

# North Lanarkshire Council Report

## Finance and Resources Committee

Does this report require to be approved?  Yes  No

Ref EK/GT/RM

Date 20/11/24

## Capital Programme 2024/25 Monitoring Report

From Elaine Kemp, Chief Officer (Finance)

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### Executive Summary

The purpose of the report is to provide an update on the 2024/25 resources and expenditure for the Council's Strategic Capital Investment Programme. The report shows the 2024/25 projected outturn position and the resultant variances.

It is currently anticipated that the General Fund programme will have a projected programme expenditure variance of £5.923m, primarily due to the ongoing reassessment of vehicle replacement programme requirements, and timing delays within Town and Community Hub programme.

The HRA programme is currently anticipated to outturn on budget.

### Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the provisional outturn financial position of the Council's Strategic Capital Investment Programme as at 13 September 2024.

### The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
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 The Strategic Capital Investment Programme 2024/25 to 2028/29 was approved at Policy and Strategy Committee in March 2024 and represents the total Community Investment Programme incorporating the General Services Capital Programme and HRA Capital Programmes. The programme was developed in conjunction with Services and led by the Strategic Capital Delivery Group (SCDG) using the principles established by the Council's Capital Strategy.
- 1.2 The General Services Capital Programme supported by General Services resources demonstrates to communities that the place making visions for towns remains a priority and that the approved 5-year capital investment plan supports delivery of The Plan for North Lanarkshire. The programme includes additional investment in Town and Community Hubs, the City Deal programme, and external grant funding.
- 1.3 In addition, the Housing Revenue Account (HRA) resources support several HRA Capital Investment Programmes including the Mainstream programme for investment in the Council's existing estate and delivery of the ambition for 5,000 additional supply through the New Build and Council Buy Back programmes.
- 1.4 The 2024/2025 General Services Capital Programme is currently £143.101m with a £111.291m investment programme in relation to the Housing Revenue Account. This reflects the approved budget in March 2024 at Policy and Strategy Committee and subsequent decisions made at the Strategic Capital Delivery Group (SCDG) in accordance with the SCDG terms of reference, and where appropriate either by the individual service committees, Finance and Resources Committee or the Policy and Strategy Committee per the Scheme of Administration. Appendix 1 provides a breakdown of the overall 2024/25 budget by Service Programme and associated approved budget movements.

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## **2. Report**

### **Overall Council Strategic Capital Investment Programme**

- 2.1 The overall Council Strategic Capital Investment programme for 2024/25 and the provisional outturn to 31 March 2025 is summarised in Table 1 as follows:

## Community Capital Investment Programme Summary 2024/25

	Current Programme £000s	Projected Outturn £000s	Outturn Variance £000s
Enterprise & Communities	131,607	125,684	5,923
Chief Executives	9,323	9,323	0
Adult Health & Social Care	2,171	2,171	0
<b>General Services: Total Capital Investment</b>	<b>143,101</b>	<b>137,178</b>	<b>5,923</b>
<b>General Services Resources:</b>			
<b>General Fund</b>			
External Grants & Contributions 2023/24	36,824	36,824	0
External Grants & Contributions b/f 2022/23	7,203	7,203	0
External Grants & Contributions Unapplied	(3,439)	(3,439)	0
Net External Grants & Contributions	40,588	40,588	0
Advanced Developers Contributions	0	1,507	1,507
Capital Receipts	3,250	4,920	1,670
Capital Receipts -Transfer to Capital Fund	0	0	0
CFCR	24,383	24,383	0
<b>General Services: Total Resources</b>	<b>68,221</b>	<b>71,398</b>	<b>3,177</b>
<b>General Services : Borrowing Requirement</b>	<b>74,880</b>	<b>65,780</b>	<b>(9,100)</b>
<b>HRA : Total Capital Investment</b>	<b>111,291</b>	<b>111,291</b>	<b>0</b>
<b>HRA Resources:</b>			
Net External Grants & Contributions	15,452	15,452	0
Capital Receipts	0	8	8
CFCR	20,089	20,089	0
<b>HRA : Total Resources</b>	<b>35,541</b>	<b>35,549</b>	<b>8</b>
<b>HRA : Borrowing Requirement</b>	<b>75,750</b>	<b>75,742</b>	<b>(8)</b>
<b>Summary</b>			
<b>Total Council : Capital Investment</b>	<b>254,392</b>	<b>248,469</b>	<b>5,923</b>
<b>Total Council : Resources</b>	<b>103,762</b>	<b>106,947</b>	<b>3,185</b>
<b>Total Council : Borrowing Requirement</b>	<b>150,630</b>	<b>141,522</b>	<b>(9,108)</b>

