

General Services Capital Plan 2013/14 Quarter 1 Monitoring**Report by Gary Fairley, Head of Finance and Human Resources****1 Purpose of Report**

The purpose of this report is to provide Council with information on the projected performance against budget for 2013/14.

2 Background**2.1 Expenditure**

The 2013/14 General Services Capital Plan was approved on 26th June 2013, giving a budget of £35.993 million.

Expenditure to date is £5.636 million and at this stage it is anticipated that the budgets for the projects detailed in appendix 1 will be fully spent in the current year with the following exceptions:

- Following the re-prioritisation of IT projects, budgets totalling £0.238 million will require to be re-profiled to 2014/15;
- Given the level of commitments and the project lead in times, it is estimated that the Members Environmental Improvements will incur £0.400 million in the current year, with the balance of £0.348 million being re-profiled to 2014/15;
- The budget of £0.424 million for the Gorebridge Community Hub project will be removed from the Capital plan and will be grant funded from the General Fund revenue account. These works are planned to be carried out by the Gorebridge Community Trust;
- A number of projects including Jarnac Court Regeneration, Bonnyrigg Town Centre Environmental Improvements and Beeslack Window Replacement are all now complete with underspends totalling £0.384 million;
- The project to upgrade Stobhill Depot is still on hold pending ongoing discussions on Council assets;
- The anticipated outturn in 2013/14 for the new Bilston and Gorebridge North primary schools is £0.500 million, the remaining budgets require to be re-profiled to 2014/15 to reflect a more accurate build rate;
- The assistive technology outturn is estimated as £0.150 million for the 2013/14, and the carry forward from 2012/13 that was included in the budget will be removed;
- It is anticipated that the Property Services Review Phase 2 will not begin until 2014/15, therefore the budget of £0.043 million will be re-profiled to reflect this;
- Other minor variances totalling £0.042 million.

Overall it is anticipated that 2013/14 expenditure will be £25.006 million.

2.2 Funding

The funding available is estimated to be £8.761 million, with £2.136 million received to date, as shown in appendix 2.

The receipts from sales includes the full sale price for the land at Mauricewood and the developer contributions have been re-profiled to reflect the revised expenditure for Bilston and Gorebridge North primary schools.

2.3 Borrowing

To fund the investment it will be necessary to borrow £16.245 million, which is £9.375 million less than planned. The impact on the Council's borrowing costs will be reflected in the Financial Monitoring report elsewhere on today's agenda.

3 Report Implications

3.1 Resource

There are no direct resource implications as a result of this report.

3.2 Risk

The inherent risk in the Capital Plan is that projects will cost more than estimated thus resulting in additional borrowing. The monitoring procedures ensure that significant variations are reported at an early stage so that remedial action can be taken to mitigate this risk.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

3.4 Impact on Performance and Outcomes

There are no issues arising directly from this report.

3.5 Adopting a Preventative Approach

There are no issues arising directly from this report

3.6 Involving Communities and Other Stakeholders

No external consultation has taken place on this report.

3.7 Ensuring Equalities

There are no equalities issues arising directly from this report.

3.8 Supporting Sustainable Development

There are no sustainability issues arising directly from this report.

3.9 IT Issues

There are no IT implications arising from this report

4 Recommendations

Council is asked to note the General Services monitoring position for 2013/14.

Date 5th September 2013

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Background Papers:

Appendix 1 – GSCP 2013/14 Quarter 1 Monitoring - Approved Projects

Appendix 2 – GSCP 2013/14 Quarter 1 Monitoring