

FC17. Capital Programmes Update Report

Council considered a report by the Director of Corporate and Housing Services which provided an update on review work undertaken on the Capital Programme. It also linked the programme into some of the major strands of work being undertaken by the Council and provided an update on the projected spend for 2020/21.

The 2020/21 Capital Programmes for General Fund and Housing had been seriously impacted by the Covid-19 pandemic. At the time, the forecast spend for 2020/21 for the General Fund was £51.6m and for the Housing Capital Programme was £31.7m. However, these figures would undoubtedly change as the year progressed. An underspend in the Roads Programme in 2020/21 provided an opportunity to consider that investment in the context of the revised priorities and gave scope to redirect £2m of the underspend to Digital Strategy initiatives. The Council had an ambitious programme of transformation and recovery with a number of significant, high value projects under development. This would impact on the capital budget which, in respect of borrowing, would flow through to the revenue budget. As more details were known of the various projects underway, the revenue implications would be modelled. These projects would require to be integrated into the Capital Programme process and timeline.

Council agreed a review focussed on the capital grant information for years 2 and 3 of the General Services capital programme which was expected to be announced in June 2020. Due to the pandemic information on the capital grant for future years had not been provided at this time. The review required by Council was to include an update on the Connected Falkirk project. This project was accelerated by the Emergency Executive in June 2020 which approved the re-profiling of the capital investment.

The 2020/21 capital programme included investment of £3.8m for investment in roads. This had been supplemented with £0.4m carried forward from a 2019/20 underspend. It was estimated that £2.7m of the £11.2m provisional budget would not be spent in 2020/21. It was proposed to allocate £2m of the Roads Programme underspend to the Digital Strategy investment.

The Covid Pandemic had changed the way the Council operated, influenced the Council's priorities and in turn may influence how the resources were directed. The Digital Strategy highlighted two projects where capital investment was required in 2020/21:-

- Anytime, Anywhere - £1m, and
- AI/Automation – £1m.

Councillor Meiklejohn, seconded by Councillor Bouse, moved that Council:-

- (1) notes the projected 2020/21 position for both General Services and the HRA;
- (2) agrees that £2m of the underspend forecast on the Roads Programme is reallocated to digital investment to facilitate the Covid driven operational imperatives reflected in the digital initiatives, and

- (3) notes that the roll forward of the draft Capital Programme has commenced and reports will be presented to Members in due course.

As an amendment, Councillor Bissett, seconded by Councillor Nimmo, moved that Council:-

- (1) notes the projected 2020/21 position for both General Services and the HRA;
- (2) agrees to retain the full £7m for the roads programme as our roads infrastructure is vital and the improvement has already been noted by our communities;
- (3) agrees to allocate £2m to digital investment and reprofile spend to this value on other projects within the programme, to be identified when the capital programme is next considered at the budget meeting, and
- (4) notes that the roll forward of the draft Capital Programme has commenced and reports will be presented to Members in due course.

Council adjourned at 2.25pm and reconvened at 2.40pm with all members present as per the sederunt. Council then adjourned at 11.35am and reconvened at 11.45am with all members present as per the sederunt.

Councillor Meiklejohn, as the mover of the motion, with the consent of the Provost and Councillor Bouse, as her seconder, agreed to incorporate the terms of the amendment into the motion. The amendment accordingly fell.

Decision

Council:-

- (1) noted the projected 2020/21 position for both General Services and the HRA;**
- (2) agreed to retain the full £7m for the roads programme as our roads infrastructure was vital and the improvement had already been noted by our communities;**
- (3) agreed to allocate £2m to digital investment and reprofile spend to this value on other projects within the programme, to be identified when the capital programme was next considered at the budget meeting, and**
- (4) noted that the roll forward of the draft Capital Programme had commenced and reports would be presented to Members in due course.**