2.2 On a budgeted programme of £254.392m expenditure is anticipated to be £5.923m lower than current programme at this stage of the financial year. Further financial performance information regarding each of the programmes is discussed in section 2.3 and 2.16 below.

### General Services Capital Programme and Projected Outturn by Service/ Programme

2.3 The forecast financial performance of the overall General Services Investment programme at 31 March 2025 is detailed in Appendix 2 and summarised below.

## General Services Total Resources

- 2.4 The revised programme approved by the SCDG is £143.101m with total resources available to meet the current programme forecast to be £68.221m, resulting in a borrowing requirement of £74.880m.
- 2.5 In 2024/25 net external grants and contributions of £40.588m will be utilised. This capital resource primarily includes the Scottish Government (SG) General Capital Grant receivable of £22.270m and other specific SG Grants including City Deal (£3.289m), Vacant and Derelict Land Fund (VDLF, £1.231m), Live Labs II (LLII £1.369m), Traffic Signals and Road Safety Fund (TSRS, £2.434m) and Shared Prosperity Fund (SPF £1.406m). It also includes contributions from other sources such as Salix (£2.345m) and developer contributions of £4.483m. In addition, capital grants received in 2023/24 have been added to the programme to match expenditure in 2024/25 including £1.418m for VDLF, £1.841m for PBIP, £1.875m for Regeneration Capital Grant Fund, £1.477m for Live Labs II and £0.231m for Community Bus Fund. This has been offset by £3.439m of external grant and contributions for Live Labs II (LLII £1.864m), VDLF (£1.549m) and the Scottish Wildlife Trust (£0.026m) which will not be applied in 2024/25 for projects which will not now be completed until 2025/26.
- 2.6 Receipts from the sale of assets are currently projected to be £4.920m, which is £1.670m greater than the budget of £3.250m. These receipts will continue to be closely monitored throughout the financial year.
- 2.7 While the approved 5-year capital programme has assumed phasing of known utilisation of developer contributions, the accelerated timing of drawdown of these contributions of an additional £1.507m during 2024/25 to match in-year expenditure reduces the borrowing requirement for 2024/25 and will instead be required in 2025/26 financial year.

## General Services Total Expenditure

- 2.8 As indicated in Table 1 the General Services investment programme is £143.101m. At Period 6, the provisional outturn spend is £5.923m lower than current programme. Further analysis by service/programme is outlined below and summarised within Appendix 2.
- 2.9 **Enterprise and Communities** is projecting outturn expenditure of £125.684m, which is a £5.923m variance from current programme. Within the Community Operations theme, the ongoing assessment of the Council's vehicle requirements has resulted in a positive in-year variance in the vehicle replacement programme of £3.227m. In addition, a delay in commencing the new Roads and Infrastructure contract has resulted in a positive variance of £1.000m for the LED Infrastructure project. Discussions with the new provider Hochtief to establish the delivery timescales will be undertaken.
- 2.10 Within the Town and Community Hub theme, in-year expenditure on the St Kevin's Community Hub project is now expected to result in a variance of £4.414m due to the requirement for additional pollution control testing and mitigation. These issues have now been resolved, financial close has been signed off and works have now commenced on the project.

