<b>128,448,551</b>	<b>99,215,028</b>	<b>119,590,794</b>	<b>2,688,503</b>	<b>122,279,297</b>	<b>6,169,255</b>