- 2.11 These are partially offset by cost increases within Assets and Procurement, where works have been accelerated within the Office Reconfiguration theme of £0.814m to support the needs of Services.
- 2.12 Within Maintaining Existing Assets a programme variance of £0.978m is projected, primarily due to an emerging issue within the Time Capsule for the water sports facility and lifts within the venue, has resulted in forecast additional costs of £0.859m this financial year. The Service are working with tender returns to decide on the package of works required and timing for these works with a virement to be requested to resolve the funding for these works. Within this theme, there have also been cost increases experienced on a major rewire project mainly linked to additional asbestos removal works of £0.819m but these have been offset by underspends on roofing works and delaying of another rewire project, roofing and toilet works into next financial year.
- 2.13 Additional unforeseen drainage works for two modular accommodation projects within Sustainable Estate theme and completion of the Heathery Park nursery project within the 1140 Early Learning and Childcare Expansion theme have resulted in cost increases of £0.223m and £0.300m respectively. It is also anticipated that it will now be possible to accelerate demolition works resulting in an in-year variance of £0.469m. These increased budget requirements will be managed by the Service within their overall 5-year budget allocation. Committed expenditure of £85.035m is currently reported, which represents 67.66% of the targeted expenditure, and actual expenditure is £35.489m which represents 28.24% of targeted expenditure.
- 2.14 **Chief Executives** is projecting outturn expenditure of £9.323m, which is on budget. Committed expenditure of £4.250m is currently reported, which represents 45.59% of the targeted expenditure. Actual expenditure is £2.185m, which is 23.44% of targeted expenditure.
- 2.15 **Adult Health & Social Care** is projecting outturn expenditure of £2.171m, which is on budget. Committed expenditure of £0.783m is currently reported, which represents 36.07% of the targeted expenditure, and actual expenditure is £0.624m which is 28.74% of targeted expenditure.

### HRA Capital Investment

- 2.16 The financial performance of the HRA Capital Programme is reported in detail to the Housing Committee. A summary of performance as at 13 September 2024 is provided at Appendix 3. Total expenditure of £111.291m is forecast for 2024/25 which is on budget.
- 2.17 Committed expenditure of £100.252m is currently reported, which represents 90.08% of the targeted expenditure, and actual expenditure is £38.555m which is 34.6% of targeted expenditure.

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### 3. Measures of success

- 3.1 N/A

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### 4. Supporting documentation

- 4.1 Appendix 1: Strategic Capital Investment Programme 2024/25 budget movements  
Appendix 2: General Services Capital Investment Programme Summary 2024/25

Appendix 3: HRA Capital Investment Programme Summary 2024/25



**Elaine Kemp**  
**Chief Officer (Finance)**

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## 5. Impacts

<p><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?</p> <p>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"/></p>
<p><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?</p> <p>The financial impact is outlined within the report.</p>
<p><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?</p>
<p><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?</p>
<p><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"/></p>

<p><b>5.6</b></p>	<p><b>Technology / Digital impact</b>  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 <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p> <p>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 <input type="checkbox"/> No <input type="checkbox"/></p>
<p><b>5.7</b></p>	<p><b>Environmental / Carbon impact</b>  Does the report / project / practice contain information that has an impact on any environmental or carbon matters?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p>
<p><b>5.8</b></p>	<p><b>Communications impact</b>  Does the report contain any information that has an impact on the council's communications activities?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p>
<p><b>5.9</b></p>	<p><b>Risk impact</b>  Is there a risk impact?  Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>  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?</p> <p>Despite the updated programme approved at Policy and Strategy Committee in March 2024 the capital programme continues to face challenges in relation to the wider economic climate, linked to availability of materials, contractors and inflationary pressures. These are currently being managed by services and Project Boards associated with specific programme delivery and will continue to be monitored throughout the year in accordance with the SCDG Terms of Reference</p>
<p><b>5.10</b></p>	<p><b>Armed Forces Covenant Duty</b>  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 <input type="checkbox"/> No <input checked="" type="checkbox"/>  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.</p>



**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

**2024/25 Strategic Capital Investment Programme – budget movements**

**Appendix 1**

	Enterprise & Communities	Chief Executives	Adult Health & Social Care	Corporate	Total General Services Investment Programme	Total HRA Investment Programme	Total Community Investment Programme
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
24/25 Opening programme approved Policy & Strategy Committee 1 March '24	99,161	5,589	2,200	450	<b>107,400</b>	115,291	<b>222,691</b>
23/24 Overs/Unders Carry Forward	15,802	4,506	(29)	(37)	<b>20,242</b>	0	<b>20,242</b>
24/25 Budget adjustments approved by SCDG	872	0	0	(872)	<b>0</b>	0	<b>0</b>
Increase/(Decrease) in Externally Funded Projects	18,789	1,031	0	0	<b>19,820</b>	0	<b>19,820</b>
Increase/(Decrease) in CFR	3,010	0	0	0	<b>3,010</b>	0	<b>3,010</b>
24/25 Re-profiling of projects to future years approved by SCDG	(6,027)	(1,803)	0	459	<b>(7,371)</b>	(4,000)	<b>(11,371)</b>
<b>Revised Capital Programme 2024/25</b>	<b>131,607</b>	<b>9,323</b>	<b>2,171</b>	<b>0</b>	<b>143,101</b>	<b>111,291</b>	<b>254,392</b>

General Services Capital Investment Programme Summary 2024/25 - as at 31 March 2025

Appendix 2

Investment	Current Programme 2024/25 £000s	Projected Outturn 2024/25 £000s	Outturn Variance 2024/25 £000s	Committed Expenditure @ P6 £000s	Committed Expenditure % of Projected Outturn	Actual Expenditure @ P6 £000s	Actual Expenditure % of Projected Outturn
Enterprise & Communities	131,607	125,684	5,923	85,035	67.66%	35,489	28.24%
Chief Executives	9,323	9,323	0	4,250	45.59%	2,185	23.44%
Adult Health & Social Care	2,171	2,171	0	783	36.07%	624	28.74%
<b>Total General Services Investment</b>	<b>143,101</b>	<b>137,178</b>	<b>5,923</b>	<b>90,068</b>	<b>65.66%</b>	<b>38,298</b>	<b>27.92%</b>

<b>General Services Resources;</b>			
External Grants & Contributions 2024/25	36,824	36,824	0
External Grants & Contributions b/f 2023/24	7,203	7,203	0
External Grants & Contributions Unapplied cfwd to 2025/26	(3,439)	(3,439)	0
Net External Grants & Contributions	40,588	40,588	0
Advanced Developers Contributions	0	1,507	1,507
CFCR	24,383	24,383	0
Capital Receipts	3,250	4,920	1,670
<b>Total Resources</b>	<b>68,221</b>	<b>71,398</b>	<b>3,177</b>
<i>Borrowing Requirement:</i>			
General Services	74,880	65,780	(9,100)
<b>Total General Services Borrowing Requirement</b>	<b>74,880</b>	<b>65,780</b>	<b>(9,100)</b>
<b>Total Resources incl Borrowing Requirement</b>	<b>143,101</b>	<b>137,178</b>	<b>(5,923)</b>

HRA Capital Investment Programme Summary 2024/25 - as at 31 March 2025

Appendix 3

Investment	Current Programme 2024/25 £000s	Projected Outturn 2024/25 £000s	Outturn Variance 2024/25 £000s	Committed Expenditure @ P6 £000s	Committed Expenditure % of Projected Outturn	Actual Expenditure @ P6 £000s	Actual Expenditure % of Projected Outturn
Mainstream Programme	63,114	63,114	0	57,780	91.55%	21,519	34.1%
New Build Programme	35,541	35,541	0	35,541	100.00%	13,676	38.5%
Council Buy Back Scheme	12,636	12,636	0	6,931	54.85%	3,360	26.6%
<b>Total HRA Investment</b>	<b>111,291</b>	<b>111,291</b>	<b>0</b>	<b>100,252</b>	<b>90.08%</b>	<b>38,555</b>	<b>34.6%</b>

<b>HRA Capital Resources;</b>			
External Grants & Contributions	15,452	15,452	0
External Grants & Contributions Unapplied	0	0	0
Net External Grants & Contributions	15,452	15,452	0
CFCR	20,089	20,089	0
Capital Receipts	0	8	8
<b>Total Resources</b>	<b>35,541</b>	<b>35,549</b>	<b>8</b>
<i>Borrowing Requirement:</i>			
HRA - Mainstream	47,695	47,687	(8)
HRA - New Build	19,925	19,925	0
HRA - Buyback Scheme	8,130	8,130	0
<b>Total Borrowing Requirement</b>	<b>75,750</b>	<b>75,742</b>	<b>(8)</b>
<b>Total Resources incl Borrowing Requirement</b>	<b>111,291</b>	<b>111,291</b>	<b>0</b>